



VIA ELECTRONIC FILING

September 16, 2020

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

Re: Docket No. M-2018-3003177 - Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2019-2024; Docket No. M-2020-3021343 - Peoples Gas Company LLC Universal and Energy Conservation Plan for 2019-2024; Docket No. P-2019-3007044 - Petition of Peoples Natural Gas Company LLC – to Modify the Budget for the Equitable Division; Docket No. P-2020-3017641 - Amendment to Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2015-2018; and Docket No. M-2014-2432515 - Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2015-2018

Dear Secretary Chiavetta:

On behalf of Peoples Natural Gas Company LLC, enclosed please find the Supplemental Information as requested in the Tentative Order, dated August 27, 2020, in the above-noted Dockets. Please note that Attachment C, which will contain an analysis of payment behavior and termination activity related to the Customer Assistance Program, will be provided shortly under separate cover. The Company's internal IT department experienced unexpected delays in gathering the information required for this Attachment. Peoples apologizes for any inconveniences this short delay may cause.

If you have any questions or concerns regarding this matter, please do not hesitate to contact the undersigned at (412) 208-6834 or Rita Black at (412) 208-6530

Very truly yours,

Jennifer L. Petrisek
Sr. Counsel

cc: Joseph Magee, BCS – jmagee@pa.gov
Jennifer Johnson, BCS – jennifjohn@pa.gov
Louise Fink Smith, Esq. – finksmith@pa.gov

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Peoples Natural Gas Company LLC Universal :
Service and Energy Conservation Plan for 2019-2024 : Docket No. M-2018-3003177

Peoples Gas Company LLC Universal and Energy :
Conservation Plan for 2019-2024 : Docket No. M-2020-3021343

Petition of Peoples Natural Gas Company LLC - :
to Modify the Budget for the Equitable Division : Docket No. P-2019-3007044

Amendment to Peoples Natural Gas Company LLC :
Universal Service and Energy Conservation Plan for :
2015-2018 : Docket No. P-2020-3017641

Peoples Natural Gas Co. LLC Universal Service :
and Energy Conservation Plan for 2015-2018 : Docket No. M-2014-2432515

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the Supplemental Information to USECP have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA ELECTRONIC MAIL

Christy Appleby, Esq.
Philip Demanchick, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
Email Address: cappleby@paoca.org
pdemanchick@paoca.org

Richard Kanaskie, Director
Bureau of Investigation and Enforcement
P.O. Box 3265
Commonwealth Keystone Building
400 North Street, 2nd Floor
West Harrisburg, PA 17105
Email Address: RKANASKIE@pa.gov

John R. Evans, Small Business Advocate
Office of Small Business Advocate
300 North Second Street, Suite 1102
Harrisburg, PA 17101
Email Address: jorevan@pa.gov

Elizabeth R. Marx, Esquire
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
Email Address: emarxPULP@palegalaid.net

Alexis Bechtel, Director
Pennsylvania Public Utility Commission
Bureau of Consumer Services
P.O. Box 3265
Harrisburg, PA 17105
Email Address: abechtel@pa.gov



Jennifer L. Petrisek
Dated this 16th day of September, 2020.

Docket No. M-2018-3003177 - Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2019-2024

Docket No. M-2020-3021343 - Peoples Gas Company LLC Universal and Energy Conservation Plan for 2019-2024

Docket No. P-2019-3007044 - Petition of Peoples Natural Gas Company LLC – to Modify the Budget for the Equitable Division

Docket No. P-2020-3017641 - Amendment to Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2015-2018

Docket No. M-2014-2432515 - Peoples Natural Gas Company LLC Universal Service and Energy Conservation Plan for 2015-2018

SUPPLEMENTAL INFORMATION

(3) (a) Provide (1) actual annual enrollment levels and expenditures (i.e., CAP credits, PPA forgiveness, and administrative costs) for CAP customers with incomes between 151%-200% of the FPIG from 2018 through 2019; (2) projected annual enrollment levels and expenditures (i.e., CAP credits, PPA forgiveness, and administrative costs) for CAP customers with incomes between 151%-200% of the FPIG for 2020 through 2024; (3) an analysis of E-CAP participant pre- and post-program payment behavior (e.g., percent of bills paid on-time and in-full) and termination rates from 2016-2019; and (4) impact of E-CAP on the Peoples Companies' bad debt and credit/collection costs. Further, we request that the Peoples Companies file and serve E-CAP data through 2019, consistent with the original reporting requirements.

Attachment A contains the 2018 and 2019 annual reports for E-CAP which include enrollment levels, CAP Credits and PPA Forgiveness. Administrative costs for the CAP program cannot be differentiated between the traditional CAP (<150% FPIG) and the expanded eligibility CAP program. Projections for this eligibility group through 2024 are provided in Attachment B. Attachment C contains an analysis of payment behavior and termination activity. Attachment D contains projections and expenditures.

(b) Provide estimates of how each individual change in their proposed CAP payment (i.e., energy burden level decrease, elimination of PPA co-payment, elimination of CAP Plus) will increase CAP costs for each year of the proposed USECP broken down by household FPIG (i.e., 0%-50%, 51%-100%, 101%-150%, and 151%-200%). Furthermore, identify the potential impact of the proposed PIP levels on unused LIHEAP grants returned to DHS. Specifically, provide an analysis for each income tier (0%-50%, 51%-100%, 101%-150%, and 151%-200%) to determine the number of CAP accounts which have unused LIHEAP funds returned to DHS and the average amount of those funds. Provide actual data for 2018 and 2019 and projected data for 2020 through 2024 based on the proposed PIP levels.

CAP Plus is currently \$5 per customer, per month. Therefore, the cost associated with the elimination of CAP Plus is \$60 per customer annually across all income levels. The elimination of the PPA co-payment of \$5 results in an increase of \$60 annually for each CAP participant that enrolls with PPA. The reduction in payments due to the decrease in energy burdens, as well as the elimination of CAP Plus and the PPA co-pay are reflected in Attachment D.

The number of active customer refunds returned to LIHEAP due to inability to fully utilize the grant within the time allowed for the years 2018 and 2019 are shown in tables, followed

by projections for 2020 through 2024. Roughly 1% of LIHEAP recipients experience this issue and these customers are typically those that pay the CAP minimum payment (income 0 to 50% FPIG). Similar results are expected in 2020 through 2024 since the CAP minimum payment is not expected to change.

2018 Refunds	No. of Active Refunds	Avg. \$ of Active Refunds	Total # LIHEAP Recipients	% of Refunds to Receipts
Peoples Natural Gas	436	\$108		
Peoples Gas	19	\$114		
Total	455		33,583	1.4%
2019 Refunds	No. of Active Refunds	Avg. \$ of Active Refunds	Total # LIHEAP Recipients	% of Refunds to Receipts
Peoples Natural Gas	384	\$167		
Peoples Gas	27	\$177		
Total	411		33,110	1.2%

Projections	2020	2021	2022	2023	2024
Peoples Natural Gas	410 refunds/\$138	410 refunds/\$138	410 refunds/\$138	410 refunds/\$138	410 refunds/\$138
Peoples Gas	23 refunds/\$146	23 refunds/\$146	23 refunds/\$146	23 refunds/\$146	23 refunds/\$146

(c) Clarify the discrepancy between the January 6 Addendum and what is stated in the Proposed 2019 USECP regarding whether CAP customers have to direct their LIHEAP grants to utilities.

The statement on page 7 of the USECP, “CAP participants are asked to direct payment of any LIHEAP cash benefit grant that they receive to Peoples.” refers to any LIHEAP grant that is paid directly to the customer for the Peoples bill rather than paid directly to the utility. This particular sentence is a carryover from prior Plans and this issue is not as prevalent as it was historically. Peoples will remove this sentence in its final approved USECP in order to eliminate confusion. The issue of requesting that a customer apply for LIHEAP for their gas bill is addressed on page 10 under Control Features. It states, “A CAP customer who meets the eligibility criteria for LIHEAP will be encouraged to complete an application.” Customers are not required to direct their LIHEAP grants to Peoples in order to participate in CAP.

(d) Clarify whether any consumption limit distinctions are proposed for households between 151% and 200% of the FPIG.

Customers in this income group fall under the same consumption limits as those participants with 150% or less FPIG.

(e) Include in their 2019 USECP a detailed description of their upcoming online CAP application process and how customers will be able to access it and provide required information.

Peoples' CAP Administrator, Dollar Energy Fund has developed an online application called 'MyApp' that is currently being used by First Energy and is expected to be rolled out to Peoples' CAP customers in the fourth quarter of 2020. Customers can access the online application through Dollar Energy Fund's website. Peoples will also include a link from its website to the Dollar Energy Fund MyApp. Customers with income documentation at the time of their application can complete the entire process online, uploading income documentation into MyApp as they finalize their application. Those that do not have the required documentation available can complete and save the application. They can then submit their documentation via email, fax or US mail to finish the application process.

(f) Include in their compliance filing their Consumer Education and Outreach Plan.

