



---

November 15, 2021

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Addendum to Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020 – Docket No. M-2016-2542415, and

Petition to Amend Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2022 – Docket No. P-2020-3018867

Dear Secretary Chiavetta,

Enclosed for electronic filing please find the Joint Answer of the Tenant Union Representative Network and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania to the Petition of Philadelphia Gas Works for Commission Action. Copies are being served as set forth in the attached Certificate of Service.

Sincerely,

Robert W. Ballenger  
Energy Unit Attorney

Cc: Service list



## CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of the Joint Answer to PGW's Petition for Commission Action upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

### **Via Email Only**

Christy M. Appleby, Esq.  
Darryl Lawrence, Esq.  
Office of Consumer Advocate  
5th Floor, Forum Place Bldg.  
555 Walnut Street  
Harrisburg, PA 17101-1921  
[cappleby@paoca.org](mailto:cappleby@paoca.org)  
[dlawrence@paoca.org](mailto:dlawrence@paoca.org)

Lauren M. Burge, Esquire (I.D. No. 311570)  
Eckert Seamans Cherin & Mellott, LLC  
600 Grant Street, 44th Floor  
Pittsburgh, PA 15219  
[lburge@eckertseamans.com](mailto:lburge@eckertseamans.com)

Sharon Webb, Esq.  
Office of Small Business Advocate  
Forum Place Bldg., 1st Floor  
555 Walnut Street  
Harrisburg, PA 17101  
[swebb@pa.gov](mailto:swebb@pa.gov)

Deanne M. O'Dell, Esquire (I.D. No. 81064)  
Eckert Seamans Cherin & Mellott, LLC  
213 Market Street, 8th Floor  
Harrisburg, PA 17101  
[dodell@eckertseamans.com](mailto:dodell@eckertseamans.com)

Elizabeth R. Marx, Esq.  
Ria Pereira, Esq.  
John Sweet, Esq.  
The Pennsylvania Utility Law Project  
118 Locust Street  
Harrisburg, PA 17101  
[pulp@pautilitylawproject.org](mailto:pulp@pautilitylawproject.org)

Joseph Magee  
Sarah Dewey  
Bureau of Consumer Services  
PA Public Utility Commission  
PO Box 3265  
Harrisburg, PA 17105-3265  
[jmagee@pa.gov](mailto:jmagee@pa.gov)  
[sdewey@pa.gov](mailto:sdewey@pa.gov)

Joseph Minott, Esq.  
Logan Welde, Esq.  
Clean Air Council of Philadelphia  
135 South 19th St., Suite 300  
Philadelphia, PA 19103  
[joe\\_minott@cleanair.org](mailto:joe_minott@cleanair.org)  
[lwelde@cleanair.org](mailto:lwelde@cleanair.org)

Gina Miller, Esq.  
Carrie Wright, Esq.  
Bureau of Investigation & Enforcement  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120  
[ginmiller@pa.gov](mailto:ginmiller@pa.gov)  
[carwright@pa.gov](mailto:carwright@pa.gov)



Charis Mincavage, Esq.  
McNees, Wallace, and Nurick  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
[cmincava@mwn.com](mailto:cmincava@mwn.com)

Louise Fink Smith, Esq.  
Law Bureau  
PA Public Utility Commission  
P.O. Box 3265  
400 North Street, 3rd Floor  
Harrisburg, PA 17105-3265  
[Finksmith@pa.gov](mailto:Finksmith@pa.gov)

November 15, 2021

---

Robert W. Ballenger, Esq.

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Addendum to Philadelphia Gas Works** :  
**Universal Service and Energy Conservation** : **Docket No. M-2016-2542415**  
**Plan for 2017-2020** :  
: :  
: :  
**Petition to Amend Philadelphia Gas Works** :  
**Universal Service and Energy Conservation** : **Docket No. P-2020-3018867**  
**Plan for 2017-2020** :

---

**JOINT ANSWER OF THE TENANT UNION REPRESENTATIVE  
NETWORK AND THE COALITION FOR AFFORDABLE UTILITY  
SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA  
TO THE PETITION OF PHILADELPHIA GAS WORKS  
FOR COMMISSION ACTION**

