



September 14, 2021

VIA E-File

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
400 North Street, Filing Room
Harrisburg, PA 17120

Re: National Fuel Gas Distribution Corporation's Universal Service and Energy Conservation
Plan for 2022-2026 at Docket No. M-2021-3024935
Comments of CAUSE-PA

Dear Secretary Chiavetta,

Pursuant to the Order Directing Supplemental Information and Establishing Comment Period
entered July 15, 2021 by the Pennsylvania Public Utility Commission in the above noted docket,
enclosed please find the **Comments of the Coalition for Affordable Utility Services and
Energy Efficiency in Pennsylvania (CAUSE-PA)**.

Respectfully Submitted,
Counsel for CAUSE-PA

A handwritten signature in blue ink that reads "Elizabeth R. Marx". The signature is fluid and cursive, with the first name being the most prominent.

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

National Fuel Gas Distribution Corporation's :
Universal Service and Energy Conservation Plan : Docket No. M-2021-3024935
for 2022-2026 :

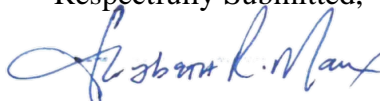
Certificate of Service

I hereby certify that I have this day served copies of the **Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** in accordance with the requirements of 52 Pa. Code § 1.54, as modified by the Commission's March 20, 2020 Emergency Order, in the manner and upon the persons listed below.

VIA EMAIL

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September 14, 2021

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

National Fuel Gas Distribution Corporation's : Docket No. M-2021-3024935
Universal Service and Energy Conservation Plan :
for 2022-2026 Submitted in Compliance with :
52 Pa. Code § 62.4 :

**COMMENTS OF THE COALITION FOR AFFORDABLE UTILITY SERVICES
AND ENERGY EFFICIENCY IN PENNSYLVANIA**

PENNSYLVANIA UTILITY LAW PROJECT

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September 14, 2021

TABLE OF CONTENTS

| | |
|---|----------|
| I. INTRODUCTION..... | 1 |
| II. BACKGROUND | 2 |
| III. COMMENTS..... | 8 |
| A. CAUSE-PA Response to the Commission’s July 15 Order..... | 8 |
| 1. LIRA (i.e., NFG’s CAP)..... | 8 |
| a. LIRA Bill Discount Calculation..... | 8 |
| b. Implementation of the 90% LIRA Discount | 11 |
| c. 36-Month Limit to Forgiveness of PPA Balances..... | 12 |
| d. CAP Final Billing | 16 |
| e. Recertification Timeframes | 18 |
| f. “Payment-troubled” Criteria for LIRA Eligibility | 18 |
| g. Documentation of Income | 19 |
| h. Inclusion of Child Income..... | 20 |
| i. Online LIRA Application | 23 |
| j. Outreach and Education Plan | 25 |
| 2. LIURP | 27 |
| a. Health and Safety and Incidental Repair..... | 27 |
| b. Low Consumption-LIURP Pilot (LC-LIURP Pilot)..... | 31 |
| c. LC-LIURP Pilot Reporting | 31 |
| c. Annual Contractor Meeting | 33 |
| d. LIURP Post Inspection | 34 |
| e. Landlord Permission..... | 35 |
| f. Unspent LIURP Funds | 37 |
| 3. Neighbor for Neighbor (NFN) (i.e., NFG’s Hardship Fund)..... | 39 |

| | |
|--|-----------|
| <i>a. Income Limit for NFN</i> | 40 |
| <i>b. Good Faith Payments</i> | 40 |
| <i>c. NFN Agency Training</i> | 42 |
| B. Additional Issues Identified by CAUSE-PA..... | 43 |
| 1. LIRA Termination Procedures..... | 43 |
| 2. NFN Advisory Board..... | 45 |
| 3. Language Access | 46 |
| IV. CONCLUSION | 47 |

I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its counsel at the Pennsylvania Utility Law Project, submits these Comments pursuant to the July 15, 2021 Order Directing Supplemental Information and Establishing Comment Period (hereinafter, July 15 Order), which invited interested parties to submit comments and reply comments to the National Fuel Gas Distribution Corporation's (NFG or the Company) Universal Service and Energy Conservation Plan for 2022 - 2026 (Proposed 2022 USECP or Plan).

CAUSE-PA is a statewide unincorporated association of low-income individuals which advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable water, electric, heating, and telecommunication services. CAUSE-PA membership is open to moderate and low-income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low-income families maintain affordable access to utility services and achieve economic independence and family well-being. CAUSE-PA is therefore interested in and committed to achieving the creation, development, and implementation of effective universal service and energy efficiency programs which promote long term affordability of electricity, natural gas, water, wastewater, and communication services and, in turn, protect the health, safety, and welfare of economically vulnerable households across the state.

CAUSE-PA has for many years been an active participant in NFG's USECP proceedings, as well as other related proceedings that affect the ability of low income Pennsylvanians to access and maintain utility services to their home. CAUSE-PA thanks the Commission for this opportunity to submit comments.

The Commission’s July 15 Order requested that NFG clarify several aspects of its Plan, and sought comment on NFG’s Proposed 2022 USECP from interested stakeholders. In response thereto, CAUSE-PA offers the following comments.

II. BACKGROUND

NFG’s Universal Service and Energy Conservation Plan for 2017-2020

On October 28, 2016, NFG filed its 2017-2020 Universal Service and Energy Conservation Plan (2017 USECP).¹ The Commission issued a Tentative Order on August 3, 2017 (August 2017 Order) requesting additional information from NFG and providing a public comment period for interested stakeholders.

CAUSE-PA noted several deficiencies in NFG’s initially proposed 2017-2020 USECP. Primary among these deficiencies noted, CAUSE-PA strongly objected to NFG’s inclusion of LIHEAP grants in the calculation of discounts for NFG’s Customer Assistance Program (CAP), known as the Low Income Rate Assistance (LIRA) program.² CAUSE-PA explained that NFG’s LIRA/LIHEAP integration was inconsistent with federal law and must be disentangled to ensure that LIHEAP grants are not considered as an “available resource” in calculating CAP rates.³

On March 1, 2018, to address this and other concerns, the Commission issued an Order directing NFG to further revise its proposed 2017 USECP, and remove LIHEAP as a component in its LIRA discount calculation, applying grants only to the LIRA asked-to-pay amount.⁴ In compliance with the March 2018 Order, NFG filed a Revised 2017 USECP on April 2, 2018, along

¹ NFG 2017-2020 Universal Service and Energy Conservation Plan, Docket No. M-2016-2573847 (filed Oct. 28, 2016).

² NFG 2017-2020 Universal Service and Energy Conservation Plan, CAUSE-PA Comments, Docket No. M-2016-2573847, at 19-20 (filed Nov. 2, 2017).

³ See id.; see also 42 U.S.C. §§ 8624(b)(1)(A), 8624(b)(5), 8624(f)(1).

⁴ NFG 2017-2020 Universal Service and Energy Conservation Plan, Final Revision Order, Docket No. M-2016-2573847 (order entered Mar. 1, 2018) (hereinafter March 2018 Order).

with a revised tariff supplement removing LIHEAP grants from its calculation of LIRA rates. On June 12, 2018, the Commission issued a Secretarial Letter approving NFG's supplemental filings.

NFG was also directed, per the March 2018 Order, to establish a Universal Service and Advisory Committee (USAC) and to meet with the Committee at least twice annually. (March 2018 Order at 29). The first order of business for the USAC to address, which CAUSE-PA supported and advocated in Comments to the USECP, was amending NFG's LIRA bill. Specifically, to ensure the 36-month pre-program arrearage forgiveness timeframe was communicated and that the bill was easier to understand. On November 29, 2018, the Commission approved the amended LIRA bill. However, even as amended, CAUSE-PA contends in these comments, the bill could be adjusted further for clarity.

In March 2019, seeking approval to amend its 2017 USECP, NFG filed a Petition⁵ to implement a Low-Consumption LIURP Pilot (LC-LIURP Pilot) program to expand eligibility for the program and increase the number of low income households served through the program. CAUSE-PA was generally supportive of the program, given NFG's consistent underspending of its LIURP budget despite documented need, but recommended that NFG increase the scope of the pilot program. NFG noted a willingness to extend the scope of the pilot if an insufficient number of households were participating. On October 24, 2019, NFG's Petition to include the LC-LIURP, as amended, was approved by the Commission.⁶

Final CAP Policy Statement and Order

On November 5, 2019, and after extensive statewide inquiry and investigation through two separate proceedings,⁷ the Commission entered a Final Policy Statement and Order which made a

⁵ Petition for Approval of LC-LIURP Pilot Program, Docket No. P-2019-3008559 (filed March 8, 2019).

⁶ Order Approving Petition of LC-LIURP Pilot Program, Docket No. P-2019-3008559 (entered October 24, 2019).

⁷ Energy Affordability for Low-Income Customers, Docket No. M-2017-2587711; Review of Universal Service and Energy Conservation Programs, Docket No. M-2017-2596907.

number of critical reforms to the Commission's formal Customer Assistance Program (CAP) Policy Statement at 52 Pa. Code §§ 69.261-.267.⁸ One significant reform includes the Commission's reduction of maximum energy burden standards, made after the Commission determined that then-existing energy burden standards were unreasonable, unaffordable and did not fulfill the Commission's statutory obligation to ensure universal service programming is appropriately funded and accessible to low income customers.⁹ The Final CAP Policy Statement and Order was published in the *Pennsylvania Bulletin* on March 21, 2020.¹⁰ Once fully implemented, the reforms included therein will help to correct longstanding unaffordability within CAPs.¹¹

To effectuate the Commission's Final CAP Policy Statement and Order, utilities were directed to file and serve an addendum to their existing proposed Universal Service and Energy Conservation Plans (USECP) within 60 days of the Policy Statement's entry date. Each utility was to indicate whether its existing or pending USECP was consistent with the amended CAP Policy Statement and, if not, whether and how it planned to implement these new policy changes.

