



UGI Utilities, Inc. – Gas Division
UGI Utilities, Inc. – Electric Division
UGI Penn Natural Gas, Inc.
UGI Central Penn Gas, Inc.

**Universal Service & Energy
Conservation Plan
For the Three-Year Period
January 1, 2011 – December 31, 2013**

(Second Amended)

Table of Contents

<u>Item:</u>	<u>Page No.:</u>
Introduction.....	1
USP Plan Overview	2
Customer Assistance and Referral Evaluation Services (CARES).....	8
Hardship Fund (Operation Share Energy Fund)	10
Customer Assistance Program (CAP).....	12
Low Income Usage Reduction (LIURP).....	23
Appendix A.....	A-1 to A-10
Appendix B	B-1
Appendix C	C-1
Appendix D.....	D-1 to D-3

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

I. INTRODUCTION

UGI Utilities, Inc. – Gas Division (“UGI Gas”), UGI Utilities, Inc. – Electric Division (“UGI Electric”), UGI Penn Natural Gas, Inc. (“PNG”) and UGI Central Penn Gas, Inc. (“CPG”) (collectively referred to herein as the “UGI Companies”) jointly submit this Universal Service and Energy Conservation Plan for the three-year period January 1, 2011 through December 31, 2013 (the “Plan” or “USP Plan”). The UGI Companies will provide the Universal Service Programs (“USP”) under the same rules, terms and conditions that are set forth in this Plan, with the exceptions of: (1) the committed funding levels and budgets for each of the UGI Companies, which are set forth individually in Appendix A of this Plan; and (2) the contracted administering agencies that will assist in administering some of the programs for each of the UGI Companies, as set forth in Appendices C & D.

The UGI Companies believe that having a commonly-managed, unified plan will foster administrative efficiencies and substantive enhancements of the programs in order to better serve the needs of low-income customers located in the service territories of the UGI Companies. The UGI Companies also believe having a unified plan with a common filing deadline will facilitate a timely and efficient Commission review of the proposed Universal Service Programs.¹

By way of background, UGI Gas serves approximately 331,000 total number of customers located in fifteen counties in eastern Pennsylvania, which include 302,561 residential customers. UGI Electric serves approximately 62,000 customers located in portions of two northeastern Pennsylvania counties, which include 33,480 residential customers.²

PNG provides natural gas service to approximately 157,000 retail customers located in 13 counties in Pennsylvania, which includes 144,691 residential customers. The service territory is somewhat densely populated in and around the Cities of Wilkes-Barre, Scranton and Williamsport but otherwise consists of sparsely populated rural or suburban communities.

CPG provides natural gas service to approximately 75,000 retail customers located in 35 counties in Pennsylvania, which include approximately 64,900 residential customers. The service territory is sparsely populated and non-integrated, as it is composed of mostly rural or distant suburban communities.

¹ By motion in Docket No. P-2009-2112509, the Commission recognized that “a common filing deadline for these UGI Companies will facilitate a timely and efficient Commission review of the plans applicable to each company.” See Motion of Commissioner Kim Pizzigrilli, [Petition of UGI Central Penn Gas, Inc. for an Extension of Time Until July 1, 2010 to File its Universal Service and Energy Conservation Plan and Associated Information under 52 Pa. Code §62.7](#). Docket No. P-2009-2112509.

² The Commission’s regulations currently do not require UGI Electric to track the number of confirmed low-income customers. The same applies for CPG.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

II. USP PLAN OVERVIEW

A. SUMMARY OF THE USP PLAN

To assist the UGI Companies' low-income customers as well as those customers who may be having difficulty paying their bills, the UGI Companies have established universal service and energy conservation programs and policies that are consistent with regulatory requirements and good business practices.

The UGI Companies' Universal Service Programs include:

- Customer Assistance and Referral Evaluation Services ("CARES" or the "CARES Program");
- Hardship Fund (the "Operation Share Energy Fund");
- Customer Assistance Program ("CAP"); and
- Low Income Usage Reduction Program ("LIURP").

The UGI Companies also actively encourage payment-troubled, low-income customers to apply for grants from the Low Income Home Energy Assistance Program ("LIHEAP").

In 2009, the UGI Companies assisted approximately 71,300 residential customers through its Universal Service Programs. The total number of participants by program for UGI Gas, UGI Electric, PNG and CPG in 2009 was as follows:

Number of Participants	CAP	LIURP	CARES	Hardship Fund	Total
UGI Gas	8,527	471	13,952	657	23,607
PNG	4,878	376	26,219	360	31,833
CPG	2,384	46	9,281	229	11,940
UGI Electric	1,414	40	2,363	122	3,777
Total	17,203	933	51,815	1,368	71,319

A summary of the UGI Companies' program expenditures for the Universal Service Programs in 2009 is found below:

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Annual Cost	CAP	LIURP	CARES	Hardship Fund	Total
UGI Gas	\$5,051,419	\$1,682,262	\$48,155	\$1,866	\$6,783,702
PNG	\$3,520,853	\$917,614	\$12,300	\$3,367	\$4,454,134
CPG	\$1,034,140	\$187,213	\$0	\$6,258	\$1,227,611
UGI Electric	\$718,664	\$51,524	\$0	\$0	\$770,188
Total	\$10,325,076	\$2,838,613	\$60,455	\$11,491	\$13,235,635

The UGI Companies provide residential customers with information on available programs and assists them in receiving assistance from community-based organizations. Program information is delivered to customers via regular bill inserts and through the UGI Companies' employees when appropriate. The UGI Companies have a special toll-free telephone number that customers can call to get program information.

In addition, the UGI Companies have dedicated staff that is trained and committed to ensuring customers are referred to all appropriate Universal Service Programs in order to provide the greatest benefit to the customer. The staff structure for the UGI Universal Service Programs is as follows:

- Manager, Customer Accounting Services and Customer Outreach Supervisor (1 full time): Responsible for the supervision of the group and all reporting requirements.
- Senior Customer Outreach Representative (1 full time): Primarily responsible for LIHEAP and CARES outreach and supervision of seasonal LIHEAP personnel.
- Customer Outreach Representatives (6 full time, 1 part time): Responsible for the day to day operations of the LIURP, CAP, Operation Share Fuel Fund and LIHEAP. Each maintains daily contact with the community-based organizations responsible for the administration of each program.
- Data Analyst (1 full time): Responsible for the reporting aspects associated with Universal Service Programs.

The UGI Companies and their contractors have the capability to screen, enroll and refer customers for all available Universal Service Programs. The USP staff incorporates all Universal Service Program referrals into existing processes (Cold Weather Interim Procedure ("CWIP"), collection, compliance and contract management). The USP staff also coordinates and makes referrals to all Universal Service Program components, as well as LIHEAP and State Weatherization.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

B. SUMMARY OF CHANGES TO PLAN

As required by Section 62.4 of the Commission's regulations, this portion of the Plan describes the modifications and enhancements that were made to those programs which were previously-approved by the Commission. The most notable change to this Plan is the consolidation of the UGI Companies' Universal Service Programs into a joint, unified plan so that the programs may be commonly-managed among the affiliated UGI Companies.³ As explained above, the UGI Companies believe that having a commonly-managed, unified plan will foster administrative efficiencies and substantive enhancements of the programs in order to better serve the needs of low-income customers located in the services territories of the UGI Companies. The UGI Companies also believe having a unified plan with a common filing deadline will facilitate a timely and efficient Commission review of the proposed Universal Service Programs.

Under each of the offered Universal Service Programs, certain types of residential accounts are excluded from participating in the applicable program, with the exception of CAP, which also excludes choice customers from participation. Such residential accounts include:

- health care facilities;
- landlord/tenant (account is in the landlord's name);
- ratepayer/occupant (the ratepayer does not reside at the property);
- foreign load (one meter supplies more than one unit);
- theft of service; and
- a Landlord If Shut-off ("LIFSO") agreement (account is in the owner's name).

The UGI Companies do not believe that any of the changes described above and below require the filing of a tariff rule or rate change. However, if the Commission determines that

³ By way of background, in July 2007, UGI Gas submitted its three-year plan to implement its Universal Service Programs, which the Commission approved by Order entered on August 31, 2007, in Docket No. M-00072026. On February 23, 2006, UGI Electric filed its final version of its USP Plan at Docket No. M-00061944, which the Commission approved by Order entered May 5, 2006. In July 2007, PNG submitted its three-year plan, which the Commission approved by Order entered on August 31, 2007, in Docket No. M-00072027. Meanwhile, CPG's most recent USP report was submitted to the Commission on January 3, 2008. On June 5, 2009, CPG filed a petition with the Commission seeking an extension of the deadline to file its next USP report from June 1, 2009, to no later than July 1, 2010, in order to align the date of its report with the due date of its affiliates, UGI Gas, PNG and UGI Electric. The Commission granted the extension on October 8, 2009 in Docket No. P-2009-2112509. In granting the extension, the Commission ordered that CPG's currently-approved USP plan, including funding levels, remain in place until a new plan is approved by the Commission, except it directed CPG to use the current Federal Poverty Guideline income levels (rather than the 2007 levels) to determine customer eligibility for its universal service program.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

such a filing is necessary, UGI is prepared to satisfy any such requirement.

Set forth below is a description of the changes made to the individual universal service programs.

1. The CARES Program

No major changes are being proposed for this program.