---

COMMUNITY LEGAL SERVICES, INC.  
*Counsel for TURN*  
Robert W. Ballenger, Esq. (Pa. ID: 93434)  
Kintéshia S. Scott, Esq. (Pa. ID: 328600)  
Joline R. Price, Esq. (Pa. ID: 315405)  
1424 Chestnut Street  
Philadelphia, PA 19102  
215-981-3700

PENNSYLVANIA UTILITY LAW PROJECT  
*Counsel for CAUSE-PA*  
Elizabeth R. Marx, Esq. (Pa. ID: 309014)  
Ria M. Pereira, Esq. (Pa. ID: 316771)  
John W. Sweet, Esq. (Pa. ID: 320182)  
118 Locust Street  
Harrisburg, PA 17101  
Telephone: 717-236-9486

November 15, 2021

## **I. INTRODUCTION AND BACKGROUND**

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission (“PUC” or the “Commission”), 52 Pa. Code §§ 5.61(e), 5.71-.76, the Tenant Union Representative Network (“TURN”) and Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”), by and through their respective counsel, Community Legal Services, Inc. and Pennsylvania Utility Law Project, hereby file this Joint Answer to the Petition of Philadelphia Gas Works (“PGW”) for Commission Action. PGW’s Petition was filed on October 25, 2021.

TURN and CAUSE-PA (together, “Low Income Advocates”) have standing to participate in this proceeding pursuant to section 52 Pa. Code § 5.72(a)(2), as alleged in our respective Petitions to Intervene filed at this docket.

The Low Income Advocates support PGW’s request for an expedited proceeding consistent with the Commonwealth Court’s Order, and submit that the Commission should grant PGW’s Petition. As set forth in the numbered paragraphs corresponding to PGW’s Petition, below, any modification to CRP can only be made after evidentiary proceedings and a new decision consistent with the Commonwealth Court’s Order. Because the CRP Pilot Program was implemented, without any party seeking to stay implementation pursuant to the Commission’s March 26 Order, CRP customers have benefitted from more affordable CRP bills and are entitled to an opportunity to participate in the Court-ordered proceeding prior to any change to the status quo.

The Low Income Advocates answer PGW’s Petition as follows:

## II. LOW INCOME ADVOCATES' ANSWER

1-14. Admitted.

15. Admitted in part, denied in part. It is admitted that PGW's CRP Pilot Program is in place and provides benefits to low income customers enrolled in CRP. The 60,000 CRP participants have, since implementation of the Pilot, received gas bills calculated consistent with the Commission's CAP Policy Statement, resulting in increased bill affordability for the substantial number of low-income Philadelphians who rely upon PGW service to heat their homes, prepare their meals, and maintain their health, comfort and safety. The Low Income Advocates deny PGW's assertion that PGW's firm customers have paid additional costs due to the CRP Pilot Program. PGW's assertion is erroneous because the calculation of its Universal Service and Energy Conservation Surcharge is dependent on multiple factors, not just the energy burdens utilized in CRP. PGW's January 6, 2020 Addendum to its Universal Service Plan for 2017-2020 estimated that the CRP Pilot Program would result in CRP program costs increasing by more than \$27 million annually (from \$59,694,816 in 2020 to \$87,018,257 in 2021). According to the quarterly reports PGW has filed with the Commission, PGW's actual CRP costs over 12 months (October 2020 – September 2021) show a comparatively negligible increase of \$1 million (from \$59,694,816 to \$60,748,545). See App. A. This increase is *less* than the typical year-over-year increase projected for PGW's CRP budget *prior* to implementation of the CRP Pilot Program. See PGW Second Amended 2017-2020 USECP at 43 (filed with the Commission on August 31, 2017).

16. Admitted. By way of further answer, the Commonwealth Court's memorandum opinion is unpublished and non-precedential.

17. Admitted in part, denied in part. It is admitted that PGW has filed its Petition, requesting certain actions. To the extent PGW's averment suggests that PGW is or could be

required to immediately and/or retroactively alter the energy burdens currently utilized in its CRP, that averment is denied. The Commonwealth Court’s order requires the Commission to issue a new decision following evidentiary proceedings that provide adequate due process to all participants, including CRP customers. Reverting to the energy burdens utilized in PGW’s CRP prior to implementation of the Pilot Program would cause all CRP participants’ bills to increase without notice or opportunity, in violation of the due process rights recognized by the Commonwealth Court.