⁸ 2019 Amendments to CAP Policy Statement, Final Policy Statement and Order, Docket No. M-2019-3012599 (order entered Nov. 5, 2019) (hereinafter Final CAP Policy Statement and Order).

⁹ Final CAP Policy Statement and Order at 27. The Commission amended its CAP Policy Statement to reduce the maximum energy burden standards for customers enrolled in a utility-run CAP, setting a maximum *combined* energy burden of 10% for households with income between 51-150% of the Federal Poverty Level (FPL) and 6% for households with income between 0-50% FPL. Id. at 32-33. For electric baseload (non-heating) customers, the maximum energy burden was set at 4% for customers with income between 51-150% FPL and 2% for customers with income between 0-50% FPL. Id. In reducing the maximum energy burden standards, the Commission found that the existing maximum energy burden standards, originally established in 1992, "do not reflect reasonable or affordable payments for many low-income customers" - especially for those with income at or below 50% FPL. Id. at 27, 29-30.

¹⁰ 50 Pa.B. 1652.

¹¹ NFG's Plan incorporates amendments to LIRA to implement revisions to the Commission's Final CAP Policy Statement and Order. Prime among these changes is meeting the reduced energy burdens for those customers at 0-150% of the FPL. As noted in the Commission's Final CAP Policy Statement and Order, existing energy burdens were unreasonable, unaffordable, and inconsistent with the Commission's statutory obligation to ensure low income customers are able to maintain utility service in their homes. Other changes in response to the Final CAP Policy Statement and Order include eliminating the "payment troubled" criteria for LIRA eligibility (for those with income 0-150% of the FPL), accepting income documentation of at least the last 30 days or 12 months at application or recertification (whichever is more beneficial to the customer), creating an online application, and eliminating the provision that customers direct LIHEAP grants to the utilities sponsoring LIRA.

On February 21, 2020, NFG filed a letter explaining the aspects of its USECP that were compliant with the Commission's Final CAP Policy Statement and describing intended amendments to its upcoming Proposed 2022 USECP.¹²

NFG's Universal Service and Energy Conservation Plan for 2022-2026

NFG's 2017 USECP, approved initially on May 3, 2018, and most recently on January 30, 2020, remains in effect until the Proposed 2022 USECP is granted Commission approval.¹³

On December 14, 2018, NFG filed a Petition to extend its deadline for filing its required independent evaluation of its universal service programs.¹⁴ In support of its request, NFG explained that the delay would ensure the evaluator would be more fully able to assess newly implemented changes to NFG's LIRA program.¹⁵ The Commission granted this extension by Secretarial Letter on January 10, 2019.¹⁶

On September 2, 2020, NFG filed its independent evaluation with the Commission (hereinafter, APPRISE report).¹⁷ The APPRISE report found that nearly 1 in 4 (23%) of LIRA participants with income at or below 50% of the federal poverty level had an energy burden *exceeding* 8% of household income – the Commission's *former* energy burden standard, which was reduced to 4% in 2019.¹⁸ Importantly, this figure excludes LIRA participants with a minimum bill.¹⁹ The APPRISE report also generally found NFG's program outreach to and engagement

¹² NFG 2017-2020 Universal Service and Energy Conservation Plan, Letter Regarding the Amendments to the CAP Policy Statement, Docket No. M-2016-2573847 (filed February 21, 2020).

¹³ NFG 2017-2020 Universal Service and Energy Conservation Plan, Revised 2017 USECP Secretarial Letter, Docket Nos. P-2019-3008559 and M-2016-2573847 (entered January 30, 2020).

¹⁴ NFG 2017-2020 Universal Service and Energy Conservation Plan, Extension Petition, Docket No. M-2016-2573847 (filed December 14, 2018)

¹⁵ Id.

¹⁶ NFG 2017-2020 Universal Service and Energy Conservation Plan, Secretarial Letter Granting Extension, Docket No. M-2016-2573847 (entered January 10, 2019).

¹⁷ APPRISE, NFG Universal Service Programs 2020 Evaluation: Final Evaluation Report (August 2020) (hereinafter APPRISE report).

¹⁸ Id. at vi.

¹⁹ Id.

with both customers and agencies delivering programs to be critically lacking. To remedy these deficiencies, the APPRISE report recommended NFG:²⁰

- Reassess the discounts for LIRA participants with incomes below 50% of the Federal Poverty Income Guidelines (FPIG).
- Improve LIRA Application Instructions.
- Provide a LIRA electronic application submission option.
- Provide ability for customers to be directly transferred to NFG customer service.
- Prevent reverification date from scheduling on a weekend or holiday.
- Provide education about LIHEAP benefits.
- Improve LIURP outreach.
- Provide increased LIURP training, communication, and guidance to service delivery organizations.
- Provide LIRA training to NFN agencies.
- Create an online system for submission and tracking of NFN grants.

On March 31, 2021, NFG filed its Proposed 2022 USECP.²¹ NFG addresses several, though not all, of the APPRISE recommendations in its Proposed 2022 USECP.

On July 15, 2021, the Commission issued an Order Directing Supplemental Information and Establishing Comment Period (July 15 Order). In response, and after seeking a brief extension of time to file, NFG filed supplemental information and comments on August 24, 2021 (hereinafter, NFG Cmts).

CAUSE-PA is supportive of many of the programmatic revisions NFG has included in its Proposed 2022 USECP. Nevertheless, as we discuss in our comments below, certain aspects of NFG's proposed USECP require further reforms to ensure that its programs are appropriately designed and administered to ensure low income consumers can reasonably afford to maintain service to their home.²²

²⁰ Id. at iv-ix, 68-70.

²¹ NFG 2022-2026 Universal Service and Energy Conservation Plan, Docket No. M-2021-3024935 (filed March 31, 2021).

²² 66 Pa. C.S. § 2203.

While acknowledging the remaining concerns with NFG's USECP, and the need to fully address and resolve those concerns prior to full approval of NFG's USECP, CAUSE-PA nevertheless urges swift implementation of NFG's revised energy burden standards and other key policy changes to ensure the important revisions consistent with the Commission's amended CAP Policy Statement – and in furtherance of the APPRISE evaluation findings and recommendations – are implemented without delay. We believe all concerns raised in these comments can and should be resolved in a timely fashion for implementation of the USECP to proceed expeditiously.

It is particularly critical that NFG be approved to implement the relief contained in its USECP without delay to help respond to the ongoing health and economic crisis resulting from the COVID-19 global pandemic. While always of critical import, the need to address long-standing and intractable unaffordability within customer assistance programming is all the more pressing now as hundreds of thousands of Pennsylvanians are struggling to afford basic life necessities as the COVID-19 crisis continues. Ongoing unaffordability within CAP – and unwarranted obstacles to universal service program access overall – is only exacerbating this crisis and must be remediated without delay. Finalizing NFG's reduced energy burden standards and other critical aspects of NFG's proposed Plan will allow the Commission, NFG, and interested stakeholders to obtain important data to inform the pending universal service rulemaking. Implementation and reporting on NFG's progress will provide data necessary to fully vet the rulemaking, allowing for stakeholders to present informed comments and ultimately strengthening USECPs for all utilities. Therefore, following resolution of the issues raised below, we recommend approval of NFG's USECP.

III. COMMENTS

A. CAUSE-PA Response to the Commission's July 15 Order

CAUSE-PA submits the following comments to Section B of the Commission's July 15 Order for consideration regarding the various program amendments provided in the NFG's Proposed 2022 USECP. For ease of review, CAUSE-PA's comments follow the structure of the Commission's July 15 Order, Section B, and responds in turn to the issues and analysis included therein.

1. LIRA (i.e., NFG's CAP)

As described in the Commission's July 15 Order, NFG's Low Income Rate Assistance (LIRA) program offers discounted rates to heating customers with income less than 150% of the federal poverty level (FPL) and cannot afford to pay the full tariff rate for their natural gas utility service. Bills are currently discounted by 10% - 80%, depending on a customer's household size and income. In its Proposed 2022 USECP, NFG proposes to implement a 90% discount for those customers falling at or below 50% FPL to meet the maximum energy burdens included in the Commission's Final CAP Policy Statement and Order.

CAUSE-PA provides the following comments and recommendations regarding NFG's LIRA program.

a. LIRA Bill Discount Calculation

NFG's proposed LIRA *design* remains unchanged in its Proposed 2022 USECP from its 2017 USECP. Rather than implement a CAP design based on a percentage of household income, capable of generating a targeted level of affordability based on the precise needs of the participant, NFG proposes to continue its complicated tiered bill discount CAP rate design. CAUSE-PA asserts that this discount calculation is unnecessarily complex, and does not result in consistent levels of

affordability for LIRA participants. We recommend further review and reform of NFG’s program design.

As noted above, the APPRISE report found that NFG’s current program design failed to reach NFG’s former energy burden standards for roughly 1 in 4 households at or below 50% FPL – exclusive of households with a minimum bill.²³ As the report explains, due to NFG’s program design, “if energy usage increases due to weather, changes in the household, or other factors, the customer’s burden may increase above the target level.”²⁴ Those who exceed the energy burden standards do so by an average of \$448²⁵ – a substantial sum for households that already struggle profoundly to make ends meet.

In NFG’s Proposed USECP, the Company estimates that approximately 60 LIRA participants would continue to exceed the revised energy burden standards upon implementation of the new 90% discount rate. (Proposed 2022 USECP at 15). In response to the Commission’s July 15 Order request for clarification and explanation of this estimate, NFG responded that based on its internal models, “All of the subject participants would be paying the LIRA minimum payment of \$12.” (NFG Cmts. at 4). This conclusion does not seem to align with the APPRISE report findings related to NFG’s current LIRA design. While the addition of a 90% discount tier at the former energy burden standards could help reduce the number of households exceeding the former energy burden standard, it is entirely unclear how NFG is projecting to achieve such dramatic improvements in affordability to reach the revised energy burden standards without further adjustments to the program design.

²³ APPRISE Report at iv, 55-60 (affordability impact analysis).

²⁴ APPRISE Report at 57.

