

**PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17120**

**Wayne O. Aultman, Jr.**  
v.  
**PECO Energy Company**

**Public Meeting: February 8, 2018**  
**ALJ-2601961**  
**Docket No. F-2017-2601961**

**STATEMENT OF VICE CHAIRMAN ANDREW G. PLACE**

Before the Commission for consideration is the Initial Decision (I.D.) of Administrative Law Judge (ALJ) Darlene D. Heep in the Complaint of Wayne Aultman Jr. regarding PECO Energy Company. The I.D. denies the Complaint which is a timely appeal of a Bureau of Consumer Services' decision.

Mr. Aultman contends that PECO's new low-income program 'eviscerates' PECO's assistance for low-income customers.<sup>1</sup> Mr. Aultman states that PECO moved from its previous Customer Assistance Program (CAP) in which he qualified to participate to a new CAP Fixed Credit Option (FCO). PECO indicated that this was completed in order to meet regulatory affordability guidelines which the previous CAP program did not.<sup>2</sup> In the I.D., ALJ Heep questions how Mr. Aultman (under what was touted as a program improvement) now pays more for services (with unchanged income), and at first, I did as well.

Customer payment thresholds under the new plan are calculated by multiplying a customer's annual income by the appropriate affordability target, in this case sixteen percent of Mr. Aultman's annual income. When FCO participating customers' annual bills fall under that threshold, as is the case with Mr. Aultman, they do not receive a subsidized rate. While I understand the concern regarding a now higher bill (as were the bills of an estimated 40,000 additional customers<sup>3</sup>) Mr. Aultman's annual bills, even with the loss of the subsidy, remain below the affordability targets as outlined in the Commission's CAP Policy Statement<sup>4</sup> and PECO's FCO plan does meet these current affordability guidelines.

That said, Universal Service Plans have significant impacts on vulnerable populations and require thorough Commission evaluation including consideration of both intended and unintended consequences prior to approval of these revisions. The standards for, and Commission evaluation of, these plans moving forward is certainly ripe for discussion as part of the ongoing Universal Service Program review and Energy Affordability Study.

**Date: February 8, 2018**

  
**Andrew G. Place, Vice Chairman**

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<sup>1</sup> Formal Complaint at 3.

<sup>2</sup> Transcript at 52-53.

<sup>3</sup> Initial Decision at 8.

<sup>4</sup> 52 Pa Code §§ 69.261-69.267