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April 8, 2019

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Energy Affordability for Low-Income Customers;
Docket No. M-2017-2587711

Dear Secretary Chiavetta:

Consistent with the Pennsylvania Public Utility Commission's Order dated January 17, 2019 at the above-referenced docket, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company hereby submit the following supplemental information.¹

Please contact me if you have any questions regarding this matter.

Very truly yours,


Teresa Harrold

Enclosures

c: As Per Certificate of Service
Joseph Magee, Bureau of Consumer Services (jmagee@pa.gov)
Louise Fink Smith, Law Bureau (finksmith@pa.gov)

¹ By Secretarial Letter dated March 7, 2019, the Pennsylvania Public Utility Commission extended the deadline for this filing until April 8, 2019.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ENERGY AFFORDABILITY FOR LOW-
INCOME CUSTOMERS**

:
:
:

Docket No. M-2017-2587711

**SUPPLEMENTAL INFORMATION OF METROPOLITAN EDISON COMPANY,
PENNSYLVANIA ELECTRIC COMPANY, PENNSYLVANIA POWER COMPANY,
AND WEST PENN POWER COMPANY**

On January 17, 2019, the Pennsylvania Public Utility Commission (“Commission”) issued an Order that accompanied the release of the Commission’s Bureau of Consumer Services’ report entitled *Home Energy Affordability for Low-Income Customers in Pennsylvania* (the “Report”). The Report examined statewide data from electric distribution companies (“EDCs”) and natural gas distribution companies (“NGDCs”) in an effort to determine an affordable energy burden for low-income customers in the Commonwealth. Based on the Report’s findings, the Commission is seeking supplemental information from EDCs and NGDCs to evaluate the impact of establishing a 10% energy burden for all low-income customers enrolled in customer assistance programs (“CAPs”). The Commission included four information requests within the January 17, 2019 Order, which were subsequently clarified by Secretarial Letter dated March 7, 2019. Accordingly, Metropolitan Edison Company (“Met-Ed”), Pennsylvania Electric Company (“Penelec”), Pennsylvania Power Company (“Penn Power”) and West Penn Power Company (“West Penn”) (individually referred to as “Company” and collectively as the “Companies”) submit the following supplemental information to respond to these requests.

I. RESPONSES TO INFORMATION REQUESTS IN ORDER

- 1. Review the 10% energy burden projections in the Report. If the utilities have corrected or updated data for 2012 to 2016, the revised data should be provided as supplemental information.**

The Companies do not have corrected or updated data for 2012 to 2016.² However, the Companies offer the following correction to Appendix 9.D.2 of the Report, which reflects forecasted CAP costs.

Appendix 9.D.2: EDC Forecast Total Gross CAP Costs*				
	2018	2019	2020	2021
	Actual	Forecasted*		
Met-Ed	16,128,557	17,104,318	19,303,790	21,200,959
Penelec	20,282,993	21,750,992	24,833,509	28,003,016
Penn Power	4,720,719	5,091,278	5,812,542	6,590,767
West Penn Power	23,885,800	24,190,879	27,572,143	31,589,840

*The forecasted numbers for 2019 – 2021 were adjusted in the Amended 2019-2021 USECP.

The Companies' forecasted CAP costs were revised based on the changes proposed within the Companies' most recent amended USECP submitted January 7, 2019 at Docket Nos. M-2017-2636969, *et seq.*

- 2. Provide cost forecasts based on a 10% maximum energy burden for 2017 through 2021. Include costs associated with system changes, CAP credits (overall increases and decreases), PPAs and in-program arrearages, and any other incurred costs that would contribute to such a change. Identify and take into account the cost savings from customers who would pay more under a 10% percent of income ("PIP") CAP. Indicate potential impact to uncollectible balances and collection costs. Cost estimates should be based on a PIP CAP payment model. Companies may also compare whether rate discount or other CAP payment options may be more cost-effective to achieve the maximum 10% energy burdens.**

² The Companies note that the period from 2012 to 2016 spans across multiple Universal Service and Energy Conservation Plan ("USECP") filings, which incorporated multiple program changes. Therefore, average data from this period would not provide an accurate picture of the impact of specific program components.

