



Report on 2014 Universal Service Programs & Collections Performance

of the Pennsylvania
Electric Distribution Companies &
Natural Gas Distribution Companies

Pennsylvania Public Utility Commission
Bureau of Consumer Services





**2014 Report
on
Universal Service Programs
&
Collections Performance**

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1. Introduction

The Pennsylvania Public Utility Commission's (PUC) Annual Report on 2014 Universal Service Programs and Collections Performance includes data and performance measures for the seven major Pennsylvania electric distribution companies (EDCs) and the eight major natural gas distribution companies (NGDCs).

The Electricity Generation Customer Choice and Competition Act¹ and the Natural Gas Choice and Competition Act² opened the electric generation and natural gas supply markets to competition. In doing so, the General Assembly wanted to ensure that electric and natural gas service remain universally available to all customers in the state. Consequently, both Acts contain provisions relating to universal electric and gas service, and require the Commission to maintain, at a minimum, the protections, policies, and services that assist customers who are low-income to afford electric and gas service.³ The Acts also require the Commission to ensure that universal service and energy conservation policies are appropriately funded and available in each electric and natural gas distribution territory⁴.

To assist in fulfilling its universal service obligations, the Commission established standard reporting requirements for universal service and energy conservation for both the EDCs and the NGDCs⁵. The Universal Service and Energy Conservation Reporting Requirements⁶ (USRR) became effective Aug. 8, 1998, for EDCs and Dec. 16, 2000, for NGDCs. This data assists the Commission in monitoring the progress of the EDCs and NGDCs in achieving universal service in their respective service territories. Beginning with 2003 data, FirstEnergy Corp. requested permission to identify and report separately on the four FirstEnergy companies: Metropolitan Edison (Met-Ed), Pennsylvania Electric (Penelec), Penn Power and West Penn Power (West Penn, formerly Allegheny Power). The other utilities subjected to these reporting requirements are Duquesne Light, PECO-Electric, PPL, Columbia, NFG, PECO-Gas, Peoples (formerly Dominion Peoples), Peoples-Equitable⁷, PGW, UGI Penn Natural, and UGI-Gas.

Each year, the EDCs and NGDCs report the previous year's data on April 1. The PUC then conducts a data-cleaning and error-checking process, including both written and verbal dialogue between the PUC and companies. Uniformity issues are documented in various tables, charts and appendices and also are discussed in more detail in later chapters. The PUC continues to work with the companies to obtain uniform data that fully complies with the regulations.

Treatment of Confirmed Low-Income Data Among the Collections Performance Data

A low-income customer is defined as one whose household income is at or below 150 percent of the federal poverty income guidelines (FPIG)⁸. A confirmed low-income customer is one whose gross household income has been verified as meeting the FPIG. We have included collection data about confirmed low-income customers for only a select number of collections performance measures. The confirmed low-income data tables are subsets of the Residential data tables appearing in Chapter 2, and are reported separately in the USRR.

¹ 66 Pa. C.S. §§ 2801-2812

² 66 Pa. C.S. Chapter 22

³ 66 Pa. C.S. §§ 2203(7), §§ 2802(10)

⁴ 66 Pa. C.S. §§ 2203(8), §§ 2804(9)

⁵ 52 Pa. Code §§ 54.71–54.78, §§ 62.1-62.8

⁶ 52 Pa. Code § 54.75(2)(ii)(C)(III) for EDCs and 52 Pa. Code § 62.5 (2)(ii)(C)(III) for NGDCs

⁷ On Dec. 18, 2013, Equitable Gas Company was merged into Peoples Natural Gas Company LLC (Peoples). The 2014 Universal Services Report reflects separate data for Peoples and Peoples-Equitable.

⁸ See Appendix 3

Universal Service Programs

Universal Service is a collective name applied to the policies, protections and services that help low-income customers maintain utility service and includes payment assistance programs, termination of service protections, energy reduction programs, and consumer education⁹. The Commission has made the Bureau of Consumer Services (BCS) responsible for monitoring and evaluating utilities' universal service programs. The goal in monitoring these programs is to increase the effectiveness of utility collections while protecting the public's health and safety. There are four individual universal service programs.

The **Low-Income Usage Reduction Program (LIURP)** is an energy conservation and education program. Qualifying households receive an energy audit to assess household condition and energy usage; free installation of energy conservation and energy efficiency measures such as insulation, air sealing, and appliance installation if cost effective; and, free education on energy conservation and usage reduction.

Customer Assistance Program (CAPs) are payment assistance and debt forgiveness programs for payment-troubled households. CAPs are intended to provide affordable monthly bills based on a set energy burden standard. These lower rates are applied to ongoing usage as long as the household remains current and timely paying its monthly customer assistance payments. CAP rates may take the form of a discounted price on actual usage on either all or a portion of the usage, a percentage of the monthly bill, or a monthly amount that is calculated upon a percentage of the household income. Percentage of income plans are correlated directly to the household's income and the Commission-determined allowable energy burden percentage. CAP's debt forgiveness feature freezes a household's unpaid past debt upon entry into the program. As long as the household remains current and timely on their future payments, the past debt is not collected and is eventually forgiven in incremental amounts over time.

Customer Assistance and Referral Evaluation Services (CARES) is a social service and referral program for households encountering some form of extenuating circumstance or emergency that results in the household's inability to pay for utility service. Qualifying households may receive counseling and/or direct referrals to community resources that can aid the family in resolving the emergency.

Hardship Funds are programs that make cash grants available to qualifying households to assist in the payment of outstanding debt owed to the utility company. They are funded through contributions made by the public that are matched by the company and paid directly to the utility.

Treatment of PECO Data

PECO serves three types of customers: those who receive only electric service (electric only); those who receive both electric and gas service (combination/electric and gas); and those who receive only gas service (gas only). PECO also reports the electric and gas data separately. In order to split the second group (combination/electric and gas) for some of the data variables, PECO uses an allocation factor consistent with PECO's gas base rate filing of March 31, 2008. The allocation factor for 2014 splits the combination group into 86 percent electric and 14 percent gas. However, for other data variables, PECO does not apply the allocation method. Instead, PECO includes the combination group in both the electric and gas totals.

⁹ Electricity Generation Customer Choice and Competition Act at 66 Pa.C.S.A. §2803 and Natural Gas Choice Competition Act at 66 Pa.C.S.A. §2202.

Responsible Utility Customer Protection Act

Act 201 of 2004¹⁰ changed the rules that apply to cash deposits, reconnection of service, termination of service, payment agreements, and the filing of termination complaints by consumers for electric, gas, and water. The goal was to increase timely collections while ensuring that service is available to all customers based on equitable terms and conditions.¹¹ The law is applicable to EDCs, water distribution companies, and NGDCs with an annual operating income in excess of \$6,000,000.¹² Steam and wastewater utilities are not covered by Chapter 14. The Commission amended Chapter 56 to make these regulations consistent with Chapter 14¹³. On Oct. 22, 2014, Chapter 14 was renewed for a period of 10 years. The next comprehensive evaluation report on Chapter 14 is due in Dec. 2019.

CAP Rulemaking and Policy Statement

As the result of an investigation into CAP funding levels and cost recovery mechanisms¹⁴, the Commission began the process to revise its policy statement¹⁵ and regulations¹⁶ regarding CAPs. In May 2012, the Commission discontinued the rulemaking and the proposed revisions to the CAP policy statement¹⁷ due to several developments since the initiation of these two proceedings. The developments included changes to the application of **Low Income Home Energy Assistance Program (LIHEAP)** funds in a distribution company's CAP. In addition, stakeholders are studying the treatment of universal service customers in an enhanced competitive retail electricity market and this subgroup may recommend regulatory changes or revisions to the CAP policy statement. The Commission indicated that a new rulemaking and amended policy statement may be initiated in the future.

On April 9, 2010, the PUC suspended portions¹⁸ of the CAP policy statement. The Department of Human Services' (DHS, formerly the Department of Welfare) policy change regarding the application of LIHEAP grants to a distribution company's CAP made those sections inconsistent with its administration of LIHEAP.¹⁹ The suspension of Sections 69.265(9)(ii-iii) of the Commission's regulations is still in effect.

¹⁰ 66 Pa.C.S. §§1401-1418

¹¹ 66 Pa. C.S. §1402

¹² Small natural gas companies may voluntarily "opt in" to Chapter 14. 66 Pa. C.S. §1403.

¹³ Docket no. L-00060182, published in Pennsylvania Bulletin Oct. 8, 2011.

¹⁴ Final Order entered Dec. 18, 2006 at docket no. M-00051923

¹⁵ 52 Pa. Code §§ 69.261-69.267. Policy statement proposal docket no. M-00072036.

¹⁶ 52 Pa. Code § 54.74 and § 62.4. Proposed rulemaking docket no. L-00070186.

¹⁷ Docket Nos. L-00070186 (Rulemaking) and M-00072036 (Policy Statement)

¹⁸ 52 Pa. Code §§ 69.265(9)(ii-iii)

¹⁹ Set forth in DPW's 2010 Final State Plan

2. Collection Performance

The USRR regulations require EDCs and NGDCs to report various residential and confirmed low-income collection data. The following report content reviews each of the collection measures by presenting the raw data itself and by using the data to arrive at calculated variables that are more useful in analyzing collection performance. All of the data and statistics used in this chapter are drawn from information submitted by the companies.

It is also important to note that we have reflected both the number of confirmed low-income customers and the number of estimated low-income customers in a utility's given service territory. Most confirmed low-income households are verified through the customer's receipt of a LIHEAP grant, enrollment in a Universal Service program or determined during the course of making a payment agreement. The estimated low-income customers represent the company's approximation of its total universe of low-income customers, and is based on the latest census data available at the time of reporting.

Number of Residential Customers

The number of residential customers represents an average of the 12 months of month-end data reported by the companies. The data includes all residential customers, including universal service program recipients.

Number of Residential Electric Customers

Company	Number of Residential Customers
Duquesne	527,390
Met-Ed	490,059
PECO-Electric	1,430,397
Penelec	503,596
Penn Power	141,745
PPL	1,221,960
West Penn	621,020
Total	4,936,167

Number of Residential Natural Gas Customers

Company	Number of Residential Customers
Columbia	386,150
Peoples	330,459
Peoples-Equitable	243,610
NFG	198,681
PECO-Gas	461,173
PGW	469,283
UGI-Gas	331,583
UGI Penn Natural	150,495
Total	2,571,434

Number of Confirmed Low-Income Electric Customers*

Company	Number of Confirmed Low-Income Customers	Percent of Customers
Duquesne	58,792	11.1%
Met-Ed	63,377	12.9%
PECO-Electric	175,123	12.2%
Penelec	80,030	15.9%
Penn Power	18,617	13.1%
PPL	171,171	14.0%
West Penn	52,185	8.4%
Total	619,295	12.5%

*Low-income is defined as household income at or below 150 percent of FPIG.

Number of Confirmed Low-Income Natural Gas Customers*

Company	Number of Confirmed Low-Income Customers	Percent of Customers
Columbia	68,418	17.7%
Peoples	59,483	18.0%
Peoples-Equitable	43,112	17.7%
NFG	28,759	14.5%
PECO-Gas	31,622	6.9%
PGW	144,696	30.8%
UGI-Gas	41,639	12.6%
UGI Penn Natural	26,433	17.6%
Total	444,162	17.3%

*Low-income is defined as household income at or below 150 percent of FPIG.

Number of Estimated Low-Income Electric Customers*

Company	Number of Estimated Low-Income Customers	Percent of Customers
Duquesne	127,313	24.1%
Met-Ed	121,806	24.9%
PECO-Electric	378,747	26.5%
Penelec	188,435	37.4%
Penn Power	37,549	26.5%
PPL	322,500	26.4%
West Penn	168,291	27.1%
Total	1,344,641	27.2%

*Low-income is defined as household income at or below 150 percent of FPIG.

*Number of Estimated Low-Income Natural Gas Customers**

Company	Number of Estimated Low-Income Customers	Percent of Customers
Columbia	103,087	26.7%
Peoples	85,919	26.0%
Peoples-Equitable	60,902	25.0%
NFG	63,538	32.0%
PECO-Gas	71,268	15.5%
PGW	181,143	38.6%
UGI-Gas	84,809	25.6%
UGI Penn Natural	48,409	32.2%
Total	699,075	27.2%

* Low-income is defined as household income at or below 150 percent of FPIG.

Payment Troubled Customers

A **payment troubled customer** is a customer who has failed to maintain one or more payment agreements in a 1-year period.²⁰ A **payment agreement**²¹ is an agreement in which a customer who admits liability for billed service is permitted to pay the unpaid balance in one or more payments. The PUC can only offer a payment agreement to a payment troubled customer when all “catch-up” arrears are paid, or when a previous agreement has been satisfied. The companies have no restrictions on the number or terms of any payment agreements they may choose to offer to payment troubled customers.