The Consumer Education and Outreach Plan, which was previously submitted to the PUC's Office of Communications and Bureau of Consumer Services, as well as filed to this docket on 1/6/20 is provided as Attachment E.

(g) Explain whether earned and unearned income of minor children are excluded when determining CAP eligibility and benefits. If the definition of household income has changed since the prior USECP, identify the effective date of this change.

As noted in the Addendum filed 1/6/20, Peoples implemented this change 2/1/20 for new CAP enrollments and recertifications.

(h) Identify the restoration requirements for CAP-eligible customers who are not currently enrolled in the program, including what amount of their balance can be placed into arrearage forgiveness before restoring service and enrolling these customers into CAP.

CAP eligible customers with less than two broken agreements are quoted 1/24th of the account balance for restoration. They can be enrolled in CAP if they provide income documentation. Those with more than 2 broken agreements are quoted the full balance due for restoration, however if they provide income documentation for CAP eligibility, we will only require 1/24th of the balance and enroll in CAP for the remaining balance. If grants are available (LIHEAP, Hardship), the Company will accept available grants and enroll in CAP without requiring additional payment or income documentation from the customer.

(i) Identify (1) how the customer is expected to provide authorization to the utilities and to DEF to share customer income information between DEF-administered universal service programs; (2) how customer authorization is documented; (3) which organization (e.g., utility, DEF) retains any authorization documentation; (4) how the information is securely tracked and transferred; and (5) if customers are able to opt-out of the information exchange.

All authorizations and income documents are maintained by Dollar Energy Fund in its database system. Customers can provide verbal authorization to a DEF agent to use the information they have previously provided to DEF for the purposes of another utility CAP program enrollment/recertification to enroll in Peoples' program. Customers can also authorize this in writing via a standard DEF form. DEF maintains responsibility for ensuring all documentation is securely housed and only used for appropriate means, at the customer's

request and authorization. Customers always have the option to provide their documentation directly rather than use information that is already on file with DEF.

(j) Articulate CAP collections procedures. Provide examples of an “extraordinary customer circumstance.”

Customers that miss two CAP payments become eligible for termination of service unless moratorium is in place. Collections procedures for termination eligible CAP customers are the same as non-CAP residential customers. The statement, “In all cases, the Company reserves the right to delay termination based on individual, extraordinary customer circumstances,” refers to the ability of our Customer Relations team members, specifically the Director and certified social workers, to intervene and halt termination of a particular CAP customer’s service when circumstance warrant. Examples of such circumstances could include, but are not limited to, physical or mental health implications, domestic violence and health and welfare concerns. These decisions are made on a case-by-case basis.

(k) Explain how all customers have access to CAP through the application mediums available and specifically address whether prohibiting customers from applying via mail or fax limits access to the program. Outline the utilities’ process that CAP applicants follow to complete and submit applications and DEF’s process, including the timeframes for reminder notices and documentation requirements.

Customers apply for the Company’s CAP program via telephone. The application itself is fully completed via telephone, eliminating the need for customers to complete paperwork such as a paper application. If income documentation is necessary, it can be submitted via US mail, email or fax. As technology is more readily available to consumers, fewer customers are using US mail and fax. Once a customer completes an application over the phone with DEF, a 14 day hold is placed on the account to allow sufficient time to submit income documentation.

(l) Address how their final CAP billing practices reflect compliance with the relevant statutes and regulations as discussed in the CAP Final Billing Order.

As noted on page 22 of the CAP Final Billing Order (Docket M-2019-3010190), “Section 1303, 66 Pa. C.S. § 1303, provides that public utilities must bill their customers for service rendered. Section 56.11(a) of Commission regulations, 52 Pa. Code § 56.11(a) require that a public utility render bills every billing period.” Peoples’ final bill process for CAP customers, as shown on page 9 of the USECP is “Final bills are calculated by determining gas usage from the last bill date to the end of service date and applying currently effective residential rates.” This method ensures customers are billed for service rendered as required by regulation. This method is further supported by Peoples’ analysis, which was provided in response to the data request for the CAP Final Bill docket. Below is a pertinent excerpt from that filing:

Request 4: What impact, if any, its current CAP final billing policy had on CAP costs and write-offs in 2017 and 2018.

Because final bills for CAP participants are issued as residential bills and not CAP bills, CAP costs are not accrued on the final bill. Write-offs are impacted by many factors, including the size of pre-CAP balances that become due upon finaling an account. Based on a review of CAP final bills prepared in 2018, as a result of interest from BCS in the methods by which utilities calculated final bills, Peoples found the following:

- The average number of days in a final bill is 10. This average was calculated by reviewing all CAP final bills issued in 2017. Ten days is roughly a third of a billing month and there is typically a benefit to the customer of billing the customer for their usage and customer charge (prorated) over that shortened bill period rather than billing a customer for an entire CAP monthly amount.

- Almost three-quarters of all CAP final bills occur in non-heating months. In fact, 73% of the CAP customers who received final bills in 2017 were issued in the months of April through October. In non-heating months, the CAP amount is typically larger than the customer's usage. Therefore, it is to the customer's advantage to issue the final bill, which is further reduced by being a partial month bill, as a usage bill.

These two findings would indicate the Company's current method of calculating a final bill for a CAP participant as a non-CAP bill results in a final balance that is lower than a full CAP bill would be for roughly three quarters of CAP participants.

(m) Provide details about LIURP customers who do not experience energy savings. Discuss (1) the reasons reported by non-savers for continuing high usage; (2) consequences for high usage after LIURP installation measures and the remedial actions taken; and (3) services/incentives that LIURP offers to non-saving participants to encourage participation in the survey or remedial measures.

Peoples performs a non-savers survey as part of its preparation for the annual report. The number of non-savers in comparison to jobs completed is relatively small. For example, for LIURP projects completed in 2018, 15 of 268 jobs completed did not result in energy savings. Peoples performs a non-savers survey as part of its preparation for the annual report. Those with increased usage of 10 MCF or more annually receive a home visit from Peoples' Energy Consultants who provide in-person education about conservation, check temperature settings on appliances such as the water heater, and show customers how to reduce their energy usage using their heating system thermostat. This additional education and home visit are important as the non-savers group, on average, reports setting their thermostats at 74. All non-savers receive a letter regarding their usage along with conservation reminders. Non-savers are not penalized for their usage, but are reminded through the letter and conservation sheet of ways to reduce energy. Peoples does not currently offer additional services or incentives to non-savers.

(n) Provide additional details about health and safety measures and provide examples of the health and safety measures that are performed and how they are documented.

The company utilizes a weatherization datable to track LIURP participation including health and safety items. In 2019, the Peoples companies (including PTWP) experienced a 13% participation in Health and Safety measures with an average expenditure of \$409. Typical health and safety items include: CO Detectors, Confined space corrections, dryer venting issues, knob & tube mitigation, roof leaks, gas leaks and water leaks. Contractors may implement Health and Safety measures up to \$600 without prior authorization. Larger Health and Safety expenditures are reviewed and approved by the LIURP administrator on a case-by-case basis.

(o) Provide additional details about the EFSLR program measures available to renters, including landlord consent and the measure actually installed.

The same repair and replacement measures available to homeowners are available to renters who participate in the program. The method for evaluating the project to determine if a repair or replacement is needed will be followed, regardless of ownership/renter status. To participate in the program, written landlord consent must be received prior to any work being completed.

(p) Provide a date-specific timeline for the universal service commitments in the Joint Settlement approved in the Aqua Acquisition Order, beginning with the date of acquisition of the Peoples Companies by Aqua.

The acquisition of the Peoples Companies was completed March 16, 2020. Please refer Attachment F which includes a list of the settlement commitments as well as statuses.

(q) Provide a full description of the Hardship Fund eligibility criteria, especially if practices differ or expand on the criteria listed on page 28 of the Proposed 2019 USECP. Clarify whether these requirements apply to all customers seeking Hardship Funds or if the Peoples Companies or DEF use discretion on a case-by-case basis. Advise if they use the same or similar process for any subset of customers such as senior citizens aged 62 and over. Indicate if (and if so, how) the criteria in operation are different from the criteria articulated in the 2015 USECP.

In addition to the Hardship Fund eligibility criteria which is detailed in the USECP, each year Peoples, executes a contract with Dollar Energy Fund for its Hardship Fund. This contract includes Exhibit A which provides additional details regarding specific eligibility that may change throughout the year. An example of this type of change is the availability of funds to those with a termination notice or without gas service. These provisions allow utilities to maintain funds throughout the program year to ensure those most in need are able to access this important resource. It also details any differences in eligibility between customers aged 62 and over and general applicants. The current packet from the 2020/21 vendor agreement which has just been executed is provided as an example. Please see Attachment G.

(r) Explain how the Hardship Fund administrative costs are funded.

Administrative costs for the Hardship Fund are provided by shareholder contributions.

(s) Explain why the matching donations for Hardship Funds vary so greatly between PNGC and PGC.