2. Operation Share Energy Fund

The following changes are being proposed for this hardship fund:

- PNG's program name has been changed from Project Outreach to Operation Share.
- Matching contributions have been standardized for UGI Gas, CPG and UGI Electric so that for every two dollars the customers, employees or outside sources contribute to Operation Share, the company will issue an additional one dollar in energy vouchers, up to the committed matching funds contribution. CPG, meanwhile, will contribute a flat donation amount, which will include matching funds for contributions made by customers, employees or outside sources.
- Allocations to administering agencies were revised based on 2000 Census data, as updated in 2008, and the UGI Companies propose to require each administering agency to spend their share of donations in order to maintain the allocation of funds or the UGI Companies otherwise reserve the right to reallocate the funds to another administering agency to ensure that all donations get used for the intended purpose.

Furthermore, additional monies from the Tennessee Gas Pipeline Gas Settlement Proceeds were allocated to this hardship fund, as approved in Docket No. P-2009-2149107, which changed the grant amount in the following ways: (1) from \$300 to \$400 for UGI Gas; (2) from \$300 to \$800 for PNG; and (3) from \$300 to \$800 for CPG. When the Tennessee funds no longer become available, UGI intends to equalize the amounts among the UGI Companies at \$400. No changes were made to funding for UGI Electric.

3. CAP

In their previously-approved plans, in Docket Nos. M-00072026 & M-00061944, UGI Gas and UGI Electric, respectively, included a program entitled Low Income Self Help Program ("LISHP"), which has been renamed to the Customer Assistance Program ("CAP"). In addition,

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

in Docket Nos. P-2008-2024726 & R-2008-2079675, the Commission approved PNG's and CPG's respective requests to convert their existing programs to mirror UGI Gas' CAP.

The UGI Companies has proposed several changes to their CAPs. First, UGI Gas, PNG and CPG have modified their respective programs to afford each CAP participant an annual maximum shortfall amount of \$950 for heating and \$560 for non-heating. This represents a decrease of approximately \$196 for heating accounts and \$80 for non-heating accounts. This change is mostly attributable to decreasing gas costs⁴ and, as a result, UGI Gas, PNG and CPG believe a decrease in the maximum shortfall amount will not cause the average CAP customer to pay more to maintain affordable gas service during the winter months and beyond. This change also operates to mitigate the impact of the Department of Welfare's ("DPW's") newly imposed "asked-to-pay" policy on non-CAP customers, since this policy otherwise would reduce the amount some CAP customers would pay while significantly increasing the cost burden imposed on non-CAP residential customers. Although the UGI Companies believe this proposed change will temper the impact of DPW's policy change, the UGI Companies are committed to considering longer-term solutions, including a complete re-write of CAP, to ensure that all equity issues are adequately addressed.

UGI Electric is not proposing a decrease in the annual maximum shortfall amount afforded to CAP customers, and therefore will allocate to each CAP participant an annual maximum shortfall amount of \$1200 for heating and \$700 for non-heating. These amounts were approved by the Commission in Docket No. P-2008-2066579.

Second, through various petitions approved by the Commission since the 2007-2010 plans were approved, enrollment in CAP was increased for each of the UGI Companies, as follows: (numbers first increased as a result of surcharge filing and then rate case)

⁴ In Docket No. P-00052190, the Commission approved UGI Gas' proposal to increase the maximum shortfall amount from \$840 to \$1146 for heating accounts, and from \$560 to \$614 for non-heating accounts. The reason for the increase was due to conditions in the wholesale natural gas market that led to rapidly increasing prices for natural gas in the winter of 2005/2006. Conditions in the natural gas market have since changed and customers are now facing decreasing natural gas prices. As a result, UGI Gas, PNG and CPG believe that reducing the maximum shortfall amount afforded to each CAP participant is appropriate and will not harm the ability of consumers of lesser means to maintain gas service through winter months and beyond.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Company	No. of Low-Income, Payment-Troubled Residential Customers
UGI Gas	10,000
UGI Electric	2,500
PNG	7,500
CPG	6,000
Total	26,000

Next, UGI Gas' previous plan provided that, for low-income residential customers who take service under Rate R and use natural gas for the primary source of space heating requirements, the commodity charge would be reduced by no more than the current purchased gas cost rate. This limitation has been removed in this Plan.

FinallyIn addition, the UGI Companies have changed the minimum monthly CAP payment to \$25 for heating accounts and \$15 for non-heating accounts. Previously, the minimum monthly payment was \$18 for gas customers and \$12 for electric customers.

Finally, with respect to pre-program arrearage forgiveness, for the period through December 2012, the UGI Companies will continue to forgive one-third of the frozen pre-program arrearage of a CAP participant, only after the participant has been in the program for six consecutive months and has made six full payments. Customers will not receive arrearage forgiveness if they are not current with their payments but will receive forgiveness once they bring payments up to date. The balance of the frozen pre-program arrearage will be forgiven, in like amounts, at the end of 18 and 30 months assuming the participant has been in the program for periods of 18 consecutive and 30 consecutive months respectively and has made all required CAP payments.

Starting in January 2013, in accordance with the Commission's Final Order entered on October 31, 2011 in this docket, the UGI Companies will forgive a CAP customer's pre-program arrearage balance on a one thirty-sixth (1/36th) basis upon receipt of each timely and in-full monthly payment. This practice will provide immediate incentive for a CAP customer to continue the positive payment behavior. Customers will not receive arrearage forgiveness if they are not current with their payments but will receive forgiveness once they bring payments up to date.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

4. LIURP

The following changes have been made to the LIURP program since the 2007-2010 plans were approved by the Commission:

- PNG funding has increased from \$720,000 to \$850,000 based on the rate case settlement for USP Rider Docket at R-2008-2079660;
- CPG funding was established at \$500,000 based on the rate case settlement in Docket No. R-2008-2079675;
- CPG has changed to a new administrator and will utilize the Customer Outreach System (“COS”), weatherization agencies and contractors to administer its program;
- ~~PNG, CPG and UGI Electric propose a pilot program involving the Rehabilitation Pilot Project (as described more fully below in Section VI.I);~~
- With respect to UGI Gas’ Rehabilitation Pilot Program, UGI Gas will: (1) limit the use of LIURP funding under this Pilot to residential rate housing units and, in the case of rental housing units, only where the tenant has payment responsibilities; (2) direct funds to HOME developments, the Low-Income Housing Tax Credit (LIHTC) program and non-profit agencies; and (3) begin tracking customer participation levels and energy savings on a prospective basis.
- PNG and CPG minimum usage requirements have changed and now will reflect above average usage to allow greater flexibility for solicits, etc;
- CPG’s LIURP program was a pilot program through 2010 and, in this Plan, CPG is transitioning from 7 to 30 counties;
- UGI Electric’s program has been modified to reference only two types of customer accounts (heating and non-heating). Previously, three types of accounts had been listed (residential space heating; residential water heating; and residential high-use base load);
- the UGI Companies added an independent verifier of home weatherization to ensure that home weatherization was completed in accordance with LIURP standards; and
- UGI Gas eliminated the Oil Swap Pilot Program and the UGI Companies have

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

added the Conservation Pilot Program.

C. NEEDS ASSESSMENT

As required by 52 Pa. Code § 62.4(b)(3), UGI Gas and PNG submit a needs assessment based on 2009 figures in Appendix B of this Plan. Pursuant to 52 Pa. Code § 62.7, natural gas distribution companies with less than 100,000 residential customers are not required to submit a needs assessment; therefore, UGI Electric and CPG have not submitted a needs assessment.

As demonstrated in Appendix B, UGI Gas confirms that 35,839 households in its service territory are low-income customers and estimates, using the most recent census data, that 68,043 households are low-income. To ensure that CAP is appropriately funded and available pursuant to 66 Pa.C.S. § 2203(8), UGI Gas proposes to support enrollment of up to 10,000 customers consistent with funding levels approved by the Commission in Docket No. P-2008-2066708.

PNG confirms that 25,721 households in its service territory are low-income customers and estimates, using the most recent census data, that 37,891 households are low-income. To ensure that CAP is appropriately funded and available pursuant to 66 Pa.C.S. § 2203(8), PNG proposes to support enrollment of up to 7,500 customers consistent with funding levels approved by the Commission in Docket No. R-2008-2079660.

In the event it becomes reasonably likely that actual enrollment levels will exceed the above-specified proposed maximum enrollment limits, UGI Gas and PNG will file a petition seeking authority to increase the maximum enrollment limits to ensure that: 1) the actual needs of low-income, payment-troubled customers for affordable CAP payments are met; and 2) the applicable UGI Company is provided reasonable assurance of recovery of the associated incremental costs under the applicable UGI Company's current CAP cost recovery mechanism.

III. THE CARES PROGRAM

A. DESCRIPTION OF THE CARES PROGRAM

1. Goals and Objectives

The goal of the CARES Program is to provide personal assistance and referrals to payment-troubled customers and to help improve their delinquent bill payment problems. The CARES Program identifies special needs customers and guides them to the appropriate program or agency. CARES concentrates on, but is not exclusively for, the low-income segment that may lack the knowledge of energy conservation, budget counseling and fuel assistance programs. Unlike other USPs administered by the UGI Companies, the CARES Program is geared toward the customer who has a temporary, immediate need, such as loss of income, loss of head of household, illness or any other temporary situation resulting in an inability to pay. CARES is

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

intended to be a short-term assistance referral program to guide a customer through a difficult time and to help inform and educate them about the available assistance. The CARES Program also provides extensive LIHEAP outreach to help increase awareness of the program and encourage all eligible households to apply for grants.