The following tables reflect an average of the 12 months of month-end data reported by the companies for payment troubled customer totals,²² and include both all residential and confirmed low-income categories to allow for the presentation of the percent of payment troubled customers which are confirmed low-income.

Electric Payment Troubled Customers

Company	All Residential	Confirmed Low-Income	Percent of Payment Troubled Customers which are Confirmed Low-Income
Duquesne	8,551	4,886	57.1%
Met-Ed	1,578	1,035	65.6%
PECO-Electric	3,772	369	9.8%
Penelec	1,514	1,082	71.5%
Penn Power	322	236	73.3%
PPL	150,082	92,036	61.3%
West Penn	1,141	713	62.5%
Total	166,960	100,357	60.1%

²⁰ 52 Pa. Code § 54.72 or § 62.2

²¹ 52 Pa. Code, Chapter 56

²² 52 Pa. Code § 54.75(1)(vii) or § 62.5(a)(1)(x)

Natural Gas Payment Troubled Customers

Company	All Residential	Confirmed Low-Income	Percent of Payment Troubled Customers which are Confirmed Low-Income
Columbia	15,569	9,927	63.8%
Peoples	10,890	5,629	51.7%
Peoples-Equitable	1,051	485	46.1%
NFG	5,569	3,263	58.6%
PECO-Gas	1,126	98	8.7%
PGW	30,904	19,840	64.2%
UGI-Gas	11,737	10,268	87.5%
UGI Penn Natural	7,113	6,021	84.6%
Total	83,959	55,531	66.1%

Number of Payment Agreements

The method²³ by which utilities determine the total number of payment agreements for reporting also takes into consideration the limitations in documenting and tracking payment agreements. This results in treating a broken payment agreement that is reinstated due to a “catch-up” payment as a new payment agreement. The utility and PUC-granted payment agreement requests are included in this category. However, CAP payment plans are not included in the count of payment agreements.

The following tables reflect year-end payment agreement totals, and include both all residential and confirmed low-income categories to allow for the presentation of the percent of payment agreements which are confirmed low-income.

Electric Payment Agreements

Company	All Residential	Confirmed Low-Income	Percent of Payment Agreements which are Confirmed Low-Income
Duquesne	152,035	48,651	32.0%
Met-Ed	63,372	37,009	58.4%
PECO-Electric	48,658	8,952	18.4%
Penelec	57,999	38,712	66.7%
Penn Power	11,319	7,652	67.6%
PPL	180,071	105,607	58.6%
West Penn	49,444	27,352	55.3%
Total	562,898	273,935	48.7%

²³ 52 Pa. Code § 54.75(1)(i) or § 62.5(a)(1)(i)

Natural Gas Payment Agreements

Company	All Residential	Confirmed Low-Income	Percent of Payment Agreements which are Confirmed Low-Income
Columbia	31,319	20,366	65.0%
Peoples	20,879	9,337	44.7%
Peoples-Equitable	14,179	6,807	48.0%
NFG	25,050	15,471	61.8%
PECO-Gas	18,451	2,404	13.0%
PGW	77,936	53,491	68.6%
UGI-Gas	35,080	29,896	85.2%
UGI Penn Natural	22,197	18,434	83.0%
Total	245,091	156,206	63.7%

Termination of Service

Termination of utility service is the most serious consequence of customer nonpayment and is viewed as a last resort when customers fail to meet their payment obligations. The termination rate is calculated by dividing the number of service terminations by the number of residential customers, allowing for a comparison of termination activities regardless of the number of residential consumers. Any significant increase in a termination rate could indicate a trend or pattern that the Commission may need to investigate.

Terminations - Residential Electric Customers

Company	2012 Terminations	2013 Terminations	2014 Terminations	Change 2012-14
Duquesne	23,533	25,649	23,853	1.4%
Met-Ed	17,995	23,672	25,071	39.3%
PECO-Electric	73,344	83,185	88,802	21.1%
Penelec	13,747	20,544	20,657	50.3%
Penn Power	3,514	4,999	4,482	27.5%
PPL	38,303	47,759	56,777	48.2%
West Penn	11,092	13,904	12,133	9.4%
Total	181,528	219,712	231,775	27.7%

Terminations - Residential Natural Gas Customers

Company	2012 Terminations	2013 Terminations	2014 Terminations	Change 2012-14
Columbia	11,321	12,030	11,252	-0.6%
Peoples	6,601	7,229	9,436	42.9%
Peoples-Equitable	8,394	8,507	7,607	-9.4%
NFG	8,347	9,576	9,942	19.1%
PECO-Gas	20,411	22,054	23,538	15.3%
PGW	25,507	28,497	29,769	16.7%
UGI-Gas	8,434	9,055	11,149	32.2%
UGI Penn Natural	5,403	6,214	7,242	34.0%
Total	94,418	103,162	109,935	16.4%

Terminations - Confirmed Low-Income Electric Customers

Company	2012 Terminations	2013 Terminations	2014 Terminations	Change 2012-14
Duquesne	11,948	12,671	11,631	-2.7%
Met-Ed	8,800	11,999	12,718	44.5%
PECO-Electric	16,973	23,431	30,866	81.9%
Penelec	7,557	11,672	12,085	59.9%
Penn Power	1,813	2,675	2,610	44.0%
PPL	20,391	25,950	39,104	91.8%
West Penn	5,223	6,919	6,215	19.0%
Total	72,705	95,317	115,229	58.5%

Terminations - Confirmed Low-Income Natural Gas Customers

Company	2012 Terminations	2013 Terminations	2014 Terminations	Change 2012-14
Columbia	6,591	7,030	6,610	0.3%
Peoples	3,553	1,373	2,453	-31.0%
Peoples-Equitable	5,360	5,477	4,757	-11.3%
NFG	5,081	5,640	5,825	14.6%
PECO-Gas	3,880	5,191	7,444	91.9%
PGW	17,410	18,672	15,503	-11.0%
UGI-Gas	6,429	6,674	8,018	24.7%
UGI Penn Natural	4,074	4,552	5,212	27.9%
Total	52,378	54,609	55,822	6.6%

Termination Rate - Residential Electric Customers

Company	2012 Termination Rate	2013 Termination Rate	2014 Termination Rate	Change 2012-14
Duquesne	4.5%	4.9%	4.5%	0.0%
Met-Ed	3.7%	4.8%	5.1%	37.8%
PECO-Electric	5.2%	5.9%	6.2%	19.2%
Penelec	2.7%	4.1%	4.1%	51.9%
Penn Power	2.5%	3.5%	3.2%	28.0%
PPL	3.2%	3.9%	4.6%	43.8%
West Penn	1.8%	2.2%	2.0%	11.1%
Total	3.7%	4.5%	4.7%	27.0%

Termination Rate - Residential Natural Gas Customers

Company	2012 Termination Rate	2013 Termination Rate	2014 Termination Rate	Change 2012-14
Columbia	3.0%	3.1%	2.9%	-3.3%
Peoples	2.0%	2.2%	2.9%	45.0%
Peoples-Equitable	3.5%	3.5%	3.1%	-11.4%
NFG	4.2%	4.8%	5.0%	19.0%
PECO-Gas	4.5%	4.8%	5.1%	13.3%
PGW	5.3%	6.1%	6.3%	18.9%
UGI-Gas	2.7%	2.8%	3.4%	25.9%
UGI Penn Natural	3.7%	4.2%	4.8%	29.7%
Total	3.7%	4.0%	4.3%	16.2%

Termination Rate - Confirmed Low-Income Electric Customers

Company	2012 Termination Rate	2013 Termination Rate	2014 Termination Rate	Change 2012-14
Duquesne	20.9%	21.8%	19.8%	-5.3%
Met-Ed	14.8%	19.5%	20.1%	16.7%
PECO-Electric	10.1%	14.4%	17.6%	74.3%
Penelec	9.9%	14.9%	15.1%	52.5%
Penn Power	9.9%	14.4%	14.0%	40.4%
PPL	12.8%	15.6%	22.8%	78.1%
West Penn	11.7%	15.4%	11.9%	1.7%
Total	12.5%	16.1%	18.6%	48.8%

Termination Rate - Confirmed Low-Income Natural Gas Customers

Company	2012 Termination Rate	2013 Termination Rate	2014 Termination Rate	Change 2012-14
Columbia	9.8%	10.4%	9.7%	-1.0%
Peoples	5.7%	2.3%	4.1%	-28.1%
Peoples-Equitable	12.4%	12.7%	11.0%	-11.3%
NFG	16.8%	19.0%	20.3%	20.8%
PECO-Gas	13.0%	16.1%	23.5%	80.8%
PGW	11.5%	11.9%	10.7%	-7.0%
UGI-Gas	16.3%	16.9%	19.3%	18.4%
UGI Penn Natural	15.8%	17.5%	19.7%	24.7%
Total	11.6%	12.0%	12.6%	8.6%

Reconnection of Service

Reconnection of service occurs when customers either pay their debt in full or make a significant up-front payment to the utility and agree to a payment agreement for the balance owed. The reconnection rate is calculated by dividing the number of service reconnections by the number of terminations, allowing for a comparison of reconnection activities regardless of the number of residential consumers. The result is generally indicative of the success of a customer, whose service has been terminated, at getting service reconnected.

Reconnections - Residential Electric Customers

Company	2012 Reconnections	2013 Reconnections	2014 Reconnections	Change 2012-14
Duquesne	18,179	20,355	18,523	1.9%
Met-Ed	14,651	19,046	20,185	37.8%
PECO-Electric	52,211	61,493	67,142	28.6%
Penelec	10,989	16,184	15,959	45.2%
Penn Power	3,208	4,740	3,925	22.4%
PPL	26,326	34,910	42,767	62.5%
West Penn	9,082	11,089	9,472	4.3%
Total	134,646	167,817	177,973	32.2%

Reconnections - Residential Natural Gas Customers

Company	2012 Reconnections	2013 Reconnections	2014 Reconnections	Change 2012-14
Columbia	6,310	6,490	6,212	-1.6%
Peoples	4,654	5,426	5,210	11.9%
Peoples-Equitable	6,221	6,453	5,620	-9.7%
NFG	5,458	6,453	6,753	23.7%
PECO-Gas	14,854	16,565	18,059	21.6%
PGW	18,114	19,907	19,836	9.5%
UGI-Gas	3,990	4,322	5,240	31.3%
UGI Penn Natural	3,453	3,483	4,008	16.1%
Total	63,054	69,099	70,938	12.5%

Reconnections - Confirmed Low-Income Electric Customers

Company	2012 Reconnections	2013 Reconnections	2014 Reconnections	Change 2012-14
Duquesne	11,806	9,932	11,208	-5.1%
Met-Ed	6,908	8,273	8,964	29.8%
PECO-Electric	15,430	21,763	25,540	65.5%
Penelec	5,818	8,020	8,217	41.2%
Penn Power	1,509	2,048	1,900	25.9%
PPL	14,344	21,849	26,429	84.3%
West Penn	4,309	4,568	4,135	-4.0%
Total	60,124	76,453	86,393	43.7%

Reconnections - Confirmed Low-Income Natural Gas Customers

Company	2012 Reconnections	2013 Reconnections	2014 Reconnections	Change 2012-14
Columbia	3,104	3,245	3,223	3.8%
Peoples	2,361	1,031	1,354	-42.7%
Peoples-Equitable	4,218	3,969	3,321	-21.3%
NFG	3,451	3,908	4,012	16.3%
PECO-Gas	3,624	4,837	5,810	60.3%
PGW	10,412	13,043	10,815	3.9%
UGI-Gas	2,718	2,832	3,242	19.3%
UGI Penn Natural	2,105	2,051	2,300	9.3%
Total	31,993	34,916	34,077	6.5%

Reconnection Rate - Residential Electric Customers

Company	2012 Reconnection Rate	2013 Reconnection Rate	2014 Reconnection Rate	Change 2012-14
Duquesne	77.2%	79.4%	77.7%	0.6%
Met-Ed	81.4%	80.5%	80.5%	-1.1%
PECO-Electric	71.2%	73.9%	75.6%	6.2%
Penelec	79.9%	78.8%	77.3%	-3.3%
Penn Power	91.3%	94.8%	87.6%	-4.1%
PPL	68.7%	73.1%	75.3%	9.6%
West Penn	81.9%	79.8%	78.1%	-4.6%
Total	74.2%	76.4%	76.8%	3.5%

Reconnection Rate - Residential Natural Gas Customers

Company	2012 Reconnection Rate	2013 Reconnection Rate	2014 Reconnection Rate	Change 2012-14
Columbia	55.7%	53.9%	55.2%	-0.9%
Peoples	70.5%	75.1%	55.2%	-21.7%
Peoples-Equitable	74.1%	75.9%	73.9%	-0.3%
NFG	65.4%	67.4%	67.9%	3.8%
PECO-Gas	72.8%	75.1%	76.7%	5.4%
PGW	71.0%	71.0%	66.6%	-6.2%
UGI-Gas	47.3%	47.7%	47.0%	-0.6%
UGI Penn Natural	63.9%	56.1%	55.3%	-13.5%
Total	66.8%	67.0%	64.5%	-3.4%

