



**PHILADELPHIA GAS WORKS**

Craig E. White  
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November 21, 2018

**VIA FIRST CLASS MAIL**

Honorable Gladys M. Brown, Chairman  
Honorable Andrew G. Place, Vice Chairman  
Honorable David W. Sweet, Commissioner  
Honorable John F. Coleman, Jr., Commissioner  
Honorable Norman J. Kennard, Commissioner  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**VIA EMAIL**

Ms. Sasha Oberheim  
Public Utility Commission  
Bureau of Consumer Services  
[soberheim@pa.gov](mailto:soberheim@pa.gov)

Dear Commissioners and Ms. Oberheim:

Philadelphia Gas Works (“PGW”) would first like to congratulate the Commission on its 16<sup>th</sup> annual “Prepare Now” campaign and extend PGW’s support of your initiative to help customers heat their homes and pay their energy bills. Similar to the Commission, PGW treats the arrival of the winter season seriously, and joins the Commission in its efforts to educate customers, particularly low and fixed income customers, on the availability of programs that can assist them. In preparation for the upcoming winter, PGW has taken steps to educate our customers by continuing to ensure that all of our customer service representatives (“CSRs”) are equipped with resources to refer customers to the appropriate programs, such as PGW’s CAP, the Customer Responsibility Program (“CRP”), and LIHEAP grants. As you know, PGW continues to provide CRP to eligible customers without imposing a maximum number of participants. In addition, PGW just recently implemented a new online tool that provides customers the ability to apply for CRP via any smart device.

In addition to the initiatives above, PGW also provides customers with various resources in order to assist with reducing energy consumption. This is accomplished through free weatherization workshops provided throughout PGW's service territory where participants receive free weatherization tips and kits. The company also provides a substantial amount of free LIURP services to low-income customers, and offers conservation options available through our EnergySense program.

Provided below are PGW's responses to the twelve recommendations expressed in your letter:

1. **Recommendation:** Improve efforts to link consumers to programs that are available to help them restore and maintain service, such as CAP, LIHEAP and utility or local Hardship Funds.

**Response:** PGW continuously strives to educate its customers about the various programs available to assist them. Some of these efforts include having grant and CRP program information prominently displayed throughout PGW's six customer service centers, as well as by having staff available onsite to assist customers with both the LIHEAP and CRP application process. As previously mentioned above, PGW has also recently implemented an online CRP platform which now provides customers with the ability to apply and recertify for CRP on the go via any smart device.

In addition to PGW's outreach efforts in our customer service centers and online, PGW also provides customers with extensive education about these programs through multiple communication methods, such as direct mailings, customer service representatives, brochures, CARES referrals, outbound call campaigns, PGW's website, and in-person information sessions. PGW also performs outreach for both CRP and LIHEAP through the use of mass-market campaigns such as television and radio commercials, print advertisements and social media.

2. **Recommendation:** Refer low-income consumers to CAP when they call to make payment arrangements, so they may also benefit from arrearage forgiveness if they qualify.

**Response:** PGW strongly encourages all income-eligible customers to enroll in CRP. To ensure that customers are aware of the program, PGW provides extensive CRP refresher training to staff at least once a year. This training covers vital program components, such as program eligibility as well as the many benefits of CRP. PGW also continues to increase its CRP outreach efforts through the use of social media, advertisements, brochures, bill inserts, targeted letter campaigns, and the PGW website. Whenever a customer calls to make a payment arrangement, PGW's CSRs encourage eligible customers to apply online as well as via the traditional mail or in-person methods, and CSRs are equipped with the resources to fully explain all of the benefits that the program has to offer.

3. **Recommendation:** Restore service to low-income customers upon enrollment into the company's Customer Assistance Program (CAP) for the first time.

**Response:** PGW will continue to only require the payment of a reconnection fee for service restoration for first time CRP participants.

4. **Recommendation:** Exercise leniency when establishing payment arrangement plans for all consumers. Utilities have more discretion in making payment arrangements than does the Commission. When assessing whether to grant a payment arrangement, please consider changes in circumstances such as lost or reduced income, extended illness of the ratepayer or a household member, or increased household size and accompanying expenses.

**Response:** PGW exercises leniency with its residential customers by offering two payment arrangements per set of arrearages. With respect to CRP, PGW continues to not require an up-front payment from customers who are entering CRP for the first time. In addition, if it is determined that an active CRP participant is no longer eligible at recertification, PGW will grant one additional payment arrangement regardless of the customer's prior payment agreement history.

5. **Recommendation:** Increase corporate donations to utility Hardship Funds and other local programs that assist consumers who need help paying their utility bills.

**Response:** PGW will continue to promote donations to our Hardship Fund through the use of use of bill inserts, bill messages, CSRs and the company's website. In addition, PGW continues to share one-third of the administrative cost for the Utility Emergency Services Fund ("UESF") program in Philadelphia County and will continue to match UESF grant payments dollar for dollar each year.