2. Program Design

The CARES Program was developed as an outreach and referral service to assist customers with special needs or hardships. CARES is available to any residential customer who is confronted with a temporary hardship that could result in the loss of utility service. Assistance is obtained through the UGI Companies' programs and the established network of social agencies throughout each of the UGI Companies' service territories. CARES is designed to help a select group of customers with special circumstances, which may include, among other things, the need for help in paying their utility bill or assistance from a social agency.

The UGI Companies offer information, guidance and referrals to obtain energy assistance and other social help programs from the Customer Outreach Department. Each CARES customer may receive an informational brochure mailing. The brochure contains educational material on each of the assistance programs offered in its service territory, eligibility guidelines to participate in the applicable service territory and contact information for local community-based organizations located in its service territory.

At appropriate times of the year, eligible CARES customers receive information on additional Customer Outreach programs, such as LIHEAP, LIURP, CAP, the Operation Share Energy Fund and the Customer Assistance Guide.

B. ELIGIBILITY CRITERIA

Any residential customer with a delinquent balance or a negative ability-to-pay may be eligible for CARES. In addition, a customer with a special need, such as, for example, recent unemployment, disability, loss of head of household, inability to understand their bill, temporary illness or need for senior citizen assistance, is also eligible for CARES.

C. INTAKE / NETWORKING

Customer Outreach employees maintain contact with community-based organizations through referrals and educational services. Upon request, employees organize and/or conduct community meetings and workshops to educate customers in energy conservation and to increase public awareness of the various CARES Program services. Presentations are made throughout the service territory and brochures and literature are distributed to communicate the social services that are available to customers.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Employees maintain communication with appropriate professional and local organizations to strengthen skills and remain current on local issues. In addition, a Customer Assistance directory is maintained by the Customer Outreach department which includes contact information for each social agency by county and the services they provide for our customers.

D. BUDGET

See Appendix A for the UGI Companies' budgets for the CARES program.

IV. THE OPERATION SHARE ENERGY FUND

A. PURPOSE & OBJECTIVES

A number of reasons, foreseen and unforeseen, could potentially affect the ability of customers to pay their bills. The UGI Companies' hardship fund – Operation Share Energy Fund – has been formed for the purpose of providing assistance to residential customers faced with a hardship in paying their energy bill due to an unforeseen situation. To achieve its purpose, the Operation Share Energy Fund includes the following objectives:

- to provide customers, employees and the public an opportunity to contribute money to help their less fortunate neighbors who are unable to pay their energy bills due to unforeseen circumstances;
- to give financial assistance to current customers that have fixed- or low-incomes, are unemployed, disabled or faced with some catastrophic event;
- to show the UGI Companies' compassion for the group of customers who are suddenly faced with a crisis situation and need temporary assistance to get back on their feet; and
- to provide additional funds and support to community organizations that are dedicated to this same purpose.

B. FUNDING

See Appendix A for a description of each of the UGI Companies' funding for this hardship fund.

C. ADMINISTRATION

The Operation Share program is administered using the Customer Outreach System ("COS"). The COS provides customer information, such as eligibility criteria, account balance, recent bills and payments. The UGI Companies contract with community-based organizations that have the ability to process grants using web-based applications, which then use the account

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

information from the COS to determine the amount of grant awarded to the customer. The COS also maintains the financial aspects of the program.

A specific role is established in the COS for the representative that has the final authority to approve or deny assistance for a customer. This designated person is responsible for the Operation funds assigned to their community-based organization. The UGI Companies' personnel will not participate in the determination of grants, other than to refer applicants to the community-based organizations for consideration.⁵

Operation Share Energy Fund is designated as a public charity under section 501(c)(3) of the Internal Revenue Code.

D. ELIGIBILITY

The guidelines for grants from Operation Share should be administered with sufficient flexibility to provide the assistance intended by the program. In order to assure fair treatment of all applicants, however, the following guidelines must be followed (unless one of the UGI Companies or the community-based organization(s) agree to waive or modify a guideline in extraordinary circumstances):

- the customer must have a residential account with one of the UGI Companies' service territories and the customer's premise is the customer's primary residence;
- the customer must have an active heating or non-heating utility account;
- the customer must not have received an Operation Share grant in the last 12 months;
- the customer must have an outstanding balance on their utility bill;
- the maximum income of the customer's household must be at or below the current federal poverty income guidelines ("FPIG") of 200%;
- the customer must provide adequate information to demonstrate inability to pay energy bills;⁶
- customers for Operation Share with delinquent balances must first contact the Credit Department to discuss their options; and
- an active participant in the CAP is not eligible for Operation Share assistance.

⁵ There are some occasions where personnel will approve Operation Share on a customer's behalf, such as, for example, in the instance of a legislative request to supplement LIHEAP grants.

⁶ Necessary information includes evidence of income and expenses of all members of the household. In addition, the applicant will authorize the Agency (verbally or written) to obtain account history information from their energy vendor.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Residential accounts with the following indicators are not eligible:

- health care facilities;
- landlord/tenant (account is in the landlord's name);
- ratepayer/occupant (the ratepayer does not reside at the property);
- foreign load (one meter supplies more than one unit);
- theft of service; and
- LIFSO agreement (account is in the owner's name).

In order to assure fair treatment of all customers, the following amounts represent the maximum grant to be awarded per eligible customer in each of the UGI Companies' service territories:

Company	Maximum Amount
UGI Gas	\$400
PNG	\$800
CPG	\$800
UGI Electric	\$300

PNG and CPG are higher because of their receipt of additional monies from the Tennessee Gas Pipeline Gas Settlement Proceeds, as approved in Docket No. P-2009-2149107. When the Tennessee funds no longer become available, UGI intends to equalize the amounts among the UGI Companies at \$400.

E. PAYMENT OF GRANTS

The designated community-based organization is granted a maximum amount against which vouchers can be written. So long as the community-based organization's maximum is not exceeded, a voucher may be written and will be honored by one of the UGI Companies for the payment of the applicant's bill.

All cash funds must be retained by the community-based organization in its Operation Share account and payments from this account shall only be made to the UGI Companies. Under no circumstances will any payments be made directly to a customer.

F. BUDGET

See Appendix A for a more detailed discussion of the available budgets for this program for each of the UGI Companies.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

V. CUSTOMER ASSISTANCE PROGRAM (CAP)

A. INTRODUCTION

CAP will provide up to a total of 26,000 eligible low-income, payment-troubled residential customers that reside in the service territories of the UGI Companies a more affordable way to pay their natural gas bill.

The table below shows the proposed enrollment limits, consistent with Commission-approved funding levels, for each of the UGI Companies:

Company	Maximum CAP Customer Enrollment
UGI Gas	10,000
UGI Electric	2,500
PNG	7,500
CPG	6,000
Total	26,000

Each month, CAP participants will be billed an equal CAP payment amount based on the participant's gross income and usage. The program will focus on encouraging energy conservation and responsibility as a utility customer. The UGI Companies intend to maintain a group of customers identified above and track their progress.

CAP will be administered by contracted community-based organizations, listed in Appendix C of this Plan (the "CAP Administering Agencies"), which report to the CAP Program Administrator, as designated by a representative of the UGI Companies.

B. FUNDING

See Appendix A for a more detailed description of CAP funding for each of the UGI Companies.

C. ADMINISTERING AGENCIES

The UGI Companies work with a variety of CAP Administering Agencies, which are listed in Appendix C of this Plan. In addition, the UGI Companies attempt to maintain a directory of the CAP Administering Agencies that serve as a referral source and may be added as a potential contracted agency in the future.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

With the help of the COS, the CAP Administering Agencies are responsible for taking the following steps to enroll customers in the CAP:

- properly complete the CAP application;
- verify eligibility, proof of identification, proof of income and family size;
- assist applicant to properly complete LIHEAP and other grant applications;
- fully explain the program benefits and responsibilities to the customer;
- discuss the payment amount, based on guidelines provided by the UGI Companies; and
- confirm customer's acceptance in the program.

The CAP Administering Agencies will also provide customer education in the areas of:

- usage reduction education consistent with that outlined in LIURP below;
- low cost/no cost energy conservation tips;
- basic household budget counseling; and
- related items specific to the individual applicant's needs.

The CAP Administering Agencies will also be responsible for: (1) referring participant's to any other assistance, social, or governmental programs that may provide help for any other present needs; and (2) monitoring each account monthly based on the UGI Companies' prompted tasks on the COS, such as past due phone calls and recertification.

Finally, while the CAP Administering Agencies will be responsible for processing the annual recertification of all requirements, the UGI Companies themselves will process appeals for reconsideration from participants removed from CAP within 30 days.

D. MONITORING

The UGI Companies will perform periodic reviews of CAP Administering Agency records pertaining to the administration of the CAP. Periodic progress reports will be generated by the UGI Companies to monitor the CAP administration. These reports will include basic information related to the number of program participants, payments, and account status.

