

Jennedy S. Johnson
Assistant General Counsel
2301 Market Street / S23-1
Philadelphia, PA 19103

Direct Dial: 215-841-4353
jennedy.johnson@exeloncorp.com

September 24, 2020

VIA e-FILING

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

**Re: PECO Energy Company's 2016-2018 Universal Service and Energy
Conservation Plan
Docket No. M-2015-2507139**

Dear Secretary Chiavetta:

Enclosed please find the **Petition of PECO Energy Company for Expedited Approval of Temporary Waivers and Modifications of Certain Provisions of its 2016-2018 Universal Service and Energy Conservation Plan Related to its Matching Energy Assistance Fund**, in the above-captioned proceeding.

Should you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,



Jennedy S. Johnson

JSJ/ab
Enclosures

cc: Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**PECO ENERGY COMPANY'S 2016-
UNIVERSAL SERVICE AND
ENERGY CONSERVATION PLAN** : : **Docket No. M-2015-2507139**

CERTIFICATE OF SERVICE

I hereby certify and affirm that I have this day served a true and correct copy of the **Petition of PECO Energy Company for Expedited Approval of a Temporary Waivers and Modifications of Certain Provisions of its 2016-2018 Universal Service and Energy Conservation Plan Related to its Matching Energy Assistance Fund** on the following persons, in the manner specified below, in accordance with the requirements of 52 Pa. Code Section 1.54:

VIA ELECTRONIC MAIL

Tanya J. McCloskey
Acting Consumer Advocate
Christy Appleby
Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923
tmccloskey@paoca.org
cappleby@paoca.org

Elizabeth R. Marx
Ria Pereira
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
emarxpulp@palegal.net
rpereirapulp@palegal.net
pulp@palegal.net
Counsel for CAUSE-PA

Josie H. Pickens
Joline R. Price
Community Legal Services
1424 Chestnut Street
Philadelphia, PA 19102
jpickens@clsphila.org
jprice@clsphila.org
Counsel for TURN, et al.

Richard Kanaskie
Director and Chief Prosecutor
Bureau of Investigation and & Enforcement
Pennsylvania Public Utility Commission
Commerce Keystone Building
400 North Street, 2nd Floor
Harrisburg PA 17105-3265
rkanaskie@pa.gov

John Evans
Small Business Advocate
Commonwealth of Pennsylvania
Forum Place
555 Walnut Street
Harrisburg, PA 17101
jorevan@pa.gov



Anthony E. Gay, Jr. (Pa. No. 74624)
Jack R. Garfinkle (Pa. No. 81892)
Jennedy S. Johnson (Pa. No. 203098)
PECO Energy Company
2301 Market Street
Philadelphia, PA 19103
Phone: 215.841.4353
Fax: 215.568.3389
anthony.gay@exeloncorp.com
jack.garfinkle@exeloncorp.com
jennedy.johnson@exeloncorp.com

Dated: September 24, 2020

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

PECO ENERGY COMPANY’S 2016- :
2018 UNIVERSAL SERVICE AND : **DOCKET NO. M-2015-2507139**
ENERGY CONSERVATION PLAN :

**PETITION OF PECO ENERGY COMPANY FOR EXPEDITED APPROVAL OF
TEMPORARY WAIVERS AND MODIFICATIONS OF CERTAIN PROVISIONS OF
ITS 2016-2018 UNIVERSAL SERVICE AND ENERGY CONSERVATION PLAN
RELATED TO ITS MATCHING ENERGY ASSISTANCE FUND**

I. INTRODUCTION

PECO Energy Company (“PECO” or the “Company”), pursuant to 52 Pa. Code § 5.41, hereby petitions the Pennsylvania Public Utility Commission (the “Commission”) for expedited approval of temporary waivers and modifications of certain provisions in its Commission-approved 2016-2018 Universal Service and Energy Conservation Plan (“approved USECP”) related to the Company’s Matching Energy Assistance Fund (“MEAF”) grants.