6. **Recommendation:** Review company procedures to ensure that automatic payments and online payments allow for consumer contributions to Hardship Funds.

**Response:** PGW customers are able to make automatic payments and one time contributions to the Hardship Fund through our customer service representatives and through the company's website.

7. **Recommendation:** Limit the number of terminations of confirmed low-income customers by scaling back the company's termination program as the cold weather and the winter moratorium approach. This includes reviewing termination and reconnection procedures to allow consumers who are making a good faith effort to pay their bills to keep utility service whenever possible.

Response: Similar to the end of last season, PGW has begun scaling back the number of terminations during the month of November. If a customer is low-income and seeking restoration, PGW representatives will provide them with information regarding programs that may be available to assist them with service restoration such as Crisis and PGW's Hardship Fund, UESF.

8. Recommendation: Waive or reduce security deposits, reconnection fees and late payment charges if they are a barrier to restoration of service or establishing a payment arrangement. If a security deposit or reconnection fee is necessary, consider adding it to the customer's bill instead of making it a condition of providing service.

Response: PGW currently does not require a security deposit from low-income residential customers. If a customer enrolls in CRP, PGW will also not assess late payment charges on their account as long as they remain enrolled in the program.

9. Recommendation: Accept any combination of LIHEAP grant, crisis grant, and Hardship Fund grant as sufficient funds to initiate or reconnect service for low-income consumers. If a consumer payment is also necessary, we encourage you to be as lenient as possible.

Response: PGW strives to assist low-income customers in restoring or establishing service. Our efforts include accepting a combination of all grants (LIHEAP Cash, LIHEAP Crisis and UESF) as well as working directly with both UESF and LIHEAP to streamline and resolve customer emergencies.

10. Recommendation: Provide customers with information about home heating safety and work to get customers who have been "red tagged" the assistance or information needed to help in obtaining repairs to furnaces or heating systems. Refer low-income customers to the LIHEAP crisis program for emergency repairs.

Response: PGW understands the importance of home heating safety, and is committed to educating our customers about the ways to obtain assistance such as heating system repairs. As in prior years, our outreach efforts are performed through various methods such as our customer service representatives, field technicians, CARES program, bill inserts and other advertising. If a customer's gas heater is found to have a hazard or deemed inoperable and is shut off, PGW will leave an informational card at the property containing material about the dangers of carbon monoxide as well as a list of names and phone numbers of agencies and programs where the customer can receive conservation and repair services. PGW also actively promotes our EnergySense program to customers in need of heating equipment replacement. With respect to low-income customers, PGW refers low-income customers experiencing heating system emergencies to the LIHEAP Crisis program (if open) and to the City of Philadelphia's Heater Hotline for emergency repairs. Finally, pursuant to PGW's

most recent rate case settlement terms, PGW recently implemented a hazardous heating remediation pilot which will remain active for two years.

11. Recommendation: Promote the use of budget billing programs and third-party notification forms.

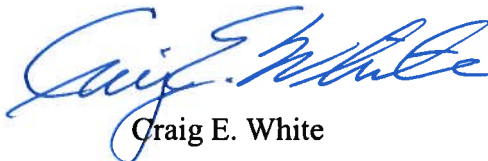
Response: PGW promotes both the budget billing and third-party notification programs through the use of bill inserts, brochures, and the company's website. The company also conducts annual refresher training with our CSRs where we emphasize the importance of encouraging customers to enroll in both programs.

12. Recommendation: Provide information to consumers regarding how they can reduce their heating costs through conservation, including information on weatherization programs as well as cost-effective steps they can do themselves.

Response: PGW provides information on reducing heating costs through a number of communication methods, including bill inserts and free neighborhood weatherization workshops. Additionally, PGW continues to voluntarily offer its EnergySense conservation portfolio, which provides grants and rebates to customers for installing high efficiency equipment to conserve natural gas. PGW's current portfolio of EnergySense programs includes a residential heating equipment rebate program, a commercial and industrial building retrofit grant program, a commercial and industrial equipment rebate program, and a high efficiency construction grant program. PGW builds awareness about these programs through mass-market advertising campaigns, trade allies who influence customer purchase decisions, neighborhood outreach and community group presentations, and through bill inserts. PGW also recently enhanced its EnergySense website with mobile responsive design and online applications that make it easier than ever for consumers to participate.

We thank you for the opportunity once again to support your Prepare Now campaign. Please feel free to contact me if you have any questions or concerns.

Sincerely yours,



Craig E. White

cc: Mses. Denise Adamucci, PGW Vice President Regulatory Compliance & Customer Programs  
Tyra Jackson, Director, Regulatory Compliance