Reconnection Rate - Confirmed Low-Income Electric Customers

Company	2012 Reconnection Rate	2013 Reconnection Rate	2014 Reconnection Rate	Change 2012-14
Duquesne	98.8%	78.4%	96.4%	-2.4%
Met-Ed	78.5%	68.9%	70.5%	-10.2%
PECO-Electric	90.9%	92.9%	82.7%	-9.0%
Penelec	77.0%	68.7%	68.0%	-11.7%
Penn Power	83.2%	76.6%	72.8%	-12.5%
PPL	70.3%	84.2%	67.6%	-3.8%
West Penn	82.5%	66.0%	66.5%	-19.4%
Total	82.7%	80.2%	75.0%	-9.3%

Reconnection Rate - Confirmed Low-Income Natural Gas Customers

Company	2012 Reconnection Rate	2013 Reconnection Rate	2014 Reconnection Rate	Change 2012-14
Columbia	47.1%	46.2%	48.8%	3.6%
Peoples	66.5%	75.1%	55.2%	-17.0%
Peoples-Equitable	78.7%	72.5%	69.8%	-11.3%
NFG	67.9%	69.3%	68.9%	1.5%
PECO-Gas	93.4%	93.2%	78.0%	-16.5%
PGW	59.8%	69.9%	69.8%	16.7%
UGI-Gas	42.3%	42.4%	40.4%	-4.5%
UGI Penn Natural	51.7%	45.1%	44.1%	-14.7%
Total	61.1%	63.9%	61.0%	-0.2%

Number of Customers in Debt

Two categories exist for reporting customers overdue or in debt. The first includes customers who are on a payment agreement, and the second includes customers who are not on a payment agreement. Those “on a payment agreement” include both utility and PUC-granted payment agreements. Debt that is on a payment agreement is considered active and is often easier to collect than debt not on a payment agreement. Uncollectible debt represents more risk for the utility and often leads to higher write-offs.

Many factors affect the number of customers in debt, including customer income level and ability to pay, company collection practices, and the size of customer bills. Company collection policies vary and therefore also influence the “overdue” or “in debt” categorization.

One of the stated purposes of the Chapter 56 regulations²⁴ is to “provide functional alternatives to termination.” Customers who make a payment agreement on an outstanding balance have acknowledged that they are aware of the outstanding debt, and have avoided any imminent threat of termination²⁵.

Two factors affect the uniformity of the data reported regarding the number of overdue customers and the dollars in debt associated with those customers. First, companies use different methods for determining when an account is overdue. Companies consider either the due date of the bill or the transmittal date of the bill to be day zero. The transmittal date is 20 days before the due date. Companies are requested to consider the due date as day zero and to report debt that is at least 30 days overdue.

Duquesne Light, Met-Ed, Penelec, Penn Power, West Penn, Columbia, Peoples-Equitable, UGI Penn Natural and UGI-Gas reported according to the method requested. The variance among the other EDCs and NGDCs shows a difference of no more than 20 days from that method. PECO Electric and Gas, PPL, Peoples and PGW report debt that is 10 days old, meaning these companies are overstating the debt compared to companies that reported debt as 30 days overdue. NFG reports debt that is about 40 days old, meaning NFG is understating its debt relative to the other companies. Appendix 1 contains company specific information.

The second factor affecting the arrearage data uniformity is when a company moves a terminated or discontinued account from active status (included in the reporting) to inactive status (excluded from the reporting).

²⁴ 52 Pa. Code § 56.1

²⁵ 52 Pa. Code § 56.97

Company collection policies and accounting practices affect the timing. Appendix 2 contains company specific information.

CAP recipients are excluded from all data tables referencing the number of customers in debt, the dollars in debt, and gross residential write-offs.

See Appendix 1 for a chart showing the different methods companies use to determine overdue accounts and how they compare to the preferred method (30 days overdue). See Appendix 2 for the methods companies use to determine when an account is removed from active status after termination of service or discontinuance of service.

Number of Residential Electric Customers in Debt

Company	Number of Customers in Debt on an Agreement	Number of Customers in Debt Not on an Agreement	Total Number of Customers in Debt
Duquesne	12,064	10,444	22,508
Met-Ed	28,984	19,192	48,176
PECO-Electric	22,641	86,757	109,398
Penelec	28,160	21,245	49,405
Penn Power	6,244	5,183	11,427
PPL	38,819	102,375	141,194
West Penn	22,743	24,858	47,601
Total	159,655	270,054	429,709

Number of Residential Natural Gas Customers in Debt

Company	Number of Customers in Debt on an Agreement	Number of Customers in Debt Not on an Agreement	Total Number of Customers in Debt
Columbia	18,834	13,936	32,770
Peoples	11,044	16,507	27,551
Peoples-Equitable	8,454	10,778	19,232
NFG	5,368	5,516	10,884
PECO-Gas	8,204	19,454	27,658
PGW	20,327	63,378	83,705
UGI-Gas	6,020	26,704	32,724
UGI Penn Natural	3,802	12,339	16,141
Total	82,053	168,612	250,665

Number of Confirmed Low-Income Electric Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total of Customers in Debt
Duquesne	3,277	5,072	8,349
Met-Ed	17,470	5,759	23,229
PECO-Electric	4,377	8,610	12,987
Penelec	19,010	7,673	26,683
Penn Power	4,245	1,806	6,051
PPL	24,784	47,410	72,194
West Penn	12,789	5,720	18,509
Total	85,952	82,050	168,002

Number of Confirmed Low-Income Natural Gas Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total of Customers in Debt
Columbia	10,214	4,099	14,313
Peoples	5,335	4,315	9,650
Peoples-Equitable	4,515	3,032	7,547
NFG	3,020	2,089	5,109
PECO-Gas	1,190	1,606	2,796
PGW	4,425	8,744	13,169
UGI-Gas	5,086	11,216	16,302
UGI Penn Natural	3,195	5,963	9,158
Total	36,980	41,064	78,044

Number of Residential Electric Customers in Debt

Company	2012 Total Number of Customers in Debt	2013 Total Number of Customers in Debt	2014 Total Number of Customers in Debt	Change 2012-14
Duquesne	21,965	21,956	22,508	2.5%
Met-Ed	46,622	44,990	48,176	3.3%
PECO-Electric	118,675	120,703	109,398	-7.8%
Penelec	46,649	45,989	49,405	5.9%
Penn Power	10,575	10,706	11,427	8.1%
PPL	134,823	134,751	141,194	4.7%
West Penn	51,529	43,765	47,601	-7.6%
Total	430,838	422,860	429,709	-0.3%

Number of Residential Natural Gas Customers in Debt

Company	2012 Total Number of Customers in Debt	2013 Total Number of Customers in Debt	2014 Total Number of Customers in Debt	Change 2012-14
Columbia	36,940	30,157	32,770	-11.3%
Peoples	32,701	30,099	27,551	-15.7%
Peoples-Equitable	17,468	18,826	19,232	10.1%
NFG	9,744	9,811	10,884	11.7%
PECO-Gas	30,988	31,679	27,658	-10.7%
PGW	61,640	77,839	83,705	35.8%
UGI-Gas	25,903	29,534	32,724	26.3%
UGI Penn Natural	13,209	14,908	16,141	22.2%
Total	228,593	242,853	250,665	9.7%

Percent of Customers in Debt

The **percent of customers in debt** is a useful statistic that supports the need for universal service programs. A company with a low percent of its residential customers in debt will experience better cash flow and have a better credit rating than one with a high percent of its residential customers in debt. The percent of customers in debt is calculated by dividing the number of customers in debt by the total number of residential customers. This calculation is done for both groups of customers in debt – those on a payment agreement and those not on a payment agreement.

See Appendix 1 for a chart showing the different methods companies use to determine overdue accounts and how they compare to the preferred method (30 days overdue). See Appendix 2 for the methods companies use to determine when an account is removed from active status after termination of service or discontinuance of service.

Percent of Total Residential Electric Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total Percent of Customers in Debt
Duquesne	2.3%	2.0%	4.3%
Met-Ed	5.9%	3.9%	9.8%
PECO-Electric	1.6%	6.1%	7.6%
Penelec	5.6%	4.2%	9.8%
Penn Power	4.4%	3.7%	8.1%
PPL	3.2%	8.4%	11.6%
West Penn	3.7%	4.0%	7.7%
Total	3.2%	5.5%	8.7%

Percent of Total Residential Natural Gas Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total Percent of Customers in Debt
Columbia	4.9%	3.6%	8.5%
Peoples	3.3%	5.0%	8.3%
Peoples-Equitable	3.5%	4.4%	7.9%
NFG	2.7%	2.8%	5.5%
PECO-Gas	1.8%	4.2%	6.0%
PGW	4.3%	13.5%	17.8%
UGI-Gas	1.8%	8.1%	9.9%
UGI Penn Natural	2.5%	8.2%	10.7%
Total	3.2%	6.6%	9.7%

Percent of Confirmed Low-Income Electric Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total Percent of Customers in Debt
Duquesne	5.6%	8.6%	14.2%
Met-Ed	27.6%	9.1%	36.7%
PECO-Electric	2.5%	4.9%	7.4%
Penelec	23.8%	9.6%	33.4%
Penn Power	22.8%	9.7%	32.5%
PPL	14.5%	27.7%	42.2%
West Penn	24.5%	11.0%	35.5%
Total	13.9%	13.2%	27.1%

Percent of Confirmed Low-Income Natural Gas Customers in Debt

Company	Customers in Debt on an Agreement	Customers in Debt Not on an Agreement	Total Percent of Customers in Debt
Columbia	14.9%	6.0%	20.9%
Peoples	9.0%	7.3%	16.3%
Peoples-Equitable	10.5%	7.0%	17.5%
NFG	10.5%	7.3%	17.8%
PECO-Gas	3.8%	5.1%	8.9%
PGW	3.1%	6.0%	9.1%
UGI-Gas	12.2%	26.9%	39.1%
UGI Penn Natural	12.1%	22.6%	34.7%
Total	8.3%	9.2%	17.5%

Residential Customer Debt in Dollars Owed

The amount of money owed has an impact on company expenses, making up part of the company's distribution charge. Higher dollars not on agreement represent greater risk for those dollars to be uncollectible.

See Appendix 1 for a chart showing the different methods companies use to determine overdue accounts and how they compare to the preferred method (30 days overdue). See Appendix 2 for the methods companies use to determine when an account is removed from active status after termination of service or discontinuance of service.

Dollars in Debt - Residential Electric Customers

Company	Dollars in Debt on an Agreement	Dollars in Debt Not on an Agreement	Total Dollars in Debt
Duquesne	\$7,413,769	\$5,256,987	\$12,670,756
Met-Ed	\$19,051,671	\$4,740,501	\$23,792,172
PECO-Electric	\$11,820,927	\$29,714,134	\$41,535,061
Penelec	\$17,104,959	\$4,217,542	\$21,322,501
Penn Power	\$3,923,847	\$998,328	\$4,922,175
PPL	\$19,161,432	\$68,105,839	\$87,267,271
West Penn	\$10,145,570	\$4,220,365	\$14,365,935
Total	\$88,622,175	\$117,253,696	\$205,875,871

Dollars in Debt - Residential Natural Gas Customers

Company	Dollars in Debt on an Agreement	Dollars in Debt Not on an Agreement	Total Dollars in Debt
Columbia	\$11,612,648	\$3,424,747	\$15,037,395
Peoples	\$5,697,920	\$4,778,356	\$10,476,276
Peoples-Equitable	\$5,550,283	\$2,369,738	\$7,920,021
NFG	\$2,346,555	\$1,798,858	\$4,145,413
PECO-Gas	\$4,809,496	\$8,975,614	\$13,785,110
PGW	\$10,996,564	\$30,375,968	\$41,372,532
UGI-Gas	\$2,682,622	\$7,410,384	\$10,093,006
UGI Penn Natural	\$1,940,594	\$4,589,255	\$6,529,849
Total	\$45,636,682	\$63,722,920	\$109,359,602

Dollars in Debt - Confirmed Low-Income Electric Custome

Company	Dollars in Debt on an Agreement	Dollars in Debt Not on an Agreement	Total Dollars in Debt
Duquesne	\$2,204,174	\$4,565,510	\$6,769,684
Met-Ed	\$12,364,042	\$1,894,114	\$14,258,156
PECO-Electric	\$2,904,709	\$5,675,610	\$8,580,319
Penelec	\$12,162,602	\$1,946,277	\$14,108,879
Penn Power	\$2,790,788	\$417,487	\$3,208,275
PPL	\$13,692,419	\$47,729,889	\$61,422,308
West Penn	\$6,028,055	\$1,227,264	\$7,255,319
Total	\$52,146,789	\$63,456,151	\$115,602,940