Specifically, the Company is proposing to temporarily (1) raise the Federal Poverty Line (“FPL”) eligibility from 175% to 200%; (2) waive the provision requiring a customer to be in imminent danger of termination or be terminated in order to qualify for a MEAF grant; (3) replace that language with a provision requiring the customer to have a past-due balance; and (4) waive the provision limiting grant eligibility only to those customers who have not received a MEAF grant in the past two years. PECO is requesting that these waivers/modifications be applicable through March 31, 2021, the end of the Winter Termination Moratorium. To facilitate expedited review, the Company is requesting this waiver as part of its most recently approved USECP.¹

¹ As the Commission explained in its October 3, 2019 Order at Docket No. M-2019-3012601, “A utility can file and serve a petition to amend its current USECP at any time, regardless of the filing schedule. Such petitions allow the Commission and all stakeholders to focus only on the impact of the proposed program change(s) – rather than a

The Company’s proposal will provide timely and temporary relief to a wider array of low-income customers in its service territory by expanding MEAF eligibility to 200% of the FPL and allowing customers to apply for MEAF grants of up to \$500 per commodity without the required termination notice and qualify even if they received a grant in the past two years. In addition, and as explained in this Petition, PECO has been authorized to represent that the Company’s proposal is supported by the Office of Consumer Advocate (“OCA”) and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”). The Company strongly urges the Commission to review and approve this proposal on an expedited basis to ensure that low-income customers have the opportunity to receive MEAF grants in 2020.

II. BACKGROUND

1. PECO is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office in Philadelphia, Pennsylvania. PECO provides electric delivery service to approximately 1.6 million customers and natural gas delivery service to more than 534,000 customers in Pennsylvania.

2. Pennsylvania’s Electricity Generation Customer Choice and Competition Act and Natural Gas Choice and Competition Act include several provisions relating to universal service to ensure that policies, practices and services are in place to help low-income customers maintain utility service.² The statutory definition of “universal service and energy conservation” includes

comprehensive review of the utility’s entire universal service portfolio – and take significantly less time for the Commission to review and render a decision.” The Company has submitted a proposed USECP at Docket No. M-2018-3005795, which remains under consideration by the Commission.

² The Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2801-2812, became effective on January 1, 1997. The Natural Gas Choice and Competition Act, 66 Pa.C.S. §§ 2201-2212, became effective on July 1, 1999. *See* 66 Pa.C.S. §§ 2203(7) and 2802(10).

customer assistance programs, usage reduction programs, service termination protections, and consumer education. 66 Pa. C.S. §§ 2202 and 2803.

3. The Commission has established universal service regulations that, among other things, require each electric distribution company serving more than 60,000 residential accounts and each natural gas distribution company serving more than 100,000 residential accounts to submit an updated USECP every three years to the Commission for approval. 52 Pa. Code §§ 54.74 and 62.4.

4. PECO's 2016-2018 USECP was submitted on October 1, 2015 and approved by the Commission on August 11, 2016.³ A number of revisions were made to the 2016-2018 USECP after its initial approval. On November 2, 2017, the Company submitted an addendum to its 2016-2018 USECP to establish a pilot program to assist customers in reducing the use of electric portable space heating as a primary source of heating. Most recently, on June 26, 2020, the Company filed for approval of suite of temporary measures to assist customers during the pandemic.⁴

5. PECO filed its proposed 2019-2021 USECP on November 1, 2018, and a corrected version on November 26, 2019.⁵

6. On October 3, 2019, at Docket No. M-2019-3012601, the Commission entered an order extending the duration of existing or proposed USECPs from three years to five years and

³ See *PECO Energy Company Universal Service and Energy Conservation Plan for 2016-2018 Submitted in Compliance with 52 Pa. Code §§ 54.74 and 62.4*, Docket No. M-2015-2507139 (Order entered August 11, 2016).

