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November 17, 2015

Honorable Gladys M. Brown, Chairman
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: 2015 Prepare Now Campaign

Dear Chairman Brown:

I write in response to the Pennsylvania Public Utility Commission's ("Commission's") 2015 Prepare Now Campaign letter dated October 29, 2015. Metropolitan Edison Company ("Met-Ed"), Pennsylvania Electric Company ("Penelec"), Pennsylvania Power Company ("Penn Power") and West Penn Power Company ("West Penn Power") (collectively, the "Companies") are supporting the Commission's 2015 Prepare Now Campaign by helping customers restore and maintain service, prepare for winter's utility costs by providing energy conservation and universal service programs, and promoting customer awareness. To that end, the following highlights some of the Companies' initiatives currently available to customers that are willing to commit to a long-term strategy towards addressing their entire unpaid account balance:

Initiatives to Restore and Maintain Electric Service

- The Companies are accepting various combinations of customer payments, assistance grants, and payment arrangements in order to address an unpaid balance and avoid service termination or restore service for those customers that are demonstrating good faith efforts to pay their bills. For example, in many instances a lesser amount than may be required by regulation to restore service is being accepted as one of the ways the Companies continue to work with customers on a case-by-case basis.
- Eligible low-income customers are being encouraged to enroll (or recertify) in the Pennsylvania Customer Assistance Program ("CAP"). The successful enrollment or recertification, with customer payments and/or "assistance grants", where applicable, will enable a customer to avoid termination or assist with service restoration during the winter months.
- During the last quarter of 2015, the Companies are placing less emphasis on residential terminations and focusing resources towards helping customers restore service, which includes the Cold Weather Survey initiative. To help customers maintain service, the Companies are expanding their customer communication efforts through the use of telephone calls, letters, and attempted contacts during field visits, which are designed to provide information to avoid and/or restore service and encourage customers to contact the Companies for information on available assistance.
- The Companies are also working with customers, on a case by case basis, that have made good faith efforts to pay their bills avoid termination by allowing more than one payment arrangement in certain situations. When given a payment arrangement, customers will be placed on budget billing, thereby providing an additional opportunity for customers to effectively manage their

electric bills. Customers with existing arrangements may be asked to make up any missed payments to resume the terms of their previous commitments. Additionally, the Company's payment arrangement guidelines are designed to be sensitive to the needs of payment-troubled customers falling between 150% and 250% of the Federal Poverty Level (i.e., those who do not qualify for customer assistance programs but still need help).

Initiatives to Promote Energy Conservation

During the October 1, 2014 through September 30, 2015 Low-income Usage Reduction Program ("LIURP")/WARM period, the Companies invested approximately \$11.8 million in energy conservation and education measures at approximately 5,600 low-income homes. Under Phase II of their Act 129 Energy Efficiency and Conservation Programs, the Companies invested approximately \$7.54 million in energy conservation and education measures at approximately 120,000 homes. The Companies' portfolio of programs includes:

- LIURP/WARM (energy conservation measures and education)
- Low-income Low Use Program (provides kits to low energy consumption homes containing energy conservation literature and energy saving items)
- WARM Extra Measures Program (offers expanded conservation items in addition to WARM measures installed in customers' homes already participating in LIURP/WARM)
- WARM Plus Program (an expansion of the LIURP/WARM program that serves additional participants)
- Multi-Family Program (provides energy savings measures and appliance replacements for customers in multi-family units)
- Behavioral Modification Program (provides monthly energy usage reports with tips for low-income customers as well as promotes other energy conservation programs)

Initiatives to Provide Universal Service Programs

During the past year, the Companies have applied over 101,000 grants totaling approximately \$56.9 million in electric bill assistance to low-income households via the Companies' portfolio of assistance programs and the Low-Income Home Energy Assistance Program ("LIHEAP"), and will continue to do so in accordance with their Commission-approved Universal Service Plans. The various programs comprising the Companies' portfolio include:

- Dollar Energy Fund (emergency hardship fund)
- Low-income Payment & Usage Reduction Program ("LIPURP") (customer assistance program)
- Pennsylvania Customer Assistance Program ("PCAP")
- Pennsylvania LIHEAP (Federally-funded Pennsylvania grant program)

At the present time, the Dollar Energy Fund is open and awarding cash grants, and LIPURP and PCAP enrollments continue to be processed by a large network of over forty community-based organizations (“CBOs”) at more than fifty locations throughout the Companies’ service territories.

Initiatives to Promote Customer Awareness

The Companies continue to utilize various methods to educate and make customers aware of available assistance and energy efficiency programs, including:

- Promotion of programs via the Company websites:
 - Energy Conservation - www.energysavepa.com.
 - Universal Service - www.firstenergycorp.com/billassist.
- Implementing enhancements to align the West Penn Power programs with the Met-Ed, Penelec and Penn Power programs, which provide an increased maximum monthly credit amount and promote energy conservation practices.
- Sponsoring, staffing or attending general population events and fairs, senior events, food pantry events, Head Start program events, and low-income energy fairs, including the 2015 Be Utility Wise events, State Safety Net Council and various county events within the Companies’ service territories. These programs assist in educating participants by providing beneficial information about PCAP, LIPURP, WARM, payment arrangements, budget billing and third party notification. Promoting third party notification is especially beneficial to customers who are elderly, ill, away from home for long periods of time, or who do not always remember to pay their electric bill on time.
- Providing the Companies’ Universal Service Programs and Very Important Programs (“VIP”) bill inserts, which outline customer programs, including those to provide help during times of need.
- Utilizing a bill insert and Home Energy Reports prior to the heating season to promote LIHEAP.
- West Penn Power participates in the annual KDKA Dollar Energy Fund WARM-a-thon, which includes television commercials, interviews, and radio spots in January and February.
- Referring low-income customers to PCAP or LIPURP when customers call to make payment arrangements.
- Utilizing a bill insert in November to remind customers of the availability of the Dollar Energy Fund – both for those customers in need and for those interested in contributing to this fund.
- Promoting the Home Energy Analyzer on the Companies’ website, which can educate customers about energy efficiency opportunities in the home, and which can be utilized at the customer’s convenience.
- Promoting the Companies’ Act 129 and LIURP/WARM programs through bill inserts, direct mail campaigns including letters and postcards, radio, television, newspaper, Facebook, Twitter, and www.energysavepa.com.

- Enhancing the www.energysavepa.com website by adding an electronic application feature to the low-income portion to facilitate program enrollment.
- Conducting a calling campaign to promote LIURP/WARM programs with low-income Penn Power customers that are fuel fund grant recipients.
- Distributing LIURP/WARM program applications, information and energy saving compact fluorescent bulbs ("CFLs") at low-income community events within the Companies' territories.
- Requiring LIURP/WARM program contractors leave program applications at the homes of customers at the time of the program audit for customers to share with neighbors, friends and family.
- Cross marketing of LIURP/WARM programs by providing low-income information with Act 129 Phase II residential Home Energy Reports and school kits.

The Companies appreciate the opportunity to share these initiatives and look forward to continuing to work with the Commission on these important efforts. We are hopeful that the Prepare Now Campaign will assist customers by raising their awareness of energy costs, energy conservation measures, and the availability of budget bill and low income assistance programs.

Please call me if you have any questions or would like additional information.

Sincerely,



Linda Moss
President-PA Operations

LLM:Imm

- c: The Honorable John F. Coleman, Jr., Vice Chairman
The Honorable Pamela A. Witmer, Commissioner
The Honorable Robert F. Powelson, Commissioner
The Honorable Andrew G. Place, Commissioner
Ms. Sasha Oberheim, Bureau of Consumer Services