The first cost estimate should be based only on charging all CAP customers the lesser of an average bill or 4, 6, or 10% of the household's income for the yearly periods from 2016 through 2021. This estimate should not take into consideration system change costs, additional CAP charges, CAP credit limits, minimum payment/bill requirements, or other costs not related to charging the CAP customer the lesser of an average bill or the designated percent of income.

The second cost estimate should also be based on the average bill or the PIP CAP model from 2016 through 2021 but include all other costs/savings related to this change. This includes utility CAP charges, minimum payment restrictions, CAP credit limits, and other CAP costs/savings described in the January 2019 Order. NGDCs and EDCs should identify all costs/savings related to this estimate separately.

See Attachment A for the Companies' cost estimate breakdowns. The first cost estimate used actual income to calculate the energy burden. Maximum subsidy limits and minimum bill requirements were excluded from this option. The second cost estimate included minimum bill requirements and maximum subsidy limits. Both options assumed the customer would pay the calculated energy burden or an average bill amount, whichever was less in the given month. The 2018 average subsidy from these calculations was applied to the estimated number of CAP participants between 2019 and 2021 to complete the forecast. The Companies expect additional information technology costs of \$125,000 to \$175,000 to implement the program changes.

The following assumptions were made to prepare Attachment A:

- The monthly subsidy credit was determined by subtracting the average bill or the PIP CAP amount from the actual monthly charges. When a customer's average bill or PIP CAP amount exceeded the actual charges for that month, a subsidy credit was not applied;
- Accounts are not enrolled in the Equal Payment Plan;

- Accounts are not enrolled in the Equal Payment Plan;
- No consideration was given to how existing balances for the current program would be addressed;
- For the second estimate only, subsidy credits were limited to the maximum established for each Company; and
- For the second estimate only, customers with zero income received a minimum bill amount of \$12 (non-electric heat) or \$45 (electric heat).

The Companies also estimated the impact of this program change on uncollectible expenses, assuming no change in current CAP payment rate:

Cost Estimate 1 (Option 1)	2016	2017	2018
ME01	\$ (5,853)	\$ (16,036)	\$ (11,657)
PN01	\$ (17,866)	\$ (17,212)	\$ (15,593)
PP01	\$ (5,937)	\$ (2,755)	\$ (5,295)
WP01	\$ (98,228)	\$ (45,908)	\$ (47,991)
Grand Total	\$ (127,883)	\$ (81,911)	\$ (80,536)

Cost Estimate 2 (Option 2)	2016	2017	2018
ME01	\$ 30,360	\$ 30,486	\$ 31,732
PN01	\$ 38,622	\$ 38,826	\$ 39,463
PP01	\$ 8,754	\$ 8,867	\$ 8,914
WP01	\$ 65,675	\$ 70,490	\$ 62,348
Grand Total	\$ 143,410	\$ 148,669	\$ 142,456

The Companies also prepared Attachment B, which summarizes the impact to customers' asked-to-pay amount based on the required energy burden or average bill, whichever is less. Based on this estimate, it is evident that some customers will pay more than their actual bill charges and some customers' actual charges will exceed the combined maximum burden amount and subsidy credit. It was not defined how to account for the difference between the combined

burden and subsidy and the total actual charges. The Companies did not include this difference in the subsidy cost in Attachment A.

3. **If applicable, provide known data and estimates of the impact on CAP enrollments and costs for the years 2017 through 2021 if the requirement that low-income customers must be payment-troubled to enroll in CAPs is eliminated. These will be separate enrollment and cost forecasts, in addition to the 10% projections for the years 2017 through 2021 requested above.**

Because the Companies do not require customers to be payment-troubled to participate in CAP, this question is not applicable to the Companies.

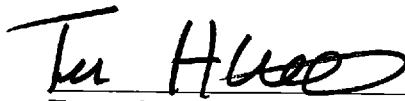
4. **Provide monthly customer tallies for all CAP customers claiming zero income in 2016 and 2017, broken out by heating type, if possible. This information should also be provided as part of each utility's 2018 Universal Service Reporting in a separate spreadsheet.**

The Companies do not track the number of zero income customers over time. The Companies are able to identify the number of customers who reported zero income at the time of CAP enrollment or recertification, however. Therefore, the Companies used this data to derive an estimated number of zero income customers, assuming that the customer has zero income until updated income information is received. See Attachment C.

II. CONCLUSION

Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company appreciate the opportunity to submit the foregoing supplemental information.

