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JUN 24 2019

June 24, 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**VIA UPS OVERNIGHT DELIEVERY**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

**Re: Joint Universal Service and Energy Conservation Plan of Metropolitan Edison Company, Pennsylvania Electric Company Pennsylvania Power Company, and West Penn Power Company for 2019-2021; Docket Nos. M-2017-2636969, M-2017-2636973, M-2017-2636976, and M-2017-2636978**

Dear Secretary Chiavetta:

Consistent with the Pennsylvania Public Utility Commission's Order dated May 23, 2019, Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), Pennsylvania Power Company ("Penn Power"), and West Penn Power Company ("West Penn") (collectively, the "Companies") hereby submit a revised Joint Universal Service and Energy Conservation Plan for plan years 2019 through 2021. Please date stamp and return the enclosed copy to indicate receipt of the filing.

Please contact me if you have any questions regarding this matter.

Very truly yours,



Teresa Harrold

Enclosures

c: As Per Certificate of Service  
Jennifer Johnson, Bureau of Consumer Services (jennifjohn@pa.gov)  
Joseph Magee, Bureau of Consumer Services (jmagee@pa.gov)  
Louise Fink Smith, Law Bureau (finksmith@pa.gov)



**Human Services**

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JUN 24 2019

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Amended Joint Universal Service &  
Energy Conservation Plan**

**Program Years 2019, 2020, and 2021**

**Metropolitan Edison Company  
Pennsylvania Electric Company  
Pennsylvania Power Company  
West Penn Power Company**



**June 24, 2019**

# Contents

INTRODUCTION .....	2
CARES .....	4
DOLLAR ENERGY FUND .....	5
GATEKEEPER PROGRAM .....	8
PCAP .....	9
WARM PROGRAM .....	19
SUMMARY OF PROPOSED PROGRAM ADDITIONS AND MODIFICATIONS .....	29
APPLIED TECHNOLOGIES IN SUPPORT OF UNIVERSAL SERVICE PROGRAMS .....	31
UNIVERSAL SERVICE ELIGIBILITY CRITERIA .....	32
UNIVERSAL SERVICE NEEDS ASSESSMENTS .....	33
UNIVERSAL SERVICE PARTICIPANT AND BUDGET PROJECTIONS .....	37
CONCLUSION .....	41
COMPANY CONTACTS .....	42
COMMUNITY-BASED ORGANIZATIONS - ATTACHMENT A .....	43

## Introduction

Metropolitan Edison Company's ("Met-Ed") Pennsylvania Electric Company's ("Penelec"), Pennsylvania Power Company's ("Penn Power"), and West Penn Power Company's ("West Penn") Joint 2019 - 2021 Universal Service and Energy Conservation Plan ("USECP") is provided to the Pennsylvania Public Utility Commission ("Commission") in accordance with Universal Service and Energy Conservation Reporting Requirements at 52 Pa. Code §§ 54.71-54.78.

The Companies are committed to providing customer-focused, quality-driven, results-oriented Universal Service and Energy Conservation Programs<sup>1</sup> in a cost-effective and holistic manner.

The goals of the Company's Universal Service and Energy Conservation Programs are to:

- Protect consumers' health and safety by helping low-income customers maintain affordable utility service;
- Provide for affordable utility service by making available payment assistance to low-income customers;
- Help low-income customers conserve energy and reduce residential utility bills; and
- Ensure Universal Service and Energy Conservation Programs are operated in a cost-effective and efficient manner.

Beginning in 2017, the Companies established a Universal Service Advisory Committee ("USAC") comprising representatives from the Companies, the Pennsylvania Office of Consumer Advocate ("OCA"), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Commission's Bureau of Investigation and Enforcement ("BI&E"), the Commission's Bureau of Consumer Service ("BCS") and the organizations that administer the Companies' USECP, which holds meetings at least twice a year with respect to the Companies' USECP programs.<sup>2</sup> The USAC's purpose is to explore opportunities for enhancements to the Companies' USECP programs, as well as opportunities for outreach and education, language access, notification to low-income customers regarding topics of interest, including security deposit waivers and bill clarity. At the Companies' sole discretion, process or program changes raised through the USAC may be filed for approval at the Commission as proposed revisions to the Companies' USECP on a case-by-case basis.

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<sup>1</sup> As defined in Section 2803 of the Electricity Generation Customer Choice and Competition Act, 66 Pa. C.S. § 2803, "universal service and energy conservation" refers to those "policies, protections and services that help low-income customers to maintain electric service. The term includes customer assistance programs, termination of service protection and policies and services that help low-income customers to reduce or manage energy consumption in a cost-effective manner, such as the low-income usage reduction programs, application of renewable resources and consumer education."

<sup>2</sup> The USAC was a product on the Companies' 2016 base rate cases. *Pa. Pub. Util. Comm'n v. Met-Ed*, Docket No. R-2016-2537349; *Pa. Pub. Util. Comm'n v. Penelec*, Docket No. R-2016-2537352; *Pa. Pub. Util. Comm'n v. Penn Power*, Docket No. R-2016-2537355; and *Pa. Pub. Util. Comm'n v. West Penn*, Docket No. R-2016-2537359 (Opinion and Order entered Jan. 19, 2017).

Additionally, the Companies meet with a WARM advisory panel to further explore opportunities to achieve the energy conservation program goals. The members of the panel are as follows:

WARM Advisory Panel Members - Statewide

ACTION-Housing	Pittsburgh
C. Driscoll Positive Energy Consulting	Connellsville
Center for Community Action	Everett
CLEARresult	Lancaster
Community Action Committee of the Lehigh Valley	Bethlehem
Healthy Home Construction	Mercer
Northwest PA Weatherization	Meadville
Performance Systems Development	Ithaca, NY
Pure Energy Coach, LLC.	Lancaster
Solaire Energy, Inc.	Canton
South Central Community Action Programs	Gettysburg

Consumer Group Representation

Pennsylvania Utility Law Project  
Community Legal Services of Philadelphia  
Office of Consumer Advocate

Regulatory Representation

Bureau of Consumer Services

The Companies will continue to work with eligible customers in establishing affordable payment agreements that maintain electric service and move them toward self-sufficiency in paying their electric bill. For all of the Companies' USECPs, the Pennsylvania Customer Assistance Program ("PCAP"), the Hardship Fund, also known as the Dollar Energy Fund for the Companies, Customer Assistance and Referral Evaluation Services ("CARES") and the Pennsylvania Low-Income Usage Reduction Program ("LIURP"), also known as the Companies' WARM program, the Companies participate in educational seminars via Be Utility Wise conferences, senior fairs, hardship fundraisers, and personalized meetings with community-based organizations ("CBOs"). Customer outreach is completed via brochures, customer letters, outbound calls, bill inserts, social media, and contact center inquiries when a customer is identified as low-income during a move-in or collections phone call. The USECP programs are also highlighted on the Companies' external website.

Retail shopping will not preclude participation in USECP programs or limit the protections afforded to residential customers pursuant to the provisions of 52 Pa. Code § 56.1, *et seq.*, and 66 Pa.C.S. § 1401, *et seq.* (Responsible Utility Customer Protection Act).

All costs associated with the USECP are funded through the Companies' Universal Service Cost Riders.

This plan describes the Companies' portfolio of USECP programs for program years 2019, 2020 and 2021. The Companies reserve their right to file for an extension of the implementation timelines if necessary.

# **CARES**

## **A. Overview and Objectives**

The CARES program provides assistance on a short-term basis to payment-troubled residential customers. Based upon the circumstances of each customer, the Companies' CARES representatives make referrals to social service agencies and provide information on appropriate Company and/or external programs. Many CARES referrals are subsequently enrolled into PCAP.

CARES supports community outreach events, such as the annual Be Utility Wise events sponsored by the Commission, annual hardship fund fundraisers, and senior fairs.

## **B. Eligibility**

Any customer experiencing a recent hardship such as:

- Serious illness or injury to a member of a household,
- Death of a wage earner,
- Marital or family problems,
- Handicapped or disabled person,
- Sudden loss of income to the household, or
- Any customer 60 years of age or over requiring special assistance.

## **C. Tracking**

When tracking CARES referrals, the Companies document basic account information and the actions taken in response to the customers' situations.

## **D. CARES Organizational Structure**

A portion of the following employees' time supports this program:

Manager Revenue Operations Vendor Services  
Supervisor – Human Services-Universal Service  
Business Analyst (7) – Various Levels

Due to periodic staffing level changes because of promotions, retirements, or new employees, the designation for the level of the positions is excluded.

# Dollar Energy Fund

## A. Overview and Objectives

The Dollar Energy Fund ("Fund") is an emergency hardship fund designed to help residential customers who have suffered a recent financial hardship and need temporary help in paying their electric bill. The bulk of program funding is provided by contributions from FirstEnergy stockholders, the Companies' employees and customers, and the Dollar Energy Fund. The application for funds is processed by the Dollar Energy Fund.

## B. Dates of Operation

The Fund accepts applications in accordance with pre-established account status guidelines, or as long as funds remain available. Program dates are as follows:

Period	Account Status
October 1 – November 30	Service Terminated or Pending Termination
December 1 – January 31	Service Terminated
February 1 – February 28	Service Terminated or Pending Termination
March 1 – September 30	Open to All Non-PCAP Customers; PCAP customers with Pending Termination or Service Terminated are also eligible.  As the availability of funds reduces during this period, account status is subject to change until the program is closed based on priority: Service Terminated or Pending Termination; Service Terminated; Closed

## C. Maximum Grant Amount

One maximum grant of \$500 may be awarded to a customer during a program year.

