



November 15, 2021

VIA E-FILE

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

Re: Duquesne Light Company Universal Service and Energy Conservation Plan for 2020-2025 Submitted in Compliance with 52 Pa. Code § 54.74, Docket Nos. M-2019-3008227; P-2020-3022770; P-2020-3023448

Comments of CAUSE-PA

Dear Secretary Chiavetta:

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its attorneys at the Pennsylvania Utility Law Project, file the following brief comments pursuant to the October 26, 2021, Secretarial Letter (October Secretarial Letter), which invited interested parties to submit Comments and Reply Comments to additional information requested by the Commission related to the Duquesne Light Company's (DLC or the Company) Universal Service and Energy Conservation Plan for 2020 - 2025 (DLC's USECP or Plan).

On November 5, 2021, DLC responded to the October Secretarial Letter, providing additional requested information (DLC Response). For the purposes of this Letter, CAUSE-PA adopts the abbreviated procedural history as stated in the October Secretarial Letter. Further, for brevity, CAUSE-PA will not reiterate arguments raised in Initial Comments, Reply Comments, or its Statement in Support of the Joint Petition for Settlement (Joint Petition, Appendix A) but incorporates those arguments by reference herein. As discussed in further detail below, CAUSE-PA asserts that the information and data provided by DLC in response to the October Secretarial Letter reasonably addresses and resolves outstanding questions posed by the Commission. CAUSE-PA strongly urges the Commission to approve the Joint Petition submitted by DLC, the Office of Consumer Advocate (OCA), and CAUSE-PA in this matter on August 13, 2021 without modification. CAUSE-PA stands by its position that the Joint Settlement represents a fair and balanced approach that satisfies the many and varied interests of the Joint Petitioners in a reasonable and just manner that will help to ensure DLC's low income customers are able to stay connected to and afford life-sustaining utility services.

1. Definition of a “Senior Customer” in Duquesne’s Universal Service Programs

In its October Secretarial Letter, the Commission requested that DLC clarify the age parameters for each of its universal service programs, specifically how “Senior” is used as a criterion for enrollment. (Oct. Sec. Ltr at 1-2). In response, DLC stated that “Senior” refers to customers over the age of 62 at the time of enrollment in any of its universal service programs. (DLC Response at 1).

DLC explained that, regarding CAP, the term “Senior” refers to those over the age of 62 with income between 151-200% FPL who entered into the program pursuant to prior program terms – and have remained eligible as a legacy participant. For further context, we note that DLC was required to phase out its Senior CAP rules pursuant to a 2011 Settlement Agreement, which prohibited new enrollments for Seniors with income between 151% and 200% FPL, but allowed Seniors in that income bracket to remain in the program as long as their income remained below 200% FPL. In relevant part, the 2011 Settlement required DLC to:

[F]ollow Commission guidelines and limit eligibility for its CAP program to customers with income at or below 150% of the Federal Poverty Level, except as provided in this paragraph, and will not extend CAP eligibility to seniors with income above 150% of the Federal Poverty Level. Duquesne Light shall be permitted to grandfather its existing senior customers so that they will not be removed from the current benefit programs, as long as their income levels are at or below 200% of the Federal Poverty Level.¹

Later, in the context of DLC’s 2017-2019 USECP proceeding, the Commission learned that DLC had removed all over-income Seniors from its CAP in 2014.² Pursuant to Commission Order, DLC developed a plan to re-establish CAP enrollment and provide retroactive benefits for approximately 170 impacted Seniors.³ DLC’s plan was approved by Secretarial Letter on August 17, 2017, requiring DLC to apply retroactive lump-sum credits to impacted Seniors, assist affected Seniors to reenroll in CAP, and seek approval of customer notices from BCS.⁴

It is our understanding that there are very few Seniors with income between 151-200% FPL who remain in the program. Nevertheless, the designation for legacy Senior participants remains important to maintain until all impacted Seniors are appropriately phased out of the program pursuant to DLC’s corrective action plan approved by the Commission in August 2017.