⁴ At its August 6, 2020, the Commission voted 2-2 on PECO's filing. See *PECO Energy Company's Petition for Expedited Approval of Temporary Universal Service Measures*, Docket No. P-2020-3020555; motion of Vice Chairman Sweet available at: <http://www.puc.pa.gov/pcdocs/1672412.pdf> (no action taken August 6, 2020).

⁵ See Docket No. M-2018-3005795.

directing utilities to provide enrollment and budgetary projections for any additional years added to their existing or proposed USECPs.⁶ In accordance with that Order, on January 16, 2020, PECO filed a proposed USECP for the 2019-2024 period.⁷

7. On March 6, 2020, Governor Tom Wolf issued a Proclamation of Disaster Emergency due to the emergence of COVID-19 in the United States and the Commonwealth of Pennsylvania.⁸

8. On March 13, 2020, the Commission issued an Emergency Order establishing a moratorium on the termination of public utility service.⁹

9. As of September 23, 2020, the Pennsylvania Department of Health has reported 147,862 cases of COVID-19 in the Commonwealth, with a total of 8,062 COVID-19 deaths.¹⁰ Since mid-March, over 2.1 million Pennsylvanians have filed unemployment claims.¹¹

10. The Commission has recognized the impact of the COVID-19 pandemic on financially-stressed customers and has urged customers to “work together with their utilities to tap into numerous utility assistance programs intended to make utility bills more manageable.”¹²

⁶ *Universal Service and Energy Conservation Plan (USECP) Filing Schedule and Independent Evaluation Filing Schedule*, Docket No. M-2019-3012601 (Order entered October 3, 2019).

⁷ See Docket No. M-2018-3005795.

⁸ See <https://www.governor.pa.gov/wp-content/uploads/2020/03/20200306-COVID19-Digital-Proclamation.pdf>.

⁹ See http://www.puc.pa.gov/general/pdf/Emergency_Order_M-2020-3019244_031320.pdf.

¹⁰ COVID-19 Data for Pennsylvania, Pennsylvania Department of Health, <https://www.health.pa.gov/topics/disease/coronavirus/Pages/Cases.aspx>.

¹¹ Unemployment Compensation Claim Statistics & COVID-19, Pennsylvania Department of Labor and Industry, <https://www.uc.pa.gov/COVID-19/Pages/UC-Claim-Statistics.aspx>.

¹² March 27, 2020 Press Release of the Pennsylvania Public Utility Commission, http://www.puc.state.pa.us/about_puc/press_releases.aspx?ShowPR=4336.

III. TEMPORARY WAIVER/MODIFICATION OF CERTAIN MEAF REQUIREMENTS

11. MEAF is PECO's hardship fund program that allows customers to voluntarily contribute funds to provide grants that directly impact low-income customers in the communities in which they live. PECO customers support MEAF through individual donations and special fundraising events. Additionally, PECO provides administrative support for the program and matches each donation dollar-for-dollar, thereby doubling the impact that customer contributions have in aiding the community as a whole. In coordination with local Community Based Organizations ("CBOs"), PECO has established MEAF intake sites in five counties within its service territory. Grants are for amounts up to \$500 per commodity, and over the past three years an average of 1,000 customers have benefited from a MEAF grant annually.

12. As detailed in PECO's approved 2016-2018 USECP, a residential customer must meet the following criteria to be eligible for a MEAF grant:

- a. Be at or below 175% of the FPL;
- b. Demonstrate an emergency need/hardship (i.e. service is in imminent danger of termination or has been terminated);
- c. Be a resident of the county where they are applying for a MEAF grant; and
- d. Have not received a MEAF grant in the past 2 years.¹³

Further, the MEAF grant must bring the customer's account balance to zero – although this requirement can be met via a combination of the MEAF grant, customer co-payments, and other grants.