²⁵ APPRISE Report at 56.

As discussed below, CAUSE-PA is strongly supportive of NFG's adoption of the Commission's reduced energy burden standards. However, we are concerned that the same programmatic design issues causing excessive energy burdens for the lowest income households will continue to arise if NFG does not also amend its program design to more consistently reach its target energy burden standards.

We recommend that the Commission require NFG to submit quarterly reports indicating the number of households who received a bill each month in excess of the target energy burden standards, and the average dollar amount by which those households exceeded the applicable energy burden standards. NFG should be required to review this data with its USAC at each meeting, and discuss programmatic design amendments necessary to remediate persistently high energy burden standards.

If LIRA customers continue to exceed NFG's approved energy burden standards after two years, we recommend that the Commission require NFG to transition its current tiered discount program design to a Percentage of Income Program (PIP) design, in line with the program design of every other natural gas distribution company (NGDC) in the state. In doing so, the Commission should require NFG to work with members of its USAC to review the parameters of various programmatic design issues, such as adoption of an average bill LIRA rate alternative, and subsequently file a petition to amend its USECP to implement proposed design changes. A PIP design will better target affordability to the participant household, ensuring that each LIRA participant receives a consistently affordable bill. It will also bring consistency in program design for natural gas distribution companies (NGDCs) across the state, which would usher in a plethora of other potential benefits – including standardized statewide outreach and education across

service territories, and improved ability to integrate policies across a range of other non-utility assistance programs.

b. Implementation of the 90% LIRA Discount

NFG is proposing to adopt the Commission's revised energy burden standards, reducing the energy burden standard for households at 0-50% FPL to 4% of household income, and reducing the energy burden standard for households at 51-150% FPL to 6%. (Proposed USECP at 12, 22). To facilitate this reduction in energy burden standard, NFG proposes to implement a 90% discount tier – which it claims will substantially reduce the number of households exceeding the target energy burden standards. As noted above, CAUSE-PA questions whether adoption of a 90% discount tier will truly resolve identified issues with NFG's program design that have resulted in a substantial number of households exceeding the target energy burden standards. Nevertheless, placing programmatic design issues aside, we are strongly supportive of NFG's adoption of the Commission's reduced energy burden standards.

As the Commission recently concluded, its former energy burden standards – upon which NFG's current energy burdens standards are based – were unaffordable and unreasonable, and did not adequately ensure that low income households could afford to maintain service to their home.²⁶ LIRA participants should receive rates that they can reasonably afford, consistent with the Commission's statutory universal service obligations. Approving NFG's proposal to reduce its energy burden standards to match the Commission's recently revised energy burden standards would help ensure that NFG's low income customers will receive just and reasonable rates through the program. As such, we urge the swift approval of NFG's proposed energy burden standards to remediate existing unaffordable and unreasonable LIRA bills.

²⁶ Final CAP Policy Statement and Order at 27.

c. 36-Month Limit to Forgiveness of PPA Balances

In its July 15 Order, the Commission requests that NFG explain why it imposes a time restriction on arrearage forgiveness. The Commission questions whether this time restriction incentivizes customer payment or whether it, instead, makes termination at the end of the 36-month restricted payoff time frame more likely. CAUSE-PA shares the Commission's concerns.

In its July 15 Order, the Commission explained that NFG forgives both monthly and retroactively for LIRA bills paid over a 36-month period. However, at the conclusion of the 36-month period, any remaining pre-program arrears (PPA) balance is added to that month's LIRA balance. (July 15 Order at 18). In NFG's 2017 USECP proceeding, the Commission requested that NFG consider eliminating its time restrictions.²⁷ The Commission questioned the efficacy of this policy at improving bill payment coverage and frequency, and pointed out that NFG is the only utility in Pennsylvania which places a time limit on the ability of customers enrolled in a Customer Assistance Program like LIRA to earn arrearage forgiveness by making in-full payments on their CAP bills. (July 15 Order at 18).

As with past proceedings, the Commission requested additional information from NFG to provide data demonstrating that this policy incentivizes customer payments, as NFG has maintained. Specifically, the Commission asked that NFG identify the number of LIRA customers with pre-program arrears after 36 months in 2019 and 2020, their average remaining balance, and how many customers were terminated for insufficient payments after the pre-program amount was placed on their bill. NFG was additionally directed to provide data to demonstrate that the 36-month timeframe incentivizes customer payments and to provide program cost data that would result from modifying or eliminating this policy provision. (July 15 Order at 20).

²⁷ NFG 2017-2020 Universal Service and Energy Conservation Plan, Tentative Order, Docket No. M-2016-2573847, pgs. 16-17 (entered August 3, 2017).

In response to the Commission’s directive, NFG noted there were nine accounts in 2019 and 24 accounts in 2020 carrying a PPA balance after 36 months, with the average remaining balances over \$100 in each year. In 2019, one customer was terminated after having the balance returned to their account. NFG could not offer termination data for the 24 accounts in 2020 per the utility shut-off moratorium that prevented terminations due to the global COVID-19 pandemic. (NFG Cmts at 5). NFG contends that given this relatively small number compared to the “142 customers in 2019 and 280 customers in 2020 who had PPA on their accounts after 24 months of being enrolled in LIRA,” this “demonstrates that customers are incentivized by the 36-month deadline to fully repay their PPA.” (NFG Cmts at 6). NFG believes eliminating this deadline would compromise the integrity of LIRA, and projects that elimination of the 36-month timeframe would increase LIRA costs by \$620,000 annually. NFG estimated this cost, inexplicably, by determining the difference between the annual aggregate amount of initial PPA debt forgiveness for customers enrolled in LIRA from 2016-2020 and the actual amount of PPA debt forgiveness for such customers. (NFG Cmts at 6).

NFG’s projected annual cost increase appears to be greatly exaggerated, given the relatively small number of LIRA customers carrying PPA balances beyond NFG’s 36-month restriction. If so few LIRA customers are having their PPA balance applied to their LIRA bill after 36 months, the cost to absorb that additional PPA balance should be minimal for the Company. Indeed, calculating the cost by multiplying remaining average arrears by the number of customers with arrears at the 36-month mark, shows an increase cost of approximately \$1,032 in 2019 and \$3,800 in 2020. The average annual cost for 2019 and 2020 would be \$2,416; substantially lower than the estimated \$620,000 annually. In addition, the actual cost could be less as this rough

calculation does not include NFG's collection costs of terminating service to those who did not exhaust their frozen arrearages within NFG's arbitrary 36-month timeframe.

Further, while NFG claims that the 36-month deadline is the incentive behind so few LIRA customers having leftover PPA, CAUSE-PA argues that bill affordability is the true driver of customer bill payment behavior. NFG has not provided any comparative data suggesting that the Company's program provides any greater incentive for earning forgiveness than any of the other Pennsylvania CAPs, which do not impose arbitrary timeframes for earning arrearage forgiveness. And, as noted below, NFG does not clearly disclose the 36-month time limit for forgiveness, undermining its argument that the time limit incentivizes payment.

NFG's time-limit on arrearage forgiveness is, in fact, punitive and undermines the intent and purpose of LIRA. The primary goal of CAPs like LIRA is to "assist low-income retail gas customers to afford natural gas service."²⁸ NFG outlines additional goals of LIRA in its USECP, noting "the program is intended to increase the number of payments from low income customers, while decreasing the company's collection costs." (USECP at 15). This 36-month deadline provision significantly impedes affordability and so will ultimately have the opposite of the intended effect. Once remaining arrears are returned to customer bills, these participants will, in fact, receive an unaffordable bill, which will likely trigger unnecessary and avoidable collections activities and termination proceedings. Unaffordable bills result in lack of payment to the utility and resultant utility shut off or they result in customers going without other basic life necessities like food and medicine.

²⁸ 66 Pa. C.S. § 2203(7).

In its July 15 Order, the Commission also noted uncertainty if the updated LIRA bill had any incentivizing effect on payment behavior.²⁹ (July 15 Order at 20). CAUSE-PA contends that, even with the bill modifications, it is unclear whether LIRA customers fully comprehend how the 36-month deadline works. NFG provided a sample LIRA bill as an attachment to comments (NFG Cmts Exhibit Q-10). While a helpful ‘Pre-LIRA Balance Forgiveness Summary’ is provided in a separate section, there is no mention of the 36-month time limit for forgiveness on the actual bill and no identification of the household’s remaining months of available forgiveness window. The only explanation of arrearage forgiveness is in the LIRA Program Features insert under the *Reward for Paying On Time* section. The lack of clear, up-front communication on the bill regarding how many months remain for a customer to earn arrearage forgiveness obviates NFG’s claims that its time limitation on arrearage forgiveness incentivizes customer payment behavior. If a customer does not understand that they are subject to a time limitation on arrearage forgiveness, they cannot and will not comply. In turn, they will not be any more motivated to make timely payments than they would be if there were no time limit on arrearage forgiveness.

The Commission should not approve NFG’s hard cap on the amount of time a LIRA customer can earn arrearage forgiveness. Rather, the Commission should require NFG to grant forgiveness for *each* in-full payment, regardless of when it is made. If a customer remains in LIRA as an active customer, for each in full payment, the customer should receive a forgiveness of deferred arrears. After 24 in-full payments, the arrears are completely forgiven - even if it takes *longer* than 36 months to make the required payments. Otherwise, the PPA is not truly forgiven, which is a distinct *disincentive* to participating in LIRA – undermining the purpose of the program

²⁹ In compliance with the NFG 2017 USECP Order, NFG amended its LIRA bill to communicate the 36-month timeframe for PPA forgiveness; 2017-2020 USECP (Docket No. M-2016-2573847), entered on March 1, 2018

to stabilize access to service for low income customers, improve payment frequency and coverage rates, reduce collections costs, and ensure low income households can maintain affordable utility service to their homes. The inevitable result is the loss of service because a household cannot afford both a LIRA payment and an additional payment for pre-program arrears that were not forgiven.