Dollars in Debt - Confirmed Low-Income Natural Gas Customers

Company	Dollars in Debt on an Agreement	Dollars in Debt Not on an Agreement	Total Dollars in Debt
Columbia	\$6,756,013	\$1,159,968	\$7,915,981
Peoples	\$3,289,065	\$2,087,002	\$5,376,067
Peoples-Equitale	\$3,230,526	\$858,822	\$4,089,348
NFG	\$1,468,095	\$988,370	\$2,456,465
PECO-Gas	\$993,347	\$1,856,335	\$2,849,682
PGW	\$2,410,536	\$6,835,691	\$9,246,227
UGI-Gas	\$2,354,783	\$4,302,184	\$6,656,967
UGI Penn Natural	\$1,666,165	\$2,863,510	\$4,529,675
Total	\$22,168,530	\$20,951,882	\$43,120,412

Dollars in Debt - Residential Electric Customers

Company	2012 Total Dollars in Debt	2013 Total Dollars in Debt	2014 Total Dollars in Debt	Change 2012-14
Duquesne	\$11,004,856	\$11,271,501	\$12,670,756	15.1%
Met-Ed	\$27,405,440	\$23,740,747	\$23,792,172	-13.2%
PECO-Electric*	\$51,297,270	\$53,030,783	\$41,535,061	-19.0%
Penelec	\$23,715,969	\$21,016,356	\$21,322,501	-10.1%
Penn Power	\$5,899,155	\$5,015,168	\$4,922,175	-16.6%
PPL	\$79,988,700	\$83,490,365	\$87,267,271	9.1%
West Penn	\$10,589,845	\$12,424,966	\$14,365,935	35.7%
Total	\$209,901,235	\$209,989,886	\$205,875,871	-1.9%

* PECO data in the 2012 Universal Service Program & Collections Performance report included CAP customers. The previous 2012 figure of \$76,791,682 has been revised to exclude CAP, consistent with reporting requirements.

Dollars in Debt - Residential Natural Gas Customers

Company	2012 Total Dollars in Debt	2013 Total Dollars in Debt	2014 Total Dollars in Debt	Change 2012-14
Columbia	\$8,569,783	\$10,343,332	\$15,037,395	75.5%
Peoples	\$15,012,948	\$11,787,163	\$10,476,276	-30.2%
Peoples-Equitable	\$6,047,220	\$6,593,921	\$7,920,021	31.0%
NFG	\$3,759,477	\$3,489,351	\$4,145,413	10.3%
PECO-Gas*	\$18,670,937	\$18,707,389	\$13,785,110	-26.2%
PGW	\$36,314,051	\$46,967,191	\$41,372,532	13.9%
UGI-Gas	\$5,595,669	\$7,184,309	\$10,093,006	80.4%
UGI Penn Natural	\$3,925,932	\$4,982,221	\$6,529,849	66.3%
Total	\$97,896,015	\$110,054,877	\$109,359,602	11.7%

* PECO data in the 2012 Universal Service Program & Collections Performance report included CAP customers. The previous 2012 figure of \$21,441,745 has been revised to exclude CAP, consistent with reporting requirements.

Percent of Total Dollars Owed – On an Agreement Versus Not on an Agreement

The percent of dollars owed in the two reporting categories is calculated by dividing the total dollars owed in a category by the overall total dollars owed. Higher percentages of dollars not on agreement represent greater uncollectible risk.

See Appendix 1 for a chart showing the different methods companies use to determine overdue accounts and how they compare to the preferred method (30 days overdue). See Appendix 2 for the methods companies use to determine when an account is removed from active status after termination of service or discontinuance of service.

Percent of Dollars Owed on an Agreement - Residential Electric Customers

Company	Percent of Dollars Owed – On an Agreement	Percent of Dollars Owed – Not on an Agreement
Duquesne	58.5%	41.5%
Met-Ed	80.1%	19.9%
PECO-Electric	28.5%	71.5%
Penelec	80.2%	19.8%
Penn Power	79.7%	20.3%
PPL	22.0%	78.0%
West Penn	70.6%	29.4%
Total	43.0%	57.0%

Percent of Dollars Owed on an Agreement - Residential Natural Gas Customers

Company	Percent of Dollars Owed – On an Agreement	Percent of Dollars Owed – Not on an Agreement
Columbia	77.2%	22.8%
Peoples	54.4%	45.6%
Peoples-Equitable	70.1%	29.9%
NFG	56.6%	43.4%
PECO-Gas	34.9%	65.1%
PGW	26.6%	73.4%
UGI-Gas	26.6%	73.4%
UGI Penn Natural	29.7%	70.3%
Total	41.7%	58.3%

***Percent of Dollars Owed on an Agreement -
Confirmed Low-Income Electric Customers***

Company	Percent of Dollars Owed – on an Agreement	Percent of Dollars Owed – Not on an Agreement
Duquesne	32.6%	67.4%
Met-Ed	86.7%	13.3%
PECO-Electric	33.9%	66.1%
Penelec	86.2%	13.8%
Penn Power	87.0%	13.0%
PPL	22.3%	77.7%
West Penn	83.1%	16.9%
Total	45.1%	54.9%

***Percent of Dollars Owed on an Agreement -
Confirmed Low-Income Natural Gas Customers***

Company	Percent of Dollars Owed – on an Agreement	Percent of Dollars Owed – Not on an Agreement
Columbia	85.3%	14.7%
Peoples	61.2%	38.8%
Peoples-Equitable	79.0%	21.0%
NFG	59.8%	40.2%
PECO-Gas	34.9%	65.1%
PGW	26.1%	73.9%
UGI-Gas	35.4%	64.6%
UGI Penn Natural	36.8%	63.2%
Total	51.4%	48.6%

Average Arrearage

Average arrearage is calculated by dividing the total dollars in debt by the number of customers in debt. Larger average arrearages may take more time for customers to pay off and pose more of an uncollectible risk than smaller average arrearages.

See Appendix 1 for a chart showing the different methods companies use to determine overdue accounts and how they compare to the preferred method (30 days overdue). See Appendix 2 for the methods companies use to determine when an account is removed from active status after termination of service or discontinuance of service.

Average Arrearage - Residential Electric Customers

Company	Average Arrearage on an Agreement	Average Arrearage Not on an Agreement	Overall Average Arrearage
Duquesne	\$614.54	\$503.35	\$562.94
Met-Ed	\$657.32	\$247.00	\$493.86
PECO-Electric	\$522.10	\$342.50	\$379.67
Penelec	\$607.42	\$198.52	\$431.59
Penn Power	\$628.42	\$192.62	\$430.75
PPL	\$493.61	\$665.26	\$618.07
West Penn	\$446.10	\$169.78	\$301.80
Total	\$555.09	\$434.19	\$479.11

Average Arrearage - Residential Natural Gas Customers

Company	Average Arrearage on an Agreement	Average Arrearage Not on an Agreement	Overall Average Arrearage
Columbia	\$616.58	\$245.75	\$458.88
Peoples	\$515.93	\$289.47	\$380.25
Peoples-Equitable	\$656.53	\$219.87	\$411.81
NFG	\$437.14	\$326.12	\$380.87
PECO-Gas	\$586.24	\$461.38	\$498.41
PGW	\$540.98	\$479.28	\$494.27
UGI-Gas	\$445.62	\$277.50	\$308.43
UGI Penn Natural	\$510.41	\$371.93	\$404.55
Total	\$556.19	\$377.93	\$436.28

Average Arrearage - Confirmed Low-Income Electric Customers

Company	Average Arrearage on an Agreement	Average Arrearage Not on an Agreement	Overall Average Arrearage
Duquesne	\$672.62	\$900.14	\$810.84
Met-Ed	\$707.73	\$328.90	\$613.81
PECO-Electric	\$663.63	\$659.19	\$660.69
Penelec	\$639.80	\$253.65	\$528.76
Penn Power	\$657.43	\$231.17	\$530.21
PPL	\$552.47	\$1,006.75	\$850.80
West Penn	\$471.35	\$214.56	\$391.99
Total	\$606.70	\$773.38	\$688.10

Average Arrearage - Confirmed Low-Income Natural Gas Customers

Company	Average Arrearage on an Agreement	Average Arrearage Not on an Agreement	Overall Average Arrearage
Columbia	\$661.45	\$282.99	\$553.06
Peoples	\$616.51	\$483.66	\$557.11
Peoples-Equitable	\$715.51	\$283.25	\$541.85
NFG	\$486.12	\$473.13	\$480.81
PECO-Gas	\$834.75	\$1,155.87	\$1,019.20
PGW	\$544.75	\$781.76	\$702.12
UGI-Gas	\$462.99	\$383.58	\$408.35
UGI Penn Natural	\$521.49	\$480.21	\$494.61
Total	\$599.47	\$510.23	\$552.51

Revenues (Billings)

Revenues (billings) are the cumulative, year-end total dollars collected by the utility for the previous year and reported in the USRR for both the Residential and Confirmed Low-Income categories. Billings are used in the calculation of other collection performance measures, and include dollars collected from Universal Service program recipients, including CAP customers' billings.

Residential Revenues (Billings) - Electric Customers

Company	All Residential	Confirmed Low-Income	Percent Confirmed Low-Income
Duquesne	\$436,291,950	\$52,450,962	12.0%
Met-Ed	\$529,337,151	\$79,991,937	15.1%
PECO-Electric	\$2,074,953,360	\$116,472,734	5.6%
Penelec	\$450,755,455	\$85,536,920	19.0%
Penn Power	\$137,113,260	\$20,428,243	14.9%
PPL	\$1,927,958,763	\$347,032,577	18.0%
West Penn	\$519,121,754	\$54,739,086	10.5%
Total	\$6,075,531,693	\$756,652,459	12.5%

Residential Revenues (Billings) - Natural Gas Customers

Company	All Residential	Confirmed Low-Income	Percent Confirmed Low-Income
Columbia	\$383,636,645	\$66,320,193	17.3%
Peoples	\$329,285,085	\$85,614,122	26.0%
Peoples-Equitable	\$266,937,177	\$37,649,194	14.1%
NFG	\$170,339,225	\$21,747,070	12.8%
PECO-Gas	\$482,789,946	\$19,792,573	4.1%
PGW	\$517,468,283	\$112,776,721	21.8%
UGI-Gas	\$231,393,035	\$35,997,461	15.6%
UGI Penn Natural	\$177,507,142	\$32,414,158	18.3%
Total	\$2,559,356,538	\$412,311,492	16.1%

Percent of Revenues (Billings) in Debt

The **percent of revenues (billings) in debt** is calculated by dividing the total annual revenues (billings) by the total monthly average dollars in debt. This calculated variable provides another way to measure the extent of customer debt. In the following two tables, the higher the percentage, the greater the potential collection risk.

Percent of Revenues (Billings) in Debt - Residential Electric Customers

Company	2012	2013	2014	Change 2012-14
Duquesne	2.3%	2.8%	2.9%	26.1%
Met-Ed	4.6%	4.2%	4.5%	-2.2%
PECO-Electric**	2.5%	2.6%	2.0%	-20.0%
Penelec	4.6%	4.4%	4.7%	2.2%
Penn Power	3.9%	3.6%	3.6%	-7.7%
PPL	5.0%	4.8%	4.5%	-10.0%
West Penn	2.0%	2.5%	2.8%	40.0%
Total	3.6%	3.6%	3.4%	-5.9%

** PECO data in the 2012 Universal Service Program & Collections Performance report included CAP customers. The previous 2012 figure of 3.8% has been revised to exclude CAP, consistent with reporting requirements.

Percent of Revenues (Billings) in Debt - Residential Natural Gas Customers

Company	2012	2013	2014	Change 2012-14
Columbia	3.2%	3.1%	3.9%	21.9%
Peoples	6.0%	3.9%	3.2%	-46.7%
Peoples-Equitable	2.9%	2.7%	3.0%	-3.4%
NFG	2.5%	2.2%	2.4%	-4.0%
PECO-Gas**	5.0%	4.4%	2.9%	-42.0%
PGW	8.4%	9.9%	8.0%	-4.8%
UGI-Gas	2.8%	3.3%	4.4%	57.1%
UGI Penn Natural	2.7%	3.0%	3.7%	37.0%
Total	4.8%	4.7%	4.3%	-10.4%

** PECO data in the 2012 Universal Service Program & Collections Performance report included CAP customers. The previous 2012 figure of 5.7% has been revised to exclude CAP, consistent with reporting requirements.

Gross Residential Write-Offs in Dollars

The tables below represent the gross residential write-offs in dollars for EDCs and NGDCs in 2014. Write-offs are the final treatment of overdue accounts. A residential account is written off after all pre-write-off collection actions are taken and the customer fails to make payment on the balance owed. Generally, a company writes off accounts on either a monthly or annual basis. The gross write-offs figures do not include CAP Credits or Arrearage Forgiveness.