Hardship Fund donation levels were established in prior proceedings including acquisition and base rate proceedings. The amounts provided in the USECP are reflective of the settlements reached in those proceedings.

(t) Provide current needs assessments for PNGC and PGC. Include the following:

(1) the confirmed number of low-income customers at or below 150% of FPIG
Refer to Attachment H.

(2) the estimated number of low-income customers at or below 150% of FPIG
Refer to Attachment H.

(3) *the confirmed number of payment-troubled, low-income customers*
Refer to Attachment H

(4) *the estimate of payment-troubled, low-income customers*
The Company is unable to estimate the number of payment-troubled, low-income customers as this information is not captured in census data.

(5) *the estimated number of potential low-income LIURP participants*
For PNG, an estimated 12,000 meet the income requirement of less than 150% FPL and annual usage of 140 MCF. For PG, an estimated 750 meet the income requirement of less than 150% FPL and annual usage of 120 MCF.

(6) *and the cost to serve customers needing LIURP*
Using an average job cost of \$8,000, if all 12,000 of PNG customers were served, the estimated cost would be \$96 million. If all PG customers were served, the estimated cost would be \$6 million.

Provide the following information for PNGC and PGC for households with income between 151%-200% of FPIG:

(1) *the confirmed number of customers at 151% to 200% of the FPIG, Refer to the attached Needs Assessment*
Refer to Attachment H

(2) *the estimated number of customers at 151% to 200% of the FPIG, Refer to the attached Needs Assessment*
Refer to Attachment H

(3) *the confirmed number of payment-troubled customers at this FPIG level, Refer to the attached Needs Assessment*
Refer to Attachment H

(4) *the estimate of payment-troubled customers at this FPIG level*
The Company is unable to estimate the number of payment-troubled customers as this type of information is not available from the Census Bureau.

(5) *the estimated number of potential LIURP participants at this FPIG level*
Zero – The Company does not typically serve this income group from its LIURP program. It does reserve the ability to serve such customers if special needs present themselves, but have not served customers in this income level over the past several years and does not expect to serve them in the future.

and (6) the cost to serve customers at this level needing LIURP
If a customer at this income level were to be served due to special needs, the average job cost of \$8,000 for typical LIURP projects would be expected.

(u) Provide projected annual enrollment levels for PNGC's and PGC's CAP from 2020 through 2024. Include separate CAP projections for customers with incomes at or below 150% of the FPIG and for customers between 151% and 200% of the FPIG.

Annual Participation Projections -- CAP Program in Total

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Peoples Natural Gas	30,902	31,520	31,992	32,312	32,474
Peoples Gas LLC	2,974	3,033	3,079	3,110	3,125
Total	33,875	34,553	35,071	35,422	35,599

Annual Participation Projections -- 151 to 200% FPL

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Peoples Natural Gas	2,098	2,140	2,172	2,193	2,204
Peoples Gas LLC	277	283	287	290	291
Total	2,375	2,423	2,459	2,483	2,495

Annual Participation Projections -- Income at or below 150% FPL

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Peoples Natural Gas	28,804	29,380	29,820	30,119	30,270
Peoples Gas LLC	2,697	2,750	2,792	2,820	2,834
Total	31,500	32,130	32,612	32,939	33,104

(v) Clarify if administrative costs not covered by utility donations for the Hardship Fund are recovered from ratepayers.

No administrative costs related to the Hardship Fund are recovered from ratepayers. Administrative costs are paid by shareholder donations.

(w) Provide the average annual number of PGC residential, CAP, and E-CAP customers from 2017-2019.

Peoples Gas LLC	2017	2018	2019
Residential	56,727	57,776	57,917
CAP	3,331	3,316	3,146
E-CAP	214	274	280

(x) Clarify how LIURP is managed in-house but administered by CLEAResult.

Peoples internal management provides oversight to the LIURP program. CLEAResult is the third party administrator for day-to-day tasks such as developing a contractor network, assigning projects to contractors, qualifying and enrolling customers and coordinating participation with other programs, specifically the Duquesne Light energy reduction programs.

**Additional Comments of Peoples Regarding the
CAP Program for Customers with Incomes 151 to 200% FPIG**

Peoples initiated a pilot expansion of its traditional CAP program to those in the 151 to 200% FPIG bracket in order to serve this group of limited income customers who were not fully eligible for energy assistance and were payment-troubled. This program differs from the traditional CAP in two important ways.

- Customers must be payment troubled as evidence through the breaking of at least one payment agreement in order to enroll.
- Customers must apply for the Hardship Grant if funds are available prior to entering CAP.

The Company believes CAP eligibility for this income group is critically important as these customers do not qualify for LIHEAP. While their income and financial constraints are like those at the 150% FPIG level, they are not able to access LIHEAP cash or Crisis grants. This includes a LIHEAP minimum grant of \$200 and LIHEAP Crisis grants which are typically \$600, but have been increased to \$800 in order to provide additional assistance due to the impact of COVID-19. Families and seniors between 151 and 200% FPIG struggle to pay their bills in the same manner as those just below the 150% line, but are unable to access up to \$1,000 in LIHEAP dollars annually.

The Commission and other utility programs such as Emergency Repair and Replacement programs, CARES and Hardship Funds, have recognized the financial strain of customers below 200% FPIG by approving and utilizing limits for these programs at the 200% FPIG level. Particularly in this unprecedented time due to COVID-19, the Company feels strongly that maintaining this CAP option for customers in the 151 to 200% FPIG bracket is critically important. The Company also notes that while the program has been in existence since 2016, enrollment levels have remained below initial projections. This group of participants represents less than 8% of the total number of customers in CAP.

During the informal collaboration process between the Company, members of BCS and parties including OCA and CAUSE-PA, Peoples provided an analysis, which has also been submitted as supplemental information to this proceeding, which showed that the proposed reduction in payment percentage from 11% to 7% increases annual CAP credits for PNG by \$40,000 and PG by \$11,000. These modest cost increases are due to the fact that most participants in the 151 to 200% FPIG level will continue to pay the average bill rather than their percentage of income, even when the applicable percentage is reduced to 7%. Not only is this a limited cost increase, it provides continuity across the program by increasing the percentage of income payment by one percentage point along each increasing income bracket, allowing for easier training and understanding by the employees and agents that share this information with customers, as well as customers themselves.

In summary, Peoples believes its CAP program eligibility, which serves customers up to 200% FPIG, provides an important safety net for those above 150% FPIG by providing an opportunity for arrearage forgiveness for customers who maintain their CAP payments. The Commission, through its study of affordability and associated CAP guidelines, suggested that utilities consider ways to assist customers in this income group. The reasonable number of participants, ongoing customer payments and arrearage forgiveness benefits accrued reflect that this program is working well for participants.

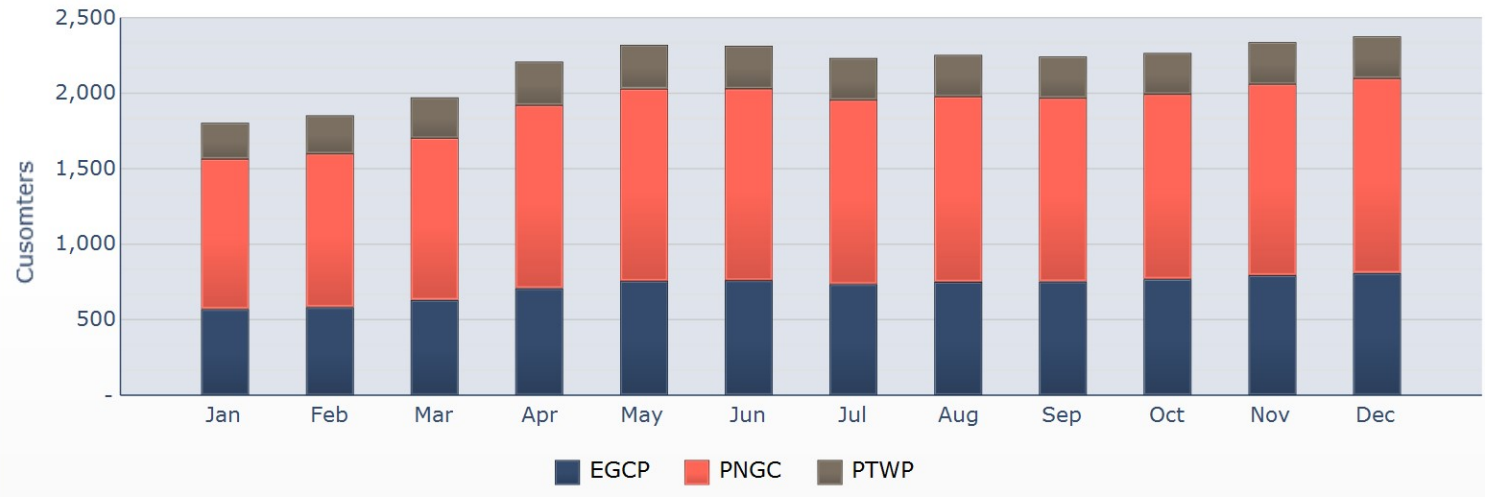
Attachment A

CAP Level D Yearly Detail Report

Reporting Year: 2018 |
 Business Area: ALL |
 CAP Level: D



CAP Level D Monthly Participation



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
EGCP	570	583	630	708	757	760	735	750	753	768	793	808
PNGC	994	1,016	1,072	1,212	1,273	1,270	1,220	1,228	1,215	1,225	1,267	1,290
PTWP	240	254	271	289	291	285	278	277	275	273	279	278
Total	1,804	1,853	1,973	2,209	2,321	2,315	2,233	2,255	2,243	2,266	2,339	2,376

Pilot CAP Expansion Report – Peoples USECP at Docket M-2014-2432515

In compliance with the Final Order issued December 17, 2015 by the Public Utility Commission, the Company is required to report on the CAP expansion as follows:

PNGC shall also file and serve its annual report regarding E-CAP customer participation, costs, payment compliance and balance impact at this docket. At a minimum, PNGC should invite all parties to this proceeding to discuss the results of this report and potential program modifications.