NFG's current policy requiring households to earn full forgiveness within a strict 36-month period is punitive, and directly undermines the broader goals and purpose of the program and should therefore be modified.

d. CAP Final Billing

In its July 15 Order, the Commission explains that NFG's final LIRA bills are based on residential tariff rate charges minus LIRA discount rates, and are prorated based on the number of days in the billing period. The Commission noted, however, that an explanation of final billing is not provided in NFG's Proposed 2022 USECP and requested that NFG provide such an explanation in its Plan. In response, NFG referenced their comments on the Staff Review of CAP Final Billing Methods³⁰ (NFG Cmts at 6). Essentially, NFG final LIRA bills include the total account balance and the due date, and separate line items including Pre-LIRA balance amount, Pre-LIRA forgiveness amount, budget plan true-up amount and any other debit or credit that affects current account balance at time of final billing.

In Joint Comments to the Commission's Staff Review of CAP Final Billing Methods, CAUSE-PA set forth a series of overarching principles, which we believe should guide decisions regarding CAP final bill policies:

³⁰ Staff Review of CAP Final Billing Methods, NFG Comments, Docket. No. M-2019-3010190 (filed August 16, 2019).

- (1) Affordability must be the primary goal of any CAP final bill policy solution.
- (2) Charges on a final CAP bill should not exceed actual usage.
- (3) CAP customers should remain in CAP after service is terminated or discontinued.
- (4) CAP final bills should not include a budget bill true-up amount.
- (5) CAP final bills should clearly indicate the amount needed to restore service.³¹

Specifically related to NFG, in those Comments, CAUSE-PA argued against inclusion of a budget billing “true-up” on CAP final bills.³² Budget billing true-ups, depending on the time of year that service is terminated or discontinued, may add hundreds of dollars to CAP customers’ final bill - compounding unaffordability and enhancing difficulty for low income households to reconnect and maintain utility service to their home. A high “true up” amount can further destabilize a household’s limited finances. Such a result is antithetical to the universal service mandate to provide economically vulnerable households with access to basic utility services. For LIRA to be an effective alternative collections program and for bills to approach true affordability, LIRA customers should receive an affordable bill *every* month, without exception, including when service is terminated or discontinued.

While CAUSE-PA is supportive of NFG’s practice of discounting and prorating final LIRA bills, we maintain our position that the Commission should prevent NFG, or any utility, from charging CAP customers a budget true-up on their final CAP bill. Budget true-ups are out of the LIRA customer’s control to contain, and they undermine the goals of the LIRA program by providing LIRA customers with an unaffordable bill.

³¹ Staff Review of CAP Final Billing Methods, Low Income Advocates Comments, Docket. No. M-2019-3010190, p. 4 (filed September 16, 2019).

³² Id at 12-14

e. Recertification Timeframes

In its July 15 Order, the Commission noted that in NFG’s Proposed 2022 USECP, all recertification timeframes matched the Final CAP Policy Statement and Order, with the exception of those LIRA customers with fixed incomes. In the Plan, NFG proposed a two-year recertification timeframe rather than a three-year timeframe. (July 15 Order at 22). NFG responded that it agrees with the three-year recertification timeframe provision for those with fixed income, and that its omission was inadvertent. (NFG Cmts at 7). NFG incorporated this change in its revised Plan included with NFG’s supplemental information and comments. (NFG Cmts; Annex A at 51). CAUSE-PA supports the recertification timeframes set forth in the Final CAP Policy Statement and Order and, thus, supports NFG’s revision.

f. “Payment-troubled” Criteria for LIRA Eligibility

In its July 15 Order, the Commission notes that NFG proposes to eliminate the “payment troubled” criteria from its Plan, per the Final CAP Policy Statement and Order. The Commission requested that NFG identify the number of customers rejected from LIRA participation due to the imposition of the “payment troubled” criteria; projected data for the number of potential new enrollees; and an estimated cost for the number of anticipated new enrollees. (July 15 Order at 22-23). In response, NFG comments that eliminating this criterion will result in greater enrollment and acknowledges this is a desired outcome for LIRA. NFG further explains that no customers were rejected from LIRA for not meeting the payment troubled criteria, as they were denied the opportunity to apply for the program. For this reason, NFG is unable to provide data for rejected applications. NFG believes the removal of this requirement will allow 3,065 more customers to become eligible for LIRA over the course of the Plan. NFG makes a very loose estimate of an annual cost of \$227,000 for the additional LIRA customers. (NFG Cmts at 7). However, no data

or basis for this calculation is provided in the comment, only a caveat that this number is an estimate.

In its Final Cap Policy Statement and Order, the Commission discusses payment troubled criterion, per data provided in the Commission’s Energy Affordability Report.

“The *Energy Affordability* Report noted that utilities that restricted CAP enrollment to payment-troubled customers had higher average PPA balances than utilities whose CAPs were not so restricted. Energy Affordability Report at 50. Further, customers who enroll in payment assistance programs with higher PPA balances tend to be less successful than customers who enroll before amassing high PPA balances.³³

In short, eliminating the payment troubled requirement helps to ensure the program works to prevent the accrual of unaffordable arrears before those arrears are accrued – helping to control CAP costs before they are even incurred.

For these reasons, CAUSE-PA supports NFG’s proposed elimination of the payment troubled criteria. Enrolling more customers in LIRA, providing them with more affordable bills before they become payment troubled and accrue arrears, delivers benefits to the customer in the form of a bill they can afford to pay and to the utility in the form of reduced debt management, collections and uncollectible costs.

g. Documentation of Income

In its July 15 Order, the Commission requests that NFG provide a description of acceptable household income documentation to be included in its Plan, as NFG lists forms of documentation in its application but not in the Proposed 2022 USECP. In response, NFG incorporates by

³³ Final CAP Policy Statement and Order at 44. “More customers who have low [PPA] balances have higher than average on-time rates. Customers with less than \$391 in arrearages pay on-time 61% of the time, while customers with more than \$1,514 in arrearages pay on-time 45% of the time.” See id.

reference the application into the Plan, with the listing of acceptable documentation for income verification.

CAUSE-PA does not take a position on NFG incorporating the list of acceptable documentation by reference in the application, but retains the right to discuss further in reply comments. However, whether the list is included directly in the plan or indirectly by reference, CAUSE-PA recommends NFG discuss with its USAC expanding its acceptable documentation list to ensure it is inclusive and accessible to all who may need assistance but may not be able to produce the documentation on the existing list (e.g. self-employed, gig workers, those who receive support from friends or various other programs, etc.).

h. Inclusion of Child Income

In its July 15 Order, the Commission noted that, while NFG claims compliance with the provision to exclude child income included in the Final CAP Policy Statement and Order, NFG's Proposed 2022 USECP does not provide how household income for LIRA eligibility is determined or whether household income includes that of minor children. (July 15 Order at 24-25). Accordingly, in its response to the July 15 Order, NFG was directed to explain how household income is currently determined for LIRA eligibility and benefits and whether earned and unearned income of minor children are excluded (July 15 Order at 24-25). In response to the Commission's request for clarification, NFG stated that the Company follows LIHEAP income guidelines, which include child income as part of the eligibility calculation.³⁴ NFG additionally argues that "maintaining the established practice is important, as there has been an effort to coordinate referrals among programs/utilities and a change to this could have significant impacts when determining which customers may qualify for other programs." (NFG Cmts at 8).

³⁴ LIHEAP Handbook; Chapter 610.11; Households; General Policy

CAUSE-PA disagrees with NFG’s claim that excluding child income from eligibility for LIRA would prevent meaningful coordination efforts among programs. Indeed, exclusion of child income – consistent with the Public Utility Code, Commission regulation, and Commission policy – would not negatively impact the ability to use LIHEAP to identify eligible LIRA customers, as all LIHEAP recipients would remain eligible for LIRA. We also note that it is entirely unclear how differences in income calculation could interfere with coordination of other critical programs, including NFG’s LIURP and the federal Weatherization Assistance Program. Each program already has different income guidelines, though there remain many opportunities for coordination through targeted outreach and cross-program screening and referrals.

Moreover, while coordination is an important and worthy goal, it should not take precedence to ensuring families with children who require income supports – earned or unearned - to be excluded from CAP. Including child income in the determination of LIRA eligibility artificially inflates household income, making it more difficult for families with children receiving disability benefits or other special income supports, earned or unearned, to qualify for needed assistance.

CAUSE-PA submits that it is necessary to exclude child income for the purpose of LIRA income calculation in order to ensure that struggling families facing unique circumstances which lead to the need for SSI/SSDI benefits are not excluded from critical energy assistance through LIRA. Indeed, to receive these benefits, a child must be blind or suffer from a medically determinable physical or mental impairment that causes “marked and severe functional limitations” and which will last for at least 12 months or result in death.³⁵ Households with children

³⁵ Social Security Administration: Understanding Supplemental Security Income SSI for Children, <https://www.ssa.gov/ssi/text-child-ussi.htm>.

who have special needs face unique challenges – economic and otherwise – and policy should assist families facing these hardships to enroll in assistance programs, not keep them out.

There are also many instances in which child support may be awarded, but never paid.³⁶ In 2017, only one-half of all custodial parents had a child support agreement, and less than one half of those parents received full support payments.³⁷ The proportion of custodial parents who were supposed to receive child support payments, but received none, has increased over time from 24.2% in 1993 to 30.2% in 2017. Importantly, a disproportionate number of single parent households live in poverty (roughly 30.1%), about three times the poverty rate of two parent households.³⁸ It is critical that universal service programs, such as CAP, are designed to be as inclusive as possible to help lift children out of poverty, and provide them with a better chance to succeed.

As clearly stated in Section 69.262 of the CAP Policy Statement, household income is defined as the “combined gross income of all adults in a residential household who benefit from the public utility service, as defined in 66 Pa. C.S. § 1403 (relating to definitions).”³⁹ In addition, the definition of customer in 52 Pa. Code Chapter 56 clearly states that a customer cannot be a minor child.

Customer—

(i) A natural person at least 18 years of age in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or an adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential public utility service is requested.