## D. Contacts and Administering Agencies

The Companies' contact person is:

Leonard Howell, FirstEnergy Corp., 5001 Nasa Blvd, Fairmont, WV 26554  
Telephone: 681-753-5518; Email: lhowell@firstenergycorp.com

The Dollar Energy Fund contact person is:

Chad Quinn, Executive Director, The Dollar Energy Fund, Inc.,  
P. O. Box 42329, Pittsburgh, PA 15203-0329  
Telephone: 412-390-3863; Email: cquinn@dollarenergy.org

## **E. Eligibility Guidelines**

- Residential single home or apartment
- Residency exception will be made for ratepayers assigned to active military duty.
- Name on account must be an adult resident.
- Total household income (gross) must be at or below 250% of the Federal Poverty Income Guidelines ("FPIG") (exceptions will be made based on circumstances).
- Must have paid a minimum of \$150 on their account within the past 90 days (minimum of \$100 if age 62 and over).
- Account balance must be at least \$100 (senior citizens age 62 and over may have a \$0 balance, but not a credit balance). Must provide income information.
- Hardship grant amount, alone or in combination with other funding sources, must be enough to end the termination process or restore service.

**Note:** Before receiving this grant, customers must first apply for the Pennsylvania Low-Income Home Energy Assistance Program ("LIHEAP") through the Pennsylvania Department of Human Services, when available, and must first participate in PCAP, when eligible. Additionally, the Companies' reserve the right to exclude PCAP-eligible customers from receiving a grant, depending on funding levels for the program. Exceptions to the eligibility guidelines will be made based on a case-by-case basis.

## **F. Dollar Energy Fund Organizational Structure**

A portion of the following employees' time supports this program.

### **Manager Revenue Operations Vendor Services**

Administrative Assistant

Supervisor – Human Services-Universal Service

Business Analyst (2) – Various Levels

Customer Accounting Associate (2) – Various Levels

Due to periodic staffing level changes because of promotions, retirements, or new employees, the designation for the level of the positions is excluded.



**G. Needs Assessments for Hardship Fund:**

<b>Met-Ed Hardship Needs Assessment</b>		
<b>FPIG</b>	<b>2015</b>	<b>2016</b>
201% – 250%	4,702	4,364
151% - 200%	7,447	6,837
< 150%	32,609	30,092
<b>Total</b>	<b>44,758</b>	<b>41,293</b>

<b>Penelec Hardship Needs Assessment</b>		
<b>FPIG</b>	<b>2015</b>	<b>2016</b>
201% – 250%	4,282	4,159
151% - 200%	7,662	7,488
< 150%	38,304	37,835
<b>Total</b>	<b>50,248</b>	<b>49,482</b>

<b>Penn Power Hardship Needs Assessment</b>		
<b>FPIG</b>	<b>2015</b>	<b>2016</b>
201% – 250%	1,154	1,158
151% - 200%	1,836	1,816
< 150%	8,956	8,478
<b>Total</b>	<b>11,946</b>	<b>11,452</b>

<b>West Penn Power Hardship Needs Assessment</b>		
<b>FPIG</b>	<b>2015</b>	<b>2016</b>
201% – 250%	4,594	4,974
151% - 200%	7,487	8,529
< 150%	23,705	38,459
<b>Total</b>	<b>35,786</b>	<b>51,962</b>

# **Gatekeeper Program**

## **A. Overview and Objectives**

Gatekeeper is a program designed to recruit Company field personnel to recognize and report customers who may be in "distress" (as described in Section "B" below).

## **B. Eligibility Guidelines**

Situations include, but are not limited to, the following:

- Communication – A person who appears confused or disoriented.
- Economic Condition – Someone expresses difficulty with paying bills.
- Social Condition – Older persons living alone or socially isolated.
- Physical Limitations – Severe difficulty seeing, speaking, hearing, or moving about.
- Condition of Home – In need of repair, neglected yard, accumulation of newspapers, offensive odors, or unattended pets.

## **C. Gatekeeper Organizational Structure**

A portion of the following employees' time supports this program.

Manager – Compliance and Human Services  
Supervisor – Human Services-Universal Service  
Business Analyst (5) – Various Levels

Due to periodic staffing level changes because of promotions, retirements, or new employees, the designation for the level of the positions is excluded.

# PCAP

## A. Overview and Objectives

PCAP helps residential customers maintain electric service and eliminate past-due balances. PCAP offers a reduced bill to customers, based on a percentage of income payment plan ("PIPP") and debt forgiveness. The objectives of PCAP are to:

- Improve a customer's payment ability and consistency;
- Reduce a customer's consumption of electricity; and
- Eliminate debt.

## B. Eligibility Requirements

- Total gross household income is at or below 150% of FPIG.
- The account is an active residential account.
- Customers must be eligible for subsidy credits and/or forgiveness credits to participate.
  - To qualify for subsidy credits, the total energy burden (most recent twelve months) must be greater than three percent (non-electric heat) or nine percent (electric heat) of total gross household income.
  - To qualify for debt forgiveness credits, the customer must have an account balance at initial enrollment. At re-enrollment, only the customer's remaining unpaid pre-program arrearage is subject to forgiveness credits.
- Applicant/ratepayer must reside at the service address (primary residence). Residency exception will be made for ratepayers assigned to active military duty.
- If eligible, the customer must agree to apply for the LIHEAP program. Applicants will be informed of this obligation at the time of enrollment and recertification.
- If eligible, the customer must agree to participate in the WARM program.
- The customer must agree to participate in the Equal Payment Plan.

Participants may only have one residential account (primary residence) on PCAP at any given time. Multiple account exceptions will be made for ratepayers living at a premise with multiple electric meters when they are occupying the entire premises or when ratepayers move from one service location to another and have temporary concurrent service – one month maximum.

When a PCAP applicant or participant reports zero income, the Companies require households reporting zero income to complete a no-income form. The form requires the household to report how long the household has been living without income and to explain how certain household expenses are met to identify countable income. Applicants identified as zero income are required to recertify for PCAP after six months.

### **C. Intake Processes**

Customers may call Dollar Energy Fund, Inc. at 888-282-6816 to apply by phone or complete an online application.<sup>3</sup> The administrator can educate and assist the customer with referrals to other programs, such as provide a LIHEAP application during the program period, make referrals to WARM, and screen for a Dollar Energy Fund grant.

While most applications may be processed by phone, the Companies reserve the right to request an in-office appointment. Dollar Energy Fund maintains contracts with other CBOs where customers can be directed to complete the application process on an as-needed basis. During the initial call, the customer will be advised to provide required income documentation. The documentation may be submitted by fax, mail, or online if an online application is submitted.

The completed records are downloaded to the Companies' host SAP system each business day in a single batch process. Upon successful completion of enrollment, the customer is notified by letter. After the initial billing of a new enrollment, outbound call attempts will be made to the customer to review the benefits of the program and the bill.

During this plan period, the Companies will be evaluating our intake system and processes for enhancement or replacement to provide improvements to the application process and/or submission of income documentation for customers.

### **D. Bill Subsidy Credits Calculation and Payment Requirements**

PCAP participants will pay the difference between their monthly bill and their monthly PCAP bill subsidy credit, which will be applied at the time of billing, including at final billing. The monthly bill will be an Equal Payment Plan amount based on the total annual charges over the most recent 12 months billing history divided by 12 to determine the monthly average. The total annual charges are determined by the available bill history for the last 12 bills or estimated usage if sufficient history is not available. The Equal Payment Plan amount is recalculated every three months to determine if the monthly amount should adjust based on the most recent twelve-month usage history.

Examples of Equal Payment Plan Calculation:

Sum of actual charges from last 12 invoices is \$1,200.

$\$1,200 / 12 = \$100$  EPP Amount

Sum of actual charges from last 4 invoices is \$500.

Sum of estimated invoices for 8 months is \$640.

$\$1,140 / 12 = \$95.00$  EPP Amount

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<sup>3</sup> Per the Order issued May 23, 2019, FirstEnergy shall implement an online application platform for CAP that allows for electronic submission of the CAP application and documentation no later than December 1, 2020. Dollar Energy Fund, as the PCAP administrator, is currently testing an online application called MyApp and is preparing for full deployment for PCAP in 2019. The Companies will promptly promote the customers' ability to submit income documentation electronically via an online application upon availability.

PCAP participants must remain in the Company's standard residential billing cycle (twenty-day due date) for bill subsidy credits to be awarded by the host computer system.

The monthly PCAP bill subsidy credit will be determined based on total gross household income, primary heat source and energy burden (based on the total of the previous twelve months' bills).

PCAP bill subsidy credits will be recalculated monthly to allow for participants' most recent twelve-month energy burden history to be reflected in monthly bill subsidy credits. The monthly credit calculation is not diminished by the amount of a subsidy credit that is applied for the Equal Payment Plan annual true-up.

For customers enrolled with less than twelve months of their own usage history at the location, the total subsidy credits provided during the preceding year are compared to the current PCAP credit amount multiplied by twelve during the fourth quarter PCAP credit recalculation. Additional credit, up to the allowed maximum, is applied to the account when the credits received were less than the calculated credit at the fourth quarter.

Example of Subsidy Credit True Up:

Electric Heat – Subsidy Maximum \$2,670

Non-Electric Heat – Subsidy Maximum \$1,090

Monthly PCAP credit in 12 <sup>th</sup> month:	\$ 100
Multiply by 12 for the estimated annual credit	\$1,200
Total subsidy credits received in past 12 months	\$ 820
Subtract the actual credit amount from the estimated	\$1,200 - \$820 = \$380

- If electric heat, customer would receive an additional credit of \$380.
- If non-electric heat, customer would receive an additional credit of \$270 based on the maximum allowed.

Note: For this example, subsidy maximums were shown for Met Ed.