E. EVALUATION

Both a program process evaluation and impact evaluation will be performed as required. Evaluations will be performed by an independent, third party evaluator. Process and impact

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

evaluation areas will include:

- program design;
- administrative costs;
- program costs;
- payment behavior;
- consumption habits; and
- energy assistance participation

F. CUSTOMER ELIGIBILITY REQUIREMENTS

To be eligible for CAP, customers may be referred by one of the UGI Companies or CAP Administering Agencies. To be eligible, a customer must: (1) have household income verified at 150 percent of poverty or less;⁷ and (2) be a residential heating or non-heating customer with active energy service from one of the UGI Companies.

Residential accounts with the following indicators are ineligible for CAP or will be removed from CAP:

- health care facilities;
- landlord/tenant (account is in the landlord's name);
- ratepayer/occupant (the ratepayer does not reside at the property);
- foreign load (one meter supplies more than one unit);
- theft of service;
- LIFSO agreement (account is in the owner's name); and
- choice customers.

The UGI Companies further reserve the right to deny enrollment if the customer is deemed to lack good faith, honesty or fair dealing while working with the CAP Administering Agency or one of the UGI Companies during the application process or if the customer fails to engage in good faith efforts to conserve energy.

Upon request, and at least annually, a CAP participant must provide evidence of continued program eligibility.

⁷ A customer who states that he/she has no income will be eligible to participate in CAP and be responsible to make the minimum monthly CAP payment ~~of \$25~~.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

If a CAP participant changes residences, the following conditions will apply and be communicated to the customer: (1) the new residence will not automatically be eligible for LIURP; (2) as long as all eligibility requirements and other terms and conditions continue to be met, the participant may remain eligible to participate in CAP; and (3) so long as the participant remains enrolled in the program, no late payment charges will be imposed on the pre-program arrearage.

G. PARTICIPATION TERMS AND CONDITIONS

1. Determination of Monthly CAP Payment Amount

a) General

The amount to be paid by the customer each month on or before the due date will be based on a combination of the customer's income, usage and the maximum shortfall forgiveness amount.⁸ As a starting point, the income component of a customer's monthly CAP payment amount is determined based upon the customer's income as compared to the FPIG. To calculate the income component of a customer's CAP payment amount, the UGI Companies adhere to the following guidelines:

	<u>Percent of Poverty</u>	<u>Monthly CAP Payment</u>
Income Level 1:	0 ⁹ - 50%	7% of Participant's Monthly Income
Income level 2:	51 - 100%	8% of Participant's Monthly Income
Income level 3:	101 - 150%	9% of Participant's Monthly Income

Next, the monthly CAP payment amount is adjusted, where appropriate, to reflect a customer's projected usage where such usage will result in a billing deficiency that exceeds the maximum shortfall forgiveness amount. The UGI Companies will afford each CAP participant an annual shortfall forgiveness amount. This amount represents the billing deficiency (*i.e.*, the difference between the customer's annual CAP payment and the customer's actual annual bill) that the UGI Companies will forgive. The maximum shortfall amounts that the UGI Companies will forgive are set forth below in subsection (b). Where a customer's projected annual billing deficiency exceeds the maximum shortfall forgiveness amount (due to usage), the monthly CAP payment amount will be increased to account for this usage. Where a customer's projected annual billing deficiency is less than the maximum shortfall forgiveness amount, however, the monthly CAP payment amount will not be adjusted. The UGI Companies believe that making

⁸ Exceptions to the payment schedule and grant application practice will be made based on individual needs.

⁹ A customer with no income will be responsible to make the minimum monthly CAP payment ~~of \$25~~.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

usage a component of the monthly CAP payment amount encourages energy conservation among CAP participants.

The customer's projected usage is determined based on historical usage data. In instances where historical data is not available, such as for a new customer, the UGI Companies will use an average usage amount based on all residential customers.

At any time during the program should a participant's monthly income change, the monthly CAP payment amount will also be reviewed and changed, where appropriate. It is the customer's obligation to notify the CAP Administering Agency of the change in income. A recertification will be processed using the updated income and historical usage to determine the new monthly CAP payment amount.

[Consistent with the Commission's Policy Statement on Customer Assistance Programs at 52 Pa. Code § 69.265\(3\)\(i\)\(A\)-\(C\), the minimum monthly payment for heating accounts is set at \\$25 and for non-heating accounts at \\$1525.](#)

b) Maximum Shortfall Forgiveness Amounts

UGI Gas, PNG and CPG have modified their respective programs to afford each CAP participant an annual maximum shortfall amount of \$950 for heating and \$560 for non-heating. This represents a decrease of approximately \$196 for heating accounts and \$80 for non-heating accounts. This change is mostly attributable to lower purchased gas costs¹⁰ and, as a result, UGI Gas, PNG and CPG believe a decrease in the maximum shortfall amount will not cause the average CAP customer to pay more to maintain affordable gas service during the winter months and beyond. This change also operates to mitigate the impact of DPW's newly imposed "asked-to-pay" policy on non-CAP customers since this policy otherwise would reduce the amount some CAP customers would pay while significantly increasing the amounts non-CAP residential customers would pay in support of CAP. Although the UGI Companies believe this proposed change will temper the impact of DPW's policy change, the UGI Companies are committed to considering longer-term solutions, including a complete re-write of CAP, to ensure that all equity issues are adequately addressed.

[In the Commission's Final Order entered on October 31, 2011 in this docket, the Commission suggested that the UGI Companies tie the maximum shortfall amount to a purchased gas cost index beginning with the next triennial filing.](#)

UGI Electric is not proposing a decrease in the annual maximum shortfall amount afforded to CAP customers, and therefore will allocate to each CAP participant an annual maximum shortfall amount of \$1200 for heating and \$700 for non-heating. These amounts were

¹⁰ See footnote 4.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

approved by the Commission in Docket No. P-2008-2066579.

c) Examples

To illustrate how a customer's monthly CAP payment amount is determined based on a combination of income, usage and the maximum shortfall forgiveness amounts, take the following examples of Customer A and B, which are both heating accounts and high-usage customers and which are both enrolling in CAP in Year One.

Customer A, in Year One, has a projected annual bill of \$1850. Customer A's monthly income is \$1,000, which, based on the FPIG, results in a monthly CAP payment of \$80 (8% of monthly income). The difference between the projected annual bill (\$1850) and the annual CAP payments (\$960) is \$890. Since Customer A's shortfall is less than the annual maximum shortfall amount of \$950, no adjustment is needed to Customer A's CAP payment amount.

Customer B also has a projected annual bill of \$1850 in Year One. However, Customer B's monthly income is \$500, which makes the monthly CAP payment based on income to be \$35 (7% of monthly income). The difference between the projected annual bill (\$1850) and the annual CAP payments (\$420) is \$1430, resulting in an excess shortfall of \$480. Since Customer B's shortfall exceeds the annual maximum shortfall forgiveness amount, Customer B's monthly CAP payment amount will be adjusted by \$40 to account for the excess shortfall, making Customer B's adjusted monthly CAP payment equal to \$75. As this example demonstrates, Customer B's monthly CAP payment is higher than it otherwise would have been due to the usage component.

2. Management of Customers Exceeding Shortfall Forgiveness Amounts During Recertification

The monthly CAP payment amount will be reviewed periodically by the UGI Companies' staff and adjusted as needed to account for any changes in actual usage, income and instances where billing shortfall exceeds the prescribed maximum shortfall forgiveness amount.

For example, as part of the recertification process at the end of the Year One, it is determined that Customer A's annual bill was actually \$2500, not the projected \$1850, but Customer A's income remained the same. After applying the annual CAP payments (\$960) and the maximum forgiveness (\$950), an excess billing shortfall of \$590 exists. To avoid having such excess shortfall in Year Two, Customer A's monthly CAP payment amount will be adjusted on a forward-looking basis for the next twelve months to reflect the higher projected annual usage. As a result, approximately \$49 is added to Customer A's monthly CAP payment, resulting in an adjusted monthly CAP payment amount of \$129. Customer A's adjusted monthly CAP payments for the next twelve months is no longer solely based on income as it now reflects a usage component.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

3. Use of LIHEAP Grants

LIHEAP Cash grants received will be applied according to the DPW's policy changes regarding application of LIHEAP grants to the ask-to-pay amount for CAP customers. As discussed above, while DPW's policy change will serve to reduce the amount some CAP customers would pay, it will also directly result in an increase to the costs imposed on non-CAP residential customers to support the program. In an effort to mitigate the impact on non-CAP residential customers, and as a result of decreasing gas costs, UGI Gas, PNG and CPG have decreased the annual maximum shortfall amount afforded to each CAP participant. Any LIHEAP Crisis grants will be applied to past due CAP payments.

4. Late Fees & Security Deposits

While actively participating in the program, late payment charges will not be imposed on CAP customers. Security deposits also are not imposed on CAP customers.

H. PARTICIPANT OBLIGATIONS

In order to remain eligible for participation in CAP, a customer must agree to (in writing) and perform the following obligations:

- make the monthly CAP payments;
- apply for and should direct to the UGI Company the customer's LIHEAP Cash or Crisis grant;
- conserve energy and, if eligible, participate in LIURP and any other weatherization services offered through local and state weatherization agencies (unless residence was previously weatherized under these programs);
- provide access to the meter for an actual meter reading every other month and complete customer meter reading cards in the interim months;¹¹
- participate in good faith and comply with all educational, assistance, social or governmental programs recommended by the administering agency;
- report immediately to the administering agency any change in family size, change in income or change of address; and
- apply for any assistance grant for which he may be eligible.