The Senior designation for the Hardship Fund allows CAP customers over the age of 62 to pay a reduced payment of \$100 (rather than the full \$150), or three consecutive CAP payments of \$100 -- whichever is less – to receive a grant award. (Id.) For further context, we note that the Commission has reviewed and approved this Hardship Fund criteria in DLC’s prior USECP

¹ See Pa. PUC v. DLC, Final Order, Docket No. R-2010-2179522, Settlement at para 46 (order entered Feb. 24, 2011); see also DLC USECP for 2014-2016, Final Order, Docket No. M-2013-2350946, at 9 (Mar. 6, 2014).

² DLC USECP for 2017-2019, Opinion and Order, Docket No. M-2016-2534323, at 7 (July 20, 2017).

³ DLC USECP for 2017-2019, Secretarial Letter: Corrective Action Plan for Senior CAP Customers, Docket No. M-2016-2534323 (Oct. 23, 2017).

⁴ Id.

proceedings without raising any concerns.⁵ While the parties have continually argued for the *elimination* of any payment requirement as a condition of receiving hardship fund grant assistance, given the often insurmountable obstacle that such a payment requirement presents, no party has argued against DLC imposing a lower payment requirement for Seniors as a condition of its Hardship Fund program.

For the Low Income Usage Reduction Program (LIURP), DLC explained that the Senior designation increases the income eligibility requirement from 150% to 200% FPL. (*Id.* at 2). For further context, we note that DLC’s Senior designation for LIURP is pursuant to section 58.10(3)(c), which allows a utility to spend up to 20% of its LIURP budget to provide usage reduction services to those with special needs who otherwise exceed the income threshold for LIURP.⁶ In its 2014-2016 USECP proceeding, the Commission encouraged DLC to *expand* its definition of “special needs” for LIURP and required DLC to limit expenditures for this special needs category to 20% of its LIURP budget.⁷ CAUSE-PA notes that it supports such an expansion. However, neither the Commission nor any of the parties raised concerns about DLC’s inclusion of Seniors as a special needs category for the purpose of providing LIURP services – either in the 2014-2016 USECP proceeding, where it was explicitly addressed, or in the subsequent 2017-2019 USECP proceeding. Likewise, none of the parties to any of DLC’s recent USECP proceedings have raised any questions or concerns about DLC’s inclusion of Seniors as a special needs group.⁸

DLC’s CARES program also has the Senior designation, but DLC explained that there are no additional benefits applied for this designation. (*Id.*)

We believe that DLC’s clarifications regarding its treatment of Seniors for eligibility in its universal service programs are reasonable and consistent with enrollment terms previously reviewed and approved by the Commission in DLC’s 2014-2016 USECP and 2017-2019 USECP proceedings. We assert that this issue does not warrant disruption of the carefully balanced Joint Settlement of this proceeding, and urge the Commission to accept the terms of the Joint Petition without modification.

2. Updated Program Enrollment and Budget Estimates

In its October Secretarial Letter, the Commission requested DLC provide budget and enrollment projections for both LIURP and CAP through the end of the proposed Plan in 2025. (Oct. Sec. Ltr at 2-3). The Commission additionally directed DLC to indicate how these proposed changes would impact the universal service charge or other recovery method. (*Id.*)

In Response, DLC provided requested enrollment and budget projections as they relate to the August 2021 Joint Petition as well as the Company’s September 3, 2021 Joint Petition for

⁵ DLC USECP for 2014-2016, Final Order, Docket No. M-2013-2350946, at 45 (Mar. 6, 2014); DLC USECP for 2017-2019, Tentative Order, Docket No. M-2016-2534323, at 19, 22 (Aug. 11, 2016).

⁶ 52 Pa. Code § 58.10(3)(c).

⁷ DLC USECP for 2014-2016, Final Order, Docket No. M-2013-2350946, at 35 (Mar. 6, 2014).