Customers on the Equal Payment Plan experience a true-up bill after twelve months, also known as the anniversary month. A subsidy credit will be applied equal to a debit true-up amount. When customers receive credits greater than the maximum bill subsidy credit, the account will be reviewed to determine if the account can be identified as exempt from the consumption limits. Under 52 Pa. Code § 69.265(3)(vi), a utility may exempt a household from a CAP control feature if one or more of the following conditions exist:

- The household experienced the addition of a family member;
- A member of the household experienced a serious illness;
- Energy consumption was beyond the household's ability to control;
- The household is located in housing that is or has been condemned or has housing code violations that negatively affect energy consumption; or
- Energy consumption estimates have been based on consumption of a previous occupant.

A true-up bill for the Equal Payment Plan also occurs at final billing.

The Companies will complete outreach quarterly throughout the following year to provide energy conservation messages when customers are not exempt and the total of PCAP

credits received for the past 12 months is greater than the annual maximum. Additionally, for these customers exceeding the annual subsidy maximum, if the usage exceeds 125% of a participant's historical average usage compared to the same period in the prior year (provided the customer resided at the same location during that time), the Companies will evaluate whether the customer is eligible to participate in the WARM program.

Subsidy credits are not included in refund checks issued to customers. Subsidy credits will be adjusted from the customer's account balance when:

- The subsidy credit exceeds the total account balance and a final bill has been issued. If the customer established another account, the excess credits may be transferred to the new account instead.
- The subsidy credit exceeds the total account balance and the credit has been open for 18 months or more.

The maximum bill subsidy credit levels are as follows<sup>4</sup>:

<b>Subsidy Maximums</b>				
	<b>Non-Electric</b>		<b>Electric</b>	
<b>Company</b>	<b>Annual</b>	<b>Monthly</b>	<b>Annual</b>	<b>Monthly</b>
Met-Ed	\$1,090	\$90.83	\$2,670	\$222.50
Penelec	\$1,110	\$92.50	\$2,710	\$225.83
Penn Power	\$1,090	\$90.83	\$2,700	\$225.00
West Penn Power	\$1,040	\$86.67	\$2,550	\$212.50

Accounts with electric bill burdens of less than 3% (non-electric heat) and 9% (electric heat) at the time of application will not qualify for PCAP monthly bill subsidy credits but can qualify for PCAP debt forgiveness benefits for unpaid pre-program debt balances.

To control program costs and institute minimum payment requirements the following monthly, minimum gross income amounts will be used for benefit calculations:

- \$400 Assumed Income for Non-Heat Accounts = \$12 Minimum Monthly Payment
- \$500 Assumed Income for Heat Accounts = \$45 Minimum Monthly Payment

<sup>4</sup> The maximum bill subsidy credits were adjusted in the Companies' most recent base rate cases. *Pa. Pub. Util. Comm'n v. Met-Ed*, Docket No. R-2016-2537349; *Pa. Pub. Util. Comm'n v. Penelec*, Docket No. R-2016-2537352; *Pa. Pub. Util. Comm'n v. Penn Power*, Docket No. R-2016-2537355; and *Pa. Pub. Util. Comm'n v. West Penn*, Docket No. R-2016-2537359 (Opinion and Order entered Jan. 19, 2017).

**The following is an example of how a PCAP benefit will be calculated for a customer with non-electric heat:**

Annual Income, Family of Four	= \$ 16,500
Annual Electric Bill	= \$ 1,020

Note: The annual electric bill for customers without 12 months of usage is based on the available invoices for the location. It will include charges from prior occupants' invoices if needed to obtain 12 months of data. If less than 12 months of invoices are available, it will estimate the annual burden based on the daily average for the available invoices.

**Step #1 – Determine what the household should be paying for electric under PCAP**

Annual Household Income	\$ 16,500
PCAP Electric Bill Burden	<u>x 3% of income</u>
	\$ 495

**Step #2 – Determine the household's current electric bill burden**

Annual Electric Bill	\$ 1,020 (previous 12 months)
Actual Electric Bill Burden	\$ 1,020 (more than 3% of income)

**Step #3 – PCAP will pay the difference**

Actual Electric Bill Burden	\$ 1,020
Minus PCAP Electric Bill Burden	\$ 495
Annual PCAP Benefit	\$ 525 + 12 = \$ 43.75 per month

**The following is an example of how a PCAP benefit will be calculated for a customer with electric heat:**

Annual Income, Family of Four	= \$ 16,500
Annual Electric Bill	= \$ 2,200

Note: The annual electric bill for customers without 12 months of usage is based on the available invoices for the location. It will include charges from prior occupants' invoices if needed to obtain 12 months of data. If less than 12 months of invoices are available, it will estimate the annual burden based on the daily average for the available invoices.

**Step #1 – Determine what the household should be paying for electric under PCAP**

Annual Household Income	\$ 16,500
PCAP Electric Bill Burden	<u>x 9% of income</u>
	\$ 1,485

**Step #2 – Determine the household's current electric bill burden**

Annual Electric Bill	\$ 2,200 (previous 12 months)
Actual Electric Bill Burden	\$ 2,200 (more than 9% of income)

**Step #3 – PCAP will pay the difference**

Actual Electric Bill Burden	\$ 2,200
Minus PCAP Electric Bill Burden	\$ 1,485
Annual PCAP Benefit	\$ 715 + 12 = \$ 59.58 per month

## **E. Debt Forgiveness Guidelines**

When entering PCAP for the first time, all pre-program debt will be deferred and included in the PCAP debt forgiveness component.

As a removed participant, pre-program debt is due and subject to collection activity. Customers are responsible to pay all charges including pre-program balances. When re-entering or recertifying into/for PCAP following the first enrollment, only the remaining (not yet forgiven or paid) pre-program debt from the first PCAP enrollment will be re-deferred and included in the PCAP debt forgiveness component. All other past-due, ask-to-pay amounts on the bill will remain due and subject to collection activity after either re-enrollment or re-certification into the program.

While a participant, debt forgiveness credits (1/36 of pre-program debt) will be awarded retroactively in response to full monthly bills being paid, whenever those payments occur, regardless of PCAP arrears. Debt forgiveness credits will be applied in response to any type of payment or credit, including assistance grants, that paid the full bill. When awarded, credits are applied at monthly billing. PCAP participants must remain in the Company's standard residential billing cycle (twenty-day due date) for debt forgiveness credits to be awarded by the host computer system.

A customer is considered "graduated" from debt forgiveness, when the full preprogram debt has been forgiven and they no longer have a preprogram arrearage balance. The account is "graduated" from arrears forgiveness but will remain in PCAP if eligible for monthly PCAP credits. If not eligible for PCAP credits, the account will be removed from the program as they are not eligible for any PCAP subsidy or forgiveness credits. Customers may apply for PCAP again in the future to determine eligibility.

## **F. Default Provisions**

PCAP customers who fail to make timely bill payments will be subject to the collection cycle.<sup>5</sup>

Dunning notices, including termination notices, will be issued for any unpaid current bills. Deferred pre-program debt balances will not be included in dunning notices. PCAP participants who do not make payments in accordance with the terms of the program will remain in PCAP and be subject to PCAP dunning processes, up to and including service termination. PCAP dunning processes include all the notification and procedural steps required by 52 Pa. Code § Chapter 56.1, *et seq.*, and 66 Pa. C.S. § Chapter 1401, *et seq.*

Payment requirements to avoid termination of service:

- PCAP bills brought current.

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<sup>5</sup> *Guidelines for Universal Service and Energy Conservation Programs*, Docket No. M-00960890F0010 (Final Order entered Jul. 10, 1997). Under Customer Assistance Programs, Default Provisions: "The Commission believes that the consequences for nonpayment should be loss of service; therefore, we recommend that participants who do not make payments should be returned to the regular collection cycle."



Payment requirements for restoration of service following service termination:

- PCAP bills brought current; and
- Reconnection fee as per current tariff.

#### **G. Dismissal from PCAP and Re-entry into PCAP**

Participants may be removed from PCAP for any of the following reasons:

1. Refusing to participate in WARM if eligible (re-entry is dependent on application for the WARM program).
2. Failing to recertify as scheduled, or upon request (re-entry is dependent on completion of re-certification procedures).
3. Theft of service (re-entry prohibited for six months).
4. Other actions deemed to be intentional and fraudulent (re-entry prohibited for six months).
5. Other actions, including but not limited to, failure to permit scheduled meter readings, unreasonable and/or increased consumption post-WARM measures installation, and failure to make monthly PCAP payments/pattern of returned checks.
6. Refusal to participate in the Equal Payment Plan.
7. No longer eligible for monthly PCAP credits and arrears forgiveness credits, also referenced as graduated from the program.

After removal from PCAP, customers may re-apply to PCAP if they resolve the reason for dismissal and meet the eligibility parameters identified above. For previous participants, only the remaining unpaid preprogram debt will be re-deferred at enrollment for future arrears forgiveness. If otherwise eligible to re-enroll, customers are not required to make a payment on their account in order to be re-enrolled in PCAP.

Upon re-entry after removal for failure to recertify income, customer accounts may receive missed subsidy and/or forgiveness credits for months billed while not in PCAP if the account was removed within the past twelve months. After 12 months of removal, PCAP applicants are no longer eligible for retroactive subsidy and/or forgiveness credits. This can occur if the customer was eligible for PCAP benefits both prior to removal and upon application for re-entry. Any remaining amount will be due by the PCAP participant.

- Missed subsidy credits will not be applied for an amount that exceeds the account balance less remaining unpaid pre-program arrearages and/or miscellaneous fees.
- When a customer removed from PCAP moves from one location to the next, the missed credits will only be applied if the ratepayer enrolls for the first account activated following the final account where PCAP was removed.
- Missed forgiveness credits will not be applied for an amount that exceeds the remaining unpaid pre-program arrearages.

Customers that re-enroll more than 12 months after removal from the program are not eligible for retroactive forgiveness or subsidy credits. For those customers, only the remaining unpaid preprogram debt will be re-deferred at enrollment for future arrears forgiveness. The amount due prior to PCAP enrollment will be the amount due when enrollment is completed, excluding past due unpaid preprogram debt.