³⁶ US Census Bureau, Custodial Mothers and Fathers and their Child Support: 2017 (May 2020), <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-269.pdf>.

³⁷ Id.

³⁸ Id.

³⁹ 52 Pa. Code § 69.262; 66 Pa. C.S. § 1403. Section 1403 defines household income as “the combined gross income of all adults in a residential household who benefit from the public utility service.” 66 Pa. C.S. § 1403.

CAUSE-PA therefore asserts the inclusion of any income received by or on behalf of a child under the age of 18 – whether earned or unearned - is inappropriate and contradicts the definitional language in Chapters 14 and 56, as well as the Commission’s CAP Policy Statement and strong public policy goals. For these reasons, we recommend that NFG revise its plan to exclude all earned and unearned child income from eligibility requirements, in accordance with the definition of household income included in Chapter 14 and the Commission’s revised CAP Policy.

i. Online LIRA Application

The Commission noted in its July 15 Order that NFG plans to deploy an online application for LIRA, consistent with the related Final CAP Policy Statement and Order recommendation. However, NFG did not provide an anticipated timeline for rollout for the online application and, thus, was directed by the Commission to provide this additional information and to provide a description of the online application process including how customers will be able to access the form. (July 15 Order at 26). In response, NFG stated plans to roll out the online application by December of this year (2021) and explained that it will be accessible on NFG’s website as well as the vendor’s (developer) website. Customers will be able to complete the application/recertification online and will be able to upload supporting documentation/income verification directly to the online interface. NFG further commits to providing monthly status reports to the Commission beginning in December, 2021. (NFG Cmts at 8-9).

CAUSE-PA supports implementation of an online LIRA application and supports its availability on NFG’s website. These steps will improve accessibility of assistance programs to

those who require help to maintain affordable service to their home, consistent with the universal service requirements contained in the Natural Gas Choice and Competition Act.⁴⁰

Notwithstanding our support for adoption of an online application, CAUSE-PA notes that it is unclear from NFG's description of the online interface if applications and document submission will be optimized for use on a mobile phone. This is a critical omission. CAUSE-PA asserts that any application deployed should be mobile-friendly and include the ability to scan and upload documents using a mobile device. Low income households often do not have access to broadband internet service or a computer, but may have access to online applications and features on a mobile device.⁴¹ In addition, in the APPRISE evaluation, interviewed LIRA participants recommended that applicants be allowed to submit photos of documents. (APPRISE Report at iv). Such photos can be most easily submitted if taken with a mobile phone and then uploaded to a mobile-friendly application.

NFG additionally responded to the Commission's July 15 Order that it plans to have paper applications available for those who cannot access the internet or specifically request a paper application and customers will be able to complete the application by telephone if that is the best method for them. CAUSE-PA supports the continued availability of paper applications and using postal mail for submittal in addition to the online interface and telephone applications. However, it is unclear from NFG's description of its telephone application process how income documentation should be provided to the Company – through the online interface, email, or postal mail. Further, it is unclear with the online application process whether and to what extent

⁴⁰ See 66 Pa. C.S. § 2203(8)

⁴¹ Pew Research Center, Digital Divide Persists Even as Lower-Income Americans Make Gains in Tech Adoption (May 7, 2019), <https://www.pewresearch.org/fact-tank/2019/05/07/digital-divide-persists-even-as-lower-income-americans-make-gains-in-tech-adoption/>

applicants will be notified of the process to complete their application if they are otherwise unable to upload their documents through the application. (NFG Cmts at 8-9).

CAUSE-PA recommends that the Commission require NFG to take the following steps to address critical shortcomings in its proposed online application process:

- Clarify its process for providing notification to online applicants when an application is considered incomplete.
- Share relevant data with its USAC regarding the number of successful and incomplete online applications to help determine how well the online application process is functioning and identify possible improvements that could be made to the online interface and to the application process overall.
- Specify how the Company is protecting data and sensitive customer information provided through the online interface. This is particularly important for survivors of domestic violence applying for LIRA, whose physical safety may be endangered if their whereabouts become known to their abusers. Consumer data protection is important for all customers and the process for ensuring it remains protected should be detailed by NFG in its reporting.

CAUSE-PA believes the above recommendations would dramatically improve the effectiveness of NFG's online enrollment process and its accessibility to those in need.

j. Outreach and Education Plan

In its Proposed 2022 USECP, NFG provided a detailed list of outreach activities designed to “provide a multi-pronged approach to consumer education” to connect as many eligible customers as possible to the assistance they need. (Proposed 2022 USECP at 8-9). In its July 15 Order, the Commission requested clarification, asking NFG to indicate which Consumer Education and Outreach Programs (CEOP) are new for this Plan, what NFG means by multi-season social media outreach; how it educates customers on how to determine a household's energy burden; how information is distributed geographically; and the Commission asked NFG to provide copies of brochures and bill inserts. (July 15 Order at 27-28). NFG responded that targeted outreach; email outreach; and social media postings were all new parts of its CEOP. Existing initiatives include participation in community events, in-home assistance, telephone and U.S. postal mail,

and utilizing language line. Social media postings for LIRA are year round and for programs such as LIHEAP will be more targeted to when the program is opening and closing (thus, seasonal). NFG does not provide assistance or education related to customers calculating their energy burden. The Company believes energy audits; energy savings tips; and the installation of weatherization measures are an acceptable substitute. (NFG Cmts at 9-10).

CAUSE-PA appreciates and supports NFG's efforts to enhance their CEOP by expanding digital communication efforts and by attempting to target outreach to identify low income customers. Recognizing current realities related to the ongoing COVID-19 crisis, CAUSE-PA is encouraged to see NFG set forth a CEOP that includes email and social media outreach efforts to engage with low income customers – without abandoning traditional outreach methods. CAUSE-PA further supports NFG's coordination efforts to screen all customers for LIRA who present with a Protection from Abuse Order (PFA) and all customers participating in other non-LIRA universal service programs. (Proposed 2022 USECP at 9).

Consumer education and outreach is of critical importance. CAUSE-PA believes NFG's programming is a good start, but to reach stated LIRA and other universal service program enrollment goals, NFG will need to further enhance its CEOP and improve program accessibility and affordability as described throughout these Comments. Specific to outreach and education, CAUSE-PA recommends that NFG develop customer and agency training materials intended to help low income households calculate their individual household energy burden. NFG should provide their customer service representatives (listed as Supplemental Staff in their Plan), as well as community agencies, with this training material and periodic in-person or web-based training to help them better direct customers to, and enroll customers in, appropriate programming. NFG should ensure that community agencies have the tools and resources necessary to conduct outreach

to eligible consumers, and should consider incentives for agencies that help NFG to improve program enrollment. While outreach and education is often part of a community agency's mission, that does not mean the community agency has the necessary resources to conduct outreach in a consistent and holistic manner. It is incumbent upon NFG to ensure agencies and organizations that work with eligible populations across its service territory are equipped to complete program outreach, generate program referrals, and assist eligible households with program enrollment.

CAUSE-PA additionally recommends NFG consider amending existing outreach material, particularly its LIRA Program Features educational document that accompanies LIRA bills. For example, as mentioned above, how arrearage payments are applied is not fully articulated; more explanation is needed for what a Pre-LIRA balance is and how that works; and the language explaining Late Payments is confusing. Finally, CAUSE-PA recommends the Commission direct NFG to continue to work with parties and stakeholders through its USAC to enhance its programming and outreach materials.

We believe the foregoing recommendations will allow NFG to both identify target communities and perform robust outreach and education across the communities it serves.

2. LIURP

In its Proposed 2022 USECP, NFG makes several suggestions for adjustments to its LIURP, its Emergency Repair and Replacement Program (ERRP), and its Low Consumption LIURP Pilot (LC-LIURP Pilot). CAUSE-PA's comments are as follows.

a. Health and Safety and Incidental Repair

In its Proposed 2022 USECP, NFG does not identify the allowance it will offer for installation of routine health and safety measures, nor does it offer guidelines for incidental repairs when contractors are installing LIURP measures. Although clarified in the proceeding for the

existing NFG 2017 USECP, this information was not provided in the new proposed plan. In response to the Commission's July 15 Order, NFG commented that, as of June 2021, when the increased amount was approved, the Company has been, and plans to continue, offering a health and safety allowance of up to \$500 (increased from \$250) for tenants and property owners and an incidental repair allowance of \$100. If a contractor needs to spend more \$100 for incidental repair, they must contact NFG for approval prior to installation. (NFG Cmts at 11). NFG did not specify how health and safety repairs that cost more than \$500 would be handled, or if they would be addressed at all.

CAUSE-PA supports NFG's provision of additional funding for health and safety measures to improve access to usage reduction and energy efficiency services through LIURP, though we question whether NFG's allowance for health and safety measures is adequate to ensure that LIURP is able to serve those with the highest usage and the greatest need. In many cases, high-usage households are unable to access LIURP services as existing health and safety issues disqualify them from participation – even though there is often substantial opportunity for savings through energy efficiency and conservation. For example, if a home has unhealthy levels of moisture, mold, or mildew present, that household is excluded from LIURP participation unless or until the health and safety issues are corrected. These same households often have the greatest need for usage reduction and weatherization services, as they often face high energy costs and poor health outcomes as a result of poorly maintained and energy inefficient housing. Without this coordinated funding, these households are denied access to LIURP services.