¹¹ Shortfall and pre-program arrearage forgiveness may be held up if an actual meter reading is not available.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

In order to assure fair treatment of all participants, however, the UGI Companies will administer the aforementioned obligations with sufficient flexibility to provide the assistance intended by the program. Therefore, one of the UGI Companies or CAP Administering Agencies may agree to waive or modify one or more of the participant obligations in extraordinary circumstances.

I. FORGIVENESS

~~No changes have been proposed to this aspect of CAP. For the period through December 2012, the UGI Companies will~~ continue to forgive one-third of the frozen pre-program arrearage of a CAP participant, only after the participant has been in the program for six consecutive months and has made six full payments. Customers will not receive forgiveness if they are not current with their payments but will receive forgiveness once they bring payments up to date. The balance of the frozen pre-program arrearage will be forgiven, in like amounts, at the end of 18 and 30 months assuming the participant has been in the program for periods of 18 consecutive and 30 consecutive months respectively and has made all required CAP payments.

Starting in January 2013, in accordance with the Commission's Final Order entered on October 31, 2011 in this docket, the UGI Companies will forgive a CAP customer's pre-program arrearage balance on a one thirty-sixth (1/36th) basis upon receipt of each timely and in-full monthly payment. This practice will provide immediate incentive for a CAP customer to continue the positive payment behavior. Customers will not receive forgiveness if they are not current with their payments but will receive forgiveness once they bring payments up to date.

To be eligible for pre-program arrearage forgiveness, participants must maintain all program requirements in each month since enrolling in the program.

Shortfall forgiveness is reviewed/forgiven every three months contingent upon full CAP payments.

J. RECERTIFICATION POLICY

Upon request, and at least annually, participants must provide evidence of continued program eligibility. An annual recertification process prior to the anniversary date of their enrollment in CAP is a mandatory requirement in order to ensure proper participation and continued program eligibility.

Program eligibility includes, but is not limited to:

- receipt of a LIHEAP Cash or Crisis grant within the last 12 months when the LIHEAP income guidelines are the same as CAP; or

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

- income documentation that verifies the participant's household income is at or below the current 150% of the FPIG.

Appropriate changes in the percentage of income and usage payment will be made upon completion of the recertification process. If income or actual usage at the time of recertification dictates a change in the monthly payment, the new amount will be used for future monthly payments.

During the recertification process, if a participant is deemed ineligible for continued participation in CAP, the customer will be notified that they are no longer eligible to participate and the reason(s) why they are no longer eligible for CAP.

Should the participant fail or refuse to recertify within two billing cycles of being notified to do so, the customer's CAP payment amount will be increased to the average usage billing amount, although the UGI Companies reserve the right to remove the customer from CAP. The UGI Companies believe this practice encourages those participants who continue to have household incomes at or below 150% to complete the recertification process and, therefore, maintain affordable energy bills. The customer is responsible for bills issued at the increased amount and is required to pay. Future bills issued upon completion of recertification may reflect adjusted CAP amount but previous bills issued are the customer's responsibility to pay.

K. CREDIT AND COLLECTION POLICIES

The final option for a participant who fails to comply with the program should be loss of service. Final collections and termination of service is programmed into the existing CAP system. CAP is offered as the final attempt toward a successful payment arrangement. CAP offers an affordable payment plan and arrearage forgiveness, and no other arrangement, whether offered by one of the UGI Companies or the Commission's Bureau of Consumer Services, will provide the participant the same level of benefit.

Participants who refuse to comply with the CAP payment arrangement should suffer the appropriate consequence for their lack of action, loss of program benefits and loss of service. Customers defaulting and dropped from the CAP will be referred to the Company's Credit and Collection Department for further action, if necessary. Set forth below is the shut-off procedure by which the UGI Companies will address CAP customer default.

Upon the customer's first missed payment, the customer is notified of the late payment. In particular, upon being 15 days late in making payment, the customer's CAP Administering Agency is prompted to either call or send a letter to the customer advising the customer of the late payment. At 25 days late, the customer is mailed a letter notifying them of the late payment.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Upon the customer's second missed payment, the UGI Companies will move forward with the 10-day, shut-off procedure and will send a termination notice stating the past due amount. The customer will be required to pay the amount set forth in the termination notice, usually the total of the two missed CAP payments, prior to the scheduled termination date to avoid shut-off. If the customer fails to pay per the terms of the termination notice, service is shut-off.

When the service is shut-off, the defaulted customer has up to 109 days to pay the full catch-up CAP amount, including any CAP bills that may have come due during the shut-off process, plus reconnection fees.¹² Upon receipt of the full catch-up amount, the customer will be returned to CAP. If the customer does not pay the full catch-up CAP amount within the 109 days, the customer will be responsible to pay any fees associated with restoration of service and will be removed from the CAP program.

If the defaulted customer does not pay the full catch-up amount within 109 days, the customer will be responsible to pay the full balance plus any fees associated with restoration of service. Upon full payment and service restoration, the customer may then re-apply to enroll in CAP.

L. OTHER REASONS FOR REMOVAL FROM CAP

Aside from failure to comply with the CAP payment arrangements, other reasons for which a customer may be considered in default and removed from the program are:

- failure to comply with any customer obligation set forth in the program;
- failure to comply with the obligation of good faith, honesty and fair dealing while working with the CAP Administering Agency or one of the UGI Companies;
- household income increases to greater than 150% poverty;
- after having been given at least three prior warnings to reduce usage, the customer experiences seven months of weather-normalized consumption increases cumulative from his CAP start date;¹³
- refusal to participate in the LIURP program;
- any reason for which the customer's service may be terminated under Chapter 56 or Chapter 14;

¹² In extraordinary circumstances, Operation Share assistance will be afforded to a CAP participant to reconnect service.

¹³ Exceptions may be granted where the factors giving rise to the customer's increased consumption are beyond the customer's reasonable control.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

- failure/refusal to recertify in CAP¹⁴

Furthermore, a CAP participant may also be removed from the program for refusal to apply for LIHEAP, if income eligible; however, when the customer does comply with the requirement to apply for LIHEAP and or receives LIURP services, the customer may re-enter the CAP.

Additional reasons for an active participant's default from the CAP are:

- bankruptcy - at the time of the filing of bankruptcy all receivable amounts which may include frozen pre-program arrearage will fall under the jurisdiction of the bankruptcy court and will no longer be eligible for CAP benefits; and
- legal action - should any of the UGI Companies have reason to take legal action against a participant that encompasses any receivable owed to UGI Gas, UGI Electric, PNG or CPG, all receivable amounts which may include pre-program arrearages will fall under the jurisdiction of the applicable court and will no longer be eligible for CAP benefits.

Participants removed from the CAP will receive a written statement indicating the reason(s) for the dismissal. Customers defaulting and dropped from the CAP will be referred to the Company's Credit and Collection Department for further action, if necessary.

An applicant determined ineligible would receive written notification specifying the reason(s) for ineligibility. If the applicant is not satisfied with the determination of eligibility, the Company will use utility company dispute procedures in accordance with Chapter 56.151 and 56.152. The applicant may also appeal the denial of eligibility to the Bureau of Consumer Services in accordance with 52 Pa. Code §§ 56.161-56.165, relating to informal complaint procedures. Notice of right to appeal will be provided with the written notification of ineligibility.

Any CAP participant may voluntarily request to be removed from the program due to the subsequent seasonal usage bills temporarily totaling less than the monthly CAP amount. In such an event, the customer will be removed from the program and be forfeited all program benefits. The customer will then be required to remain out of CAP for a period of twelve months before they can re-apply for the program. The customer will be mailed a letter to confirm his request to be voluntarily removed from CAP.

The UGI Companies reserve the right to remove any CAP customer if the program is deemed non-beneficial without having to receive the customer's consent.

¹⁴ See footnote 10.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

M. REINSTATEMENT POLICY

Customers requesting reinstatement must comply with and agree to all applicable program eligibility requirements and customer obligations. As a condition of reinstatement, a customer must:

- provide adequate assurance that the reason(s) for the prior default and resulting program dismissal have been removed or corrected; and
- make up all missed CAP payments or full balance when appropriate before reinstatement.

As a condition of reinstatement, a customer may also be required, depending upon individual circumstances, to make an up-front payment.

The UGI Companies reserve the right to deny CAP reinstatement based on a showing of an applicant's disregard of program principles and ideals.

VI. LIURP

A. INTRODUCTION

The UGI Companies' Weatherization Program or LIURP is offered to reduce the energy consumption of low-income customers through the installation of energy conservation measures and energy conservation education. By reducing the energy consumption of these customers, the intent of LIURP is to reduce customer arrearage, collection and termination costs. The program places top priority on the health and safety of all LIURP participants.

Program services are provided free of charge. Upon verification of program eligibility by the LIURP contractor, each LIURP customer will receive an on-site energy survey/audit. Energy saving measures for gas customers and electric space heat customers may include, but are not limited to, the following: insulation, furnace repair/replacement, water heater repair/replacement, furnace efficiency modification, windows and baseboard caulking, door and window weather stripping, door sweeps and thresholds, replacement of broken window panes, storm windows, attic ventilation, electrical outlet and switch plate gaskets on outside walls, water conservation measures, energy education, infiltration measures and incidental repairs (necessary to the effective performance of weatherization materials). Low cost energy saving measures for electric non-heating customers may include but are not limited to: refrigerator replacement, high efficiency lighting, window air conditioner replacement and other measures necessary to the effective performance of weatherization materials within the job limit costs.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Energy saving measures installed will be determined to have a simple payback of seven years with the exception of side wall insulation, attic insulation, space heating system replacement and water heating replacement which will have a simple payback of twelve years. Job inspections are completed by a third party agency.