Pilot E-CAP Background

The Pilot E-CAP was designed to provide the affordability and Arrearage Forgiveness benefits of CAP to customers with incomes between 151 and 200% of Federal Poverty Levels. Customers at this income level are not eligible for LIHEAP, a significant source of energy assistance, but they are eligible for Dollar Energy Fund's Hardship Program. They are additionally eligible for emergency assistance through the Company's Emergency Furnace and Line Repair programs. The goal of this Pilot is to identify customers within this income segment that have accrued significant balances and for whom a typical payment arrangement, spreading the balance over a number of months and adding it to the effective budget amount, would be unaffordable. As a participant in E-CAP, when customers make their CAP payment, they receive Arrearage Forgiveness benefits equal to 1/36 of their pre-CAP balance. The CAP payment is based on 11% of household income or the budget amount for the account, whichever is lowest.

Participants in E-CAP are subject to the same enrollment procedures, recertification requirements and payment reviews as all traditional CAP participants (i.e. incomes less than 150% FPL). Following the Commission's approval of the Pilot in its Final Order of December 17, 2015, the Company begin employee training on the eligibility requirements of E-CAP and begin enrollments in early 2016.

Third Year Results

At year-end 2018, the total number of active participants in the Pilot CAP Expansion 2,376. The attached report reflects the enrollment levels by month for 2018. This figure includes 1,290 Peoples Division customers, 808 Equitable Division customers and 278 customers of Peoples Gas LLC (formerly Peoples TWP). In comparison, enrollment at year-end 2017 was 1,594 customers reflecting a steady growth in overall participation levels as the pilot reached its third year of participation. Customers applying for Hardship Funds with Dollar Energy Fund and whose account balances cannot be exhausted by the receipt of the grant, are targeted for enrollment in E-CAP.

This program is only beneficial to customers with significant balances. The CAP administrator carefully considers the full CAP payment when determining if it is appropriate to offer this program to individual customers. As with the traditional CAP program, the customer's calculated CAP payment will be based on percentage of income (11%) or budget amount, whichever is lower. In most, if not all cases within this pilot group, this initial calculation results in the customer receiving a base CAP payment of the account budget payment. An additional \$5 is added to the base payment for pre-CAP arrears and the currently effective CAP Plus amount is applied, resulting in the CAP payment available to the potential

participant. This should be compared to available payment arrangement terms to determine if CAP is the most affordable payment plan available. The Company's USECP did not include a projection for enrollees in 2018 as this was beyond the scope of the pilot at the time of that filing. Therefore, the final year of the pilot, 2017, projected 2,800 enrollees with an annual budget of \$998,100. Actual spending for CAP benefits for this participant group in 2018 is shown in the table below.

In 2018, Arrearage Forgiveness benefits and CAP Credits for E-CAP customers were as follows:

Arrearage Forgiveness	\$499,771
CAP Credits	\$325,576

One of the main goals of the Pilot CAP Expansion is to not only manage arrearages, but to encourage payment habits, thus preventing an accumulation of additional arrearages. Customers participating in the program made payments exceeding \$1.8 million in 2018.

Discussion of Pilot E-CAP Status and Potential Modifications and Considerations

The report issued in 2017 regarding 2016 activity included an invitation for interested parties to provide their input during the Company's April Universal Service Advisory Group (USAG) meeting. Overall the response of the USAG was very positive. Suggestions were made to increase participation levels by further educating social service agencies on the availability of the Pilot CAP program based on the belief that one barrier to increased enrollment is the uniqueness of the eligibility guidelines (151 to 200%) which is different than all other utility CAP's, resulting perhaps in fewer referrals to Peoples for enrollment information. Using this feedback, the Company changed its eligibility guidelines displayed in its outreach materials to better reflect the more generous income guidelines and encouraging potentially eligible customers to contact the Company to learn more. The Company continues to educate local agencies and community partners through not only outreach materials, but on-site training such as our annual training of Resource Navigators at United Way Southwest's PA 2-1-1 call center.

Other recommendations included the tracking CAP participants to determine if there has been an impact to the number or type of collections activities prior to enrollment and following enrollment. This issue was reviewed for the CAP program as a whole by the Company's Independent Evaluation which was conducted in 2017. The findings from the evaluation included:

- Small, statistically significant reduction in the number of collection calls for the treatment group as compared to the comparison groups.
- Significant decline in the number of letters, calls and terminations for the Peoples Division treatment group as compared to the comparison groups.

The Company recognizes that payment behavior for all CAP participants, not just those in this expanded CAP eligibility program, is an important area for focused improvement. To increase success in paying down prior debts through receipt of arrearage forgiveness benefits and to maintain current payments to retain active utility service, the Company should seek input from its Universal Service Advisory Group

regarding outreach such as text/email reminders of payments due. This issue will be a topic of its January 2020 USAG meeting.

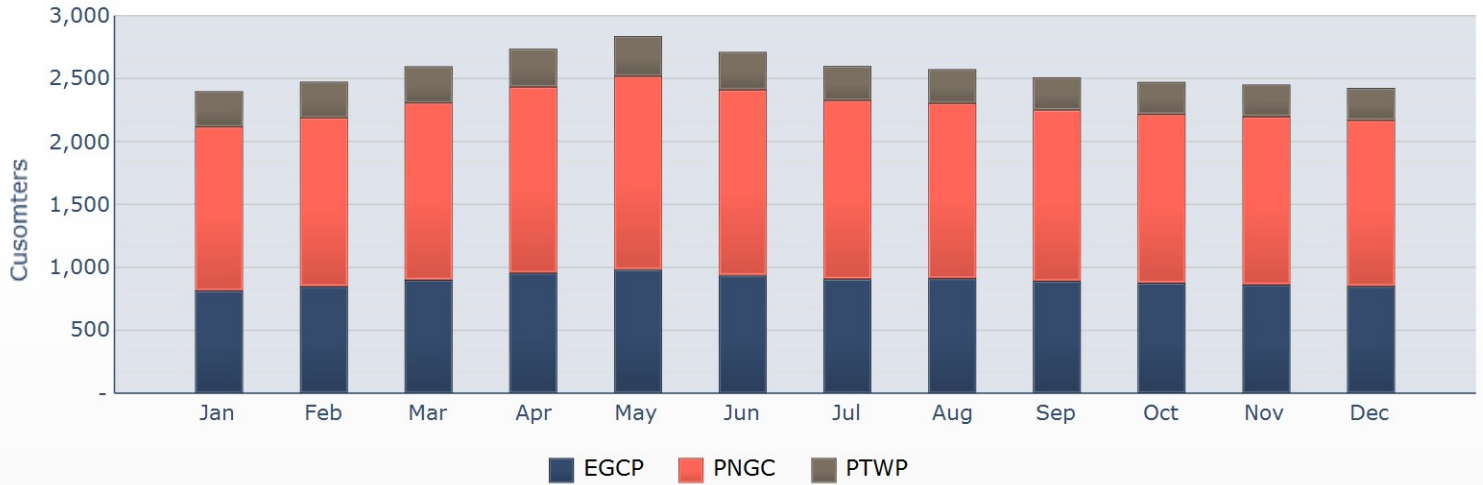
CAP Level D Yearly Detail Report

Reporting Year: 2019
 Business Area: ALL
 CAP Level: D

Monthly Participation
 Customer Detail
 Monthly Payment Changes
 Payment Change Detail



CAP Level D Monthly Participation



EGCP	815	849	901	956	981	936	907	913	891	875	862	851
PNGC	1,303	1,341	1,408	1,478	1,538	1,475	1,419	1,392	1,359	1,341	1,336	1,318
PTWP	283	287	291	304	318	302	274	271	260	257	255	258
Total	2,401	2,477	2,600	2,738	2,837	2,713	2,600	2,576	2,510	2,473	2,453	2,427

Pilot CAP Expansion Report – Peoples USECP at Docket M-2014-2432515

Pilot E-CAP Background

The Pilot E-CAP was designed to provide the affordability and Arrearage Forgiveness benefits of CAP to customers with incomes between 151 and 200% of Federal Poverty Levels. Customers at this income level are not eligible for LIHEAP, a significant source of energy assistance, but they are eligible for Dollar Energy Fund's Hardship Program. They are additionally eligible for emergency assistance through the Company's Emergency Furnace and Line Repair programs. The goal of this Pilot is to identify customers within this income segment that have accrued significant balances and for whom a typical payment arrangement, spreading the balance over a number of months and adding it to the effective budget amount, would be unaffordable. As a participant in E-CAP, when customers make their CAP payment, they receive Arrearage Forgiveness benefits equal to 1/36 of their pre-CAP balance. The CAP payment is based on 11% of household income or the budget amount for the account, whichever is lowest.

