



June 8, 2022

To: All Parties of Record at Docket Nos.:

M-2019-3008227 – Duquesne’s 2020-2025 USECP

P-2020-3022770 – Duquesne’s Petition for Implementation of the PIPP CAP as proposed on January 6, 2020

P-2020-3023448 – Duquesne’s Petition for Implementation of the PIPP CAP

M-2016-2534323 – Duquesne’s 2017-2019 USECP

P-2022-3031621 – Duquesne’s Petition to Temporarily Increase Hardship Grants

RE: Compliance Issues with Duquesne Light Company’s Revised 2020-2025 USECP

Overview

On April 21, 2022, the Pennsylvania Public Utility Commission (Commission) entered an Order (April 21 Order) directing Duquesne Light Company (Duquesne) to, *inter alia*, submit a revised 2020-2025 Universal Service and Energy Conservation Plan (2020 USECP) within 30 days reflecting changes directed in the April 21 Order. In the April 21 Order, the Commission also directed Duquesne to, *inter alia*, incorporate the universal service changes described in the Joint Petition for Settlement filed on September 3, 2021 in Duquesne’s 2021 Base Rate Case at Docket Nos. R-2021-3024750, *et al.* (September 2021 Joint Petition), and the universal service changes described in the Joint Petition for Settlement filed on August 13, 2021, at Docket No. M-2019-3008227 (August 2021 Joint Petition). The Commission approved the 2020 USECP conditioned upon Duquesne making the changes directed in the April 21 Order.

On May 23, 2022, Duquesne filed clean and redlined versions of its revised 2020 USECP (May 23 Compliance Filing).¹ To date, no protests or other responsive pleadings have been filed relative to the May 23 Compliance Filing. The Commission’s Bureau of Consumer Services (BCS) has reviewed the May 23 Compliance Filing and has identified several areas where the revised 2020 USECP is inconsistent with the Commission’s May 23 Order. Except as noted herein, BCS finds that Duquesne has included appropriate provisions relative to the April 21 Order in its May 23 Compliance Filing.

Compliance Issues

The following directives from the April 21 Order were either not included or not sufficiently reflected in Duquesne’s May 23 Compliance Filing and require clarification in the revised Compliance Filing:

1. Clarify the CAP application electronic documentation process. April 21 Order at 93, OP #6(h). Duquesne clarifies that its online CAP application permits electronic documentation submission and states that its website and the online CAP application are accessible through and compatible with mobile devices. May 23 Compliance Filing

¹ All references to the May 23 Compliance Filing refer to the clean version of the revised 2020 USECP.

at 11. However, Duquesne does not clarify that CBOs will contact the customer directly if further documentation is required and that customers can also choose to provide documentation by mail, email, fax, or in-person. *See* April 21 Order at 39.

2. Provide the clarification regarding the Smart Comfort knob-and-tube remediation initiative. April 21 Order at 94, OP #6(q). Duquesne did not identify why a homeowner must have a central air conditioner to qualify for knob-and-tube remediation including why the central air conditioner must be a 12 SEER. *See* April 21 Order at 61.

3. Specify that unspent Smart Comfort funds will be carried over into the next program year and that efforts will be made to spend its full program budget each year. April 21 Order at 94, OP #6(r). Duquesne specifies that Smart Comfort funds in any given year will carry over to the following year; however, it does not specify that efforts will be made to spend its full program budget each year.² May 23 Compliance Filing at 42.

4. Identify targeted and personalized outreach for Smart Comfort participation. August 2021 Joint Petition at 7-8, as approved in the April 21 Order at 93, OP#6(b). While Duquesne identified its additional targeted outreach for both high-usage and CAP customers using 50% of their maximum CAP credits, it failed to identify its targeted outreach for its confirmed low-income (CLI) heating and non-heating customers who exceed the actual average usage levels for those heating types. May 23 Compliance Filing at 37.

5. Waive the high usage threshold for Smart Comfort participation for households that exceed maximum CAP credit limits prior to the end of the program year. September 2021 Joint Petition at 14, ¶56, as approved in the April 21 Order at 93, OP#6(a).

6. Allow a customer who received full pre-program arrearage (PPA) forgiveness to reenroll in CAP and earn arrearage forgiveness on up to three months of PPA accrued prior to CAP re-entry. After a customer who voluntarily withdraws from CAP has been out of CAP for four years, the customers will be considered a new enrollment, rather than a customer who is re-enrolling in CAP. August 2021 Joint Petition at 5-6, as approved in the April 21 Order at 93, OP#6(b).

7. Specify how PPA balances will be handled when a customer re-enrolls in CAP. August 2021 Joint Petition at 6, as approved in the April 21 Order at 93, OP#6(b).