¹³ See *Compliance Filing on PECO Energy Company's Revised 2016-2018 Universal Service and Energy Conservation Plan (USECP)*, Docket No. M-2015-2507139 (filed February 17, 2017); available at: <http://www.puc.state.pa.us/pdocs/1510970.pdf>.

13. Due to the Emergency Order establishing a moratorium on the termination of public utility service, PECO has not issued any termination notices since March 13, 2020.

14. Historically, as the Winter Termination Moratorium ends on March 31st, CBOs see an influx of applications for MEAF grants from April through June. However, as termination or imminent danger of termination is a requirement for MEAF grant eligibility, MEAF grants for PECO customers have not been issued since November 2019.¹⁴

15. PECO is, therefore, seeking a temporary waiver of the approved MEAF eligibility requirement, which states in relevant part that a residential customer must: “Demonstrate an emergency need / hardship, (i.e. service is in imminent danger of termination or has been terminated)”. Instead, PECO proposes the following modification (applicable through March 31, 2021): a residential customer must: “provide proof of a past-due balance.” Unless a subsequent filing is made, beginning on April 1, 2021, PECO would revert back to the “emergency need / hardship” criteria.

16. This waiver and modification will allow PECO’s MEAF CBOs to distribute grants to low-income customers in need. Without approval, no grants will be issued under PECO’s MEAF program in 2020.

17. PECO is also seeking temporary waiver of the approved MEAF eligibility requirement that the customer must “not have received a MEAF grant in the past 2 years.” Unless a subsequent filing is made, beginning on April 1, 2021, PECO would revert back to the “past 2 years” criteria.

¹⁴ Note that while PECO provides administrative support and matching funds, each county’s MEAF CBO performs the grant intake, application, and approval.

18. Finally, PECO is seeking to temporarily expand MEAF grant eligibility from 175% FPL to 200% FPL. Unless a subsequent filing is made, beginning on April 1, 2021, PECO would revert back to the “175% FPL” criteria.

19. This combination of temporarily waiving the “past 2 years” criteria and expanding eligibility to 200% FPL will allow more of PECO’s customers to qualify to receive a MEAF grant.

IV. REQUEST FOR EXPEDITED CONSIDERATION

20. PECO is seeking approval of the instant temporary waivers and modified language so that its low-income customers will be eligible for MEAF grants in 2020. Without approval, no grants will be issued under PECO’s MEAF program in 2020. As previously stated, the Company’s proposal is supported by both the OCA and CAUSE-PA. For all these reasons, PECO requests that the Commission consider this Petition on an expedited basis.

V. NOTICE

21. PECO is serving copies of this filing on the OCA, the Office of Small Business Advocate, the Commission’s Bureau of Investigation and Enforcement, CAUSE-PA, and the Tenant Union Representative Network. Due to the pandemic, service will be made by email only.

VI. CONCLUSION

Based upon the foregoing, PECO respectfully requests that the Commission grant this Petition and approve the temporary waivers and modifications of the MEAF provisions in its USECP.

Respectfully submitted,



Anthony E. Gay (Pa. No. 74624)
Jack R. Garfinkle (Pa. No. 81892)
Jennedy S. Johnson (Pa. No. 203098)
PECO Energy Company
2301 Market Street, S23-1
Philadelphia, PA 19103
Phone: 215.841.4353
Fax: 215.568.3389
anthony.gay@exeloncorp.com
jack.garfinkle@exeloncorp.com
jennedy.johnson@exeloncorp.com

Dated: September 24, 2020

VERIFICATION

I, Richard G. Webster, Jr., hereby declare that I am the Vice President of Regulatory Policy and Strategy for PECO Energy Company; that, as such, I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Petition are true and correct to the best of my knowledge, information and belief; and that I make this verification subject to the penalties of 18 Pa.C.S. § 4904 pertaining to false statements to authorities.

A handwritten signature in black ink, consisting of the initials 'R.G.W.' followed by a long, horizontal, wavy line.

Dated: September 24, 2020

Richard G. Webster, Jr.