Gross Write-Offs in Dollars - Electric Customers

Company	All Residential	Confirmed Low-Income	Percent Confirmed Low-Income
Duquesne	\$3,199,684	\$962,270	30.1%
Met-Ed	\$12,186,981	\$8,938,194	73.3%
PECO-Electric	\$33,631,526	\$6,414,567	19.1%
Penelec	\$9,939,670	\$7,726,734	77.7%
Penn Power	\$1,888,898	\$1,417,817	75.1%
PPL	\$61,828,466	\$42,933,871	69.4%
West Penn	\$8,180,202	\$6,011,892	73.5%
Total	\$130,855,427	\$74,405,345	56.9%

Gross Write-Offs in Dollars - Natural Gas Customers

Company	All Residential	Confirmed Low-Income	Percent Confirmed Low-Income
Columbia	\$8,357,228	\$5,410,401	64.7%
Peoples	\$8,426,426	\$2,190,871	26.0%
Peoples-Equitable	\$5,304,131	\$4,163,743	78.5%
NFG	\$3,543,650	\$2,294,897	64.8%
PECO-Gas	\$2,190,933	\$1,681,088	76.7%
PGW	\$46,746,444	\$26,482,484	56.7%
UGI-Gas	\$7,052,238	\$4,607,873	65.3%
UGI Penn Natural	\$3,869,792	\$3,232,910	83.5%
Total	\$85,490,842	\$50,064,267	58.6%

Gross Write-Offs in Dollars - Residential Electric Customers

Company	2012 Gross Write-Offs in Dollars	2013 Gross Write-Offs in Dollars	2014 Gross Write-Offs in Dollars	Change 2012-14
Duquesne	\$6,650,626	\$5,258,566	\$3,199,684	-51.9%
Met-Ed	\$14,247,722	\$10,760,304	\$12,186,981	-14.5%
PECO-Electric	\$39,759,812	\$38,006,588	\$33,631,526	-15.4%
Penelec	\$10,884,926	\$8,990,906	\$9,939,670	-8.7%
Penn Power	\$2,562,389	\$1,873,734	\$1,888,898	-26.3%
PPL	\$50,505,800	\$53,609,736	\$61,828,466	22.4%
West Penn	\$6,545,769	\$6,072,775	\$8,180,202	25.0%
Total	\$131,157,044	\$124,572,609	\$130,855,427	-0.20%

Gross Write-Offs in Dollars - Residential Natural Gas Customers

Company	2012 Gross Write-Offs in Dollars	2013 Gross Write-Offs in Dollars	2014 Gross Write-Offs in Dollars	Change 2012-14
Columbia	\$7,585,766	\$6,630,828	\$8,357,228	10.2%
Peoples	*\$691,264	\$10,678,789	\$8,426,426	*1,119%
Peoples-Equitable	\$3,967,617	\$4,786,037	\$5,304,131	33.7%
NFG	\$3,844,868	\$3,458,420	\$3,543,650	-7.8%
PECO-Gas	\$2,620,174	\$2,268,138	\$2,190,933	-16.4%
PGW	\$39,102,990	\$49,563,281	\$46,746,444	19.5%
UGI-Gas	\$4,485,688	\$4,756,334	\$7,052,238	57.2%
UGI Penn Natural	\$2,637,351	\$2,664,482	\$3,869,792	46.7%
Total	\$64,935,718	\$84,806,309	\$85,490,842	31.7%

* Peoples' write-offs were minimal in 2012 due to the conversion to a new billing system.

Percentage of Gross Residential Billings Written Off as Uncollectible

The percentage of residential billings written off as uncollectible is the most commonly used long-term measure of collection system performance, and is called the Gross Write-Offs Ratio. This measure is calculated by dividing the annual total gross dollars written off for residential accounts by the annual total dollars of residential billings. The measure offers an equitable basis for comparison of gross residential dollars written off to the annual total dollars of residential billings. Figures used in the tables below do not include CAP Credits or Arrearage Forgiveness.

Gross Write-Offs Ratio - Electric Customers

Company	All Residential Gross Write-Offs Ratio	Confirmed Low-Income Gross Write-Offs Ratio
Duquesne	0.7%	1.8%
Met-Ed	2.3%	11.2%
PECO-Electric	1.6%	5.5%
Penelec	2.2%	9.0%
Penn Power	1.4%	6.9%
PPL	3.2%	12.4%
West Penn	1.6%	11.0%
Total	2.2%	9.8%

Gross Write-Offs Ratio - Natural Gas Customers

Company	All Residential Gross Write-Offs Ratio	Confirmed Low-Income Gross Write-Offs Ratio
Columbia	2.2%	8.2%
Peoples	2.6%	2.6%
Peoples-Equitable	2.0%	11.1%
NFG	2.1%	10.6%
PECO-Gas	0.5%	8.5%
PGW	9.0%	23.5%
UGI-Gas	3.0%	12.8%
UGI Penn Natural	2.2%	10.0%
Total	3.3%	12.1%

Gross Write-Offs Ratio - Residential Electric Customers

Company	2012 Gross Write-Offs Ratio	2013 Gross Write-Offs Ratio	2014 Gross Write-Offs Ratio	Change 2012-14
Duquesne	1.4%	1.3%	0.7%	-50.0%
Met-Ed	2.4%	1.9%	2.3%	-4.2%
PECO-Electric	2.0%	1.9%	1.6%	-20.0%
Penelec	2.1%	1.9%	2.2%	4.8%
Penn Power	1.7%	1.3%	1.4%	-17.6%
PPL	3.2%	3.1%	3.2%	0.0%
West Penn	1.3%	1.2%	1.6%	23.1%
Total	2.2%	2.1%	2.2%	0.0%

Gross Write-Offs Ratio - Residential Natural Gas Customers

Company	2012 Gross Write-Offs Ratio	2013 Gross Write-Offs Ratio	2014 Gross Write-Offs Ratio	Change 2012-14
Columbia	2.8%	2.0%	2.2%	-21.4%
Peoples	*0.3%	3.6%	2.6%	*766.7%
Peoples-Equitable	1.9%	1.9%	2.0%	5.3%
NFG	2.6%	2.2%	2.1%	-19.2%
PECO-Gas	0.7%	0.5%	0.5%	-28.6%
PGW	9.1%	10.4%	9.0%	-1.1%
UGI-Gas	2.3%	2.2%	3.0%	30.4%
UGI Penn Natural	1.8%	1.6%	2.2%	22.2%
Total	3.2%	3.7%	3.3%	3.1%

* Peoples' write-offs were minimal in 2012 due to the conversion to a new billing system.

Annual Collection Operating Expenses

Annual collection operating expenses include administrative expenses associated with termination activity; negotiating payment agreements; budget counseling; investigation and resolution of informal and formal complaints associated with payment agreements; securing and maintaining deposits; tracking delinquent accounts; collection agencies' expenses; litigation expenses other than Commission-related; dunning expenses; and winter survey expenses. Dunning, in the business context, refers to the collections process, whereby a business communicates with customers who have fallen behind in paying their bills. CAP recipient collection expenses are excluded.

The tables below include both the All Residential and Confirmed Low-Income categories to allow for the presentation of the percent of annual collection operating expenses which are attributed to confirmed low-income.

Annual Electric Collection Operating Expenses

Company	All Residential	Confirmed Low-Income	Percent of Collection Operating Expenses for Confirmed Low-Income Customers
Duquesne	\$14,756,632	\$12,026,655	81.5%
Met-Ed	\$15,355,927	\$10,465,186	68.2%
PECO-Electric	\$14,293,293	\$1,956,475	13.7%
Penelec	\$12,880,756	\$9,315,176	72.3%
Penn Power	\$2,752,716	\$1,875,275	68.1%
PPL	\$13,166,739	\$3,978,372	30.2%
West Penn	\$10,346,099	\$6,854,061	66.2%
Total	\$83,552,162	\$46,471,200	55.6%

Annual Natural Gas Collection Operating Expenses

Company	All Residential	Confirmed Low-Income	Percent of Collection Operating Expenses for Confirmed Low-Income Customers
Columbia	\$2,885,816	\$1,475,007	51.1%
Peoples	\$2,705,304	\$703,379	26.0%
Peoples-Equitable	\$2,516,300	\$445,310	17.7%
NFG	\$648,971	\$267,443	41.2%
PECO-Gas	\$1,766,587	\$128,574	7.3%
PGW	\$1,307,869	\$403,262	30.8%
UGI-Gas	\$2,568,308	\$1,279,017	49.8%
UGI Penn Natural	\$1,464,516	\$830,381	56.7%
Total	\$15,863,671	\$5,532,373	34.9%

3. Universal Service Programs

Demographics

The USRR requires EDCs and NGDCs to report the demographics of program recipients, including the number of household members under age 18 and over age 62, household size, income, and source of income. A low-income customer is defined²⁶ as a residential utility customer whose household income is at or below 150 percent of FPIG. Appendix 3 shows poverty levels in relation to household size and income.

Source of Income, Average Household Size and Income

For all 2014 universal service program customers (both electric and gas), average household incomes are below \$15,545. Electric and natural gas households receiving CAP benefits in 2014 have average household incomes that are less than \$13,134 per year. Electric customers who receive LIURP service have average yearly household incomes at \$16,826, while gas customers average \$14,899. These households average three persons, with at least one member under 18 years old. Average household incomes for universal service and energy conservation program participants are well below 150 percent of FPIG for three persons (\$29,685 in 2014; \$30,135 in 2015). See Appendix 3.

The majority of electric and gas customers participating in universal service programs have incomes from employment, disability benefits or pension benefits. See the tables below for a summary of the sources of income data.

“Working poor” households do not always have incomes that exceed 150 percent of FPIG. A definition of a “working poor” household begins with a wage-earner who works full time at a minimum-wage job. In 2014, minimum wage was \$7.25 per hour, the same as it has been since 2011.²⁷ Annual income for a wage earner who works at a minimum-wage job is \$15,080. A typical 2014 CAP customer (household) has an income of approximately \$13,100, which places these households’ incomes at about 66 percent of FPIG (for three persons) for 2014, and 65 percent for 2015.

Finally, it is important to understand the relationship between household income and the percent of income a household spends on energy. Energy burden was defined in 2002 as the percentage of household income that a household spends on total home energy needs.²⁸ In most instances without CAP programs, calculations made using the 2013 median income for Pennsylvania²⁹ show CAP eligible households would pay about 16 percent of their household income for energy compared with a typical Pennsylvania household that pays about 4 percent of its income for home energy needs.

²⁶ 52 Pa. Code § 54.72

²⁷ <http://www.dol.gov/whd/minwage/america.htm> The Pennsylvania state minimum wage law adopts the federal minimum wage rate by reference.

²⁸ U.S. Department of Health & Human Services, LIHEAP Home Energy Notebook for FY 2002: Appendix A Home energy estimates, p.45, 2004.

²⁹ <http://www.deptofnumbers.com/income/pennsylvania/> Derived from Census ACS 1-yr survey.

**Participants in Universal Service Programs
Average Household Income - Summary for All Electric Customers**

	2013	2014
LIURP	\$16,455	\$16,826
CAP	\$13,524	\$14,304
CARES	\$16,088	\$15,580
Hardship Fund	\$24,464	\$19,940

**Participants in Universal Service Programs
Average Household Income - Summary for All Natural Gas Customers**

	2013	2014
LIURP	\$16,629	\$14,899
CAP	\$12,304	\$11,964
CARES	\$15,988	\$14,683
Hardship Fund	\$16,755	\$16,161

**Participants in Universal Service Programs
Source of Household Income - Summary for All Electric Customers**

	LIURP	CAP	Hardship Fund
Employment	36.9%	29.5%	43.0%
Public Assistance	2.8%	4.4%	3.4%
Pension or Retirement	17.1%	19.9%	16.6%
Unemployment Compensation	17.5%	4.3%	4.4%
Disability	10.8%	23.2%	19.8%
Other	14.9%	18.6%	12.8%

**Participants in Universal Service Programs
Source of Household Income - Summary for All Natural Gas Customers**

	LIURP	CAP	Hardship Fund
Employment	27.2%	30.0%	43.6%
Public Assistance	4.6%	6.5%	3.6%
Pension or Retirement	31.3%	24.5%	13.4%
Unemployment Compensation	8.1%	3.8%	4.7%
Disability	18.1%	23.9%	18.9%
Other	10.7%	11.3%	15.9%

Low Income Usage Reduction Program (LIURP)

LIURP is a statewide, utility-sponsored, residential usage-reduction program mandated by the PUC³⁰. The primary goal of LIURP is to assist low-income residential customers to reduce energy bills through usage reduction (energy conservation) and, as a result, to make bills more affordable.