Respectfully submitted,



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Dated: April 8, 2019

Counsel for:
Metropolitan Edison Company,
Pennsylvania Electric Company,
Pennsylvania Power Company, and
West Penn Power Company

Cost Estimate 1 (Actual Income, No Subsidy Limits)

Met Ed	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 12,393,443	\$ 13,528,639	\$ 14,788,202	\$ 14,794,583	\$ 15,539,294	\$ 16,355,786	\$ 11,256,561	\$ 11,797,771	\$ 13,209,860	\$ 13,907,942	\$ 16,131,506	\$ 17,677,190	\$ 1,136,882	\$ 1,730,868	\$ 1,578,342	\$ 886,641	\$ (592,212)	\$ (1,321,404)
PCAP Forgiveness Credits	\$ 1,734,959	\$ 1,572,749	\$ 1,566,816	\$ 1,657,259	\$ 1,914,129	\$ 2,104,022	\$ 1,734,959	\$ 1,572,749	\$ 1,566,816	\$ 1,657,259	\$ 1,914,129	\$ 2,104,022		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,330,526	\$ 1,388,007	\$ 1,351,881	\$ 1,539,117	\$ 1,258,155	\$ 1,419,747	\$ 1,330,526	\$ 1,388,007	\$ 1,351,881	\$ 1,539,117	\$ 1,258,155	\$ 1,419,747		\$ -	\$ -	\$ -	\$ -	\$ -

Penelec	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 16,731,621	\$ 17,186,980	\$ 18,602,198	\$ 18,780,438	\$ 20,231,340	\$ 21,812,730	\$ 14,711,987	\$ 15,394,556	\$ 16,896,021	\$ 18,024,930	\$ 21,162,883	\$ 23,804,702	\$ 2,019,634	\$ 1,792,424	\$ 1,706,177	\$ 755,508	\$ (931,543)	\$ (1,991,972)
PCAP Forgiveness Credits	\$ 1,694,488	\$ 1,610,333	\$ 1,615,460	\$ 1,722,613	\$ 2,013,451	\$ 2,265,656	\$ 1,694,488	\$ 1,610,333	\$ 1,615,460	\$ 1,722,613	\$ 2,013,451	\$ 2,265,656		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,851,533	\$ 1,847,117	\$ 1,771,512	\$ 2,003,449	\$ 1,657,175	\$ 1,932,658	\$ 1,851,533	\$ 1,847,117	\$ 1,771,512	\$ 2,003,449	\$ 1,657,175	\$ 1,932,658		\$ -	\$ -	\$ -	\$ -	\$ -

Penn Power	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 3,972,401	\$ 3,865,820	\$ 4,391,374	\$ 4,435,151	\$ 4,696,380	\$ 5,191,490	\$ 3,463,854	\$ 3,563,481	\$ 3,901,489	\$ 4,142,359	\$ 4,854,367	\$ 5,504,840	\$ 508,547	\$ 302,339	\$ 489,885	\$ 292,792	\$ (157,987)	\$ (313,350)
PCAP Forgiveness Credits	\$ 335,256	\$ 368,699	\$ 372,947	\$ 404,125	\$ 478,742	\$ 541,670	\$ 335,256	\$ 368,699	\$ 372,947	\$ 404,125	\$ 478,742	\$ 541,670		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 476,873	\$ 503,339	\$ 446,283	\$ 544,794	\$ 479,433	\$ 544,257	\$ 476,873	\$ 503,339	\$ 446,283	\$ 544,794	\$ 479,433	\$ 544,257		\$ -	\$ -	\$ -	\$ -	\$ -

West Penn Power	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 23,702,099	\$ 22,420,619	\$ 21,464,315	\$ 19,224,825	\$ 20,922,841	\$ 22,427,976	\$ 18,230,745	\$ 19,133,817	\$ 18,238,868	\$ 18,256,229	\$ 21,005,784	\$ 24,041,293	\$ 5,471,354	\$ 3,286,802	\$ 3,225,447	\$ 968,596	\$ (82,943)	\$ (1,613,317)
PCAP Forgiveness Credits	\$ 4,706,016	\$ 5,917,843	\$ 3,984,939	\$ 4,168,440	\$ 5,110,847	\$ 5,799,719	\$ 4,706,016	\$ 5,917,843	\$ 3,984,939	\$ 4,168,440	\$ 5,110,847	\$ 5,799,719		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,675,410	\$ 2,228,451	\$ 1,661,993	\$ 1,766,210	\$ 1,455,512	\$ 1,748,828	\$ 1,675,410	\$ 2,228,451	\$ 1,661,993	\$ 1,766,210	\$ 1,455,512	\$ 1,748,828		\$ -	\$ -	\$ -	\$ -	\$ -