For these reasons, other natural gas utilities have expanded health and safety pilots and/or funding. An evaluation conducted for Columbia Gas' proposed USECP for 2019-2023 concluded that, depending on the characteristics of the job, Columbia may expend significant resources

remediating health and safety issues but still achieve substantial savings, given the capacity for savings that exist within the homes that are most in need of remediation.⁴² There is every reason to believe this same analysis is applicable to other natural gas utilities' LIURP services, including NFG. Peoples Natural Gas Company, in its existing USECP, has implemented a general health and safety guideline of \$500 per job, with measures exceeding that number decided on a case-by-case-basis.⁴³ Philadelphia Gas Works (PGW), includes in its existing USECP a health and safety pilot that allows contractors to spend up to \$2,000 per-project to remediate identified health and safety measures that would otherwise prohibit a customer from participating in LIURP.⁴⁴

Homes that cannot be weatherized because of health and safety concerns present dangerous conditions to both the immediate household residents and their communities. When a household's primary heating system is inadequate or inoperable, members of the household will often resort to using unsafe, high-usage, and high-cost alternative heating methods including solutions such as electric space-heaters, electric stoves, and/or portable generators, which increase the risk of carbon monoxide (CO) poisoning as well as house fires.⁴⁵ This leaves all members of the household and members of the greater community at risk of significant harm. For this reason, when unsafe issues are present in a home, it is beneficial to all to promptly remediate those conditions to prevent

⁴²Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation Plan 2019-2021, Docket No. M-2018-2645401, pg. 5 (filed November 25, 2019).

⁴³ Peoples Natural Gas Company LLC and Peoples Natural Gas Company LLC – Equitable Division Universal Service and Energy Conservation Plan for 2015-2018, Docket M-2014-2432515, p. 20 (July 20, 2018).

⁴⁴ Philadelphia Gas Works Universal Service Plan for 2017-2020, Docket No. M-2016-2542415, pgs. 27-28 (August 31, 2017).

⁴⁵ See Nat'l Fire Protection Ass'n, Fire Analysis & Research Division, Home Fires Involving Heating Equipment, at 1 (Dec. 2018) (finding that space heaters cause 44% of all home heating related fires, and 86% of deaths caused by home heating related fires).

further damage or worsening conditions in the home – and to control overall household usage through installation of comprehensive energy efficiency and conservation measures.

NFG did not provide any specific parameters regarding what measures are considered typical health and safety items that need to be addressed, nor did the Company provide information related to the extent to which NFG or its contractors approve additional health and safety remediation beyond \$500 (if they would be approved) and the parameters for how such decisions may be made. NFG does not, for example, indicate whether the assessment is made based on the ability to achieve cost-effective savings in the home or if another standard may apply. Given the lack of information related to program parameters for how and what health and safety measures are installed in homes, CAUSE-PA makes the following recommendation based on proven programming provided by comparable gas utilities.

We recommend NFG increase the initial contractor spending threshold to \$1,000 – with flexibility for approval from NFG to conduct health and safety remediation up to \$2,000 per job in cases where cost effective savings can still be achieved. Within this spending cap, NFG’s LIURP contractors should be instructed to complete *all* health and safety remediation measures necessary to achieve maximum cost-effective savings potential in the home. When repair costs would exceed these caps, we recommend that NFG keep a list of local home repair and remediation programs that may be able to assist. NFG and its contractors should assist households to pursue such repairs, and should prioritize those households for LIURP services once more costly repairs are complete.

CAUSE-PA submits that this recommendation to increase the available health and safety budget would allow NFG to perform more LIURP services for households that are often most in need of energy reduction services, removing the significant barrier presented by health and safety

issues with the homes. This proposed increase would also allow NFG to address its historic underspending of its LIURP budget, as addressed in more detail in comments to follow.

b. Low Consumption-LIURP Pilot (LC-LIURP Pilot)

In its July 15 Order, the Commission discussed NFG’s LC-LIURP Pilot to extend LIURP benefits to qualifying LIRA-participating households who are lower energy users and would not normally qualify for LIURP services based on that lower usage. The LC-LIURP pilot aims to include, as a first level priority, homeowners with 1,299 or less home square footage and usage does not exceed 1,300 CCF; as a second level priority, the pilot includes homeowners who may achieve energy savings through participation in the pilot, regardless of square footage; or as a final level priority, the pilot includes customers – homeowners or renters – residing in single or multifamily properties who otherwise meet eligibility criteria. In its Proposed 2022 USECP, NFG provided conflicting usage requirements for both traditional LIURP and the LC-LIURP Pilot programs, for which the Commission requested clarification. (July 15 Order at 29, 31, and 32). NFG responded that customers qualify for LIURP if they have annual consumption greater than or equal to 1300 CCF and households eligible for LC-LIURP will have annual consumption greater than 1000 CCF but less than 1300 CCF (ranging from 1001 to 1299 CCF). NFG additionally proposed clarifying edits to its Plan. (NFG Cmts at 10).

CAUSE-PA appreciates the clarification, and discusses high usage eligibility criteria in more detail below.

c. LC-LIURP Pilot Reporting

As discussed above, NFG’s LC-LIURP Pilot aims to improve eligibility for LIURP services based on usage and square footage requirements. In an Answer to NFG’s Petition, CAUSE-PA supported implementation of this pilot, stating “CAUSE-PA believes that NFG’s LC-

LIURP Pilot will assist NFG in providing expanded service to those who have high usage, but whose homes are too small to meet the high usage threshold. It will also assist NFG to use its budgeted LIURP dollars to the fullest extent to provide usage reduction and energy efficiency services to those in need.”⁴⁶ In its Proposed 2022 USECP, NFG is requesting the extension of the Pilot through 2023 to allow more time to complete more jobs and collect more data. (Proposed 2022 USECP at 30). The Commission directed NFG to provide data on completed and projected jobs to support its extension request. (July 15 Order at 33). NFG reportedly completed 8 weatherization jobs (of 56 submitted to contractors), 6 of which were considered first level priority. NFG spent only \$48,980.73 of its allotted \$125,000. Twenty-two (22) jobs remain pending and 26 were canceled. NFG collected data for one participant whose installation date allowed for 12-months of post-job usage information to be collected. This job showed a total MCF savings of 25% compared to pre-weatherization usage. (NFG Cmts at 11). If the Pilot is approved for extension, NFG aims to target 40 participants, although it is unclear if the Company aims to target 40 participants in total for the pilot or if this is an annual goal. (NFG Cmts at 11). NFG notes the COVID-19 global pandemic is responsible for much of the slower progress for the Pilot. (NFG Cmts at 11).

CAUSE-PA notes the significant usage reduction by the one participant for which NFG describes having collected 12-months of post-job data. Reducing a quarter of the customer’s usage will also significantly positively impact their bill affordability. This is a tremendous accomplishment that bodes well for other such projects. CAUSE-PA thus supports the extension of the LC-LIURP Pilot, though we recommend NFG further reduce the usage threshold to reach more households in need of usage reduction services. The Pilot will provide an opportunity to

⁴⁶ NFG 2017-2020 Universal Service and Energy Conservation Plan, CAUSE-PA Answer to Petition, Docket No. M-2016-2573847, pg. 2 (filed March 28, 2019).

evaluate the efficacy in providing LIURP services to households with usage that is relatively high for the square footage of living space in a home, but not high enough to meet the LIURP high usage thresholds. In reviewing the Pilot program parameters and comparing other Pennsylvania gas utilities high usage eligibility criteria, we note that the high usage eligibility threshold is lower for traditional LIURP than NFG's LC-LIURP Pilot. For example, both PECO's existing approved USECP (2016-2018) and its Proposed 2019-2024 USECP set the LIURP usage eligibility threshold at 50 CCF/month (600 CCF annually). Further, UGI Gas's existing approved USECP (2020-2025) lists the LIURP high usage threshold at approximately 79 CCF/month (950 annually).⁴⁷ CAUSE-PA recommends that the usage eligibility threshold for the LC-LIURP Pilot be reduced to a 900 CCF annually, making the Pilot range equal to or greater than 900 CCF up to 1,299 CCF annually. We believe this will help NFG: complete their goal of 40 projects, specifically target first level priority customers, spend the full budget allotment for the Pilot, and provide more robust data analyzing the energy and bill savings potential in homes with above average usage who do not traditionally qualify for usage reduction services.

c. Annual Contractor Meeting

In its Plan, NFG proposes to reinstate annual LIURP contractor meetings, but the Commission noted the Plan provides little detail regarding what will be covered and how these meetings will advance LIURP service implementation. (Proposed USECP at 32). In comments, NFG explained the meeting would be used to discuss job goals and best practices to reach goals; importance of accurate and timely billing and reporting; and how to spend carry-over money. For example, the last annual meeting in July resulted in the recommendation to increase the health and

⁴⁷ UGI Utilities, Inc – Gas Division and UGI Utilities, Inc. – Election Division Universal Service & Energy Conservation Plan January 1, 2020 – December 31, 2025; Docket No. M-2017-2598190, p. 27 (Last Revised December 6, 2019).

safety allowance from \$250 to \$500. The ultimate goal for these annual meetings is to improve consistency and communication for the provision of LIURP services (NFG Cmts at 11-12).

CAUSE-PA supports holding an annual meeting for contractors as these meeting present an opportunity for NFG to convey Plan updates and to determine if there are program deficiencies and ideas for remediation. Indeed, these annual contractor meetings provide an excellent opportunity for NFG to ensure coordination with other programs, including electric distribution company LIURP programming, Act 129 energy efficiency and conservation programming, the Weatherization Assistance Program (WAP), and local water conservation programming. Given the contractors who work with NFG to install LIURP measures are the same for some of the other programs, CAUSE-PA recommends NFG use these annual meetings as a training opportunity for all available programs that can work to improve energy efficiency and reduce energy bills for low income customers.

In addition, since conversation held at these meetings would be instructive for stakeholders participating in NFG's USAC, CAUSE-PA recommends that minutes are taken and shared with the USAC; that NFG consider holding the contractor meetings biannually and prior to USAC meetings to facilitate the flow of information and communication between these groups and for all stakeholders to have the opportunity to collaboratively assist NFG with program implementation and improvements.

d. LIURP Post Inspection

The Commission directed NFG to explain its methodology for selecting the 25% of LIURP jobs that receive a post inspection and what action may be taken if the installed LIURP measures are found to be inadequate. (July 15 Order at 34). NFG's post inspection plan includes pulling jobs that have an aggregate cost of at least \$4,000 and randomly selecting 25% of those jobs for

inspection after installation. If measures fail to produce savings or if usage increased, NFG will reach out directly to the customer to determine if there were household or other changes in circumstances that may warrant an increase in usage. If the customer has a concern about the installed measure, NFG may visit the property or work with the contractor to address the problem. (NFG Cmts at 12).