LIURP is targeted toward customers with annual incomes at or below 150 percent of FPIG. However, companies are permitted to spend up to 20 percent of their annual LIURP budgets on customers with incomes between 150 percent and 200 percent of FPIG. LIURP places priority on the highest energy users who offer the greatest opportunities for bill reductions. Generally, EDCs target customers with annual usage of at least 6,000 kWhs, and NGDCs target customers with annual usage of at least 120 Mcfs. When feasible, the program targets customers with payment problems (arrearages). The program is available to both homeowners and renters. LIURP services all housing types, including single family homes, mobile homes, and small and large multi-family residences.

The LIURP funds are included in utility rates as part of the distribution cost passed on to all residential customers. The current LIURP funding levels were set for three years in the company's most recently filed universal service plans, which are to be filed every three years. The utility is required to develop a funding level based upon a needs assessment, which, in turn, will likely be based on census and utility data.

The PUC has regulatory oversight of LIURP, and the utilities administer the program using both non-profit and for-profit contractors. The various program costs and installed usage reduction measures are agreed to in contracts between the contractors and the utilities.

Program measures are installed on a simple payback recovery basis of seven years or less for most program measures. Some exceptions must meet a 12-year simple payback recovery. The exceptions include sidewall insulation, attic insulation, furnace replacement, water heater replacement and refrigerator replacement. Recovery is the time it takes to recover the cost of the installed program measure through projected energy savings. Examples of the program measures include: air infiltration measures using the blower door air sealing techniques, all types of insulation such as attic and sidewall, heating system treatments and replacements, water heating tank and pipe wraps, water heater replacements, compact fluorescent lighting, refrigerator replacement, water bed replacement with a form-fitted foam mattress, incidental repairs (not home rehabilitation), and conservation education.

The factors impacting energy savings are: the level of pre-weatherization usage, occupant energy behavior, housing type and size, age of the dwelling, condition of the dwelling, end uses such as heating, cooling, and water heating, and contractor capabilities.

LIURP benefits include: bill reduction, improved health, safety and comfort levels, LIHEAP leveraging (Pennsylvania receives additional funds due to the LIURP resources that supplement LIHEAP funds), arrearage reduction, reduced collection activity, improved bill payment behavior, reduced use of supplemental fuels and secondary heating devices, more affordable low-income housing, reduction in homelessness, and less housing abandonment.

The USRR provisions require reporting various LIURP data, including: annual program costs for the reporting year, number of family members under 18 years of age, number of family members over 62 years of age, family size, household income, source of income, participation levels for the reporting year, projected annual spending for the current year, projected annual participation levels for the current year, and average job costs.

In addition, this report also includes data on completed jobs provided by EDCs and NGDCs in accordance with the LIURP Codebook³¹.

³⁰ 52 Pa. Code, Chapter 58

³¹ Originally based in the LIURP regulations at 52 Pa. Code § 58.15 and incorporated in the Universal Service Reporting Requirements regulations

LIURP Spending

As a rule, companies try to spend all LIURP funds budgeted each year, but this is not always possible. In most cases, unspent funds are carried over from one program year to the next on an ongoing basis.

LIURP Spending - Electric Utilities

Company	2014 Actual Spending	2015 Projected Spending*
Duquesne	\$1,692,098	\$1,655,700
Met-Ed	\$3,836,282	\$4,260,000
PECO-Electric	\$5,600,003	\$5,600,000
Penelec	\$4,174,250	\$5,114,000
Penn Power	\$1,976,633	\$2,167,000
PPL	\$9,687,785	\$9,500,000
West Penn	\$3,407,210	\$4,002,000
Total	\$30,374,261	\$32,298,700

*Includes carryover of unspent funds.

LIURP Spending - Natural Gas Utilities

Company	2014 Actual Spending	2015 Projected Spending*
Columbia	\$4,266,008	\$5,003,968
Peoples	\$1,250,000	\$1,250,000
Peoples-Equitable	\$711,788	\$890,299
NFG	\$1,203,340	\$1,328,889
PECO-Gas	\$2,250,001	\$2,250,000
PGW	\$7,181,015	\$6,229,124
UGI-Gas	\$529,676	\$796,100
UGI Penn Natural	\$853,782	\$917,823
Total	\$18,245,610	\$18,666,203

* Includes carryover of unspent funds.

LIURP Production

LIURP production levels are influenced by many factors including: the size of the company's LIURP program budget; the heating saturation among the company's customer population; housing-stock characteristics such as the type, size, and condition; contractor capability; contractor capacity; and to a lesser extent, customer demographics and customer behavior.

LIURP Electric Production

Company	2014 Actual Production			2015 Projected Production		
	Heating Jobs	Water Heating Jobs	Baseload Jobs*	Heating Jobs	Water Heating Jobs	Baseload Jobs*
Duquesne	107	0	3,192	80	2	3,020
Met-Ed	765	448	322	683	433	359
PECO-Electric	1,062	0	8,341	1,040	0	7,069
Penelec	414	1,097	662	384	1,111	760
Penn Power	230	361	308	230	325	280
PPL	1,614	645	1,098	1,800	800	700
West Penn	585	184	76	435	350	140
Total	4,777	2,735	13,999	4,652	3,021	12,328

*Baseload jobs contain very few or no heating or water heating program measures.

LIURP Natural Gas Production

Company	2014 Actual Production Heating Jobs	2015 Projected Production Heating Jobs
Columbia	518	608
Peoples	280	250
Peoples-Equitable	160	160
NFG	187	192
PECO-Gas	1,144	1,050
PGW	2,661	2,308
UGI-Gas	88	114
UGI Penn Natural	125	131
Total	5,163	4,813

LIURP Average Job Costs

Customer usage profiles are typically highest for heating jobs followed by water heating jobs and baseload jobs. Average job costs are based on the total number of completed jobs in the job-type category and the total costs associated with those jobs. Specifically, the average job cost is calculated by dividing the total dollars spent on a type of job by the number of jobs completed.

All LIURP gas jobs are classified as heating. For electric jobs, the determination of the job type depends on whether the customer heats with electricity. If most of the dollars spent on the completed job are on heating-related program measures, then the job is classified as a heating job. If the customer does not heat with electricity but uses electricity for water heating, and most of the dollars spent on the completed job are on water-heating measures, then the job is classified as a water-heating job. If the customer does not use electricity for either heating or water heating, the completed job is automatically classified as a baseload job. This is a simplistic model for classifying the type of job, and this model is easy to apply to the vast majority of electric jobs in LIURP.

LIURP Electric Average Job Costs

Company	2014 Heating Jobs	2014 Water Heating Jobs	2014 Baseload Jobs
Duquesne	\$5,113	\$0	\$453
Met-Ed	\$2,294	\$1,557	\$1,364
PECO-Electric	\$1,458	\$0	\$396
Penelec	\$1,906	\$1,480	\$1,188
Penn Power	\$2,226	\$1,461	\$1,089
PPL	\$3,617	\$1,755	\$1,121
West Penn	\$3,347	\$2,668	\$1,858

LIURP Natural Gas Average Job Cost

Company	2014 Heating Jobs
Columbia	\$7,274
Peoples	\$3,522
Peoples-Equitable	\$3,744
NFG	\$4,013
PECO-Gas	\$1,950
PGW	\$2,095
UGI-Gas	\$4,919
UGI Penn Natural	\$5,795

LIURP Energy Savings and Bill Reduction

LIURP energy savings are determined by calculating the difference in a customer's usage during the 12 months following the installation of the LIURP measures, from the usage during the 12 preceding months. The energy savings reported are based on weather-normalized data and represent an average of the company results. LIURP reporting results for the program year always trail two years behind the USRR reporting year due to the process of evaluating post-installation usage for 12 months, with analysis performed in the following year³².

The estimated annual bill reduction is calculated by multiplying the average number of kWhs or Mcfs saved during the post-treatment period by the average price per kWh or Mcf during that period. Companies voluntarily report pricing information annually. The estimated annual bill reductions presented are based on the average of the company results.

LIURP Energy Savings and Bill Reductions

Job Type	2012 Energy Savings	2012 Estimated Annual Bill Reduction
Electric Heating	10.7%	\$169
Electric Water Heating	8.9%	\$141
Electric Baseload	7.4%	\$106
Gas Heating	17.5%	\$391

Customer Assistance Programs (CAPs)

The PUC monitors implementation of the Commission's CAP Policy Statement and regulations³³ by the seven largest EDCs and NGDCs serving more than 100,000 customers. The USRR requires the companies to report the number of customers enrolled in CAP. The Commission uses the number of participants enrolled in CAP at the end of the program year to quantify participation. Each company's restructuring proceeding established a program phase-in enrollment size. Since then, each company submits a three-year universal service plan for Commission approval. PUC regulations³⁴ require the companies to submit a projected needs assessment and projected enrollment level for its universal service programs. Universal Service Plans and Evaluations are posted on the Commission's website (Appendix 4 contains viewing instructions).

The CAP Participation Rate is defined as the number of participants enrolled as of Dec. 31, 2014, divided by the number of confirmed low-income customers served by the EDC or NGDC. The Commission expects a utility to maintain open enrollment to meet the need in each utility's service territory. The CAP participation rate would be much lower if the rate reflected estimated rather than confirmed low-income customers, as estimated numbers are much higher.

³² Example: 2012 LIURP program year installations were completed and evaluated after the post-installation period ended in 2013. Those results were then reported in 2014. LIURP program year 2014 results will be available in the 2016 version of this report.

³³ 66 Pa. C.S. §§ 2802(10), §§ 2804(9), §§ 2203(7) and §§ 2203(8)

³⁴ 52 Pa. Code § 54.74 for EDCs and 52 Pa. Code §62.4 for NGDCs

CAP Participation - Electric Utilities

Company	2013		2014	
	Participants Enrolled as of 12/31/13	CAP Participation Rate	Participants Enrolled as of 12/31/14	CAP Participant Rate
Duquesne	35,568	61%	35,949	61%
Met-Ed	17,517	28%	16,290	26%
PECO-Electric	139,677	86%	140,514	80%
Penelec	24,244	31%	22,378	28%
Penn Power	5,590	30%	4,872	26%
PPL	37,204	22%	41,288	24%
West Penn	20,607	46%	22,090	42%
Total	280,407		283,381	
Weighted Avg.*		47%		46%

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

CAP Participation - Natural Gas Utilities

Company	2013		2014	
	Participants Enrolled as of 12/31/13	CAP Participation Rate	Participants Enrolled as of 12/31/14	CAP Participant Rate
Columbia	20,103	30%	20,589	30%
Peoples	19,887	34%	20,404	34%
Peoples-Equitable	11,263	26%	14,063	33%
NFG	9,833	33%	9,998	35%
PECO-Gas	24,301	76%	24,657	78%
PGW	68,458	44%	61,319	42%
UGI-Gas	4,491	11%	7,469	18%
UGI-Penn Natural	3,588	14%	5,798	22%
Total	161,924		161,297	
Weighted Avg.*		36%		37%

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

CAP Benefits - Bills, Credits & Arrearage Forgiveness

The USRR requires companies to report data on CAP benefits. Companies report by month the number of participants enrolled in CAP. Because CAP enrollment fluctuates during the year, the Commission bases average CAP credits and arrearage forgiveness benefits on the average monthly CAP participants rather than the CAP participants enrolled at the end of the year.

The PUC has identified the three components of CAP benefits as the average CAP bill, average CAP credits, and average arrearage forgiveness. The average CAP bill is the total billed (total of the expected monthly CAP payment) divided by the total number of CAP bills rendered. The average CAP credit is the difference between the usage-based bill and the CAP bill, divided by the average monthly CAP participants. The average arrearage forgiveness is the total preprogram arrearages forgiven as a result of customers making agreed upon CAP payments divided by the average monthly CAP participants. The tables show average monthly CAP bills and CAP benefits.

Average CAP bills and CAP credits fluctuate due to several factors: different CAP payment plans based on different income levels; type of usage (heating or non-heating); and changes in usage, weather and/or rates.

Average Monthly Electric CAP Bill

Company	2013	2014
Duquesne	\$77	\$69
Met-Ed	\$57	\$69
PECO-Electric	\$69	\$69
Penelec	\$46	\$55
Penn Power	\$39	\$57
PPL	\$79	\$83
West Penn	\$85	\$94

Average Monthly Natural Gas CAP Bill

Company	2013	2014
Columbia	\$53	\$59
Peoples	\$64	\$67
Peoples-Equitable	\$75	\$77
NFG	\$74	\$80
PECO-Gas	\$59	\$67
PGW	\$82	\$86
UGI-Gas	\$76	\$76
UGI Penn Natural	\$83	\$86

Average Annual Electric CAP Credits

Company	2013	2014
Duquesne	\$343	\$347
Met-Ed	\$768	\$800
PECO-Electric	\$565	\$561
Penelec	\$653	\$690
Penn Power	\$655	\$646
PPL	\$1,034	\$1,300
West Penn	\$336	\$385

Average Annual Natural Gas CAP Credits

Company	2013	2014
Columbia	\$597	\$761
Peoples	\$308	\$415
Peoples-Equitable	\$550	\$676
NFG	\$133	\$148
PECO-Gas	\$174	\$164
PGW	\$922	\$1,008
UGI-Gas	\$461	\$230
UGI Penn Natural	\$519	\$275

Amounts of arrearage forgiveness can differ depending on: the length of time over which forgiveness occurs; the length of time a customer is enrolled in CAP; and the amount of customer arrearages brought into the CAP program.