Participants in E-CAP are subject to the same enrollment procedures, recertification requirements and payment reviews as all traditional CAP participants (i.e. incomes less than 150% FPL). Following the Commission's approval of the Pilot in its Final Order of December 17, 2015, the Company began employee training on the eligibility requirements of E-CAP and began enrollments in early 2016.

Fourth Year Results

At year-end 2019, the total number of active participants in the Pilot CAP Expansion 2,427. The attached report reflects the enrollment levels by month for 2019. This figure includes 1,318 Peoples Division customers, 851 Equitable Division customers and 258 customers of Peoples Gas LLC (formerly Peoples TWP). In comparison, enrollment at year-end 2018 was 2,376 customers reflecting relatively flat participation levels. The 2017 projection in the USECP reflected an enrollment level of 2,800 customers by the end of the third year and enrollment has not reached that level after 4 years of enrollment. Current enrollment as of August 2020 is 2,342, again reflecting a flattening of enrollment. Customers applying for Hardship Funds with Dollar Energy Fund and whose account balances cannot be exhausted by the receipt of the grant, are targeted for enrollment in E-CAP.

This program is only beneficial to customers with significant balances. The CAP administrator carefully considers the full CAP payment when determining if it is appropriate to offer this program to individual customers. As with the traditional CAP program, the customer's calculated CAP payment will be based on percentage of income (11%) or budget amount, whichever is lower. In most, if not all cases within this pilot group, this initial calculation results in the customer receiving a base CAP payment of the account budget payment. An additional \$5 is added to the base payment for pre-CAP arrears and the currently effective CAP Plus amount is applied, resulting in the CAP payment available to the potential participant. This should be compared to available payment arrangement terms to determine if CAP is the most affordable payment plan available. Actual spending for CAP benefits for this participant group in 2019 is shown in the table on the following page.

In 2019, Arrearage Forgiveness benefits and CAP Credits for E-CAP customers were as follows:

Arrearage Forgiveness	\$337,948
CAP Credits	\$235,031

One of the main goals of the Pilot CAP Expansion is to not only manage arrearages, but to encourage payment habits, thus preventing an accumulation of additional arrearages. Customers participating in the program made payments exceeding \$2 million in 2019.

Discussion of Pilot E-CAP Status and Potential Modifications and Considerations

The report issued in 2017 regarding 2016 activity included an invitation for interested parties to provide their input during the Company's April Universal Service Advisory Group (USAG) meeting. Overall the response of the USAG was very positive. Suggestions were made to increase participation levels by further educating social service agencies on the availability of the Pilot CAP program based on the belief that one barrier to increased enrollment is the uniqueness of the eligibility guidelines (151 to 200%) which is different than all other utility CAP's, resulting perhaps in fewer referrals to Peoples for enrollment information. Using this feedback, the Company changed its eligibility guidelines displayed in its outreach materials to better reflect the more generous income guidelines and encouraging potentially eligible customers to contact the Company to learn more. The Company continues to educate local agencies and community partners through not only outreach materials, but on-site training such as our annual training of Resource Navigators at United Way Southwest's PA 2-1-1 call center.

Other recommendations included the tracking CAP participants to determine if there has been an impact to the number or type of collections activities prior to enrollment and following enrollment. This issue was reviewed for the CAP program as a whole by the Company's Independent Evaluation which was conducted in 2017. The findings from the evaluation included:

- Small, statistically significant reduction in the number of collection calls for the treatment group as compared to the comparison groups.
- Significant decline in the number of letters, calls and terminations for the Peoples Division treatment group as compared to the comparison groups.

The Company recognizes that payment behavior for all CAP participants, not just those in this expanded CAP eligibility program, is an important area for focused improvement. To increase success in paying down prior debts through receipt of arrearage forgiveness benefits and to maintain current payments to retain active utility service, the Company should seek input from its Universal Service Advisory Group regarding outreach such as text/email reminders of payments due. This issue will be a topic of its January 2020 USAG meeting.

Attachment B

CAP Participation Projections

CAP Eligibility 151 to 200% FPL

	2018		
	Peoples	Equitable	PTWP
Jan	994	570	240
Feb	1,016	583	254
Mar	1,072	630	271
Apr	1,212	708	289
May	1,273	757	291
Jun	1,270	760	285
Jul	1,220	735	278
Aug	1,228	750	277
Sep	1,215	753	275
Oct	1,225	768	273
Nov	1,267	793	279
Dec	1,290	808	278
Average/year	1,190	718	274

	2019		
	Peoples	Equitable	PTWP
Jan	1,303	815	283
Feb	1,341	849	287
Mar	1,408	901	291
Apr	1,478	956	304
May	1,538	981	318
Jun	1,475	936	302
Jul	1,419	907	274
Aug	1,392	913	271
Sep	1,359	891	260
Oct	1,341	875	257
Nov	1,336	862	255
Dec	1,318	851	258
Average/year	1,392	895	280

Two Year Average

Peoples (PNG)	1,291
Equitable (PNG)	806
PTWP (PG)	277

Annual Participation Projections

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Peoples Natural Gas	2,098	2,140	2,172	2,193	2,204
Peoples Gas LLC	277	283	287	290	291

Attachment C

Attachment D

2020 Projection

	PNG		PG	
Cap Credits				
0 to 50% estimate	\$	4,666,813	\$	458,343
51 to 100% estimate	\$	4,807,388	\$	234,836
101 to 150% estimate	\$	1,163,633	\$	200,115
151 to 200% estimate	\$	63,737	\$	14,911
Arrearage Forgiveness	\$	5,309,582	\$	418,085
Admin Costs	\$	1,112,909	\$	110,068
Total	\$	17,124,061	\$	1,436,358

PNG -- Estimated Change by Component					
	Removal of \$5 PPA		Removal of \$5 CAP Plus		Reduction in Payment %
0 to 50% estimate	\$	185,409	\$	463,523	\$ 1,391,852.31
51 to 100% estimate	\$	250,858	\$	760,177	\$ 2,847,801.64
101 to 150% estimate	\$	191,639	\$	504,312	\$ 774,592.67
151 to 200% estimate	\$	84,472	\$	126,078	\$ 21,315.58

2021 Projection

	PNG		PG	
Cap Credits				
0 to 50% estimate	\$	4,760,380	\$	467,510
51 to 100% estimate	\$	4,903,535	\$	239,533
101 to 150% estimate	\$	1,186,905	\$	204,117
151 to 200% estimate	\$	65,012	\$	15,209
Arrearage Forgiveness	\$	5,415,766	\$	426,379
Admin Costs	\$	1,146,297	\$	113,370
Total	\$	17,477,896	\$	1,466,118

PNG -- Estimated Change by Component					
	Removal of \$5 PPA		Removal of \$5 CAP Plus		Reduction in Payment %
0 to 50% estimate	\$	189,117	\$	472,793	\$ 1,419,758.28
51 to 100% estimate	\$	255,876	\$	775,380	\$ 2,904,757.67
101 to 150% estimate	\$	195,472	\$	514,399	\$ 790,084.53
151 to 200% estimate	\$	86,162	\$	128,600	\$ 43,270.02

2022 Projection

	PNG		PG	
Cap Credits				
0 to 50% estimate	\$	4,831,786	\$	474,523
51 to 100% estimate	\$	4,977,088	\$	243,126
101 to 150% estimate	\$	1,204,709	\$	207,179
151 to 200% estimate	\$	65,987	\$	15,437
Arrearage Forgiveness	\$	5,496,865	\$	432,846
Admin Costs	\$	1,180,686	\$	116,771

PNG -- Estimated Change by Component					
	Removal of \$5 PPA		Removal of \$5 CAP Plus		Reduction in Payment %
0 to 50% estimate	\$	191,954	\$	479,885	\$ 1,441,054.65
51 to 100% estimate	\$	259,714	\$	787,011	\$ 2,948,329.03
101 to 150% estimate	\$	198,404	\$	522,115	\$ 801,935.80
151 to 200% estimate	\$	87,454	\$	130,529	\$ 43,919.07