B. ADMINISTRATION

Refer to Appendix D for the community-based organizations currently contracted for the provision of energy survey and measure insulation. In addition, UGI Gas added an independent verifier of home weatherization to ensure that home weatherization was completed in accordance with LIURP standards.

C. ELIGIBILITY

To be eligible for LIURP, the customer must be able to demonstrate the following:¹⁵

- the customer is an active residential gas heating customer or residential electric heating/non-heating customer;
- the customer's household income is at or below the current 150% of the FPIG;¹⁶
- the customer's annual consumption is above average usage;
- the customer has had continuous service for twelve months;
- the customer's premises are suitable for weatherization services;¹⁷ and
- the customer's premise is the customer's primary residence.¹⁸

Residential accounts with the following indicators are not eligible for LIURP:

- health care facilities;
- landlord/tenant (account is in the landlord's name);
- ratepayer/occupant (the ratepayer does not reside at the property);
- foreign load (one meter supplies more than one unit); and

¹⁵ Exceptions may be granted.

¹⁶ However, up to 20% of LIURP participants may have a household income at 151-200% of the FPIG, on a first-come, first-serve basis.

¹⁷ Program measures follow applicable payback periods; therefore, a customer's residence that has been previously weatherized may not be eligible for LIURP until the applicable payback period has expired.

¹⁸ The program is available to both homeowners and renters. Renters can qualify with written permission from landlords.

**Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013**

- LIFSO agreement (account is in the owners name).

D. ENROLLMENT LEVELS

Each of the UGI Companies have experienced different enrollment levels during the period 2007 through 2009. Over this time period, 1,012 homes in the UGI Gas service territory were treated at a cost of \$3,364,869. For UGI Electric, 163 homes were treated at a cost of \$270,884. For PNG, 576 homes were treated at a cost of \$2,222,037 while 128 homes were treated in the CPG service territory at a cost of \$436,831.52.

E. PROGRAM BUDGET

See Appendix A for a more detailed discussion of the program budgets for each of the UGI Companies.

F. OUTREACH AND INTAKE EFFORTS

The UGI Companies are in constant contact with other local distribution UGI Companies, community-based organizations, local government, weatherization providers and any other appropriate agencies for input and advice on the most efficient and effective methods to provide LIURP services without duplication or exclusion. Through the use of local community-based organizations, such as LIURP providers found in Appendix D, integration of federal, state and local funds for LIURP participants are more easily accomplished. The UGI Companies will inform each LIURP participant of any and all appropriate services.

G. IDENTIFICATION & REFERRAL OF LOW-INCOME CUSTOMERS

With the use of COS for the administration of the LIURP program, the UGI Companies review their customer records to identify high usage, high arrearage, low income customers. Review of such records has and will continue to provide the LIURP with a sufficient number of eligible participants. In addition, the UGI Companies accept referrals from community-based organizations, community groups and customer inquiries.

H. INTER-UTILITY COORDINATION

The UGI Companies maintain contact with appropriate gas and electric utilities within their service territory to initiate inter-utility coordination when applicable. The UGI Companies and the other utilities coordinate comprehensive program services to better serve LIURP customers. In many cases, the UGI Companies and the corresponding utility employ the same LIURP measure installer. Therefore, inter-utility coordination may be accomplished without the need for written contract or inter-utility billing.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

I. PILOT PROGRAMS

1. Rehabilitation Pilot Project

The Rehabilitation Pilot Project will give low income customers a head start on affordable housing. UGI Gas periodically joins forces with rehabilitation projects within its service area to assure energy efficiency in low income housing.

The intent of this pilot is to treat low income housing at the construction/rehabilitation phase in order to maximize material and labor dollars. It is believed that these homes will eventually receive LIURP services; therefore, it makes sense to provide service at this phase and avoid future high usage and arrearage problems.

Each project will differ in specific details; however, each project must have the following criteria to qualify for LIURP services and or funds:

- low-income housing;
- existing gas heat; and
- coordination with a community-based organization(s).

Possible community-based organization that would become involved in this project include:

- Neighborhood Housing Services;
- Habitat for Humanity;
- Housing Authorities; and
- Community Development Offices.

All LIURP required information will be collected for each dwelling.

In the years that this pilot is active, UGI Gas will reserve up to 10% of its total current year LIURP budget for Rehabilitation Project Funding. If the entire budgeted amount is not expended, the remainder will be returned to traditional LIURP services funding.

UGI Gas has successfully partnered with a number of rehabilitation projects over the last ten years and will continue this program [with the following modifications in accordance with the Commission's Final Order entered October 31, 2011 in this docket: \(1\) UGI Gas will limit the use of LIURP funding under this Pilot to residential rate housing units and, in the case of rental housing units, only where the tenant has payment responsibilities; \(2\) UGI Gas will direct funds to HOME developments, the LIHTC program and to non-profit agencies; and \(3\) UGI will begin](#)

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

tracking customer participation levels and energy savings on a prospective basis. and would like to extend it to PNG, CPG and UGI Electric.

In accordance with the Commission's Final Order entered October 31, 2011 in this docket, UGI Gas will provide an evaluation of this program, which may include a request to extend the program to PNG, CPG and UGI Electric, in the next triennial filing.

2. Conservation Pilot Program

The Conservation Pilot Program provides the UGI Companies the option to contribute up to five percent of the LIURP budget to a non-profit organization of their choice within their service territory aimed to increase energy conservation or demand reduction. Chosen organizations, however, must provide housing to a low income or transitional population, including half-way houses for drug and other substance dependent individuals, shelters for abused women and children or similar situation. The contribution should be intended to supply the non-profit organization with energy saving measures to help the organization conserve energy. If the entire budgeted amount is not expended, the remainder will be returned to traditional LIURP services funding.

In accordance with the Commission's Final Order entered October 31, 2011 in this docket, the UGI Companies will provide an evaluation of this program in the next triennial filing.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

APPENDIX A

**FUNDING COMMITMENTS OF EACH COMPANY
FOR EACH UNIVERSAL SERVICE PROGRAM**

I. UGI GAS

A. CARES

UGI Gas plans to designate approximately \$40,000 each year for LIHEAP and CARES Outreach.

B. OPERATION SHARE ENERGY FUND

Annually, the following amounts will be committed by UGI Gas as initial funds and matching funds:

Company	Energy Funds Amount	Matching Funds
UGI Gas	\$40,000	\$16,000

The commitment will be used for voucher payments directly for those residential customers who are declared eligible by the designated community-based organization.

For every two dollars the customers, employees or outside sources contribute to Operation Share, UGI Gas will issue an additional one dollar in energy vouchers, up to the committed matching funds contribution. For example, UGI Gas will contribute one dollar for every two dollars donated by a customer, employee or outside source, up to \$16,000, its total matching funds contribution. No matching funds are made available to match public, tax-supported sources, such as LIHEAP, however.

Employees of UGI Gas are encouraged to make a donation directly to Operation Share. Additional fundraising events may be organized in each of the UGI Companies' service areas.

It is intended that an appeal will be made at least twice during the year to all of the UGI Gas' customers, via a billing insert, to make a contribution to Operation Share. The insert describes Operation Share and requests support with a check for any amount. All donations from customers, employees, and outside sources are kept in a separate Operation Share bank account and passed directly to the participating agencies to make direct payments to energy vendors for those applicants who qualify.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

UGI Gas proposes to allocate funds, based on the 2000 Census Data, as updated in 2008, and the Commission's estimate of the number of residents under 150% of the FPIG,¹⁹ to the existing administering agencies as follows:

Agency	Distribution
Allentown Salvation Army	15%
Bethlehem Salvation Army	7%
United Way of Carlisle & Cumberland City	7%
Easton Salvation Army	7%
American Red Cross of Susquehanna Valley	15%
Commission on Economic Opportunity/Hazleton	3%
Lancaster Community Action Program	19%
Lebanon Christian Ministries	5%
Reading Salvation Army	23%

Each administering agency must spend their share of donations in order to maintain the allocation of funds; otherwise, UGI Gas reserves the right to reallocate the funds to another administering agency to ensure that all donations get used for the intended purpose. Furthermore, if and when there is a change to the existing administering agencies, such as, for example, an addition or removal of an agency, UGI Gas will revise the amounts allocated to the administering agencies accordingly.

The administrative budget of the Operation Share Fuel fund is absorbed into the general operating budget of UGI Gas. The participation level of Operation Share is limited by the amount of donations received from customers, employees and others. UGI Gas will continue to look for ways to increase donations to serve as many households as possible.

C. CAP

Funding for the first 4,000 CAP participants was established in a Commission-approved Stipulation in Settlement (the "Universal Service Restructuring Settlement") in UGI Gas' restructuring proceeding at Docket No. R-00994786 (Order entered March 14, 2001). Under the Universal Service Restructuring Settlement, UGI Gas is permitted to recover \$1.5 million per year to cover incremental CAP costs through a combination of available Other Post Employment Benefits ("OPEB") funding and, if necessary, base rate increases. As explained in the Commission's Order in Docket No. P-00052190, UGI Gas has been able to redirect OPEB funding to cover the CAP funding amounts. UGI Gas will retain records of amount redirected from OPEB funding and will produce such records upon request at that time of its next general base rate proceeding.