Customers removed for any reason other than failure to recertify are not eligible for retroactive credits at any time.

#### **H. Recertification Requirements**

PCAP participants are advised at the time of application that they are required to recertify or if there is a change in gross household income, household size or heat source. Customers will be able to recertify over the telephone or by mail. A notice to recertify is mailed to PCAP participants sixty days prior to the benefit end date including information on when benefits will expire and contact information to complete the recertification process. If necessary, a message is printed on the participant's electric bill thirty days prior to the benefit end date. Reminder calls will be placed to the customer at forty-five and fifteen days prior to the recertification date. If a participant does not recertify before the benefit end date, automatic suspension will occur for failure to recertify. At suspension, a reminder call is placed, and a letter will be mailed to the customer. If the customer does not successfully complete recertification within the following three-month period, the account will be removed from PCAP. Customers will continue to receive monthly subsidy and/or forgiveness credits during the suspension period. Once removed, the customer will receive a letter that explains the account has been removed from PCAP for failure to recertify and provides instructions on how to reapply. All balances prior to the PCAP removal are considered PCAP balances and will be treated as PCAP arrears.

To recertify, PCAP participants will be required to submit the required household income and household member information by U.S. mail or by fax.

Completed enrollment or recertification records are transferred to the SAP host system each business day through a batch process, which extends the Benefits End Date based on the income source.

The period for recertification will vary based on income source as follows:

<b>Income Source</b>	<b>Recertification Period</b>
No Income	6 months
SSI, Disability, Pension	2 years
All others	1 year

In addition, when a customer receives LIHEAP benefits, the recertification period will be increased 1 year. This may occur for two consecutive years before a recertification will be required. This LIHEAP extension does not apply to customers identified as No Income.

#### **I. Application of Customer Payments and Assistance Grants**

Customer payments are:

- First applied against delinquent bills (customer payment obligation);
- Then applied against current bill (customer payment obligation); and
- Then applied against future bills (customer payment obligation).

## Assistance Grants:

### LIHEAP

LIHEAP helps eligible customers on low or limited incomes pay their heating bills through energy assistance grants. A customer is not required to have an unpaid bill to receive energy assistance. The Department of Human Services (“DHS”) administers LIHEAP and establishes dates in which LIHEAP is available. Various efforts, such as bill inserts, letters, and customer referrals are attempted to encourage customers to pursue LIHEAP funds when available. All eligible electric heating customers are encouraged to apply for LIHEAP benefits.

LIHEAP payments are:

- First applied against delinquent bills (customer payment obligation);
- Then applied against current bill (customer payment obligation); and
- Then applied against future bills (customer payment obligation or in accordance with DHS' directives stated in the annual LIHEAP State Plans).

### Dollar Energy Fund

Applied against delinquent bills (customer payment obligation), to avoid service termination, if funds are available, in accordance with guidelines set forth above for the Dollar Energy Fund.

## **J. Program Delivery Partners**

The Companies will continue the use of CBOs referenced in Attachment A for the daily administration of the USECP. The Companies currently contract with Dollar Energy Fund as the administrator for PCAP applications and recertifications, grant applications, and referrals to WARM and other assistance programs. Dollar Energy Fund is a non-profit agency with an established network of CBOs to process intake for assistance programs and grants.

## **K. Quality Assurance Provisions**

During each calendar year, a representative of the Companies, or their designee, shall audit the PCAP administrator to verify proper administrative processes have been performed in support of PCAP application and recertification process. The areas of performance to be audited include, but are not limited to:

- Auditor received requested documents
- Case note documented for each customer contact
- Account status document reviewed
- Pre-screen performed
- Application completed when applicable
- Recertification completed when applicable
- Referred clients to other program(s) when applicable

- Proper documentation retained
- Hardcopy documentation recorded accurately
- Successfully enrolled clients into PCAP when applicable
- Measure administrator level of service

A combination of applications and recertifications processed by the administrator for the Companies shall be reviewed during an audit. A sample size calculator will be used to identify a statistically significant sample size for the applications and recertifications. With the sample size calculator, the standard variables used will be a confidence level of 95% and a confidence interval of 5%.

Human Services prepares the contractor with program information and reviews the audit expectations. The contractor reviews each selected application to confirm the administrator followed the appropriate procedure in the application process. The results are tracked in a spreadsheet and reviewed with the Companies. The Companies and administrator discuss the audit results and coordinate the sharing of information to reinforce training with the administrator's staff and/or identify areas for improvement in workflow processing or technology.

**L. Assessment of Security Deposits**

Security deposits are not assessed on PCAP accounts in accordance with 66 Pa. C.S. § Chapter 1401, *et seq.*

**M. PA Customer Assistance Program Organizational Structure**

A portion of the following employees' time supports this program.

Manager Revenue Operations Vendor Services  
 Administrative Assistant  
 Supervisor – Human Services – Universal Service  
 Business Analyst (7) – Various Levels  
 Customer Accounting Associate (2) – Various Levels

Due to periodic staffing level changes because of promotions, retirements, or new employees, the designation for the level of the positions is excluded.

# **WARM Program**

## **A. Program Overview and Objectives**

The WARM program is the name of the Companies' LIURP program. The program provides energy education and energy conservation measures and services to low-income customers.

The program targets low-income customers who participate in PCAP or LIHEAP. The program's primary objectives are to:

1. Reduce the overall energy use, energy bills and arrearages of low-income customers;
2. Improve participants' health, safety and comfort in their homes; and
3. Make personalized referrals to the Companies' USECP and other assistance programs.

WARM achieves these objectives through two approaches. First, energy conservation improvements are installed, and inefficient appliances are replaced in the customer's home. Second, an energy conservation auditor provides energy education to family members and refers them to other potentially beneficial social service programs. All work performed through the WARM program is provided at no additional cost to program participants.

## **B. Eligibility Guidelines**

### Income Eligibility:

Residential customers are eligible for WARM if their household income is at or below 150% of the FPIG.

The Companies also provide WARM services to special needs customers whose household income is between 151% and 200% of FPIG. Commission regulations allow up to 20% of the WARM budget to be used for these customers. The definition has always included customers with overdue account balances, and the Companies also include those households with medical problems, personal crisis situations, and loss of income. This allows more customers under 200% of FPIG to participate in the program without requiring or encouraging an account arrearage.

### Electric Use Eligibility:

Customers who meet program income guidelines and have annual electric usage of 6,500 kWh or more annually will qualify.

No minimum usage will be required for customers who are having their WARM services coordinated with the PA Weatherization Assistance Program ("WAP") or with a Natural Gas Distribution Company ("NGDC"), such that most services are provided at the same time. In these cases, and when a fossil fuel heating system is

present, the majority of full-service weatherization measures must be paid for by the other program partners, and the costs of these measures must be documented in the program management system.

The Companies will review the list of confirmed low-income customers with consumption exceeding 12,000 kWh during the prior year and prioritize those customers for weatherization when possible. Once this list has been exhausted, the Companies will review confirmed low-income customers with lower annual kWh usage as well as eligible customers requesting weatherization.

Some PCAP participants do not qualify for WARM because their electricity use does not meet the annual minimum energy use. Other customers are limited in their ability to participate because their landlords will not agree to WARM services. Both types of customers are eligible to be served through the Companies' Act 129 programs.

The Companies have eight low-income programs as part of their Act 129 Phase III plans, which began June 1, 2016 and will end May 31, 2021. Funding for these programs is approximately \$63 million.

#### Residency Eligibility:

The customer must reside at the service address and have a minimum of six months of consecutive service. Both homeowners and renters qualify for the program; however, renters must obtain landlord approval for measures to be installed at the customer's home that reduce seasonal kWh use, such as air sealing and insulation. If landlord approval is not received, only baseload measures will be installed (e.g. smart power strips, LED lightbulbs and refrigerator or freezer replacement if the appliance is owned by the customer).

The customer must agree to share his or her electric use information with the Companies' agencies/contractors. In addition, the customer must allow contractors to have access to the home to perform appropriate program measures and quality assurance inspections.

Homes previously served by the program may receive WARM services again after five years if the home continues to have significant electric use or at the Company's discretion.

#### **C. Marketing**

To reach this customer segment, which is most in need and sometimes difficult to contact, the application intake process for the PCAP and WARM programs has been streamlined to determine a customer's eligibility for both programs at the same time. This process has proven to be a cost-effective holistic approach to helping low-income customers who could benefit from these programs.

All letters and applications are available in Spanish, and the WARM program uses a translation service for customers who speak a language other than English. Geographic marketing tactics include a combination of mass communication vehicles and one-on-one communications, such as newspaper, cable TV, search engine

marketing, bill inserts and direct mail campaigns. Community presentations are also used to inform customers about the program.

A bill insert about customer assistance programs, including the WARM program, is sent annually to all residential customers. Program information and eligibility requirements are also shared with customers during fall and winter collection activities and distributed in customer winter surveys.

Cross-marketing with Act 129 programs is optimized. Customers can obtain program information by: 1) accessing the Companies' *energysavepa.com* website; 2) reviewing program materials provided to them when they participate in the Act 129 appliance recycling program and/or appliance rebate program; and 3) receiving program advertisements included in customized Home Energy Reports.

The Companies plan to increase efforts to reach customers who are eligible to receive program services by expanding the use of mass media advertising, social media, and piloting creative incentives to help identify and provide services to customers in need. Incentives may include gift cards and/or giveaways.