Total \$ 17,757,121 \$ 1,489,881

2023 Projection

	PNG		PG	
Cap Credits				
0 to 50% estimate	\$	4,880,104	\$	479,268
51 to 100% estimate	\$	5,026,859	\$	245,557
101 to 150% estimate	\$	1,216,756	\$	209,250
151 to 200% estimate	\$	66,647	\$	15,591
Arrearage Forgiveness	\$	5,551,848	\$	437,204
Admin Costs	\$	1,216,106	\$	120,274
Total	\$	17,958,320	\$	1,507,145

PNG -- Estimated Change by Component					
	Removal of \$5 PPA		Removal of \$5 CAP Plus		Reduction in Payment %
0 to 50% estimate	\$	193,873	\$	484,684	\$ 1,455,465.20
51 to 100% estimate	\$	262,311	\$	794,881	\$ 2,977,812.33
101 to 150% estimate	\$	200,388	\$	527,336	\$ 809,955.15
151 to 200% estimate	\$	88,329	\$	131,834	\$ 44,358.26

2024 Projection

	PNG		PG	
Cap Credits				
0 to 50% estimate	\$	4,904,504	\$	481,664
51 to 100% estimate	\$	5,051,994	\$	246,785
101 to 150% estimate	\$	1,222,840	\$	210,297
151 to 200% estimate	\$	66,980	\$	15,669
Arrearage Forgiveness	\$	5,579,683	\$	439,313
Admin Costs	\$	1,252,589	\$	123,882
Total	\$	18,078,590	\$	1,517,610

PNG -- Estimated Change by Component					
	Removal of \$5 PPA		Removal of \$5 CAP Plus		Reduction in Payment %
0 to 50% estimate	\$	194,843	\$	487,107	\$ 1,462,742.52
51 to 100% estimate	\$	263,622	\$	798,856	\$ 2,992,701.39
101 to 150% estimate	\$	201,390	\$	529,973	\$ 814,004.93
151 to 200% estimate	\$	88,770	\$	132,493	\$ 44,580.05

Calculation Notes

CAP Credits	Historical customer data used as basis for income/usage calculations using proposed income percentages; adjusted to reflect enrollment projections; using rates effective July 1, 2020	Change in Payment % is a comparison of the CAP payment calculation using the currently applicable percentage to the proposed percentage. In both the projected CAP credits and the 'Change in Payment %', CAP Plus and PPA add-ons are excluded.
Arrearage Forgiveness	Average AR per customer plus \$60 to due elimination of \$5 copay; multiplied by number of projected enrollees; 71% payment compliance adjustment	
Admin Costs	2020 contract rate increased by 3% per year as provided in Dollar Energy Fund contracts. Assumes no changes in number of DEF agents serving the program.	

PG -- Estimated Change by Component				
	Removal of \$5 PPA	Removal of \$5 CAP Plus	Reduction in Payment %	
0 to 50% estimate	\$ 14,989	\$ 35,688	\$	132,729.40
51 to 100% estimate	\$ 27,836	\$ 71,375	\$	144,883.88
101 to 150% estimate	\$ 21,573	\$ 55,316	\$	148,462.15
151 to 200% estimate	\$ 10,278	\$ 16,059	\$	10,344.36

PG -- Estimated Change by Component				
	Removal of \$5 PPA	Removal of \$5 CAP Plus	Reduction in Payment %	
0 to 50% estimate	\$ 15,289	\$ 36,401	\$	135,383.98
51 to 100% estimate	\$ 28,393	\$ 72,803	\$	147,781.56
101 to 150% estimate	\$ 22,005	\$ 56,422	\$	151,431.39
151 to 200% estimate	\$ 10,484	\$ 16,381	\$	10,551.25

PG -- Estimated Change by Component				
	Removal of \$5 PPA	Removal of \$5 CAP Plus	Reduction in Payment %	
0 to 50% estimate	\$ 15,518	\$ 36,947	\$	137,414.74
51 to 100% estimate	\$ 28,819	\$ 73,895	\$	149,998.29
101 to 150% estimate	\$ 22,335	\$ 57,268	\$	153,702.87
151 to 200% estimate	\$ 10,641	\$ 16,626	\$	10,709.52

PG -- Estimated Change by Component				
	Removal of \$5 PPA	Removal of \$5 CAP Plus	Reduction in Payment %	
0 to 50% estimate	\$ 15,673	\$ 37,317	\$	138,788.89
51 to 100% estimate	\$ 29,107	\$ 74,633	\$	151,498.27
101 to 150% estimate	\$ 22,558	\$ 57,841	\$	155,239.89
151 to 200% estimate	\$ 10,747	\$ 16,793	\$	10,816.61

PG -- Estimated Change by Component				
	Removal of \$5 PPA	Removal of \$5 CAP Plus	Reduction in Payment %	
0 to 50% estimate	\$ 15,751	\$ 37,503	\$	139,482.84
51 to 100% estimate	\$ 29,253	\$ 75,007	\$	152,255.76
101 to 150% estimate	\$ 22,671	\$ 58,130	\$	156,016.09
151 to 200% estimate	\$ 10,801	\$ 16,876	\$	10,870.69

Attachment E

Customer Assistance Program (CAP)

Peoples Natural Gas and Peoples Gas Consumer Education and Outreach Plan

Purpose: To provide a multi-pronged approach to consumer education with the goal of connecting eligible populations, for whom CAP is the most beneficial plan, to enrollment. Emphasis will be placed on outreach activities and methods that provide education and begin the enrollment process simultaneously. All outreach activities are designed to increase awareness of income eligible programs which include available energy assistance as well as CAP. A detailed map of advertising and outreach efforts, including the number of expected impressions, is provided as an attachment.

General Audience Education & Outreach Activities

Activity	Frequency
Annual focused bill inserts	Singular section of fall insert; expanded sections in November and December inserts
Website self-screening tool	Available 24/7
Website program information	Available 24/7
Social Media Advertisements	Multi-season messaging; aligning with colder weather; opening of energy assistance programs, etc.
Community education	Posters/handouts provided to schools, churches, agencies regarding LIHEAP and CAP.

Additional Target Audience Education & Outreach Activities

Activity	Details
Incoming callers screened for eligibility	Application for service; bill payment discussions; termination/restoration calls; PFA calls
Identification of limited income customers using online payment arrangement tool (e-account)	Direct outreach effort to explain benefits of CAP; offer enrollment. List of eligible customers generated weekly for outreach.
Hardship Grant applications at Dollar Energy Fund agencies	Benefits of CAP described; customers enroll remaining balances after grant into CAP.
LIHEAP recipient identification	List generated weekly of LIHEAP grants received that week on accounts that are not currently enrolled in CAP.
Limited Income Events	Provide representatives and materials to local events: senior fairs, resource fairs, etc.
Termination Notices	Contain eligibility information regarding CAP and energy assistance.
Plain English Notice (prior to Termination)	Mailed via US mail beginning spring of 2020.
Help at Peoples Now (HAPN Program)	Field employees utilize dedicated phone line to refer customers for assistance with CAP and energy assistance to avoid termination.

Annual Training/Community Education Opportunities

Association	Training/Support
PA 211 Call Center	On-site training provided at least once per year regarding available energy assistance grants, CAP eligibility and enrollment processes.
Project Destiny (Pittsburgh's north side)	Multi-pronged support including regular training for field workers who visit customer homes; case management assistance to enroll customers in CAP, resolve terminations, etc.; participation in monthly resource meetings.
BeUtilityWise (Allegheny County & Johnstown)	Annual participation in planning, program development and presentations to attendees regarding CAP.
Allegheny Link	Participate in regular meetings with community partners to provide information on eligibility and enrollment.
Cornerstone (Beaver County)	Participate in meetings and provide presentations regarding Peoples' CAP.
Mission of Mercy	Two-day free dental clinic held at PPG Paints Area in downtown Pittsburgh in the summer. In 2019, over 1,300 were served. Peoples staff answers questions and offers information while also distributing program materials.
State Legislator Events	Multiple events in the fall of each year with local state reps. Provide presentations and one-on-one assistance, distribute materials, etc.
Resource Fairs	Held throughout the service territory on various dates in the fall/winter season. Peoples staff answer questions/distribute information. (historical examples: YWCA of Greater Pittsburgh, Allegheny Health Network Health Fair)
Aging Consortium Lunch/Presentation	Will begin in 2020/details TBD – partner with other utilities; hold first event in Johnstown/Altoona area;
Train the Trainer events	Will begin in 2020. Offer training to additional local agencies, community partners.

Outreach mailings	Targeting school districts with a high percentage of free/reduced lunch students; local churches
-------------------	--

Special Needs/Limited English Proficiency/Protection From Abuse

- Outreach materials (posters/handouts) are prepared in both English and Spanish translations.
- Language Line used for LEP customers.
- All PFA customers screened for CAP.
- All customers receiving other Universal Service programs (LIURP, Emergency Repair Program, CARES) are screened for CAP.
- Support to vulnerable customers provided by CARES representatives when customers are having difficulty understanding and/or completing steps to enroll in CAP.
- Help at Peoples Now – Field employees provided with education and dedicated phone line to reach customer program staff to help customers that need CAP or other income eligible programs. Field employees also carry business cards to be given to customers to encourage them to call for assistance.