Cost Estimate 2 (Minimum Bill and CAP Subsidy Maximum Limits)

Met Ed	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 8,690,905	\$ 9,913,770	\$ 10,509,831	\$ 10,498,527	\$ 11,051,763	\$ 11,658,102	\$ 11,256,561	\$ 11,797,771	\$ 13,209,860	\$ 13,907,942	\$ 16,131,506	\$ 17,677,190	\$ (2,565,656)	\$ (1,884,001)	\$ (2,700,029)	\$ (3,409,415)	\$ (5,079,743)	\$ (6,019,088)
PCAP Forgiveness Credits	\$ 1,734,959	\$ 1,572,749	\$ 1,566,816	\$ 1,657,259	\$ 1,914,129	\$ 2,104,022	\$ 1,734,959	\$ 1,572,749	\$ 1,566,816	\$ 1,657,259	\$ 1,914,129	\$ 2,104,022		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,330,526	\$ 1,388,007	\$ 1,351,881	\$ 1,539,117	\$ 1,258,155	\$ 1,419,747	\$ 1,330,526	\$ 1,388,007	\$ 1,351,881	\$ 1,539,117	\$ 1,258,155	\$ 1,419,747		\$ -	\$ -	\$ -	\$ -	\$ -
													\$ 17,104,318					

Penelec	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 11,644,762	\$ 13,166,317	\$ 13,738,464	\$ 13,865,830	\$ 14,968,626	\$ 16,169,549	\$ 14,711,987	\$ 15,394,556	\$ 16,896,021	\$ 18,024,930	\$ 21,162,883	\$ 23,804,702	\$ (3,067,225)	\$ (2,228,239)	\$ (3,157,557)	\$ (4,159,100)	\$ (6,194,257)	\$ (7,635,153)
PCAP Forgiveness Credits	\$ 1,694,488	\$ 1,610,333	\$ 1,615,460	\$ 1,722,613	\$ 2,013,451	\$ 2,265,656	\$ 1,694,488	\$ 1,610,333	\$ 1,615,460	\$ 1,722,613	\$ 2,013,451	\$ 2,265,656		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,851,533	\$ 1,847,117	\$ 1,771,512	\$ 2,003,449	\$ 1,657,175	\$ 1,932,658	\$ 1,851,533	\$ 1,847,117	\$ 1,771,512	\$ 2,003,449	\$ 1,657,175	\$ 1,932,658		\$ -	\$ -	\$ -	\$ -	\$ -

Penn Power	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 2,851,040	\$ 2,965,427	\$ 3,186,585	\$ 3,216,017	\$ 3,413,720	\$ 3,786,055	\$ 3,463,854	\$ 3,563,481	\$ 3,901,489	\$ 4,142,359	\$ 4,854,367	\$ 5,504,840	\$ (612,814)	\$ (598,054)	\$ (714,904)	\$ (926,342)	\$ (1,440,647)	\$ (1,718,785)
PCAP Forgiveness Credits	\$ 335,256	\$ 368,699	\$ 372,947	\$ 404,125	\$ 478,742	\$ 541,670	\$ 335,256	\$ 368,699	\$ 372,947	\$ 404,125	\$ 478,742	\$ 541,670		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 476,873	\$ 503,339	\$ 446,283	\$ 544,794	\$ 479,433	\$ 544,257	\$ 476,873	\$ 503,339	\$ 446,283	\$ 544,794	\$ 479,433	\$ 544,257		\$ -	\$ -	\$ -	\$ -	\$ -