#### **D. Heating and Cooling Budget Calculation Per Home**

The selection of measures designed to reduce electric heating and cooling is guided by a cost-effective budget calculation (seasonal allowance) for each home, based on past electric consumption with consideration also given to the regulatory seven- to twelve-year payback requirement. This is a tool for contractors and agencies and is not an absolute or prescriptive target for PCAP. During the audit, if the site or customer needs are greater than the calculated budget, the contractor or agency will confer with the Company program manager after documenting reasons for proposing to go beyond the budget. The Company will decide to what extent additional work can be performed. This budget process was evaluated by Michael Blasnik and Associates, a third-party evaluation contractor, and was recognized as a best practice. This procedure allows higher budgets on higher-energy-use homes and prevents substantial use of funds on low-use homes where the potential for energy savings is less.

The Commission previously granted the Companies a temporary partial waiver of the LIURP regulation at Section 58.11(a) that restricts each installed measure to a payback period of seven or twelve years. The waiver shall apply only to heating jobs for which the audit indicates the home should receive comprehensive measures. The overall job must still be cost-effective and otherwise meet LIURP regulations. The Companies request continuing applicability of this waiver to the Companies' USECP.

Increases in this seasonal allowance calculation are periodically implemented to keep pace with agency/contractor price increases.

Many times, there are barriers to installing energy-saving measures because of serious health or structural issues. The program allows miscellaneous repairs and the installation of health and safety measures (e.g., minor roof repairs) so that energy saving measures can be installed. The Companies allow up to 50 percent of the seasonal allowance to be spent on health and safety measures. This is in addition to the seasonal allowance funds to install energy reduction measures. To

determine the impact of health and safety costs on LIURP job payback periods, the Company will track these costs on a measure-by-measure basis and report results to BCS as part of the annual LIURP reporting due to the Commission each April 30<sup>th</sup>.

Baseload electric measures and appliance replacements are based upon on-site auditing and monitoring of energy use of the existing appliances. The replacement thresholds and procedures are updated periodically to reflect changes in costs and/or efficiencies.

The Companies continue to find that many WARM participants are using supplemental electric heat in the winter even though the primary source of heat in the home is something other than electricity. Since this is a frequent occurrence, the Companies strive to reduce the customer's supplemental electric heat use by coordinating services with the WAP and NGDC LIURP programs to repair gas or oil heating systems. The Companies also perform Combustion Safety Testing to ensure safe use of combustion appliances/systems and provides significant air sealing and insulating when other programs cannot assist.

#### **E. Energy Saving Measures**

The specific measures received and actions taken are dependent on the customer's heat type, electric use, testing of appliances and diagnostic audit results. Customers and landlords have the right to refuse recommended measures. Contractors and agencies are required to install measures according to the program priority list found in the WARM Policy and Procedures Manual. Contractors are encouraged to consider cost effective custom measures and strive to meet relevant payback periods. Agencies and contractors provide one-year warranties on most measures and manufacturers may provide additional warranties. The following list identifies some of the measures that customers may receive through the WARM program:

- Blower door with pressure diagnostics to guide air sealing and duct sealing
- Attic, duct, basement, crawlspace and perimeter air sealing (caulking, foam insulation & weather-stripping)
- Attic, wall, duct, floor, crawlspace and perimeter insulation
- Sealing and insulating attic hatches
- Boxing and damming of attic heat producing fixtures
- Refrigerator replacement
- Freezer replacement
- Water heater replacement
- Heat pump water heaters
- Water heater pipe insulation
- Some aerator and showerhead replacement
- Some storm and prime window and door repair or replacement
- Reflective window tint to reduce cooling use
- Reflective roof coat to reduce cooling use
- Gravity film exchange -- drain water heat recovery system
- Window/wall air conditioning unit replacement
- Some heating and air conditioning system replacement
- Electric dryer venting installation, repair or replacement
- Clothes line installation
- Heated waterbed mattress replacement



- Some plumbing and electrical repairs
- Repair and replacement of exhaust fans
- Thermostat replacement/repair
- Air conditioning/heating system filter replacement
- Appliance and water heater timers
- Smart power strips
- Furnace whistle
- Energy education
- Remedial education as needed
- Compact fluorescent light bulbs
- LED lighting
- Dehumidifier replacements
- Site specific health and safety measures, such as carbon monoxide detectors
- Custom measures, (i.e., well pump or holding tank replacements, etc.)

## **F. Energy Education**

The Companies and agencies/contractors use a proven partnership approach with the customer. The WARM program provides an energy education notebook to all auditors to engage the customer. The customer is asked to partner with the program agency/contractor to develop energy savings strategies designed specifically to address the highest energy use areas of the home and its occupants. The auditor and customer sign partnership and savings strategy agreements.

Approximately six months after the completion of WARM services, the Company sends customers congratulatory letters when usage has decreased more than five percent when compared to the same months before WARM services. A list of customers whose usage has increased more than ten percent is provided to agencies/contractors for a follow-up phone call and visit to the customer if necessary. The agency/contractor will check if measures are working properly and whether the customer understands how to use them or if lifestyle or structural changes created the increased electric use.

Another education resource for WARM program participants is the Act 129 program Home Energy Reports that include customized energy education messaging. These reports are sent to all customers who identify as low-income customers, including WARM participants.

The Companies are proposing to develop new educational materials and tools for customers and auditors. The educational materials will also be available to customers who meet income qualifications, but do not qualify for WARM services (e.g., the home has already been served within the last five years).

## **G. Companies' Organizational Structure**

A portion of the following employees' time supports the program.

Manager Revenue Operations Vendor Services  
 Administrative Assistant  
 Supervisor – Human Services – Energy Conservation  
 Business Analyst (5) – Various Levels  
 Administrative Technician

## Customer Accounting Associate (2)

Due to periodic staffing level changes because of promotions, retirements, or new employees, the designation for the level of the positions is excluded.

### **H. Program Delivery**

The Companies contract with a network of CBOs and energy conservation contractors, referenced in Attachment A of this plan, to deliver program services. Some of these agencies/contractors subcontract part of their work to specialists, such as electrical, plumbing and HVAC contractors.

Program auditors or crew members, who make decisions about what measures will be installed in the home and who perform the combustion safety testing procedures, must be Building Performance Institute (BPI) certified as Building Analyst Professionals. BPI is a national standards development and credentialing organization for residential energy efficiency retrofit work. It is a non-profit organization that also provides training through a network of training affiliate organizations. The Companies sponsors agency and contractor attendance at national and regional ACI Home Performance Conferences to allow agencies/contractors to obtain continuing education credits needed to retain their BPI certification. The Companies also hold WARM program training specific to USECP procedural issues or to meet the training needs of auditors and crew members.

New enhancements proposed for the WARM system, the program management web-based application, will provide additional functionality to increase program delivery and reporting efficiencies. System enhancements include:

- Application management tool to easily assign and manage application requirements
- Work queue enhancements to easily manage job assignments
- Automation of the energy audit tool
- Automation of the inspection score card
- Invoice and cost accounting system integration
- Management of tenant WARM applications

### **I. Quality Assurance Provisions**

The Companies plan to maintain the same level of third-party quality assurance inspections, inspecting 35 percent of total production. Quality assurance contractors focus the majority of their inspections on homes that have electric heat as well as supplemental electric heating or air conditioning. Greater oversight is needed in these homes because of the installation of comprehensive measures and combustion safety testing.

These quality assurance contractors also provide or coordinate auditor, crew, and group training as needed, as well as BPI training/testing.

The Companies continue to use a WARM Advisory Panel that meets two to three times per year and is on-call year-round. The panel members consist of agency and contractor auditors, program managers and quality assurance inspectors from across Pennsylvania. The members have direct contact with customers and other assistance programs in other states. They provide suggestions for program improvement, research new technologies, and test new measures and products.

Company program managers meet with all agencies and contractors annually to share specific energy saving results, program changes, and solicit feedback. Company program managers also meet with individual agencies and contractors to observe audits and crew work in the field.

The Companies also strive to defer to the Department of Energy National Standard Work Specifications-based quality control inspection protocols on jobs coordinated with WAP where possible and practical.

#### **J. Coordination of Services**

As recommended by the Commission, the Companies will continue to direct agencies and contractors to coordinate delivery of WARM benefits with other programs. The Companies work with WAP and NGDCs to coordinate delivery. Although coordination may allow for the efficient use of funding sources and resources, coordination may impact the program's overall electric energy savings, because the customers identified by NGDCs or WAP might not be the highest electric users targeted for participation in the WARM program. When a surplus of low-income customers exists, the Companies continue to prioritize customers by highest energy use first.

Approximately 85% of WARM jobs are coordinated with Act 129 programs. Additional coordination with Act 129 multifamily projects will allow customers to receive weatherization measures if their income is above 150% FPIG. The WARM program will accept customer applications that fall between 151% and 200% FPIG, to ensure they are not excluded from receiving WARM measures while their building is being served.

To increase the accuracy of reporting coordinated jobs with other programs, functionality will be added to the system, providing required fields for contractors to address and provide coordinated job information. Contractors will also receive a small monetary incentive for providing this additional documentation.

The Companies will continue to provide energy usage data to the Department of Community and Economic Development to assist in its WAP energy saving studies.

## K. Funding and Enrollment Goals<sup>6</sup>

### Met-Ed

Year	Budget	Participant Goals
2019	\$5,149,000	1,530
2020	\$5,442,000	1,540
2021	\$5,751,000	1,550

### Penelec

Year	Budget	Participant Goals
2019	\$5,809,000	2,310
2020	\$6,126,000	2,320
2021	\$6,460,000	2,330

### Penn Power

Year	Budget	Participant Goals
2019	\$2,846,000	865
2020	\$2,989,000	865
2021	\$3,138,000	865

### West Penn Power

Year	Budget	Participant Goals
2019	\$5,468,000	1,045
2020	\$5,878,000	1,070
2021	\$6,316,000	1,095

In general, the average cost of serving WARM participants' homes has increased over the years due to measure price increases and additional measures being installed in homes using electric space heaters in lieu of fossil fuel heaters. Homes normally classified as water heat or baseload jobs that previously received lighting, refrigerator replacements and water heat reduction measures now require attic air sealing, insulation and combustion safety tests. Due to the increased complexity of the measures, it also takes more days to serve these homes, which prevents agencies and contractors from serving the same number of homes as under prior plans.