CAP Enrollment Methods

Method	Availability
Via telephone (most commonly used method)	Monday through Friday from 7 a.m. to 5 p.m.; customers that must provide income documentation can submit those via email, fax, or US mail.
Dollar Energy Fund Screening Agency	Applications by appointment with local agency.
Self-service online application	Planned implementation through CAP administrator, Dollar Energy, third quarter of 2020. Applications will be available at www.dollarenergy.org ;

Ease of Enrollment Efforts

- No income documentation required if customer has received LIHEAP.
- Customers who receive Hardship Grants that do not cover their entire balance are enrolled into CAP for remaining balance.
- Income submitted to other utility programs managed by CAP administrator (Dollar Energy Fund) can be used to avoid multiple submissions.
- Applicants to Duquesne Light's CAP can provide their permission for DLC to share their data with Peoples to enroll in CAP.

Attachment F

Settlement Commitment – Acquisition Case	Notes
<p>The Peoples Companies shall continue to fund the Companies' Universal Service Programs, including its Customer Assistance Program ("CAP"), Low Income Usage Reduction Program ("LIURP"), CARES, and hardship fund at levels that, at a minimum, are not less than the funding levels proposed in its most recent Universal Service and Energy Conservation Plan for 2019-2021 at Docket No. M-2018-3003177, plus the increased funding outlined in this settlement. Within 90 days of approval of the settlement in this case, the Peoples Companies will file an amended Universal Service Plan for 2019-2021 with the Commission to reflect the changes adopted in the proceeding.</p>	<p>This filing was completed 4/23/20.</p>
<p>Aqua America will contribute historical universal service program contribution levels for the Peoples Companies' LIURP for four years after the date of closing. Funding for LIURP will not be reduced after this four year period, but just and reasonable costs will be recovered by the approved universal service cost recovery mechanism in effect at the time.</p>	<p>These shareholder contributions were included in the 2020 budget.</p>
<p>Aqua America shareholders will contribute an additional \$100,000 each year for four years after closing to Dollar Energy. This increase will be over and above the funding levels that are currently in place, and will be allocated proportionately based on the needs assessments across both divisions of Peoples Natural Gas and Peoples Gas.</p>	<p>This is an increase to the Hardship Fund grants by \$100,000 for four years. It was reflected in the 4/23/20 USECP update. The new Hardship Program year begins October 1, 2020 and the additional \$100,000 will be included in the opening budget for the program.</p>

<p>Aqua America will increase the Peoples Companies' LIURP emergency furnace repair by \$75,000. The Peoples Companies will amend eligibility criteria to include renters as well as homeowners. A maximum of 25% of the annual emergency furnace repair budget will be made available for renters. The Peoples Companies will include in their 2022-2024 USECP filing a breakdown of dollars spent annually on renters versus homeowners and will make a recommendation about whether the 25% cap should be raised or eliminated. Funds not used will rollover to subsequent years. This increase will be paid by Aqua America shareholders for a three year period post-closing. After that three year period, the Peoples Companies' LIURP will be funded by the approved universal service cost recovery mechanism in place at that time. This funding will remain at the total proposed levels until a different funding level is approved by the Commission based on needs assessment.</p>	<p>The increase of \$75,000 was included in the 2020 budget for the program. The changes to the program to allow for participation by renters was filed on 4/23/20. The implementation of the changes which allow renters to participate will begin immediately following Commission approval of the USECP.</p>
<p>Aqua America commits to continue to use community-based organizations within the Peoples Companies' service territories for delivery, implementation, and community financial support of Universal Service programs. The Peoples Companies will also continue to promote their hardship fund through its public advertising and sponsorship of such activities that bring in additional non-shareholder revenue to the Dollar Energy Fund.</p>	<p>This commitment ensures Peoples will continue to use Dollar Energy Fund to administer programs and will also provide promotional support for customer donations to the Hardship Fund.</p>
<p>Regarding the administration of its CAP and hardship fund, the Peoples Companies will continue to partner with an agency that: (a) can increase the number of intake sites; (b) is an administrator of utility CAP program for the electric distribution companies ("EDCs") or natural gas distribution companies ("NGDCs") in its service territory; (c) recruits and partners with multi-service agencies; and, (d) uses a case management system to track and monitor referrals and enrollments into utility programs.</p>	<p>This commitment ensures Peoples will continue to use Dollar Energy Fund to administer its CAP program.</p>

<p>The Peoples Companies will continue the Peoples Universal Service Advisory Group. The Group will invite community-based organizations ("CBOs"), Low-Income Advocates, the OCA and other interested stakeholders. The Group will meet quarterly to discuss all universal service issues including, but not limited to, recommendations concerning LIURP, LIURP eligibility, concerns and landlord issues that may present a barrier to customer participation.</p>	<p>Commitment to maintain our advisory group and continue to operate it in the same manner as under Peoples ownership.</p>
<p>The Peoples Companies shall continue the current Universal Service organization structure and staffing levels for its Universal Service Programs as outlined and explained in the Peoples Companies' Universal Service and Energy Conservation Plan for 2019-2021 at Docket No. M-2018-3003177, for at least five years. In addition, Aqua America will ensure that the Peoples Companies' universal service staff will have the appropriate authority and discretion to continue to operate the Peoples Companies' Universal Service programs in a manner which is reasonably consistent with the manner in which the programs were operated prior to the acquisition.</p>	<p>This commitment ensures Peoples' current staff structure and notes that programs will continue to operate as they have historically under Peoples' ownership.</p>
<p>The Peoples Companies shall continue the "Help at Peoples Now" program that allows field employee personnel to make referrals to the Peoples Companies for payment and payment arrangements in lieu of termination of service for at least the next five years after closing.</p>	<p>Help at Peoples Now was implemented in 2018 and remains in effect. It is an internal program which promotes communication between field personnel and Customer Relations staff to assist customers with difficult circumstances, such as health and welfare concerns.</p>

Attachment G

Hardship Program Guidelines Exhibit A for Peoples Natural Gas LLC

**2020-
2021**

All utility companies are required to select the guideline options that best meet their program needs on an annual basis. Exhibit A shows the guidelines currently in place for your program. These Guidelines may be altered by the Company at any time during the agreement.

Income Level

The maximum allowable gross household income currently in place is highlighted below. The income level is based on the Federal Poverty Income Guidelines.

1. 150% FPIG
2. 175% FPIG
3. **200% FPIG**
4. 250% FPIG
5. Other _____

The 2020 Federal Poverty Income Guidelines will be in effect until February 1, 2021. The 2021 FPIG amounts will take effect on February 1, 2021 and will remain in effect for the remainder of the program year. The Federal Poverty Income Guidelines will be adjusted each year on February 1st.

Low Funding Threshold

The low funding threshold will determine the point at which your utility company will only accept applications for customers whose service is off. This threshold can be set at a percentage of the starting balance for your utility or at a specific dollar amount.

The low funding threshold may be set to \$0.00 if you do not want to limit eligibility to customers whose service is off.

The Low Funding Threshold which is currently in place for your program is highlighted below.

1. Percentage of funds _____
or
2. Specific dollar amount **\$55,000.00**

Hardship Program Guidelines Exhibit A for Peoples Natural Gas LLC

**2020-
2021**

Service Status

Companies have the option to set the service status requirement for applicants. The service status can be tailored to accommodate seasonal requirements that apply to your company or can be set to remain at the same service status for the entire program year.

The service status settings are Off Only, Off or In Threat of Termination, Open (customers may apply regardless of service status) or Closed.

The service status which is currently in place for your program is highlighted below.

1. October	A. Off Only	B. Off/Term	C. Open	D. Closed
2. November	A. Off Only	B. Off/Term	C. Open	D. Closed
3. December	A. Off Only	B. Off/Term	C. Open	D. Closed
4. January	A. Off Only	B. Off/Term	C. Open	D. Closed
5. February	A. Off Only	B. Off/Term	C. Open	D. Closed
6. March	A. Off Only	B. Off/Term	C. Open	D. Closed
7. April	A. Off Only	B. Off/Term	C. Open	D. Closed
8. May	A. Off Only	B. Off/Term	C. Open	D. Closed
9. June	A. Off Only	B. Off/Term	C. Open	D. Closed
10. July	A. Off Only	B. Off/Term	C. Open	D. Closed
11. August	A. Off Only	B. Off/Term	C. Open	D. Closed
12. September	A. Off Only	B. Off/Term	C. Open	D. Closed

Customer Assistance Program Eligibility

Many utility companies offer a customer assistance program to their low-income customers. This program can provide the customer with a rate discount, a fixed monthly credit or a fixed monthly payment that may be less than the amount of gas, water or electric that the household used.

Each utility company has the option to allow customers who are enrolled into their Customer Assistance Program to receive a hardship grant while enrolled in this program.