West Penn Power	Total PCAP Costs - Forecasted for 10% Energy Burden Maximum						Actual Subsidy	Actual Subsidy	Actual Subsidy	USECP 2019-2021 Subsidy Forecast			Projected Net Change to PCAP Costs (Forecast - Actual)/USECP					
	2016	2017	2018	2019	2020	2021				2016	2017	2018	2019	2020	2021	2016 Actual	2017 Actual	2018 Actual
PCAP Subsidy Credits	\$ 15,316,796	\$ 16,044,194	\$ 14,726,258	\$ 13,293,099	\$ 14,507,526	\$ 15,557,595	\$ 18,230,745	\$ 19,133,817	\$ 18,238,868	\$ 18,256,229	\$ 21,005,784	\$ 24,041,293	\$ (2,913,949)	\$ (3,089,623)	\$ (3,512,610)	\$ (4,963,130)	\$ (6,498,258)	\$ (8,483,698)
PCAP Forgiveness Credits	\$ 4,706,016	\$ 5,917,843	\$ 3,984,939	\$ 4,168,440	\$ 5,110,847	\$ 5,799,719	\$ 4,706,016	\$ 5,917,843	\$ 3,984,939	\$ 4,168,440	\$ 5,110,847	\$ 5,799,719		\$ -	\$ -	\$ -	\$ -	\$ -
PCAP Administration	\$ 1,675,410	\$ 2,228,451	\$ 1,661,993	\$ 1,766,210	\$ 1,455,512	\$ 1,748,828	\$ 1,675,410	\$ 2,228,451	\$ 1,661,993	\$ 1,766,210	\$ 1,455,512	\$ 1,748,828		\$ -	\$ -	\$ -	\$ -	\$ -

Subsidy forecasts for 2019-2021 10% energy burden were based on the average subsidy estimated for 2018 and estimated participants. Forecasts do not include the impact of the TCJA Rider Surcharge.

Cost Estimate 2 assumes the customer will be responsible to pay for the portion of the bill that exceeds the subsidy maximum limits.

Change in Asked-To-Pay -- Cost Estimate 1

To calculate Option 1:

Total Charges: Sum of actual charges for the participants.

10% Max Payment: Multiplied participants' income by 4% (non-electric heat) and 10% (electric heat) to calculate the maximum PIP CAP payment. Used the PIP CAP payment or the average bill as the customers' bill amount, whichever was less. Assumes a zero-income participant pays \$0 per month.

Subsidy: Subtracted maximum PIP CAP payment or average bill, whichever was less, from the total charges to calculate the proposed subsidy.

Actual Asked to Pay: Subtracted actual subsidy for years 2016, 2017, and 2018 from the total charges to calculate the Actual Asked to Pay for those years.

Compared the proposed figures to the actuals to calculate the change in the asked-to-pay and subsidy.

Company - 2016	Total Charges	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 22,437,934	\$ 10,826,838	\$ 12,393,443	\$ 11,181,373	\$ 11,256,561	\$ (354,535)	\$ 1,136,882
Penelec	\$ 28,577,707	\$ 12,631,868	\$ 16,731,621	\$ 13,865,720	\$ 14,711,987	\$ (1,233,852)	\$ 2,019,634
Penn Power	\$ 6,828,591	\$ 2,971,850	\$ 3,972,401	\$ 3,364,737	\$ 3,463,854	\$ (392,887)	\$ 508,547
West Penn Power	\$ 39,079,054	\$ 16,419,791	\$ 23,702,099	\$ 20,848,309	\$ 18,230,745	\$ (4,428,518)	\$ 5,471,354

Company - 2017	Total Charges	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 23,974,488	\$ 11,205,339	\$ 13,528,639	\$ 12,176,717	\$ 11,797,771	\$ (971,377)	\$ 1,730,868
Penelec	\$ 30,029,221	\$ 13,445,948	\$ 17,186,980	\$ 14,634,665	\$ 15,394,556	\$ (1,188,717)	\$ 1,792,424
Penn Power	\$ 6,841,592	\$ 3,095,774	\$ 3,865,820	\$ 3,278,111	\$ 3,563,481	\$ (182,338)	\$ 302,339
West Penn Power	\$ 39,928,931	\$ 18,729,190	\$ 22,420,619	\$ 20,795,114	\$ 19,133,817	\$ (2,065,924)	\$ 3,286,802

Company - 2018	Total Charges*	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 25,771,390	\$ 11,855,415	\$ 14,788,202	\$ 12,561,530	\$ 13,209,860	\$ (706,115)	\$ 1,578,342
Penelec	\$ 31,920,217	\$ 13,947,264	\$ 18,602,198	\$ 15,024,196	\$ 16,896,021	\$ (1,076,932)	\$ 1,706,177
Penn Power	\$ 7,458,681	\$ 3,206,802	\$ 4,391,374	\$ 3,557,192	\$ 3,901,489	\$ (350,390)	\$ 489,885
West Penn Power	\$ 36,794,053	\$ 16,395,532	\$ 21,464,315	\$ 18,555,185	\$ 18,238,868	\$ (2,159,653)	\$ 3,225,447

*2018 includes 6-months of TCJA Rider Surcharge.