CAUSE-PA is concerned NFG's sampling methodology does not provide an accurate, holistic picture of how well NFG's LIURP is achieving its goals. Only evaluating more expensive or unique projects unnecessarily skews data. CAUSE-PA therefore recommends NFG choose a more representative sample of projects which will receive a post inspection to ensure all types of projects are accomplishing energy usage reduction and improving bill affordability.

e. Landlord Permission

NFG's Proposed 2022 USECP does not specify the method by which NFG receives written landlord permission to install LIURP services identified during an energy audit. The Commission thus requested NFG to explain and clarify this methodology in addition to listing LIURP measures or referrals that could be provided to a tenant if a landlord refuses permission for installation of LIURP measures. (July 15 Order at 35).

In response, NFG explains that it requires landlords to provide two written forms – a Landlord/Tenant Certificate of Approval and a Sidewall Insulation Installation form. (NFG Cmts at 13). Both forms are required, regardless of whether sidewall insulation is one of the LIURP measures recommended for installation. The Sidewall form provides an opportunity for the landlord to sign to refuse the completion of this installation. (NFG Cmts; Exhibit Q-16). However, it is unclear from NFG's response if a landlord signs both forms, refusing sidewall installation but

still signing the form, if that forestalls installation of *all* LIURP measures or only the sidewall insulation.

The LIURP regulations at 52 Pa. Code § 58.8 require written landlord permission for measures to be installed, primarily to protect a tenant from eviction or from having rents raised as a result of the installation of weatherization measures (and resultant energy efficiency/utility cost reduction). A Landlord/Tenant form is thus warranted as a requirement for tenant protection. However, NFG’s Landlord/Tenant form is very likely a deterrent to landlord approval, given the extreme disclaimers and liability waiver landlords are asked to sign. NFG’s release requires landlords to effectively indemnify NFG and anyone associated with NFG from intentional or negligent acts – including willful misconduct. (NFG Cmts; Exhibit Q-16). CAUSE-PA questions whether a release of this scope would hold up in court – and notes that the language is far broader than the indemnification provisions included in NFG’s currently effective tariff.⁴⁸ Regardless of the enforceability of this broad indemnification clause, CAUSE-PA asserts that such language creates an unreasonable barrier to tenant participation in LIURP.

Further, CAUSE-PA contends the additional sidewall insulation form is unnecessary at the enrollment stage and may cause landlords to be unnecessarily hesitant to allow their tenant to participate in the program. Similar to the landlord approval form, the sidewall insulation form is framed in a manner that would likely deter most homeowners – suggesting that NFG’s contractors will make a mess of the property, and will not perform even the most basic restoration measures following insulation installment. (NFG Cmts; Exhibit Q-16). NFG’s requirement that this form be submitted prior to a LIURP energy audit likely serves as a barrier to tenant participation in LIURP – precluding other critical LIURP measures from being installed if a landlord fails to sign. This

⁴⁸ See, e.g., NFG Tariff Supplement No. 108 to Gas – Pa. PUC No. 9, at 19, para 9 (limiting indemnification for service interruption in cases where NFG’s conduct “is found to be willful, wanton or reckless.”).

additionally contributes to LIURP underspending, when jobs cannot be completed due to preventable impediments.

In addition, it is unclear if NFG provides any outreach to landlords to walk them through how LIURP works; why LIURP jobs are completed; how it will impact them, their property, and their tenants; and why their participation is important. Providing landlords forms absent context hinders participation in LIURP.

CAUSE-PA recommends the Commission direct NFG to have only one required form for landlords to sign, which should be modified substantially to remove unnecessarily restrictive language. A landlord approval form should be in plain language, and revisions should be subject to further review and approval by the Commission. In turn, NFG should be required to work with the parties to this proceeding and members of its USAC to develop a landlord outreach strategy. If necessary, any additional approvals for specific measures should only be required after such measures are identified as an appropriate measure to be installed in the individuals' home. This would allow for NFG and its LIURP contractors to demonstrate the benefit to landlords of participation in the program, and would help to remove unnecessary hesitation regarding participation in the program.

f. Unspent LIURP Funds

The Commission notes in its July 15 Order that NFG will have its largest LIURP budget in 2021, \$2,609,065, adding \$1.3M of 2020 rollover to the existing LIURP budget. (July 15 Order at 35). NFG claims 2020 as an anomaly year due to constraints attributable to COVID-19 restrictions. However, NFG has consistently underspent its LIURP budget, completing only about half of its projected jobs year over year – despite clear and identified need for LIURP services. In their Plan, NFG reported that as of 2019, there were approximately 82,540 households in the

Company's service territory with incomes lower than or equal to 200% FPL. (Proposed 2022 USECP at 32). As of March 2021, NFG reported approximately 9,753 homes both met the existing yearly consumption level of 1,300 CCF or more and the 200% FPL, making them eligible for NFG's LIURP. (Proposed 2022 USECP at 32). Yet, in 2019, NFG completed only 125 LIURP jobs that year. (Proposed 2022 USECP at 33). The Commission requested the Company explain steps it will take to increase LIURP jobs completed and address the underspending.

NFG responded that the Company is:

- “(a) collaborating with and sharing information with various statewide agencies with the goal of identifying additional households eligible to participate in LIURP
- (b) engaging the service of additional weatherization contractors to both existing LIRA accounts for participation in LIURP
- (c) contracting with additional contractors to perform additional LIURP weatherization jobs
- (d) collaborating with members of the Energy Association of Pennsylvania (“EAP”) to work on implementing a statewide LIURP campaign, aimed at increasing LIURP enrollment figures by increasing awareness of LIURP.”

NFG additionally referenced its LC-LIURP Pilot and the increase to the health and safety allowance as additional means of moving more funding. (NFG Cmts at 13).

CAUSE-PA is generally supportive of NFG's listed efforts to improve its LIURP spending and reaffirms its prior recommendations for enhanced LIURP programming. However, we note there is a lack of critical detail in NFG's Plan and its Comments regarding some of the listed activities – and how, when, and whether those activities will take place. For instance, there is no detail or information regarding the potential for a statewide LIURP awareness campaign; how and when NFG intends to work with statewide agencies to identify potential LIURP participants; or how many additional contractors NFG will bring on in the next fiscal year to address the significant carry-over related to under-production associated with the pandemic. While laudable goals, the

lack of detail and information about these initiatives raises substantial question about the likelihood they will occur.

Ultimately, while these improvements may help address and improve NFG’s historical LIURP underspending (to the extent they are implemented), we do not believe these programmatic enhancements will be adequate to resolve NFG’s substantial level of underspending as a result of the pandemic. Indeed, based on NFG’s response to the Commission’s questions, which noted NFG “expects to serve a similar number of customers annually,” it does not appear as though NFG has any intent of ramping up its LIURP production in 2022 to spend the substantial carry-over in, effectively doubling its budget. (NFG Cmts. at 16). Thus, for the 2022 program year, we recommend that NFG lower its high usage threshold to allow all households with higher than average usage to be eligible for LIURP services. NFG is not the only utility with surplus LIURP budgets, and other natural gas utilities have proposed solutions similar to those CAUSE-PA is recommending here. For example, as part of its base rate case settlement, UGI Gas Division, to utilize the entirety of its 2020 LIURP budget, agreed to “adjust its LIURP minimum usage threshold to the actual average usage of residential customers (no longer average usage +30%) for customers at or below 150% FPL for the duration of its 2020 LIURP program year.”⁴⁹

CAUSE-PA believes reducing the usage threshold will allow NFG to expend more, if not all, of its current LIURP budget.

3. Neighbor for Neighbor (NFN) (i.e., NFG’s Hardship Fund)

NFG’s NFN program, designed as a hardship fund, provides assistance to eligible individuals residing in NFG’s service territory to prevent utility service disconnection; pay

⁴⁹ PA Public Utility Commission v. UGI Utilities, Inc. – Gas Division; Joint Petition for Settlement; Docket No. R-2019-3015162, p. 13 (August 3, 2020).

overdue bills; purchase any heating fuel; or repair/replace heating equipment. CAUSE-PA is supportive of this program and makes the following recommendations for its improvement.

a. Income Limit for NFN

The Commission directed NFG to clarify the income parameters for its NFN hardship programs. (July 15 Order at 38). NFG clarified that the Company does not propose to change eligibility requirements. In other words, the Plan does not *limit* NFN grants to those whose income is between 151 and 200% FPL. Rather, this eligibility parameter was added to ensure customers in this income category understand they *also* qualify for hardship grants – in addition to households with income between 0-150% FPL. (NFG Cmts at 14). NFG offered no edits to the Plan to clarify that this is not an income limitation.

CAUSE-PA shares the Commission’s concern that the listing of one of the options for eligibility as household income between 151 - 200% FPL does, indeed, appear as though that is an income *limitation*. We therefore recommend the Commission direct NFG to amend the language in the plan to state that the income threshold for grant eligibility is household income between 0% – 200% FPL. This will alert those who fall within the 151-200% FPIG that they also qualify for this assistance without inadvertently signaling to those who fall below 150% that they do not qualify.

b. Good Faith Payments

In its July 15 Order, the Commission notes that NFG requires three “good faith” payments be made in the last 12 months for an individual to be eligible to receive an NFN grant. The Commission directed NFG to clarify how it determines a payment qualifies as a “good faith” payment. In response, NFG explains: “For purposes of NFN eligibility, a good faith payment is any payment made to an individual’s heating bills within a 12-month period from the date of

application, other than those provided by LIHEAP or assistance programs.” (NFG Cmts at 14). This explanation restates language included in the Proposed 2022 USECP and fails to answer what constitutes a “good faith” payment. NFG needs to answer if a payment is considered in “good faith” if it is the full amount paid, or a partial amount. If a partial payment constitutes good faith, NFG should explain if there is a threshold amount or percentage of the bill which must be paid. CAUSE-PA therefore recommends the Commission require NFG to specify exactly how it decides whether its good faith payment requirements are met, and allow interested parties the opportunity to further assess and respond.