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<sup>6</sup> The WARM budgets are based on projected WARM enrollment levels for the 2019 through 2021 program years. However, where a budget is overestimated in the USECP for one program year, the Companies will roll over this excess budget amount from one program year to the next consistent with the Companies' last base rate settlement. *Pa. Pub. Util. Comm'n v. Met-Ed*, Docket No. R-2016-2537349; *Pa. Pub. Util. Comm'n v. Penelec*, Docket No. R-2016-2537352; *Pa. Pub. Util. Comm'n v. Penn Power*, Docket No. R-2016-2537355; and *Pa. Pub. Util. Comm'n v. West Penn*, Docket No. R-2016-2537359 (Opinion and Order entered Jan. 19, 2017).

## L. Reporting

The Companies are required to submit the following reports to the Commission or Department of Human Services on an annual basis:

- LIURP production, expenditures, cost of jobs and goals report:	March 1
- Universal Service Program (LIURP Section):	April 1
- Conservation economics and energy planning bureau report:	April 30
- LIURP annual energy savings impact evaluation:	April 30
- LIHEAP leveraging report:	October 31

## M. LIURP Needs Assessments

### Met-Ed LIURP Needs Assessment

<b>Total Residential Customers (December 2016)</b>	497,407
Number of Customers Below 150% of Federal Poverty Income Guidelines (FPIG)	121,392
Percent of Residential Customers Below 150% of FPIG	24.4%
Estimated Number of Potential Program Participants	49,287
Cost to Serve Potential Participants	\$174,180,258

### Penelec LIURP Needs Assessment

<b>Total Residential Customers (December 2016)</b>	498,969
Number of Customers Below 150% of Federal Poverty Income Guidelines (FPIG)	161,091
Percent of Residential Customers Below 150% of FPIG	32.3%
Estimated Number of Potential Program Participants	51,563
Cost to Serve Potential Participants	\$136,124,875

### Penn Power LIURP Needs Assessment

<b>Total Residential Customers (December 2016)</b>	143,961
Number of Customers Below 150% of Federal Poverty Income Guidelines (FPIG)	36,638
Percent of Residential Customers Below 150% of FPIG	25.5%
Estimated Number of Potential Program Participants	10,961
Cost to Serve Potential Participants	\$37,870,255

### West Penn Power LIURP Needs Assessment

<b>Total Residential Customers (December 2016)</b>	624,701
Number of Customers Below 150% of Federal Poverty Income Guidelines (FPIG)	165,131
Percent of Residential Customers Below 150% of FPIG	26.4%
Estimated Number of Potential Program Participants	82,096
Cost to Serve Potential Participants	\$451,035,424

The Companies currently project there are approximately 49,287 potential LIURP participants in the Met-Ed service territory, excluding lower kWh energy users and previously served customers or homes. The comparable totals for Penelec, Penn Power and West Penn Power are 51,563, 10,961 and 82,096 respectively. The cost to serve the

potential participants estimates are based on the expected average cost of a LIURP job in 2020.

Please note that the following issues prevent WARM participation among all potentially-eligible customers:

- Some customers are unwilling or unable to participate in WARM.
- Landlords may refuse WARM participation, which only allows a customer to receive baseload measures.
- Many customers will receive energy conservation services through Act 129 instead.
- Several homes have structural problems or other health and safety related problems that are beyond the scope of WARM.
- Some customers are unwilling or unable to participate in WARM, due to any number of reasons, including privacy concerns, reluctance to share income or usage documentation, unavailability during the WARM audit or installation process, or rejection of energy conservation measures in general.

## Summary of Proposed Program Additions and Modifications<sup>7</sup>

### Dollar Energy Fund

Clarifying PCAP account status requirements and previous PCAP participant eligibility

### PCAP

The following program modifications are included in this plan for PCAP:

1. Added the requirement for a customer to agree to applying for LIHEAP during the PCAP application.
2. Updated the list of reasons prompting dismissal from PCAP and the conditions of re-entry into the program.
3. Defining subsidy credit true-up for customers with less than 12 months usage history at enrollment; incorporated application of a subsidy credit for budget true-ups; and defined handling of excess PCAP credits
4. Adjusting quarterly PCAP subsidy calculation to monthly
5. Discontinuing payment counseling outbound call process
6. Removing payment requirement for re-entry
7. Incorporated missed subsidy and forgiveness credits at program re-enrollment when customers were removed within past 12 months
8. Extending recertification periods based on income source or receipt of LIHEAP benefits; incorporated a suspension period for failure to recertify
9. Modified the Equal Payment Plan calculation to calculate the average monthly distribution of a customer's annual bill. The modified calculation will be implemented within 6 months of the Final Order.
10. Eliminated the requirement for all customers to call back after submitting income documentation after discussion with the Universal Service Advisory Committee.
11. Within Debt Forgiveness, defined the term "graduated" and clarified that debt forgiveness credits are in response to in-full bills paid with customer payments or other credits.
12. Expanded application intake to include online applications.
13. Clarified that the EPP true-up subsidy credits do not impact a PCAP customer's maximum subsidy credit limits.
14. Clarified that a customer is not eligible for retroactive credits if re-enrollment is more than 12 months after the removal for failure to recertify.
15. Clarified that a DEF grant, in combination with other funding sources, must be sufficient to end a termination or restore service.

### WARM

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<sup>7</sup> All changes approved by the Commission for the 2019 to 2021 plan will be effective after the relevant IT changes are made. The 2015-2018 plan will remain effective until such IT changes are adopted.

The following program modifications are included in this plan for WARM:

1. Serving tenants whose landlords refuse participation or do not return their agreement after a period of time
2. Development of new energy education materials and tools for customers and auditors
3. Development of new energy education materials available to customers that do not qualify for WARM or Act 129 programs
4. Programming delivery system enhancements for WARM system – providing additional functionality to increase program delivery and reporting efficiencies
5. Increasing coordination of services by implementing additional coordination efforts with Act 129 multifamily projects, and providing additional functionality in the WARM system to allow for more thorough documentation



## **Applied Technologies in Support of Universal Service Programs**

The Companies employ various technologies to promote an efficient delivery of their USECP. Some of the more significant technologies are described below:

### **C-Net On-line Help System**

C-Net On-Line Help System is a Microsoft Office application called Sharepoint. C-Net provides the Companies' Customer Contact Centers, the Companies' Collection Center Vendor, and the Human Services department employees with detailed on-line information on federal and state programs and the Companies' USECP.

### **Chronicles Case Management Software**

Chronicles is an online, web-based case management tool that has been provided to the Dollar Energy Fund and the Companies' Human Services department employees. The software supports a holistic approach in the delivery of Companies' USECP by automatically matching household member demographic and financial information with available Federal, State and utility human services programs. Within this process, the Companies' USECP application forms and the LIHEAP application form are automatically produced by Chronicles. The Companies anticipate evaluating the current case management tool for replacement during this USECP term.

### **SAP**

SAP is the Companies' host computer system containing the customer master file.

### **Human Services Web Site**

The Human Services web site allows CBOs to easily obtain current customer billing, payment, energy use and other information while evaluating customers' energy assistance applications without Customer Contact Center or Human Services involvement. Entry to the site is password protected.

### **LEEN System**

The LEEN system is a web-based system used to assist inspectors, contractors and the Companies' administrators in their management of the WARM program. This system is replacing the WARM system. Some features include:

- Streamlined security role structure
- SAP integration for application entry and job status
- Enhanced job assignment process
- Enhanced job status reports for quality assurance staff and program managers
- Invoice management process
- Work queues functionality
- Required fields to support the documentation and reporting of coordinated jobs

## **Universal Service Eligibility Criteria**

### **PCAP**

- Total gross household income is at or below 150% of FPIG.
- The account is an active residential account.
- Customers must be eligible for subsidy credits and/or forgiveness credits to participate.
  - To qualify for subsidy credits, the total energy burden (most recent twelve months) must be greater than three percent (non-electric heat) or nine percent (electric heat) of total gross household income.
  - To qualify for debt forgiveness credits, the customer must have an account balance at initial enrollment. At re-enrollment, only the customer's remaining unpaid pre-program arrearage is eligible for forgiveness credits.
- Applicant/ratepayer must reside at the service address (primary residence). Residency exception will be made for ratepayers assigned to active military duty.
- If eligible, the customer must agree to participate in the WARM program.
- The customer must agree to participate in the Equal Payment Plan.

### **WARM**

- Total gross household income is at or below 150% FPIG; up to twenty percent of the budget is used for special needs customers at 151%-200% FPIG.
- The customer must reside at service address and have six months of consecutive electric service.
- The customer must provide proof of ownership.
- A minimum annual use of 6,500 kWh is required; 0 kWh for homes coordinated with state or gas weatherization.
- Home may receive services again after five years.

### **Hardship Fund**

- Total gross household income must be at or below 250% FPIG.
- The account is for a residential single home or apartment.
- The name on the account must be an adult resident; a residency exception will be made for ratepayers assigned to active military duty.
- The customer must have paid a minimum of \$150 on their account within the past ninety days (minimum of \$100 if age 62 or over) and the account balance must be at least \$100. Senior citizens age 62 and over may have a \$0 balance, but not a credit balance.

### **CARES**

To qualify, the customer must be payment-troubled and experiencing a recent hardship, such as serious illness or injury to a member of a household, death of a wage earner, marital or family problems, handicapped or disabled person, sudden loss of income to the household, or any customer 60 years of age or over requiring special assistance.