¹⁹ When UGI Gas receives updated 2010 Census Data, the distributed donations will be revised accordingly.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Furthermore, it was established in a Commission Order in Docket No. P-00052190 that CAP will first be funded through the use of all available OPEB and LIHEAP funding, and thereafter through a CAP tariff rider, called the "LISHP Rider". For the 4,000 participants addressed in the Universal Service Restructuring Settlement, the LISHP Rider only recovers (1) the difference between \$1.5 million and available OPEB funding, to the extent available OPEB funding is less than \$1.5 million, and (2) the difference between the residential sales service rate and the LISHP rate, less LIHEAP energy assistance received that is applied to shortfall, that is in excess of \$752 per CAP participant. The amount of \$752 per CAP participant is a fixed amount that represents the current average discount of all CAP participants at the time the LISHP rider was implemented.

For all CAP participants over 4,000, the LISHP Rider would recover only the discounts granted to CAP participants and external agency application fees for these participants.

To the extent that the redirected OPEB funding currently contained in UGI Gas' base rates is insufficient to cover the funding amounts discussed above, UGI Gas shall be permitted to adjust the base rates of its residential classes to recover the deficiency. At least sixty (60) days prior to the effective date of this rate change, however, UGI GAS will provide the OCA with a copy of an actuarial study showing the amount of OPEB funds projected to be available for redirection, and the OCA will be free to challenge the accuracy of the actuarial study and, to the extent that challenge is sustained by the Commission, the level of UGI Gas' base rate adjustments to the residential classes may be modified accordingly.

Funding mechanisms discussed above will remain in effect until UGI Gas' next general base rate case. That fact that OPEB funding (that may or may not be allocated to several rate classes under the "black box" terms of the settlement of UGI Gas' last general base rate case) is redirected to fund CAP expenditures, or adjustments to the base rates of the residential classes are made to fund CAP expenditures pursuant to this agreement, shall not constitute an admission against or prejudice to any position that any party may take in the Company's next general base rate case concerning how CAP or OPEB funding costs are to be allocated prospectively.

D. LIURP

Funding for LIURP in UGI Gas' service territory is based on the Commission's Order adopted August 17, 2006, in Docket Nos. A-120011F2000, A-125146F5000, and A-125146. Under the Commission's direction, UGI Gas will increase LIURP spending to 0.2 percent of jurisdictional revenues for its gas division and will be permitted to recover 50% of the incremental amounts in its LISHP Rider through completion of UGI Gas' next base rate proceeding. Funding of the LIURP may be addressed and modified in UGI Gas' next base rate proceeding.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

II. PNG

In PNG's last base rate proceeding, Docket No. R-2008-2079660, the Commission approved the Joint Petition for Settlement of All Issues (the "PNG Rate Settlement"), which, among other things, addressed the treatment of cost recovery for its Universal Service Program. Under the PNG Rate Settlement, PNG is permitted to recover costs for the following programs under its USP Rider with an annual reconciliation for costs and recoveries:

- CAP shortfall (net of LIHEAP assistance), pre-program arrearages and external administrative costs;
- LIURP in an annual amount of \$850,000; and
- Hardship funds in an annual amount of \$5,000 (for administrative costs).

In establishing the initial USP Rider Surcharge, the following estimated costs were included:

- CAP Revenue Shortfall of \$2,165,000 (including estimated forgiven arrearages);
- Administrative costs of \$212,000;
- LIURP expenditure of \$850,000; and
- Administrative costs for hardship funds of \$5,000.

A. CARES

PNG plans to designate approximately \$30,000 each year for LIHEAP and CARES Outreach.

B. OPERATION SHARE ENERGY FUND

Annually, the following amounts will be committed by PNG as initial funds and matching funds:

Company	Energy Funds Amount	Matching Funds
PNG	\$25,000	\$20,000

The commitment will be used for voucher payments directly for those residential customers who are declared eligible by the designated community-based organization.

For every two dollars the customers, employees or outside sources contribute to Operation Share, PNG will issue one dollar in energy vouchers, up to the committed matching funds contribution. For example, PNG will contribute one dollar for every two dollars donated

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

by a customer, employee or outside source, up to \$20,000, its total matching funds contribution. No matching funds are made available to match public, tax-supported sources, such as LIHEAP.

Employees of PNG are encouraged to make a donation directly to Operation Share. Additional fundraising events may be organized in each of the UGI Companies' service areas.

It is intended that an appeal will be made at least twice during the year to all of PNG's customers, via a billing insert, to make a contribution to Operation Share. The insert describes Operation Share and requests support with a check for any amount. All donations from customers, employees, and outside sources are kept in a separate Operation Share bank account and passed directly to the participating agencies to make direct payments to energy vendors for those applicants who qualify.

PNG proposes to allocate funds, based on the 2000 Census Data, as updated in 2008, and the Commission's estimate of the number of residents under 150% of the FPIG,²⁰ to the existing administering agencies as follows:

Agency	Distribution
American Red Cross of Montour County/ Danville Chapter	1%
Columbia County Human Services	5%
Luzerne County Commission on Economic Opportunity	37%
Scranton Salvation Army	38%
S.T.E.P., Inc.	10%
TREHAB, Inc.	2%
Union-Snyder Community Action Agency	1%
Union-Snyder Community Action Agency for Northumberland	6%

Each administering agency must spend their share of donations in order to maintain the allocation of funds; otherwise, PNG reserves the right to reallocate the funds to another administering agency to ensure that all donations get used for the intended purpose. Furthermore, if and when there is a change to the existing administering agencies, such as, for example, an addition or removal of an agency, PNG will revise the amounts allocated to the administering agencies accordingly.

²⁰ When PNG receives updated 2010 Census Data, the distributed donations will be revised accordingly.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

The participation level of Operation Share is limited by the amount of donations received from customers, employees and others. PNG will continue to look for ways to increase donations to serve as many households as possible.

C. CAP

As established in the PNG Rate Settlement in Docket No. R-2008-2079660, as discussed above, the reconciliation of costs will reflect actual shortfall credits and forgiven arrearages granted, as well as actual administrative costs, Hardship funds and LIURP expenditures. PNG will reduce the CAP Shortfall Credits and forgiven arrearages actually granted for all CAP participants exceeding 4,000 by 14.1% when collected through the surcharge.

D. LIURP

As established in the Joint Petition in Docket No. R-2008-2079660, as discussed above, funding for PNG's LIURP has increased from \$720,000 to \$850,000 under the USP Rider.

III. CPG

In CPG's last base rate proceeding, Docket No. R-2008-2079675, the Commission approved the Joint Petition for Settlement of All Issues (the "CPG Rate Settlement"), which, among other things, addressed the treatment of cost recovery for its Universal Service Program. Under the CPG Rate Settlement, CPG is permitted to recover costs for the following programs under its USP Rider with an annual reconciliation for costs and recoveries:

- CAP shortfall (net of LIHEAP assistance), pre-program arrearages and external administrative costs;
- LIURP in an annual amount of \$500,000; and
- Hardship funds in an annual amount of \$3,000 (for administrative costs).

In establishing the initial USP Rider Surcharge, the following estimated costs were included:

- CAP Revenue Shortfall of \$822,170 (including estimated forgiven arrearages);
- Administrative costs of \$183,000;
- LIURP expenditure of \$500,000;
- Administrative costs for hardship funds of \$3,000.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

A. CARES

CPG plans to designate approximately \$11,375 each year for LIHEAP and CARES Outreach.

B. OPERATION SHARE ENERGY FUND

Annually, CPG will contribute a flat donation of \$50,000, which includes CPG's matching funds for contributions made by a customer, employee or outside source. The commitment will be used for voucher payments directly for those residential customers who are declared eligible by the designated community-based organization.

Employees of CPG are encouraged to make a donation directly to Operation Share. Additional fundraising events may be organized in each of the UGI Companies' service areas.

It is intended that an appeal will be made at least twice during the year to all of CPG's customers, via a billing insert, to make a contribution to Operation Share. The insert describes Operation Share and requests support with a check for any amount. All donations from customers, employees, and outside sources are kept in a separate Operation Share bank account and passed directly to the participating agencies to make direct payments to energy vendors for those applicants who qualify.

CPG proposes to allocate funds, based on the 2000 Census Data, as updated in 2008, and the Commission's estimate of the number of residents under 150% of the FPIG,²¹ to the existing administering agencies as follows:

Agency	Distribution
Central Susquehanna Opportunities	4%
E Stroudsburg Salvation Army	5%
Hamburg Salvation Army	20%
Luzerne County Commission on Economic Opportunity	9%
Northern Tier Community Action Corp	16%
Schuylkill County Community Action	4%
S.T.E.P., Inc.	4%
TREHAB, Inc.	28%
Union-Snyder Community Action Agency	1%
Warren/Forest Economic Opportunity Council	9%

²¹ When CPG receives updated 2010 Census Data, the distributed donations will be revised accordingly.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Each administering agency must spend their share of donations in order to maintain the allocation of funds; otherwise, CPG reserves the right to reallocate the funds to another administering agency to ensure that all donations get used for the intended purpose. Furthermore, if and when there is a change to the existing administering agencies, such as, for example, an addition or removal of an agency, CPG will revise the amounts allocated to the administering agencies accordingly.