The following issues on page 37 of the May 23 Compliance Filing also require clarification in the revised Compliance Filing:

8. The eligibility requirements for Smart Comfort are not clear. The sentence prior to the list of program criteria introduces the list by stating that the “following are eligibility requirements for Smart Comfort...” and then proceeds into a bulleted list of various

² Although Duquesne does specify that it will make efforts to spend its budget allocation for the new Smart Comfort initiatives, Duquesne does not identify that it will make efforts to spend its full Smart Comfort budget each year. May 23 Compliance Filing at 38-39.

eligibility criteria, including that a customer must be a CAP customer who has reached 50% of the maximum CAP credit threshold, a CLI heating *and* non-heating customer that exceeds average usage, and a customer over the age of 62 with income at or below 200% of the federal poverty income guidelines. It is not clear whether the customer must meet all of the criteria in the bulleted list or only some of them. Duquesne is directed to clarify.

9. The bulleted item "Special needs customers with a household income at or below 200% of FPL" has the footnote designation "6" but no footnote. Duquesne is directed to clarify.

Petition to Temporarily Increase Hardship Grants to Duquesne Light Company's Eligible Customers at Docket Nos. P-2022-3031621, et al.

By Order entered on May 12, 2022, the Commission approved a Petition filed on March 28, 2022 (March 28 Petition) to temporarily modify Duquesne's Hardship Fund program at Docket Nos. P-2022-3031621, *et al.* (May 12 Order). Specifically, the Commission approved Duquesne's proposal to temporarily modify its eligibility criteria and allow eligible low-income customers to qualify for two Hardship Fund grants per year for 2022 and 2023. Electric non-heating customers (ENH) could receive up to \$500 per grant, and electric heating (EH) customers could receive up to \$1,000 per grant. Duquesne was ordered to reflect these changes in its revised 2020 USECP. BCS identified one compliance issue relative to the May 12 Order in the May 23 Compliance Filing.

10. Suspend balance requirements to qualify for Hardship Funds grants in 2022 and 2023. In its March 28 Petition, Duquesne did not list any balance requirements in its proposed eligibility criteria for the Hardship Fund program in 2022 and 2023. March 28 Petition at 3. While the April 21 Order did approve a balance requirement for Hardship Fund grants, the May 12 Order approved a temporary change in eligibility criteria, thereby eliminating the balance requirement for Hardship grants for 2022 and 2023. May 12 Order at 5, OP#1. The May 23 Compliance Filing, however, does not waive the Hardship Fund balance requirements for 2022 and 2023. It states that customers under age 62 must have a balance of at least \$100 or a balance of zero if age 62 or over and there is no credit on the account. May 23 Compliance Filing at 28. Duquesne is directed to clarify that the Hardship Fund balance requirements will not be imposed during 2022 and 2023.

All ten issues noted above must be updated in a further revised 2020 USECP. We invite Duquesne to submit its further revised 2020 USECP to BCS for a compliance review prior to filing.

Dollar Energy Fund Website Compliance Issue

The following issue is indirectly related to the May 23 Compliance Filing and is another instance of non-compliance with the April 21 Order:

11. Confirm that the Dollar Energy Fund (DEF) website accurately reflects Duquesne's Hardship Fund policies and requirements as outlined in the 2020 USECP. Duquesne was directed to file and serve a confirmation letter at Docket No. M-2019-3008227, within 30 days of the entry date of the April 21 Order. April 21 Order at 96, OP#10. To date, Duquesne has not complied with this directive.

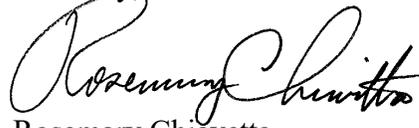
Duquesne is directed to provide this confirmation letter with its further revised 2020 USECP or to explain why the DEF website remains inaccurate and how and when it will have the DEF website corrected.³

Conclusion

Accordingly, within 20 days, Duquesne is directed to file and serve a further revised 2020 USECP and the confirmation letter that addresses these compliance issues. This determination has been made by BCS staff under authority delegated by the Commission. Parties have the right to seek reconsideration of this staff action. This determination relative to the requirement of a further revised 2020 USECP by BCS staff will be deemed to be the final action of the Commission unless reconsideration of the directives in this Secretarial Letter is sought from the Commission within 20 days after service of this Secretarial Letter. *See* 52 Pa. Code § 5.44 (relating to petitions for appeal from actions of the staff).

If you have any questions, please contact Jennifer Johnson in the Commission's Bureau of Consumer Services at jennifjohn@pa.gov.

Sincerely,



Rosemary Chiavetta
Secretary

cc: Jennifer Johnson, BCS, jennifjohn@pa.gov
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³ We note that the DEF website still reflects inaccuracies about Duquesne's current Hardship Fund eligibility requirements, including that the application will be denied if the maximum grant amount does not restore service or stop service termination. *See* <https://www.dollarenergy.org/wp-content/uploads/2022/05/2022-PA-Fact-Sheet-Duquesne-Light-Company.pdf> (accessed June 7, 2022).