## Universal Service Needs Assessments

Statistics Based Upon 2011-2015 American Community Survey – U. S. Census Bureau  
December 2016 Customer Count

### 2016 Needs Assessment - Met-Ed

Based on:

2011-2015 American Community Survey - Census Bureau  
December 2016 Customer Count

County	Total Households	Households Under 150% Poverty	Percent of Households Under 150% of Poverty	Res. Cust.	Estimated Residential Customers <150% of Poverty	Estimated Res. Cust. <150% of Poverty % to Total
Adams	38,193	7,772	20.35%	29,869	6,078	
Berks	153,312	44,904	29.29%	126,047	36,919	
Bucks	233,066	34,621	14.85%	5,196	772	
Chester	186,057	29,738	15.98%	1,130	181	
Cumberland	95,950	18,402	19.18%	10,320	1,979	
Dauphin	109,623	30,859	28.15%	6,036	1,699	
Lancaster	195,330	48,230	24.69%	1,989	491	
Lebanon	52,267	13,327	25.50%	51,700	13,184	
Lehigh	133,960	37,050	27.66%	3,703	1,024	
Monroe	57,297	15,044	26.26%	21,175	5,561	
Montgomery	308,626	45,973	14.90%	10,955	1,632	
Northampton	112,927	22,881	20.26%	58,265	11,804	
Pike	21,079	4,445	21.09%	15,387	3,245	
York	167,419	39,615	23.66%	155,635	36,823	
<b>Total</b>	<b>1,865,106</b>	<b>392,861</b>	<b>21.06%</b>	<b>497,407</b>	<b>121,392</b>	<b>24.405%</b>

## 2016 Needs Assessment - Penelec

Based on:

2011-2015 American Community Survey - Census Bureau

December 2016 Customer Count

County	Total Households	Households Under 150% of Poverty	Percent of Households Under 150% of Poverty	Res. Cust.	Estimated Residential Customers <150% of Poverty	Estimated Res. Cust. <150% of Poverty % to Total
Armstrong	28,524	8,030	28.15%	97	27	
Bedford	20,000	5,895	29.48%	9,974	2,940	
Blair	51,034	16,762	32.84%	48,431	15,905	
Bradford	24,358	7,981	32.77%	19,596	6,422	
Cambria	57,465	18,428	32.07%	55,470	17,789	
Centre	57,183	18,203	31.83%	4,428	1,409	
Clarion	15,830	5,509	34.80%	4,957	1,725	
Clearfield	31,817	10,931	34.36%	29,711	10,209	
Crawford	34,575	11,205	32.41%	22,265	7,216	
Cumberland	95,950	19,010	19.81%	5,127	1,016	
Erie	109,934	36,428	33.14%	105,426	34,938	
Forest	1,974	678	34.35%	3,496	1,201	
Franklin	58,570	15,478	26.43%	5,115	1,352	
Huntington	17,225	5,379	31.23%	11,612	3,626	
Indiana	34,061	12,079	35.46%	22,697	8,048	
Jefferson	18,479	6,114	33.09%	14,201	4,699	
Juniata	9,393	3,059	32.57%	744	242	
Lycoming	45,906	13,610	29.65%	724	215	
McKean	17,400	6,051	34.78%	14,211	4,943	
Mifflin	18,714	6,732	35.97%	19,244	6,922	
Perry	18,085	3,820	21.12%	987	208	
Potter	6,669	2,252	33.77%	2,532	855	
Somerset	29,619	8,552	28.87%	26,647	7,693	
Sullivan	2,669	846	31.70%	2,901	920	
Susquehann	17,487	5,217	29.83%	11,900	3,550	
Tioga	16,611	5,346	32.18%	10,667	3,433	
Venango	22,129	7,230	32.67%	18,725	6,117	
Warren	17,113	4,909	28.69%	14,924	4,282	
Wayne	19,306	5,436	28.16%	3,061	862	
Westmorela	151,173	36,041	23.84%	2,029	484	
Wyoming	10,894	2,840	26.07%	7,070	1,843	
Total	1,060,147	310,051	29.25%	498,969	161,091	32.285%

**2016 Needs Assessment - Penn Power**

Based on:

2011-2015 American Community Survey - Census Bureau

December 2016 Customer Count

County	Total Households	Households Under 150% of Poverty	Percent of Households Under 150% of Poverty	Res. Cust.	Estimated Residential Customers <150% of Poverty	Estimated Res. Cust. <150% of Poverty % to Total
Allegheny	529,534	131,033	24.74%	19,148	4,737	
Beaver	70,079	18,451	26.33%	11,507	3,030	
Butler	74,476	14,529	19.51%	27,643	5,393	
Crawford	34,575	11,065	32.00%	6,259	2,003	
Lawrence	36,435	11,105	30.48%	33,729	10,281	
Mercer	45,546	13,773	30.24%	45,653	13,805	
Venango	22,129	6,881	31.09%	22	7	
<b>Total</b>	<b>812,774</b>	<b>206,837</b>	<b>25.45%</b>	<b>143,961</b>	<b>36,638</b>	<b>25.450%</b>

**2016 Needs Assessment - West Penn Power**

Based on:  
 2011-2015 American Community Survey - Census Bureau  
 December 2016 Customer Count

County	Total Households	Households Under 150% of Poverty	Percent of Households Under 150% of Poverty	Res. Cust.	Estimated Residential Customers <150% of Poverty	Estimated Res. Cust. <150% of Poverty % to Total
Adams	38,193	8,356	21.88%	1,544	338	
Allegheny	529,534	134,490	25.40%	69,516	17,657	
Armstrong	28,524	8,030	28.15%	30,002	8,446	
Bedford	20,000	5,895	29.48%	4,136	1,219	
Butler	74,476	14,592	19.59%	43,846	8,589	
Cameron	2,170	644	29.68%	3,508	1,041	
Centre	57,183	18,203	31.83%	53,107	16,904	
Clarion	15,830	5,509	34.80%	8,895	3,095	
Clinton	14,796	4,842	32.73%	2,613	855	
Elk	13,244	2,864	21.62%	16,295	3,523	
Fayette	53,997	20,260	37.52%	61,473	23,065	
Franklin	58,570	15,478	26.43%	47,561	12,570	
Fulton	5,960	1,621	27.20%	5,202	1,415	
Greene	14,394	4,018	27.91%	16,349	4,563	
Indiana	34,061	12,079	35.46%	1,353	480	
Jefferson	18,479	6,114	33.09%	43	14	
Lycoming	45,906	13,610	29.65%	503	149	
McKean	17,400	6,051	34.78%	4,487	1,561	
Potter	6,669	2,252	33.77%	2,594	876	
Somerset	29,619	8,552	28.87%	234	68	
Washington	83,739	18,841	22.50%	92,544	20,822	
Westmoreland	151,173	36,041	23.84%	158,896	37,881	
<b>Total</b>	<b>1,313,917</b>	<b>348,342</b>	<b>26.51%</b>	<b>624,701</b>	<b>165,131</b>	<b>26.434%</b>

## Universal Service Participant and Budget Projections<sup>8</sup>

Met Ed 2019 Projections:

15,687 Projected PCAP participants at Year end

50 Projected CARES participants

648 Projected DEF Hardship Participants

1,530 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		5,500		
PCAP Administration	1,539,117		9.00%	\$ 98
PCAP Bill Subsidy	13,907,942		81.31%	\$ 887
PCAP Debt Forgiveness	1,657,259		9.69%	\$ 106
Total PCAP		17,104,318	100.00%	\$ 1,091
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		5,149,000		
<b>Totals</b>		<b>22,335,818</b>		

Met Ed 2020 Projections:

17,048 Projected PCAP participants at Year end

50 Projected CARES participants

648 Projected DEF Hardship Participants

1,540 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		5,500		
PCAP Administration	1,258,155		6.52%	\$ 74
PCAP Bill Subsidy	16,131,506		83.57%	\$ 946
PCAP Debt Forgiveness	1,914,129		9.92%	\$ 112
Total PCAP		19,303,789	100.00%	\$ 1,132
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		5,442,000		
<b>Totals</b>		<b>24,828,289</b>		

Met Ed 2021 Projections:

18,883 Projected PCAP participants at Year end

50 Projected CARES participants

648 Projected DEF Hardship Participants

1,550 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		5,500		
PCAP Administration	1,419,747		6.70%	\$ 75
PCAP Bill Subsidy	17,677,190		83.38%	\$ 936
PCAP Debt Forgiveness	2,104,022		9.92%	\$ 111
Total PCAP		21,200,958	100.00%	\$ 1,123
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		5,751,000		
<b>Totals</b>		<b>27,034,458</b>		

<sup>8</sup> The PCAP budgets are based on projected PCAP enrollment levels for the 2019 through 2021 program years. The budgets may be adjusted each year based on actual enrollment levels and program implementation costs to minimize over and under-collections from customers.