Average Annual Electric Utilities Arrearage Forgiveness

Company	2013	2014
Duquesne	\$75	\$65
Met-Ed	\$125	\$130
PECO-Electric	\$77	\$88
Penelec	\$85	\$87
Penn Power	\$94	\$78
PPL	\$468	\$512
West Penn	\$159	\$196

Average Annual Natural Gas Utilities Arrearage Forgiveness

Company	2013	2014
Columbia	\$28	\$40
Peoples	\$98	\$106
Peoples-Equitable	\$29	\$37
NFG	\$27	\$31
PECO-Gas	\$28	\$30
PGW	\$89	\$94
UGI-Gas	\$155	\$101
UGI Penn Natural	\$194	\$112

CAP Costs

The USRR requires the companies to report data on the three components of CAP program costs: CAP administration, CAP credits and arrearage forgiveness. Administrative costs include: contract and utility staffing, account monitoring, intake, outreach, consumer education and conservation training, recertification processing, computer programming, program evaluation, and other fixed overhead costs. Account monitoring costs include collection, operation and maintenance expenses. The tables below contain the percentage of CAP spending by program component.

Costs are gross costs and do not reflect any potential savings to traditional collection expenses, cash-working-capital expenses and bad debt expenses that may result from enrolling low-income customers in CAP. Appendix 5 shows total universal service costs, universal service funding mechanisms, and average annual universal service costs per residential customer.

Percent of Electric Total CAP Spending by CAP Component

Company	2013			2014		
	Admin Costs	CAP Credits	Arrearage Forgiveness	Admin Costs	CAP Credits	Arrearage Forgiveness
Duquesne	8%	76%	17%	8%	77%	14%
Met-Ed	10%	78%	13%	9%	78%	13%
PECO-Electric	3%	85%	12%	3%	84%	13%
Penelec	11%	79%	10%	10%	80%	10%
Penn Power	11%	78%	11%	11%	79%	10%
PPL	4%	66%	30%	3%	69%	27%
West Penn	5%	64%	31%	5%	63%	32%
Weighted Avg.*	6%	77%	17%	5%	77%	18%

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

Percent of Natural Gas Total CAP Spending by CAP Component

Company	2013			2014		
	Admin Costs	CAP Credits	Arrearage Forgiveness	Admin Costs	CAP Credits	Arrearage Forgiveness
Columbia	7%	89%	4%	6%	89%	5%
Peoples	10%	68%	22%	9%	73%	19%
Peoples-Equitable	8%	87%	5%	5%	90%	5%
NFG	13%	72%	15%	10%	75%	15%
PECO-Gas	8%	79%	13%	9%	77%	14%
PGW	2%	89%	9%	2%	90%	8%
UGI-Gas	6%	70%	24%	11%	62%	27%
UGI Penn Natural	6%	68%	26%	11%	63%	26%
Weighted Avg.*	4%	86%	10%	4%	86%	10%

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

CAP Electric Gross Costs

Company	2013			2014		
	Total Gross CAP Costs	Average CAP Enrollment	Average Gross Program Costs per CAP Customer	Total Gross CAP Costs	Average CAP Enrollment	Average Gross Program Costs per CAP Customer
Duquesne	\$16,549,705	36,544	\$453	\$15,888,626	35,352	\$449
Met-Ed	\$22,984,906	23,290	\$987	\$17,525,198	17,111	\$1,024
PECO-Electric	**\$91,508,724	138,086	\$663	\$94,812,522	141,297	\$671
Penelec	\$25,303,288	30,687	\$825	\$20,236,493	23,440	\$863
Penn Power	\$6,116,965	7,262	\$842	\$4,287,789	5,277	\$812
PPL	\$55,223,019	35,197	\$1,569	\$72,016,857	38,373	\$1,877
West Penn	\$10,768,235	20,627	\$522	\$13,385,035	21,820	\$613
Total	\$228,454,842	291,693		\$238,152,520	282,669	
Weighted Avg.*			**\$783			\$843

**These figures corrected from 2013 Universal Service Programs & Collections Performance Report.

CAP Natural Gas Gross Costs

Company	2013			2014		
	Total Gross CAP Costs	Average CAP Enrollment	Average Gross Program Costs per CAP Customer	Total Gross CAP Costs	Average CAP Enrollment	Average Gross Program Costs per CAP Customer
Columbia	\$13,272,158	19,803	\$670	\$18,237,407	21,418	\$852
Peoples	\$8,227,588	18,170	\$453	\$11,270,401	19,762	\$570
Peoples-Equitable	\$7,090,722	11,280	\$629	\$9,988,104	13,334	\$749
NFG	\$1,838,472	9,961	\$185	\$1,934,109	9,797	\$197
PECO-Gas	\$5,219,029	23,744	\$220	\$5,294,959	24,667	\$215
PGW	\$77,281,237	74,507	\$1,037	\$71,187,450	63,578	\$1,120
UGI-Gas	\$3,176,112	4,859	\$654	\$2,482,458	6,709	\$370
UGI Penn Natural	\$2,852,339	3,760	\$759	\$2,299,074	5,279	\$436
Total	\$118,957,657	166,084		\$122,693,962	164,543	
Weighted Avg.*			\$716			\$746

*Weighted Averages are based on industry totals and do not represent an average of the participation rates shown in the tables.

CARES

The primary purpose of a CARES program is to provide a cost-effective service that helps payment troubled customers maximize their ability to pay utility bills and maintain safe and adequate utility service. CARES staff provide three primary services: case management; maintaining a network of service providers; and making referrals to services that provide assistance.

As utilities have expanded their CAP programs, the focus of CARES has changed. For most utilities, CARES has become a component of CAP. The Commission has not objected to CARES changing over time because the expansion of CAP has reduced the number of customers who may need case management services. The utility often places those customers with unresolved hardship into CAP, where they would receive more affordable payments.

A utility CARES representative also performs the task of strengthening and maintaining a network of community organizations and government agencies that can provide services to the program clients. CARES staff conduct outreach and make referrals to programs that provide energy assistance grants, such as LIHEAP, hardship funds, and other agencies that provide cash assistance. LIHEAP outreach and networking are vital pieces of CARES, especially when addressing important health and safety concerns relating to utility service.

CARES Benefits

USRR requires companies to report data on CARES benefits, defined as the total number and dollar amount of LIHEAP benefits applied to all low-income customer accounts. LIHEAP benefits include both LIHEAP cash and LIHEAP crisis grants. Typically, households that receive LIHEAP crisis grants also receive cash grants. Therefore, to avoid double counting the benefits, the table shows the number of households receiving LIHEAP cash grants. The dollar amount of LIHEAP benefits includes both cash and crisis LIHEAP benefits. The total amount of LIHEAP dollars each utility receives depends primarily on the amount of the LIHEAP appropriation to the state and the number of low-income customers in each company's service territory.

The regulations³⁵ define direct dollars as those applied to a CARES customer's utility account, including all sources of energy assistance such as LIHEAP, hardship fund grants, and local agencies' grants. The column "Direct Dollars in Addition to LIHEAP Grants for CARES Participants" is the result of subtracting LIHEAP benefits from total CARES benefits, to show the total dollar benefits not related to LIHEAP. Net CARES benefits include LIHEAP cash and crisis grants plus direct dollars in addition to LIHEAP grants. The administrative costs of CARES are deducted from the total CARES benefits to equal net CARES benefits. Because the number of participants who receive the case management services of CARES is small, the direct dollars not related to LIHEAP grants will be a smaller number than the total LIHEAP dollars for all low-income customers.

³⁵ 52 Pa. Code § 54.72. Definitions.

2014 Electric CARES Benefits

Company	CARES Costs	Total LIHEAP Grants for Low-Income Customers*	Low-Income Households who Received LIHEAP Cash Grants	Direct Dollars in Addition to LIHEAP Grants for CARES Participants	Net CARES Benefits
Duquesne	\$135,000	\$3,409,077	9,300	\$273,210	\$3,547,287
Met-Ed**	\$0	\$2,361,027	7,882	\$0	\$2,361,027
PECO-Electric	\$1,251,319	\$12,350,227	38,439	\$162,038	\$11,260,946
Penelec**	\$0	\$3,221,829	9,248	\$0	\$3,221,829
Penn Power**	\$0	\$8,68,776	2,396	\$0	\$868,776
PPL	\$0	\$8,390,984	29,522	\$41,922	\$8,432,906
West Penn	\$0	\$3,582,665	11,303	\$0	\$3,582,665
Total	\$1,386,319	\$34,184,585	108,090	\$477,170	\$33,275,436

*Total LIHEAP grants include both LIHEAP cash and crisis grants. Typically, customers who receive crisis grants also receive cash grants.

**Met-Ed, Penelec and Penn Power enroll and monitor all CARES participants in CAP rather than separately monitoring these accounts. PPL includes the costs of CARES in its OnTrack costs. The CARES representatives in each of these companies perform the functions of both CAP and CARES.

2014 Natural Gas CARES Benefits

Company	CARES Costs	Total LIHEAP Grants for Low-Income Customers*	Low-Income Households who Received LIHEAP Cash Grants	Direct Dollars in Addition to LIHEAP Grants for CARES Participants	Net CARES Benefits
Columbia	\$322,025	\$5,938,641	22,319	\$62,491	\$5,679,107
Peoples	\$140,900	\$5,469,915	20,908	\$12,547	\$5,341,562
Peoples-Equitable	\$164,228	\$4,343,069	13,866	\$138,283	\$4,317,124
NFG	\$4,052	\$5,718,149	20,271	\$566	\$5,714,663
PECO-Gas	\$202,013	\$1,993,823	6,206	\$26,159	\$1,817,969
PGW	\$647,793	\$20,479,821	66,410	\$658	\$19,832,686
UGI-Gas	\$70,002	\$3,546,607	13,245	\$4,757	\$3,481,362
UGI Penn Natural	\$33,817	\$3,237,294	11,016	\$20,575	\$3,224,052
Total	\$1,584,830	\$50,727,319	174,241	\$266,036	\$49,408,525

*Total LIHEAP grants include both LIHEAP cash and crisis grants. Typically, customers who receive crisis grants also receive cash grants.

Utility Hardship Fund Programs

Utility company hardship funds provide cash assistance to residential customers who need help in paying their utility bills or to those who still have a critical need for assistance after other resources have been exhausted. The funds make payments directly to companies on behalf of eligible customers.

Ratepayer and Shareholder Contributions

The USRR requires companies to report data on the amount of both ratepayer and utility contributions to hardship funds. The Commission considers ratepayer contributions as those coming from utility employees, ratepayers, and other special contributions. Special contributions include monies from formal complaint settlements, overcharge settlements, off-system sales, and special solicitations of business corporations. On average, voluntary ratepayer contributions per customer do not include special contributions. The Commission defines utility contributions as those from shareholders (largest portion) or utility grants for program administration, outright grants to the funds, and matching ratepayer grants.

2013-14 Electric Hardship Fund Contributions

Company	Voluntary Ratepayer Contributions	Average Voluntary Ratepayer Contribution per Customer	Utility & Shareholder Contributions
Duquesne	\$250,395	\$0.47	\$450,000
Met-Ed	\$139,374	\$0.28	\$124,861
PECO-Electric	\$182,134	\$0.10	\$384,086
Penelec	\$103,496	\$0.21	\$89,458
Penn Power	\$38,671	\$0.27	\$32,842
PPL	\$674,231	\$0.39	\$788,800
West Penn	\$167,258	\$0.27	\$109,000
Total	\$1,555,559		\$1,979,047
Weighted Avg.*		\$0.32	

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

2013-14 Natural Gas Hardship Fund Contributions

Company	Voluntary Ratepayer Contributions	Average Voluntary Ratepayer Contribution per Customer	Utility & Shareholder Contributions
Columbia	\$1,150,000	\$1.42	\$175,000
Peoples	\$169,048	\$0.51	\$659,105
Peoples-Equitable	\$85,286	\$0.35	\$20,000
NFG	\$43,769	\$0.22	\$67,000
PECO-Gas	\$29,404	\$0.05	\$62,006
PGW	\$612	\$0.00	\$674,712
UGI-Gas	\$82,934	\$0.25	\$62,520
UGI Penn Natural	\$65,006	\$0.43	\$45,000
Total	\$1,626,059		\$1,765,343
Weighted Avg.*		\$0.63	

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

Hardship Fund Benefits

The USRR requires companies to also report data on hardship fund benefits. The Commission defines hardship fund benefits³⁶ as, “the total number and dollar amount of cash benefits or bill credits.” The cumulative total number and dollar amount of the grants disbursed for the program year are reported as of the end of the program year.