The participation level of Operation Share is limited by the amount of donations received from customers, employees and others. CPG will continue to look for ways to increase donations to serve as many households as possible.

C. CAP

As established in the CPG Rate Settlement in Docket No. R-2008-2079675, discussed above, the reconciliation of costs will reflect actual shortfall credits and forgiven arrearages granted, as well as actual administrative costs, Hardship funds and LIURP expenditures. CPG will reduce the CAP Shortfall Credits and forgiven arrearages actually granted for all CAP participants exceeding 3,500 by 17.2% when collected through the surcharge.

D. LIURP

As established in the Joint Petition in Docket No. R-2008-2079675, discussed above, funding for CPG's LIURP is \$500,000 under the USP Rider.

IV. UGI ELECTRIC

A. CARES

UGI Electric plans to designate approximately \$3,065 each year for LIHEAP and CARES Outreach.

B. OPERATION SHARE ENERGY FUND

Annually, the following amounts will be committed by UGI Electric as initial funds and matching funds:

Company	Energy Funds Amount	Matching Funds
UGI Electric	\$10,000	\$4,000

The commitment will be used for voucher payments directly for those residential customers who are declared eligible by the designated community-based organization.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

For every two dollars the customers, employees or outside sources contribute to Operation Share, UGI Electric will issue an additional one dollar in energy vouchers, up to the committed matching funds contribution. For example, UGI Electric will contribute one dollar for every two dollars donated by a customer, employee or outside source, up to \$4,000, its total matching funds contribution. No matching funds are made available to match public, tax-supported sources, such as LIHEAP, however.

Employees of UGI Electric are encouraged to make a donation directly to Operation Share. Additional fundraising events may be organized in each of the UGI Companies' service areas.

It is intended that an appeal will be made at least twice during the year to all of UGI Electric's customers, via a billing insert, to make a contribution to Operation Share. The insert describes Operation Share and requests support with a check for any amount. All donations from customers, employees, and outside sources are kept in a separate Operation Share bank account and passed directly to the participating agencies to make direct payments to energy vendors for those applicants who qualify.

UGI Electric proposes to allocate funds, based on the 2000 Census Data, as updated in 2008, and the Commission's estimate of the number of residents under 150% of the FPIG, to only one administering agency, the Luzerne County Commission on Economic Opportunity. This administering agency must spend its share of donations in order to maintain the allocation of funds; otherwise, UGI Electric reserves the right to identify another administering agency(ies) and reallocate the funds to such agency(ies) to ensure that all donations get used for the intended purpose. Furthermore, UGI Electric will revise the amounts allocated to this administering agency in the event any changes arise, such as, for example, UGI Electric determines that other administering agencies should be allocated funds.

The administrative budget of the Operation Share Fuel fund is absorbed into the general operating budget of UGI Electric. The participation level of Operation Share is limited by the amount of donations received from customers, employees and others. UGI Electric will continue to look for ways to increase donations to serve as many households as possible.

C. CAP

The funding level for UGI Electric's LISHP was established as part of the Settlement Agreement in the Company's restructuring filing at Docket No. R-00973975. In the settlement the parties agreed that spending for UGI Electric's LISHP would be capped at \$150,000 per year with an 18-month period to ramp up to full spending. Any funds not spent in one year are "rolled-over" and made available during the next program year.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

D. LIURP

The proposed budget for UGI Electric's LIURP Program is \$124,750. In accordance with program requirements, administrative costs will not exceed 15% of the annual weatherization budget.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

APPENDIX B

NEEDS ASSESSMENT

	<u>UGI Gas</u>	<u>PNG</u>
1. Number of Identified Low-Income Customers	35,839	25,721
2. Estimate of Number of Low-Income Customers ¹	68,043	37,891
3. Number of Identified Payment-Troubled, Low-Income Customers	15,401	10,103
4. Estimate of Number of Payment-Troubled, Low-Income Customers	15,401	10,103
5. Number of Customers In Need of LIURP Services ⁴	13,868	9,854
6. Cost of Serving the Number of Customers In Need of LIURP Services	\$44,668,828	\$30,971,122
7. Enrollment Size of CAP to Serve all Eligible Customers	10,000 ²	7,500 ³

¹ Based on 2000 Census Data, as updated in 2008.

² Based on its needs assessment and current enrollment levels, UGI Gas proposes to maintain enrollment levels of up to 10,000 customers in its CAP through 2013. This enrollment level is consistent with the funding approved by the Commission to support enrollment of 10,000 customers in Docket No. P-2008-2066708. In the event it becomes reasonably likely that actual enrollment levels will exceed 10,000 customers, UGI Gas will file a petition seeking authority to increase the maximum enrollment limit to ensure that: 1) the actual needs of low-income, payment-troubled customers for affordable CAP payments are met; and 2) UGI Gas is provided reasonable assurance of recovery of the associated incremental costs under its current CAP cost recovery mechanism.

³ Based on its needs assessment and current enrollment levels, PNG proposes to maintain enrollment levels of up to 7,500 customers in its CAP through 2013. This enrollment level is consistent with the funding approved by the Commission in Docket No. R-2008-2079660. In the event it becomes reasonably likely that actual enrollment levels will exceed 7,500 customers, PNG will file a petition seeking authority to increase the maximum enrollment limit to ensure that: 1) the actual needs of low-income, payment-troubled customers for affordable CAP payments are met; and 2) ~~PNG~~~~UGI Gas~~ is provided reasonable assurance of recovery of the associated incremental costs under its current CAP cost recovery mechanism.

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

⁴ In accordance with the Commission's October 31, 2011 Final Order, UGI Gas and PNG will monitor need projections and in the event it becomes reasonably likely that the number of low-income customers in need of LIURP services will exceed current LIURP funding levels, UGI Gas or PNG, as the case may be, will file a petition seeking authority to increase LIURP funding levels to ensure that: 1) the actual needs of low-income customers requiring LIURP services are met; and 2) the applicable recovery mechanism is appropriately adjusted to provide reasonable assurance of recovery.

**Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013**

APPENDIX C

CAP ADMINISTERING AGENCIES

UGI Gas
Commission on Economic Opportunity – Hazleton site location Easton Area Neighborhood Center Lancaster CAP Lebanon County Christian Ministries Neighborhood Housing Services of Greater Berks, Inc. The Salvation Army – Allentown The Salvation Army - Harrisburg The Salvation Army - Reading
UGI Electric
Luzerne County Commission on Economic Opportunity
PNG
Columbia County Human Services Luzerne County Commission on Economic Opportunity Scranton Lackawanna Human Development Agency/SLHDA S.T.E.P., Inc. Union-Snyder Community Action Agency TREHAB, Inc.
CPG
Central Susquehanna Opportunities, Inc. Luzerne County Commission on Economic Opportunity Northern Tier Community Action Schuylkill County Community Action S.T.E.P., Inc. The Salvation Army – East Stroudsburg The Salvation Army Service Center - Hamburg TREHAB, Inc. Union Snyder Community Action Agency Warren/Forest Economic Opportunity Council

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

APPENDIX D

LIURP AGENCIES

<u>UGI Gas</u>
Berks Community Action Program 247 North 5th Street 2F Reading PA 19601
Luzerne County Commission on Economic Opportunity 32-34-West Union Street Kingston PA 18704
Community Action Committee of the Lehigh Valley 1337 East 5th Street Bethlehem PA 18015
Lancaster Energy Conservation Center 1840 Auction Road Manheim PA 17545
South Central Community Action Program 153 North Stratton Street Gettysburg PA 17325
<u>UGI Electric</u>
Luzerne County Commission on Economic Opportunity 32-34-West Union Street Kingston PA 18704
<u>PNG</u>
Luzerne County Commission on Economic Opportunity 32-34-West Union Street Kingston PA 18704
Scranton/Lackawanna Human Development Agency 321 Spruce Street Scranton PA 18505
SEDA-COG Furnace Road Lewisburg PA 17837
Wayne County Redevelopment Authority 99B Beach Lake Highway, Honesdale, PA 18431

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

<u>CPG</u>
Berks Community Action Program 247 North 5th Street 2F Reading PA 19601
Carbon County Action Committee for Human Services 267 South Second Street Lehighton PA 18235
Central PA Community Action Program, Inc. PO Box 792 Clearfield PA 16830
Luzerne County Commission on Economic Opportunity 32-34 West Union Street Kingston PA 18704
Community Action, Inc. 105 Grace Way Punxsutawney PA 15767
Community Action Committee of the Lehigh Valley 1337 East 5th Street Bethlehem PA 18015
Monroe County Weatherization Program PO Box 66 Tannersville PA 18372
Northern Tier Community Action PO Box 389 Emporium PA 15834
Schuylkill County Community Action Program 500 North Centre Street Suite 104 Pottsville PA 17901
SEDA-COG Furnace Road Lewisburg PA 17837
South Central Community Action Program 153 North Stratton Street Gettysburg PA 17325
TREHAB, Inc. PO Box 366 Montrose PA 18801

Universal Service and Energy Conservation Plan
UGI Gas · PNG · CPG · UGI Electric
January 1, 2011 through December 31, 2013

Warren/Forrest Economic Opportunity Council PO Box 547 Warren PA 16365
Weatherization, Inc. 917 Mifflin Street Huntingdon PA 16652
Blair County Community Action Program PO Box 1833 2100 Sixth Avenue Altoona, PA 16602
Center for Community Action 195 Drive In Lane Everett, PA 15537