While CAUSE-PA supports amendments proposed to the NFN from NFG’s 2017 USECP, specifically reducing the number of payments made to three within the last year and eliminating the need to have a payment made in the last 90 days, CAUSE-PA remains concerned about requiring a household to have made a pre-set number of payments in order to qualify for hardship fund assistance. By its definition, hardship funds are designed to assist a household experiencing an acute hardship – which households most often seek only after exhausting all other options for assistance. The fewer restrictions placed on grant assistance, the easier it will be for households in need to access funds when they need them most.

CAUSE-PA therefore recommends that NFG’s eliminate prior payment requirements as a precondition to accessing eligibility for hardship fund assistance. Nevertheless, to the extent that the Commission may be inclined to allow a prior payment requirement to persist, CAUSE-PA urges the Commission to require that NFG further define and explain how it determines “good faith” – and allow interested stakeholders to respond.

c. NFN Agency Training

The Commission references in its July 15 Order that, through the APPRISE evaluation, at least one agency working with NFG stated lack of familiarity with the Company's LIRA program, and frequently refrains from referring customers to the program. (July 15 Order at 40). The agency requested more information so it can confidently make referrals. (July 15 Order at 40). NFG responded to the APPRISE report that it provides materials and training at an annual NFN meeting for all member agencies. (July 15 Order at 40). The Commission noted concern with the lack of training and directed NFG to explain how it intends to ensure community partners are adequately informed about all the Company's universal service programs and to explain if or how agencies can make direct program referrals to NFG on a household's behalf. (July 15 Order at 40).

In response, NFG commented that it holds two NFN Advisory Board meetings per year which include agency training, and targets two agencies each year for additional outreach – though it did not provide a copy of the agenda for these meetings or information about its outreach, making it impossible to determine the overall content provided to participants, the length of the meetings, and the structure of any training sessions therein. Also, we have no way of knowing who is invited and if they are required to attend. NFG additionally stated that it provided “training materials” for these meetings as an attachment to its comments. However, the materials provided by NFG include only informational brochures, examples of LIRA bills, and other extraneous information for which no context is provided. NFG also states it will offer, upon request, one-on-one agency training and provides no additional detail related to what that training would entail. Based on the information provided, or lack thereof, it would appear as though there is no meaningful outreach, training, or materials provided to agencies that work with NFG. (NFG Cmts at 14-15 & Exhibit Q-20).

CAUSE-PA shares the Commission's concerns and finds NFG's response to the directives in the July 15 Order to be inadequate and agency training efforts to be substantially lacking. Implementing the same training as prior years, that leaves agencies feeling uncomfortable referring qualifying customers to needed assistance programs, requires remediation. CAUSE-PA recommends NFG work with its USAC to develop an agency training plan and materials to ensure all agencies working with NFG customers will have comprehensive program knowledge to impart to customers. This training plan should include development and implementation of a direct program referral process to allow for direct program referrals to NFG on a household's behalf.

B. Additional issues identified by CAUSE-PA

1. LIRA Termination Procedures

In its Comments, NFG provides a copy of a document provided to LIRA participants, titled "LIRA Program Features." (NFG Cmts at Exhibit Q-10). In that document, NFG explains the requirements for restoration of service following termination of a LIRA customer. These requirements also appear on NFG's LIRA application, which was also provided as an attachment to NFG's Comments. (NFG Cmts at Exhibit Q-20). CAUSE-PA is deeply concerned about the additional requirements NFG imposes on LIRA participants seeking restoration following termination.

First, the form indicates that in addition to paying a reconnection fee and any past due LIRA bill amounts listed on the termination notice, a LIRA customer seeking to restore service must also "[e]nter into a payment arrangement on any unforgiven Pre-LIRA balance." (NFG Cmts at Exhibit Q-10). Going forward, the LIRA participant must pay both their LIRA bill and a payment arrangement amount.

To CAUSE-PA’s knowledge, NFG is the *only* public utility in Pennsylvania that does not allow CAP customers to re-defer pre-program arrearages upon reinstatement in CAP. Indeed, NFG’s rule is, quite simply, designed to punish households who fall behind on their LIRA bills, stripping them of the ability to earn forgiveness on prior arrears even after they pay a reconnection fee and catch up with missed LIRA payments. In the long run, requiring LIRA households to enter a categorically unaffordable payment arrangement as a condition to service restoration likely compounds uncollectible expenses and exacerbates negative health and safety impacts of termination, as it would serve to foreclose many low income customers from reconnecting to service following a termination. This practice must change. CAUSE-PA urges the Commission to require that NFG restore a household’s LIRA benefits upon restoration – including the opportunity to earn arrearage forgiveness on debt accrued prior to LIRA enrollment.

Second, in addition to paying past due LIRA bills, a reconnection fee, and a payment arrangement for pre-program arrears, the form notes that LIRA participants are also required to pay a “down payment equal to one month’s LIRA Budget Plan amount.” (NFG Cmts at Exhibit Q-10). In short, this amounts to imposition of a security deposit on households NFG recognizes is low income, in plain violation of the statutory and regulatory prohibition on charging security deposits for low income households.⁵⁰ CAUSE-PA urges the Commission to order NFG to immediately cease this practice of imposing an up-front deposit on LIRA participants as a condition of reconnection.

NFG’s imposition of these additional financial hurdles to reconnection for LIRA participants must be stopped, as they pose a distinct risk to the health and safety of low income

⁵⁰ 66 Pa. C.S. § 1404 (a.1); 52 Pa. C.S. § 56.32(e).

consumers and contradict the Public Utility Code, Commission statute, and prevailing public policy.

2. NFN Advisory Board

In NFG’s Proposed 2022 USECP, the section on the Neighbor for Neighbor Advisory Board is cause for concern, as it creates barriers to Commission oversight of NFG’s programs. NFG notes the board is “made up of individuals representing human service organizations, coordinates Neighbor for Neighbor” and that “[t]he Advisory Board approves and implements changes based on community needs.” (Proposed 2022 USECP at 36). CAUSE-PA supports community engagement to help ensure programs are responsive to community needs, and applauds NFG for incorporating local agencies in its decision-making process. However, we are concerned that changes are being made to NFG’s Commission-approved programs outside of the universal service program review process.

As CAUSE-PA has articulated in other USECP proceedings,⁵¹ we believe it is imperative that decisions regarding program eligibility and benefits remain within the purview of the utility, subject to Commission oversight, and that such decisions not be delegated to third party service providers. Indeed, the Commission is obligated to oversee the adequacy of universal service programs⁵², and – as such - a utilities’ universal service program eligibility criteria must be made explicit in each utility’s Commission-approved USECP to allow the Commission to properly oversee each utilities’ universal service program portfolio consistent with its obligations under the Choice Act.

⁵¹ See Duquesne Light Co. Universal Service and Energy Conservation Plan for 2017-2019 Submitted in Compliance with 52 Pa. Code §§ 54.74, Order, Docket No. M-2016-2534323, at 45-47 (entered March 23, 2020).

⁵² See 66 Pa. C.S. §§ 2202, 2203(8).

Allowing the Neighbor for Neighbor Advisory Board to exercise discretion and authority over critical program determinations would create a shadow set of rules for ratepayer-supported programming which could shift without warning – and without a sound basis in Commission-established public policy. We also note that there is a significant potential for conflict of interest, given the Advisory Board is made up of NFG’s program administrators, and has been provided with authority to make decisions about administrative fees. For instance, in 2019, the Advisory Board approved payment of \$100 supplemental grants to all NFN grant recipients – as well as a \$35 fee for processing each supplemental grant – without review and approval by the Commission. (NFG Cmts at 17). CAUSE-PA notes that there may be other extenuating circumstances surrounding this specific special program, and is not suggesting this was necessarily improper. What we are suggesting is that the Advisory Board structure creates substantial potential for conflict of interest, and improperly strips the Commission of its authority and obligation to oversee NFG’s universal service programs.

For these reasons, and consistent with the Commission’s statutory duty to oversee NFG’s universal service programming, CAUSE-PA recommends that the Commission not allow NFG’s NFN Advisory Board to impose program eligibility rules or requirements which are not memorialized in, or are in contradiction to, NFG’s USECP. Any such decisions which affect program eligibility, benefits, or enrollment processes must be submitted to the Commission for review and approval before implementation.

3. Language Access

CAUSE-PA notes that critical information regarding language access is absent from NFG’s Proposed 2022 USECP. NFG references that it offers “Language Line” for customers with Limited English Proficiency, though it provides no further details about how it identifies non-English

speakers or provides the option for interpreter services – nor does it provide any information about whether NFG intends to translate written materials – such as applications and outreach materials - to Spanish or other commonly spoken languages. (See Proposed 2022 USECP at 9). NFG’s exclusion of clearly articulated language access policies and procedures for customers applying and recertifying for LIRA may create significant barriers for customers with limited English proficiency to successfully apply for, enroll, and participate in LIRA.

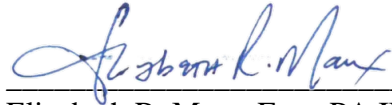
CAUSE-PA recommends that the Commission direct NFG to articulate its language access policies as they pertain to universal service enrollment, and NFG further should detail its methods for ensuring that its application and recertification processes are fully accessible to low income consumers with limited English proficiency. NFG’s articulated language access policies should include, at a minimum, the provision of outreach, applications, and recertification in Spanish, along with assurances that NFG and its partner agencies provide translation and interpretation services.

IV. CONCLUSION

CAUSE-PA thanks the Commission for its thoughtful consideration of the issues raised above and for the opportunity to submit comments concerning the July 15, 2021 Order regarding NFG’s Proposed 2022-2026 USECP. We urge the Commission to act in accordance with these Comments to ensure that all customers – regardless of income – are able to access safe and affordable services within the NFG’s service territory.

Respectfully Submitted,

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