⁸ *See* DLC USECP for 2014-2016, Final Order, Docket No. M-2013-2350946, at 33-35 (Mar. 6, 2014); DLC USECP for 2017-2019, Tentative Order, Docket No. M-2016-2534323, at 19, 22 (Aug. 11, 2016).

Approval of Settlement in its distribution rate case (Docket No. R-2021-3024750) (September 2021 Joint Petition). In particular, DLC projects that:

- 1) The Company did not anticipate a significant change to its LIURP budget or enrollment based on the Joint Petition and projects a LIURP budget of \$3,053,500 for 2022-2025 – consistent with its January 2020 filing; (DLC Response at 2-3).
- 2) The September 2021 Joint Petition in DLC’s base rate proceeding – in which DLC agreed to increase LIURP funding by \$400,000 annually beginning in 2022 – would increase DLC’s total LIURP budget to \$3,453,500; (Id. at 3).
- 3) The Company’s CAP budget would increase to \$36,985,411 by 2025 based on the terms of the Joint Petition, and \$39,015,918 by 2025 as a result of the September 2021 Joint Petition in the rate proceeding – compared to DLC’s initial projections in its January 6, 2020 filing of \$36,116,766. (Id. at 4-5).

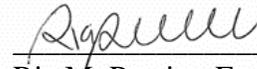
DLC also noted in its Response that it will continue to recover all USECP costs through Rider No. 5. (Id. at 5). As provided for in the August 13 Joint Settlement, DLC will begin recovering the costs of CAP frozen arrears over 36 months as of 2023. (Id.) The remainder of DLC’s cost recovery mechanism remains unchanged. (Id.)

CAUSE-PA submits that the projected increase in CAP and LIURP costs as a result of program improvements contained in the Joint Petition are just and reasonable, represent only marginal increases in costs to residential customers, and are well worth the benefit of realizing significant improvements to affordability and energy efficiency for low income customers. As the record in this proceeding makes clear, low income families face disproportionately high energy costs and experience profound economic hardships on a daily basis that require them to make untenable choices between affording utility services and other basic necessities – such as food, shelter, and medicine. CAUSE-PA affirms and maintains our position in support of the Joint Petition, which provides common-sense adjustments to DLC’s USECP that help remediate longstanding CAP unaffordability and significantly improves the availability of DLC’s usage reduction services. The Joint Settlement balances a range of interests, allowing more low income customers to access affordable electric service in DLC service territory, without placing undue costs on the Company or DLC’s ratepayers – as further verified through the data DLC provided in its Response to the Commission’s October Secretarial Letter.

Conclusion

For the reasons explained in the foregoing brief comments and in CAUSE-PA’s Statement in Support of the Joint Petition for Settlement (Joint Petition, Appendix A), CAUSE-PA submits that the Joint Petition for Settlement is just, reasonable, and in the public interest. Acceptance of the Joint Settlement avoids the necessity of further administrative and possibly appellate proceedings regarding the settled issues at what would otherwise be a substantial cost to the Joint Petitioners and the Company’s customers. CAUSE-PA again urges the Commission the swiftly approve the Joint Settlement without modification.

Respectfully Submitted,
Pennsylvania Utility Law Project



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November 15, 2021

CC: *(Via E-Mail Only)*

Certificate of Service

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Duquesne Light Company Universal Service and Energy Conservation Plan for 2020-2025 : Docket No. M-2019-3008227
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Petition of Duquesne Light Company for Implementation of the Percentage of Income Payment Plan Customer Assistance Program as Proposed on January 6, 2020 : Docket No. P-2020-3022770
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Petition of Duquesne Light Company for Implementation of the Percentage of Income Payment Plan Customer Assistance Program : Docket No. P-2020-3023448
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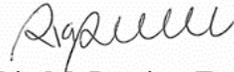
CERTIFICATE OF SERVICE

I hereby certify that I have, on this day, served copies of the **Comments of the Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above captioned matter in the manner and upon the following persons and in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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Dated: November 15, 2021

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Ria M. Pereira'.

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