## **Community-Based Organizations - Attachment A**

- ACTION-Housing Inc. 1-800-841-6899
- Armstrong County Community Action Agency 1-724-545-3603
- Bill Busters Inc. 1-800-475-1251
- Blair County Community Action 1-800-238-9763
- CMC Energy Services 1-877-785-9276
- CLEAResult 1-800-367-7223
- Community Action Committee of the Lehigh Valley 1-866-847-4565
- Community Action Partnership of Mercer County 1-888-508-5216
- Center for Community Action 1-800-323-9997
- Central PA Community Action, Inc. 1-814-765-1551
- C. Driscoll Positive Energy Consulting 1-724-984-4147
- Dollar Energy Fund 1-888-282-6816
- Erie County Housing Authority 1-800-841-6899
- Harron's Home Center 1-877-274-6276
- Healthy Homes 1-724-662-3591
- Hranec Insulation Corporation 1-724-363-0092
- Mincin Insulation 1-412-461-0160
- MT Weatherization 717-525-9665
- Northern Tier Community Action Corporation 1-814-486-1161
- Northwest PA Weatherization 1-814-425-1872
- Redevelopment Authority County of Fayette 1-724-428-3377
- Rovegno's of Carlisle 1-717-249-6061
- SEDA-Council of Governments 1-570-524-4491
- Solaire Energy, Inc. 1-800-518-8911
- South Central Community Action Programs 1-800-451-8969
- Tableland Services, Inc. 1-814-445-9628
- TEAZ, Inc. 1-724-366-6753
- Warren Forest Counties Economic Opportunity Council 1-800-231-1797
- Weatherization, Inc. 1-877-984-7462
- WIC - Weaver Weatherization 717-450-3286
- York Home Performance 717-586-8584



**Penelec 2019 Projections:**

22,234 Projected PCAP participants at Year end  
 50 Projected CARES participants  
 418 Projected DEF Hardship Participants  
 2,310 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	2,003,449		9.21%	\$ 90
PCAP Bill Subsidy	18,024,930		82.87%	\$ 811
PCAP Debt Forgiveness	1,722,613		7.92%	\$ 77
Total PCAP		21,750,992	100.00%	\$ 978
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		5,808,997		
<b>Totals</b>		<b>27,640,489</b>		

**Penelec 2020 Projections:**

24,755 Projected PCAP participants at Year end  
 50 Projected CARES participants  
 418 Projected DEF Hardship Participants  
 2,320 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	1,657,175		6.67%	\$ 67
PCAP Bill Subsidy	21,162,883		85.22%	\$ 855
PCAP Debt Forgiveness	2,013,451		8.11%	\$ 81
Total PCAP		24,833,509	100.00%	\$ 1,003
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		6,126,000		
<b>Totals</b>		<b>31,040,009</b>		

**Penelec 2021 Projections:**

28,062 Projected PCAP participants at Year end  
 50 Projected CARES participants  
 418 Projected DEF Hardship Participants  
 2,330 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	1,932,658		6.90%	\$ 69
PCAP Bill Subsidy	23,804,702		85.01%	\$ 848
PCAP Debt Forgiveness	2,265,656		8.09%	\$ 81
Total PCAP		28,003,016	100.00%	\$ 998
Dollar Energy Fund Administration		75,000		
Gatekeeper		2,000		
WARM (LIURP)		6,460,000		
<b>Totals</b>		<b>34,543,516</b>		

**Penn Power 2019 Projections:**

4,861 Projected PCAP participants at Year end  
 15 Projected CARES participants  
 206 Projected DEF Hardship Participants  
 865 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		1,000		
PCAP Administration	544,794		10.70%	\$ 112
PCAP Bill Subsidy	4,142,359		81.36%	\$ 852
PCAP Debt Forgiveness	404,125		7.94%	\$ 83
Total PCAP		5,091,278	100.00%	\$ 1,047
Dollar Energy Fund Administration		35,000		
Gatekeeper		1,000		
WARM (LIURP)		2,846,000		
<b>Totals</b>		<b>7,974,278</b>		

**Penn Power 2020 Projections:**

5,453 Projected PCAP participants at Year end  
 15 Projected CARES participants  
 206 Projected DEF Hardship Participants  
 865 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		1,000		
PCAP Administration	479,433		8.25%	\$ 88
PCAP Bill Subsidy	4,854,367		83.52%	\$ 890
PCAP Debt Forgiveness	478,742		8.24%	\$ 88
Total PCAP		5,812,542	100.00%	\$ 1,066
Dollar Energy Fund Administration		35,000		
Gatekeeper		1,000		
WARM (LIURP)		2,989,000		
<b>Totals</b>		<b>8,838,542</b>		

**Penn Power 2021 Projections:**

6,222 Projected PCAP participants at Year end  
 15 Projected CARES participants  
 206 Projected DEF Hardship Participants  
 865 Projected WARM participants

Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		1,000		
PCAP Administration	544,257		8.26%	\$ 87
PCAP Bill Subsidy	5,504,840		83.52%	\$ 885
PCAP Debt Forgiveness	541,670		8.22%	\$ 87
Total PCAP		6,590,767	100.00%	\$ 1,059
Dollar Energy Fund Administration		35,000		
Gatekeeper		1,000		
WARM (LIURP)		3,138,000		
<b>Totals</b>		<b>9,765,767</b>		

<b>West Penn Power Revised 2019 Projections:</b>				
19,097 Projected PCAP participants at Year end				
50 Projected CARES participants				
651 Projected DEF Hardship Participants				
970 Projected WARM participants				
Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	1,846,768		9.17%	\$ 97
PCAP Bill Subsidy	15,527,117		77.11%	\$ 813
PCAP Debt Forgiveness	2,762,099		13.72%	\$ 145
Total PCAP		20,135,984	100.00%	\$ 1,054
Dollar Energy Fund Administration		46,500		
Gatekeeper		2,000		
WARM (LIURP)		5,001,093		
<b>Totals</b>		<b>25,189,077</b>		

<b>West Penn Power Revised 2020 Projections:</b>				
22,484 Projected PCAP participants at Year end				
50 Projected CARES participants				
651 Projected DEF Hardship Participants				
1,070 Projected WARM participants				
Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	1,351,142		5.44%	\$ 60
PCAP Bill Subsidy	19,418,394		78.25%	\$ 864
PCAP Debt Forgiveness	4,047,680		16.31%	\$ 180
Total PCAP		24,817,216	100.00%	\$ 1,104
Dollar Energy Fund Administration		46,500		
Gatekeeper		2,000		
WARM (LIURP)		5,878,000		
<b>Totals</b>		<b>30,747,216</b>		

<b>West Penn Power Revised 2021 Projections:</b>				
25,924 Projected PCAP participants at Year end				
50 Projected CARES participants				
651 Projected DEF Hardship Participants				
1,095 Projected WARM participants				
Program Name	Detail of PCAP Components	Total Budget Amount	Percent of Budget	Average Cost per Participant
CARES		3,500		
PCAP Administration	1,619,719		5.69%	\$ 62
PCAP Bill Subsidy	22,261,878		78.23%	\$ 859
PCAP Debt Forgiveness	4,576,175		16.08%	\$ 177
Total PCAP		28,457,772	100.00%	1098
Dollar Energy Fund Administration		46,500		
Gatekeeper		2,000		
WARM (LIURP)		6,316,000		
<b>Totals</b>		<b>34,825,772</b>		

## Conclusion

The Companies submit their Universal Service and Energy Conservation Program is consistent with all applicable Commission requirements, including the following:

- 52 Pa. Code § 56.1, *et seq.* (Standards and Billing Practices for Residential Utility Service).
- 66 Pa. C.S. § 1401, *et seq.* (Responsible Utility Customer Protection Act).
- 52 Pa. Code §§ 54.71-54.78 (Reporting Requirements for Universal Service and Energy Conservation Programs).
- 52 Pa. Code §§ 58.1-58.18 (regarding LIURP).
- PCAP Policy Statement of July 25, 1992, Docket No. M-00920345.
- 66 Pa. C.S. §§ 2801, *et seq.* (Electricity Generation Customer Choice and Competition Act).
- Commission Universal Service and Energy Conservation Programs Guidelines, Docket No. M-00960890F0010 (Order entered Jul. 10, 1997).
- Commission Universal Service and Energy Conservation Program Reporting Requirements, Docket No. L-00970130 (Order entered Apr. 30, 1998).
- Customer Assistance Programs: Funding Levels and Cost Recovery Mechanisms, Docket No. M-00051923 (Order entered Dec. 18, 2006).
- Cost recovery of USECP costs via the Companies' Universal Service Cost Riders as approved by the Commission's Orders at Docket Nos. R-00061366, R-00061367, R-00072437, and R-2014-2428742.

*Pa. Pub. Util. Comm'n v. Met-Ed*, Docket No. R-2016-2537349; *Pa Pub. Util Comm'n v. Penelec*, Docket No. R-2016-2537352; *Pa. Pub. Util. Comm'n v. Penn Power*, Docket No. R-2016-2537355; and *Pa. Pub. Util. Comm'n v. West Penn*, Docket No. R-2016-2537359 (Opinion and Order entered Jan. 19, 2017).

## **Company Contacts**

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Pennsylvania Electric Company Universal Service and Energy Conservation Plan for 2019-2021</b>	<b>:</b>	<b>Docket No. M-2017-2636969</b>
	<b>:</b>	
	<b>:</b>	
<b>Pennsylvania Power Company Universal Service and Energy Conservation Plan for 2019-2021</b>	<b>:</b>	<b>Docket No. M-2017-2636973</b>
	<b>:</b>	
	<b>:</b>	
<b>Metropolitan Edison Company Universal Service and Energy Conservation Plan for 2019-2021</b>	<b>:</b>	<b>Docket No. M-2017-2636976</b>
	<b>:</b>	
	<b>:</b>	
<b>West Penn Power Company Universal Service and Energy Conservation Plan for 2019-2021</b>	<b>:</b>	<b>Docket No. M-2017-2636978</b>
	<b>:</b>	
	<b>:</b>	

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Service by First Class Mail, postage prepaid, as follows:

John Evans  
Office of Small Business Advocate  
Suite 1102, Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Tanya J. McCloskey  
Office of Consumer Advocate  
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Harrisburg, PA 17101

Patrick Cicero  
Pennsylvania Utility Law  
Project 118 Locust Street  
Harrisburg, PA 17101

Richard Kanaskie  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
P.O. Box 3265  
Harrisburg, PA 17105-3265

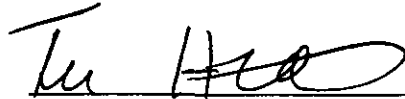
Robert Ballenger  
Community Legal Services, Inc.  
1424 Chestnut Street  
Philadelphia, PA 19102

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SECRETARY'S BUREAU

Dated: June 24, 2019



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Pennsylvania Power Company,  
Metropolitan Edison Company and  
West Penn Power Company

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TELEPHONE

Rosemary Chiavetta

PA PUC

400 North Street

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