< \$0 Balances Remaining after Subsidy: Reflects sum of account balances that paid more than the actual charges.

> \$0 Balances Remaining after Subsidy: Reflects sum of account balances that exceeded the maximum payment and subsidy.

Change in Asked-To-Pay -- Cost Estimate 2

Includes Minimum Bill Requirement of \$12 or \$45

Includes Maximum Subsidy Credit Limits per Operating Company

Company - 2016	Total Charges	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 22,437,934	\$ 11,100,370	\$ 8,690,905	\$ 11,181,373	\$ 11,256,561	\$ (81,003)	\$ (2,565,656)
Penelec	\$ 28,577,707	\$ 13,507,204	\$ 11,644,762	\$ 13,865,720	\$ 14,711,987	\$ (358,516)	\$ (3,067,225)
Penn Power	\$ 6,828,591	\$ 3,042,982	\$ 2,851,040	\$ 3,364,737	\$ 3,463,854	\$ (321,755)	\$ (612,814)
West Penn Power	\$ 39,079,054	\$ 17,043,508	\$ 15,316,796	\$ 20,848,309	\$ 18,230,745	\$ (3,804,801)	\$ (2,913,949)

Company - 2017	Total Charges	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 23,974,488	\$ 11,429,243	\$ 9,913,770	\$ 12,176,717	\$ 11,797,771	\$ (747,474)	\$ (1,884,001)
Penelec	\$ 30,029,221	\$ 13,684,763	\$ 13,166,317	\$ 14,634,665	\$ 15,394,556	\$ (949,902)	\$ (2,228,239)
Penn Power	\$ 6,841,592	\$ 3,155,086	\$ 2,965,427	\$ 3,278,111	\$ 3,563,481	\$ (123,025)	\$ (598,054)
West Penn Power	\$ 39,928,931	\$ 18,986,796	\$ 16,044,194	\$ 20,795,114	\$ 19,133,817	\$ (1,808,318)	\$ (3,089,623)

Company - 2018	Total Charges*	10% Max Payment	Subsidy	Actual Asked-to-Pay	Actual Subsidy	Asked-to-Pay Change	Subsidy Change
Met Ed	\$ 25,771,390	\$ 12,067,364	\$ 10,509,831	\$ 12,561,530	\$ 13,209,860	\$ (494,166)	\$ (2,700,029)
Penelec	\$ 31,920,217	\$ 14,170,568	\$ 13,738,464	\$ 15,024,196	\$ 16,896,021	\$ (853,628)	\$ (3,157,557)
Penn Power	\$ 7,458,681	\$ 3,255,176	\$ 3,186,585	\$ 3,557,192	\$ 3,901,489	\$ (302,016)	\$ (714,904)
West Penn Power	\$ 36,794,053	\$ 16,703,078	\$ 14,726,258	\$ 18,555,185	\$ 18,238,868	\$ (1,852,107)	\$ (3,512,610)

*2018 includes 6-months of TCJA Rider Surcharge.

< \$0 Balances Remaining after Subsidy: Reflects sum of account balances that paid more than the actual charges.

> \$0 Balances Remaining after Subsidy: Reflects sum of account balances that exceeded the maximum payment and subsidy.

Conclusions:

Cost Estimate 1: Customer's paying a PIP CAP payment or average bill that is greater than the actual charges for the month will pay more than the total charges.

Cost Estimate 2: A portion of the monthly charges exceed the maximum billed amount and the subsidy credit allowed. The data request did not specify how to account for this difference. These charges are not deferred into program arrearages today but are part of the asked-to pay amount. These charges were not included in calculated subsidy.