Electric Utility Hardship Fund Grant Benefits

Company	Ratepayers Receiving Grants		Average Grant		Total Benefits Disbursed	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Duquesne	2,779	1,843	\$270	\$407	\$750,000	\$750,000
Met-Ed	727	826	\$321	\$344	\$233,672	\$284,328
PECO-Electric	734	808	\$499	\$401	\$366,519	\$324,076
Penelec	436	610	\$336	\$338	\$146,338	\$206,000
Penn Power	183	301	\$320	\$332	\$58,522	\$99,928
PPL	3,259	3,686	\$320	\$328	\$1,044,197	\$1,208,759
West Penn	505	1,070	\$338	\$309	\$170,888	\$330,658
Total	8,623	9,144			\$2,770,136	\$3,203,749
Weighted Avg.*			\$321	\$350		

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

³⁶ 52 Pa. Code § 54.72 and § 62.5

Natural Gas Utility Hardship Fund Grant Benefits

Company	Ratepayers Receiving Grants		Average Grant		Total Benefits Disbursed	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
Columbia	3,205	3,051	\$379	\$402	\$1,214,215	\$1,227,073
Peoples	1,493	1,559	\$402	\$384	\$600,000	\$599,186
Peoples-Equitale	1,028	994	\$389	\$402	\$400,000	\$400,000
NFG	389	546	\$235	\$253	\$91,593	\$138,218
PECO-Gas	111	130	\$493	\$402	\$54,767	\$52,319
PGW	1,184	1,324	\$1,076	\$1,048	\$1,273,999	\$1,387,671
UGI-Gas	656	652	\$272	\$224	\$178,752	\$146,200
UGI Penn Natural	978	658	\$383	\$374	\$375,007	\$245,960
Total	9,044	8,914			\$4,188,333	\$4,196,627
Weighted Avg.*			\$463	\$471		

*Weighted Average is based on industry totals and does not represent an average of the participation rates shown in the table.

4. Small Utilities' Universal Service Programs

The USRR has fewer data requirements³⁷ for small utilities. EDCs with fewer than 60,000 residential customers and NGDCs with fewer than 100,000 residential customers must file universal service plans every three years, but the plans are not subject to the Commission's formal approval process. Instead, the plans are informally reviewed by the Bureau of Consumer Services (BCS). In the plans, small utilities must describe the level of services provided by their plans as well as the expenses associated with the programs.

As a result of the Electricity Generation Customer Choice and Competition Act and the Natural Gas Choice and Competition Act, seven small utilities now have various universal service programs for their low-income customers.

Citizens' Electric (Citizens), Valley Energy (Valley), and Wellsboro Electric (Wellsboro) operate hardship funds through the Dollar Energy Fund.

Pike County Power & Light (Pike) administers a variation of a CAP program (New Start) and operates its own hardship fund program (Neighbor Fund Program).

Peoples TWP(formerly T.W. Phillips Gas and Oil Company), operates hardship funds through the Dollar Energy Fund and offers a full-scale CAP program. As of December 31, 2014, the program enrollment was approximately 2,597 customers. The company also operates a LIURP program, which completed 60 jobs in 2014.

UGI-Central Penn Gas offers a full-scale CAP program. As of December 2014, the program enrollment was approximately 2,107 customers. UGI-Central Penn Gas also administers a LIURP program, completing 79 jobs in 2014.

UGI Utilites Inc. (UGI-Electric) offers a full-scale CAP program. As of December 31, 2014, the program enrollment was approximately 2,168 customers. The company operates its own hardship fund and also administers a LIURP program, completing 31 jobs in 2014.

UGI-Central Penn Gas and UGI Utilites Inc. also operate CARES and Hardship Funds (Operation Share).

The small utilities also differ significantly from each other in the total number of residential customers each serves. For example, UGI-Central Penn Gas, UGI Utilities Inc., and Peoples TWP each serve more than 50,000 residential customers. Meanwhile, Citizens', Pike, Wellsboro, and Valley each serve fewer than 6,000 residential customers.

In addition to the utility-sponsored programs, LIHEAP benefits are available to all low-income households meeting the income guidelines for LIHEAP eligibility.

³⁷ 52 Pa. Code, Chapter 54, § 54.77 for EDCs and at 52 Pa. Code, Chapter 62, § 62.7 for NGDCs

5. Appendices

Appendix 1 - When is an Account Considered to be Overdue?

Company	When is Day Zero (0)	How Many Days Overdue	Days of Variance from BCS Interpretation*
Duquesne	Bill Due Date	30 Days	0 Days
Met-Ed and Penelec	Bill Due Date	30 Days	0 Days
PECO-Electric	Bill Transmittal Date	30 Days	20 Days Sooner
Penn Power	Bill Due Date	30 Days	0 Days
PPL	Bill Transmittal Date	30 Days	20 Days Sooner
West Penn	Bill Due Date	30 Days	0 Days
Columbia	Bill Due Date	30 Days	0 Days
Peoples	Bill Transmittal Date	30 Days	20 Days Sooner
Peoples-Equitable	Bill Due Date	30 Days	0 Days
NFG	Bill Rendition Date**	60 Days	9 Days Later
PECO-Gas	Bill Transmittal Date	30 Days	20 Days Sooner
PGW	Bill Transmittal Date	30 Days	20 Days Sooner
UGI-Gas	Bill Due Date	30 Days	0 Days
UGI Penn Natural	Bill Due Date	30 Days	0 Days

*The PUC considers day zero to be the bill due date and the applicable regulations require companies to report arrearages beginning at 30 days overdue.

**Bill Rendition Date is one day prior to the Bill Transmittal Date.

Appendix 2 - When Does an Account Move from Active to Inactive Status?

Company	After an Account is Terminated	After an Account is Discontinued
Duquesne	7 Days after Termination Date	3 to 5 Days after Discontinuance
Met-Ed and Penelec	10 Days after Termination Date	Same Day as Discontinuance
PECO-Electric	30 to 32 Days after Termination Date	Same Day as Discontinuance
Penn Power	10 Days after Termination Date	Same Day as Discontinuance
PPL	15 Days after Termination Date	Bill Transmittal Date
West Penn	10 Days after Termination Date	Same Day as Discontinuance
Columbia	5 to 7 Days after Termination Date	Same Day as Discontinuance
Peoples	10 Days after Termination Date	10 Days after Discontinuance
Peoples-Equitable	3 Days after Termination Date	3 Days after Discontinuance
NFG	Same Day as Termination Date	Same Day as Discontinuance
PECO-Gas	30 to 32 Days after Termination Date	Same Day as Discontinuance
PGW	0 to 30 Days after Termination Date	0 to 1 Day after Final Bill Transmittal Date
UGI-Gas	Same Day as Termination Date	Same Day as Discontinuance
UGI Penn Natural	Same Day as Termination Date	Same Day as Discontinuance

Appendix 3 – 2014 and 2015 Federal Poverty Guidelines

2014 Annual Federal Poverty Income Guidelines*				
Size of Household	0-50 percent of Poverty	51-100 percent of Poverty	101-150 percent of Poverty	151-200 percent of Poverty
1	\$5,835	\$11,670	\$17,505	\$23,340
2	\$7,865	\$15,730	\$23,595	\$31,460
3	\$9,895	\$19,790	\$29,685	\$39,580
4	\$11,925	\$23,850	\$35,775	\$47,700
5	\$13,955	\$27,910	\$41,865	\$55,820
6	\$15,985	\$31,970	\$47,955	\$63,940
7	\$18,015	\$36,030	\$54,045	\$72,060
8	\$20,045	\$40,090	\$60,135	\$80,180
For each additional person, add	\$2,030	\$4,060	\$6,090	\$8,120

* Income reflects upper limit of the poverty guideline for each column.

Effective: Jan. 22, 2014. SOURCE: Federal Register, Vol. 79, Jan. 22, 2014, pp. 3593-3594.

2015 Annual Federal Poverty Income Guidelines*				
Size of Household	0-50 percent of Poverty	51-100 percent of Poverty	101-150 percent of Poverty	151-200 percent of Poverty
1	\$5,885	\$11,770	\$17,655	\$23,540
2	\$7,965	\$15,930	\$23,895	\$31,860
3	\$10,045	\$20,090	\$30,135	\$40,180
4	\$12,125	\$24,250	\$36,375	\$48,500
5	\$14,205	\$28,410	\$42,615	\$56,820
6	\$16,285	\$32,570	\$48,855	\$65,140
7	\$18,365	\$36,730	\$55,095	\$73,460
8	\$20,445	\$40,890	\$61,335	\$81,780
For each additional person, add	\$2,080	\$4,160	\$6,240	\$8,320

* Income reflects upper limit of the poverty guideline for each column.

Effective: Jan. 22, 2015. SOURCE: Federal Register, Vol. 80, Jan. 22, 2014, pp. 3236-3237.

Appendix 4 - Instructions to Access Universal Service Reports, Plans and Evaluations on PUC Website

To Access Universal Service Programs & Collections Performance Reports:

- Go to the PUC website at: www.puc.pa.gov. On the PUC's website, locate and click on the "Filings & Resources" tab on the headings bar.
- In the column of options on the left side of the page, locate and click on "Universal Service Reports".
- Choose the desired year of the Universal Service Programs & Collections Performance Report and click to access the report.

To Access Universal Service Plans and Evaluations:

- Go to the PUC website at: www.puc.pa.gov. On the PUC's website, locate and click on the "Consumer Info" tab on the headings bar.
- On the right side of the page, locate and click on "Consumer Information on Energy Efficiency, Assistance Programs, Safety, Shopping, & More" in the column of options. Click "Read More" to access the page.
- Under the header titled "Energy Assistance Information," click on "Energy Assistance" to access the Energy Assistance Programs page.
- Under the header "Universal Service Plans & Evaluations" you will find the most current Universal Service Plan and Evaluation for each major EDC and NGDC.

Appendix 5 - Universal Service Programs 2014 Spending Levels & Cost Recovery Mechanisms

Company	Cost Recovery Mechanism ¹	Annual CAP Spending	Annual Total Universal Service Spending ²	Universal Service Spending Assessed on Residential Customers	Average Number of Residential Customers	Average Annual Universal Service Spending per Residential Customer
Duquesne	Base Rates	\$15,888,626	\$17,715,724	100%	527,390	\$33.59
Met-Ed	USC Rider-Annual	\$17,525,198	\$21,361,480	100%	490,059	\$43.59
PECO-Electric	Base Rates & Univ. Service Fund Charge	\$94,812,522	\$101,663,844	100%	1,430,397	\$71.07
Penelec	USC Rider-Annual	\$20,236,493	\$24,410,743	100%	503,596	\$48.47
Penn Power	USC Rider-Annual	\$4,287,789	\$6,264,422	100%	141,745	\$44.20
PPL	US Rider-Annual	\$72,016,857	\$81,704,642	100%	1,221,960	\$66.86
West Penn	Base Rates	\$13,385,035	\$16,792,245	100%	621,020	\$27.04
EDC Total		\$238,152,520	\$269,913,100		4,936,167	
EDC Weighted Avg.*						\$54.68
Columbia	USP Rider	\$18,237,407	\$22,825,440	100%	386,150	\$59.11
Peoples	Rider F	\$11,270,401	\$12,661,301	100%	330,459	\$38.31
Peoples-Equitale	Rider D	\$9,988,104	\$10,864,120	100%	243,610	\$44.60
NFG	Rider F	\$1,934,109	\$3,141,501	100%	198,681	\$15.81
PECO-Gas	Base Rates & Univ. Service Fund Charge	\$5,294,959	\$7,746,973	100%	461,173	\$16.80
PGW	USEC Surcharge	\$71,187,450	\$79,016,257 ³	75% ⁴	469,283	\$168.38
UGI-Gas	Rider LISHP	\$2,482,458	\$3,082,136	100%	331,583	\$9.30
UGI Penn Natural	Rider E	\$2,299,074	\$3,186,673	100%	150,495	\$21.17
NGDC Total		\$122,693,962	\$142,524,402		2,571,434	
NGDC Weighted Avg.*						\$55.43

*Weighted Averages are based on industry totals and do not represent an average of the participation rates shown in the tables.

¹Riders and USEC/USFM Surcharge are charges for CAP costs, in addition to base rates, that are adjusted quarterly or annually.

²Universal Service costs include CAP costs, LIURP costs and CARES costs.

³PGW universal service costs do not include Senior Citizen Discount (SCD) costs. Because income is not an eligibility criterion, the SCD does not meet the definition of universal service.

⁴PGW CAP and LIURP 2014 costs were assessed in the following manner: residential (74.6 percent), commercial (20.5 percent), industrial (1.7 percent), municipal service (2.1 percent) and Philadelphia Housing Authority (PHA) (1.1 percent).