18. Admitted.

19. Admitted in part, denied in part. It is admitted that the Commonwealth Court did not specify how its order would affect current CRP energy burdens. It is denied that there is uncertainty about the use of the approved energy burdens at this time. By way of further explanation, the Commonwealth Court’s order guarantees interested stakeholders evidentiary proceedings and a Commission decision prior to any changes to CRP as it is currently operated.

20. Admitted. By way of further answer, the Low Income Advocates submit that the 60,000 CRP participants in PGW’s service territory not only “benefitted” from the reduced energy burden standards – they have come to rely on the reduced CRP rates, which have been in effect now for over a year. Increasing CRP rates now, pending resolution of the proceeding on remand, would violate CRP participants’ due process rights, raising substantial and complex legal and equity questions affecting 60,000 low-income customers of PGW.

21. Admitted in part, denied in part. It is admitted that using higher energy burdens for calculating CRP bills, as was the case prior to modification of CRP pursuant to the Commission’s March 26, 2020 Order, would affect CRP participants’ bills and it is admitted that a Commission order would provide PGW clarity that it is not required to modify CRP at this

time, avoiding additional charges and potential confusion among CRP customers. The Low Income Advocates further admit that it will be very difficult for CRP customers to pay additional charges – a fact made worse by the ongoing COVID-19 pandemic and the slow economic recovery. Finally, the Low Income Advocates recognize that modification to CRP creates an administrative burden and cost for PGW, which cost and burden would be increased by the substantial confusion and consumer complaints raised by CRP customers whose bills would be increased above the Commission’s current energy burden standards. The Low Income Advocates deny PGW’s assertion that PGW’s firm customers have paid additional costs due to the CRP Pilot Program. PGW’s assertion is erroneous because the calculation of its Universal Service and Energy Conservation Surcharge is dependent on multiple factors, not just the energy burdens utilized in CRP. PGW’s January 6, 2020 Addendum to its Universal Service Plan for 2017-2020 estimated that the CRP Pilot Program would result in CRP program costs increasing by more than \$27 million annually (from \$59,694,816 in 2020 to \$87,018,257 in 2021). According to the final status update PGW filed with the Commission on November 1, 2021, PGW’s actual CRP costs over 12 months (October 2020 – September 2021) show a comparatively negligible increase of \$1 million (from \$59,694,816 to \$60,748,545). See App. A. This increase is *less* than the typical year-over-year increase projected for PGW’s CRP budget *prior* to implementation of the CRP Pilot Program. See PGW Second Amended 2017-2020 USECP at 43.

22. Admitted. By way of further answer, PGW filed its USECP for 2023-2027 on October 29, 2021.

23. Admitted in part, denied in part. It is admitted that maintaining the current CRP energy burdens while further proceedings are conducted before the Commission, consistent with

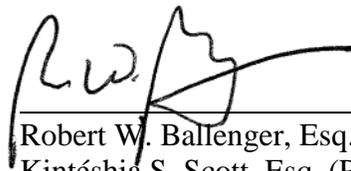
the Commonwealth Court's memorandum opinion and the due process rights of stakeholders, are in the public interest. To the extent PGW's averment suggests that PGW is or could be required to immediately and/or retroactively alter the energy burdens currently utilized in its CRP pursuant to the Commonwealth Court's Order, that averment is denied. The Commonwealth Court's order requires the Commission to provide adequate due process to all stakeholders, including CRP participants, prior to taking actions which would affect the bills of PGW customers, including the 60,000 CRP participants whose bills would become unaffordable if the CRP energy burdens were increased.

24. Admitted in part. It is admitted that the Low Income Advocates do not oppose PGW's Petition. The Low Income Advocates are without sufficient knowledge or information to form a belief about the truthfulness of the remainder of PGW's averments, and they are therefore denied.

### III. CONCLUSION

The Low Income Advocates submit that the Commission should grant PGW's Petition, providing such clarification as it may deem advisable to inform stakeholders that CRP, as currently in operation, will not be modified absent further Commission action consistent with the Commonwealth Court's unpublished memorandum opinion and the due process rights of stakeholders.