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ -	\$ (782,347)	\$ (782,347)
\$ -	\$ (785,782)	\$ (785,782)
\$ -	\$ (115,660)	\$ (115,660)
\$ -	\$ (1,042,836)	\$ (1,042,836)

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ -	\$ (759,491)	\$ (759,491)
\$ -	\$ (603,707)	\$ (603,707)
\$ -	\$ (120,001)	\$ (120,001)
\$ -	\$ (1,220,878)	\$ (1,220,878)

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ -	\$ (872,227)	\$ (872,227)
\$ -	\$ (629,245)	\$ (629,245)
\$ -	\$ (139,495)	\$ (139,495)
\$ -	\$ (1,065,794)	\$ (1,065,794)

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ 3,436,111	\$ (789,452)	\$ 2,646,659
\$ 4,125,915	\$ (700,174)	\$ 3,425,741
\$ 1,051,303	\$ (116,733)	\$ 934,569
\$ 7,975,709	\$ (1,059,569)	\$ 6,916,140

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ 3,386,365	\$ (754,890)	\$ 2,631,475
\$ 3,780,072	\$ (2,228,239)	\$ 1,551,833
\$ 841,520	\$ (120,441)	\$ 721,079
\$ 6,119,125	\$ (1,221,185)	\$ 4,897,941

> \$0 Balances Remaining after Subsidy	< \$0 Balances Remaining after Subsidy	Total Charges - Max Payment - Subsidy
\$ 4,059,888	\$ (865,692)	\$ 3,194,195
\$ 4,638,438	\$ (647,253)	\$ 4,011,185
\$ 1,156,808	\$ (119,888)	\$ 1,036,920
\$ 6,432,211	\$ (1,067,494)	\$ 5,364,717

2016 Zero-Income Customers by Month												
Month	January	February	March	April	May	June	July	August	September	October	November	December
ME01												
Heating	227	211	239	238	237	237	251	289	317	323	308	288
Non-Heating	369	371	402	429	436	435	438	457	476	466	453	440
PN01												
Heating	205	204	213	213	203	210	206	228	239	229	236	244
Non-Heating	605	624	677	677	661	650	681	736	772	784	787	774
PP01												
Heating	49	49	54	52	58	51	59	80	83	81	82	77
Non-Heating	137	129	136	143	130	138	140	155	171	162	155	144
WP01												
Heating	509	523	551	576	605	635	630	645	650	605	599	490
Non-Heating	1,322	1,371	1,431	1,453	1,485	1,552	1,576	1,612	1,611	1,452	1,422	1,077

2017 Zero-Income Customers by Month												
Company/Heat Type	January	February	March	April	May	June	July	August	September	October	November	December
Met-Ed												
Heating	225	243	261	282	293	292	281	271	263	256	254	246
Non-Heating	360	342	343	366	377	367	364	371	377	399	372	374
Penelec												
Heating	180	174	194	215	210	204	192	196	188	199	181	177
Non-Heating	606	576	584	596	579	557	520	525	532	544	517	511
Penn Power												
Heating	48	48	42	44	46	41	40	41	51	56	50	48
Non-Heating	104	102	106	114	122	123	120	115	124	109	88	90
West Penn Power												
Heating	267	242	239	250	253	248	256	250	253	225	200	187
Non-Heating	544	472	456	480	489	476	501	503	492	443	403	409

2018 Zero-Income Customers by Month												
Company/Heat Type	January	February	March	April	May	June	July	August	September	October	November	December
Met-Ed												
Heating	256	239	237	256	279	260	246	221	232	246	252	257
Non-Heating	351	313	306	304	332	346	351	334	357	349	354	348
Penelec												
Heating	189	170	185	179	202	207	183	173	178	171	172	170
Non-Heating	498	471	451	462	477	471	463	460	461	456	447	435
Penn Power												
Heating	53	47	42	40	41	49	47	43	46	46	50	49
Non-Heating	87	71	72	74	93	104	113	99	96	94	99	103
West Penn Power												
Heating	223	223	211	227	242	256	258	255	251	255	267	279
Non-Heating	433	404	369	394	404	410	434	437	434	427	442	444

Notes:

* FirstEnergy companies do not track zero-income participants by month.

* Data response is based on application data and assumes the participant had no income until an updated application was processed.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**ENERGY AFFORDABILITY FOR LOW-
INCOME CUSTOMERS**

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Docket No. M-2017-2587711

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing document upon the individuals listed below.

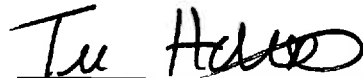
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Dated: April 8, 2019



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