The options currently in place for your program are highlighted below.

My company has a program to assist low-income customers on a monthly basis.

- 1. Yes**
- No

If you answered yes, please make an election for the additional requirements below.

Hardship Program Guidelines Exhibit A for Peoples Natural Gas LLC

**2020-
2021**

Customers who are enrolled in the CAP are eligible to apply for a hardship grant.

1. Yes
2. No

If you permit customers who are enrolled into a customer assistance program to apply for a grant, please elect whether or not you want someone at your company to review the grant prior to Dollar Energy's final processing.

We want to review grants for customers who are enrolled in our customer assistance program.

1. Yes
2. No

Maximum Grant Amount

The maximum grant amount can be tailored to any dollar amount. You should consider the average monthly bill for your customers as well as the total dollars which will be available for your customers during the program year when choosing the maximum grant amount.

The maximum grant amount which is currently in place for your program is highlighted below.

1. Dollar amount of maximum grant \$500.00

Grant Frequency

This will determine the time frame for a customer to become eligible to apply for an additional hardship assistance grant for your company.

The option which is currently in place for your program is highlighted below.

Customers may apply for a hardship grant:

1. Once per program year
2. Once every 12 months
3. Once every 6 months
4. Once every _____ months

Hardship Program Guidelines Exhibit A for Peoples Natural Gas LLC

**2020-
2021**

Sincere Effort of Payment

Dollar Energy believes that customers need to make a sincere effort to pay their utility bills on a regular basis. In keeping with this philosophy, applicants need to make a payment before applying for a grant to assist with their bill. Your company will determine the amount of the sincere effort of payment that is required as well as the timeframe for that amount.

The Sincere Effort of Payment guidelines which are currently in place for your program are highlighted below.

1. Sincere Effort of Payment amount \$150.00
2. Sincere effort of payment time frame Last 3 months

You can reduce the sincere effort of payment for senior citizens who are 62 years of age or older.

Reduce the sincere effort of payment for applicants who are 62 years of age or older

1. Yes
2. No

If you have elected to reduce the sincere effort of payment for applicants who are 62 years of age or older, you will need to elect the amount of their payment

1. Senior sincere effort of payment amount \$100.00

Minimum Balance Requirement

Utility companies must elect the minimum balance required before a household is eligible to apply for a grant. You may want to take into consideration the average monthly bill for your company as well as the minimum amount that would generate a termination notice to your customers.

The balance requirements which are currently in place for your program are highlighted below.

1. Applicants must have a balance on their utility bill of at least \$100.00

You can also elect to allow seniors, 62 years of age or older, to have a lower balance to be eligible to apply.

Reduce the balance requirement for seniors.

1. Yes
2. No

Hardship Program Guidelines Exhibit A for Peoples Natural Gas LLC

2020-
2021

If you have elected to reduce the balance requirement for applicants who are 62 years of age or older, you will need to elect a minimum balance amount.

1. Seniors must have a balance on their utility bill of at least \$0.00.

Additional Requirements

Tailoring options are not available for these requirements.

- In order to be eligible to apply, the ratepayer must be an adult currently living in the household.
- Applications for assistance will not be considered if the bill is in the landlord's name or the name of an individual who does not live at the service address. This applies even if the person living at the address is responsible for paying the bill. The bill must be changed to the name of an adult living at the service address for the household to be eligible.
- The account must be residential and for a single family home or apartment. Apartments with a shared utility service are not eligible to apply.
- Accounts that are commercial, industrial or cooking only are not eligible to apply for assistance.
- If the Federal LIHEAP and Crisis programs are open **and** a customer is eligible, they must apply for these programs before applying for a Dollar Energy Fund grant. If the customer is not eligible, or LIHEAP and Crisis are not open, the customer does not need to apply prior to completing an application for assistance from Dollar Energy Fund.
- Dollar Energy Fund grants cannot be used to cover security deposits or reconnection fees.
- If a customer's utility service is off or in threat of termination when they apply and the maximum grant amount will not restore service or stop the termination, the application will be denied. The amount needed to restore service or stop a termination is determined by utility review.
- Notification will be sent to the customer advising them that their application was denied and that an additional payment is required in order to be considered for assistance.
- Applications may be reconsidered if the additional payment is made and funds are still available for that utility company. The applicant must meet all other eligibility requirements at the time that the application is reconsidered.

Attachment H

Peoples Gas

				Households at or below 150% FPL		
County	Peoples Division Customers	Households in County (Census)	% Households Served by Peoples		Households in County (Census)	Estimate of Households Served by Peoples
Allegheny	11,909	537,960	2.2%		129,562	2,868
Armstrong	4,221	27,990	15.1%		7,624	1,150
Blair	80	51,625	0.2%		15,526	24
Butler	26,559	76,240	34.8%		13,797	4,806
Cambria	405	56,793	0.7%		17,307	123
Clarion	403	15,824	2.5%		5,187	132
Clearfield	19	31,349	0.1%		10,307	6
Indiana	3,034	33,892	9.0%		12,065	1,080
Jefferson	5,410	18,465	29.3%		5,653	1,656
Westmoreland	6,350	151,665	4.2%		33,178	1,389
Total	58,390	1,001,803	5.8%			13,235
						Less Than 150% Poverty

Confirmed Low Income
Payment Troubled

13,159
2,256

Peoples Gas

				Households between 151 and 200% FPL		
County	Peoples Division Customers	Households in County (Census)	% Households Served by Peoples		Households in County (Census)	Estimate of Households Served by Peoples
Allegheny	11,909	537,960	2.2%		46,709	1,034
Armstrong	4,221	27,990	15.1%		3,055	461
Blair	80	51,625	0.2%		5,509	9
Butler	26,559	76,240	34.8%		5,742	2,000
Cambria	405	56,793	0.7%		5,720	41
Clarion	403	15,824	2.5%		1,909	49
Clearfield	19	31,349	0.1%		3,750	2
Indiana	3,034	33,892	9.0%		2,930	262
Jefferson	5,410	18,465	29.3%		2,443	716
Westmoreland	6,350	151,665	4.2%		14,111	591
Total	58,390	1,001,803	5.8%			5,164
						151 to 200% FPL

Confirmed Low Income
Payment Troubled

2,472
907

Peoples Natural Gas

				Households at or below 150% FPL		
County	Peoples Division Customers	Households in County (Census)	% Households Served by Peoples		Households in County (Census)	Estimate of Households Served by Peoples
Allegheny	354,545	537,960	65.9%		129,562	85,388
Armstrong	13,675	27,990	48.9%		7,624	3,725
Beaver	17,932	70,817	25.3%		17,128	4,337
Blair	29,790	51,625	57.7%		15,526	8,959
Butler	17,010	76,240	22.3%		13,797	3,078
Cambria	24,969	56,793	44.0%		17,307	7,609
Clarion	271	15,824	1.7%		5,187	89
Fayette	2,970	54,511	5.4%		19,090	1,040
Greene	4,802	14,211	33.8%		3,858	1,304
Indiana	11,198	33,892	33.0%		12,065	3,986
Jefferson	36	18,465	0.2%		5,653	11
Lawrence	4,017	36,907	10.9%		10,801	1,176
Mercer	4,400	46,028	9.6%		13,118	1,254
Somerset	1,526	29,708	5.1%		8,531	438
Venango	81	21,915	0.4%		6,742	25
Washington	19,992	84,100	23.8%		18,422	4,379
Westmoreland	75,342	151,665	49.7%		33,178	16,482
Total	582,556	1,328,651	43.8%			143,280
						Less Than 150% Poverty

Confirmed Low Income

143,228

Payment Troubled

20,322

Peoples Natural Gas

					Households between 151 and 200% FPL	
County	Peoples Division Customers	Households in County (Census)	% Households Served by Peoples		Households in County (Census)	Estimate of Households Served by Peoples
Allegheny	354,545	537,960	65.9%		46,709	30,784
Armstrong	13,675	27,990	48.9%		3,055	1,493
Beaver	17,932	70,817	25.3%		6,942	1,758
Blair	29,790	51,625	57.7%		5,509	3,179
Butler	17,010	76,240	22.3%		5,742	1,281
Cambria	24,969	56,793	44.0%		5,720	2,515
Clarion	271	15,824	1.7%		1,909	33
Fayette	2,970	54,511	5.4%		5,911	322
Greene	4,802	14,211	33.8%		1,410	476
Indiana	11,198	33,892	33.0%		2,930	968
Jefferson	36	18,465	0.2%		2,443	5
Lawrence	4,017	36,907	10.9%		3,772	411
Mercer	4,400	46,028	9.6%		4,838	462
Somerset	1,526	29,708	5.1%		3,590	184
Venango	81	21,915	0.4%		2,583	10
Washington	19,992	84,100	23.8%		7,333	1,743
Westmoreland	75,342	151,665	49.7%		14,111	7,010
Total	582,556	1,328,651	43.8%			52,633
						151 to 200% Poverty

Confirmed Low Income

21,965

Payment Troubled

7,261