Respectfully submitted,



---

Robert W. Ballenger, Esq. (Pa. ID: 93434)  
Kintéshia S. Scott, Esq. (Pa. ID: 328600)  
Joline R. Price, Esq. (Pa. ID: 315408)

COMMUNITY LEGAL SERVICES, INC.  
*Counsel for TURN*  
1424 Chestnut Street  
Philadelphia, PA 19102  
Telephone: 215-981-3700



---

Elizabeth R. Marx, Esq. (Pa. ID: 309014)  
Ria M. Pereira, Esq. (Pa. ID: 316771)  
John W. Sweet, Esq. (Pa. ID: 320182)

PENNSYLVANIA UTILITY LAW PROJECT  
*Counsel for CAUSE-PA*  
118 Locust Street  
Harrisburg, PA 17101  
Telephone: 717-236-9486

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Addendum to Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020</b>	:	<b>Docket No. M-2016-2542415</b>
	:	
	:	
	:	
<b>Petition to Amend Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020</b>	:	<b>Docket No. P-2020-3018867</b>
	:	

VERIFICATION

I, Nicole Lawrence, on behalf of Tenant Union Representative Network (TURN), hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: November 15, 2021

  
Title: Executive Director, TURN

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

<b>Addendum to Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020</b>	: : : : :	<b>Docket No. M-2016-2542415</b>
<b>Petition to Amend Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020</b>	: : : :	<b>Docket No. P-2020-3018867</b>

VERIFICATION

I, Minta Livengood, on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

Date: November 15, 2021

  
Ms. Minta Livengood

CAUSE-PA Executive Committee Member



PHILADELPHIA GAS WORKS

800 West Montgomery Avenue • Philadelphia, PA 19122

Graciela Christlieb, Senior Attorney  
Legal Department  
Direct Dial: 215-684-6164  
FAX: 215-684-6798  
E-mail: [graciela.christlieb@pgworks.com](mailto:graciela.christlieb@pgworks.com)

November 1, 2021

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**RE: Philadelphia Gas Works Petition to Amend Universal Service and Energy Conservation Plan for 2017-2022, Docket No. P-2020-3018867; Customer Responsibility Program Pilot Program Costs – Final Status Update**

Dear Secretary Chiavetta:

Please accept this final status update on behalf of Philadelphia Gas Works (“PGW”) regarding PGW’s Customer Responsibility Program (“CRP”) energy burden changes and consumption limit change Pilot Program costs, which is being filed pursuant to Ordering Paragraph 8 of the Order entered March 26, 2020 (“Order”). See attached Addendum A.\*

\*NOTES:

- CRP Participation rate is as of the end of the month.
- The CRP discount is “reverse” when weather is warmer.
- Numbers rounded up.

Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

*/s/ Graciela Christlieb*

Graciela Christlieb, Esq.

cc: Cert. of Service w/enc.

Addendum A

Pilot	20-Oct	20-Nov	20-Dec	21-Jan	21-Feb
CRP Surcharge Costs					
Enrollment	55,925	56,226	56,577	57,022	57,618
CRP Discount	(\$430,516)	\$3,202,962	\$8,297,918	\$12,742,126	\$14,514,248
CRP Forgiveness	\$998,895	\$674,746	\$827,227	\$898,374	\$812,943
Bad Debt Expense Offset	N/A	N/A	N/A	N/A	N/A
Total	\$568,379	\$3,877,708	\$9,125,145	\$13,640,500	\$15,327,191

Pilot	21-Mar	21-Apr	21-May	21-Jun	21-Jul
CRP Surcharge Costs					
Enrollment	58,549	59,298	60,066	60,941	61,279
CRP Discount	\$9,456,313	\$4,625,538	\$934,412	(\$784,693)	(\$1,376,321)
CRP Forgiveness	\$1,120,746	\$1,159,265	\$910,362	\$913,383	\$782,897
Bad Debt Expense Offset	N/A	N/A	N/A	N/A	N/A
Total	\$10,577,059	\$5,784,803	\$1,844,774	\$128,690	(\$593,434)

21-Aug	21-Sep	Pilot Program Totals
61,507	60,498	N/A
(\$1,473,038)	(\$1,198,272)	\$48,510,677
\$1,018,140	\$2,120,890	\$12,237,868
N/A	N/A	N/A
(\$454,898)	\$922,618	\$60,748,545