



National Fuel[®]

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March 31, 2023

VIA ELECTRONIC FILING

Ms. Rosemary Chiavetta
Pennsylvania Public Utility Commission
400 North Street, Second Floor North
P.O. Box 3265
Harrisburg, PA 17120-3265

RE: National Fuel Gas Distribution Corporation's ("**National Fuel**" or "**Company**") 2022-2026 Universal Service and Energy Conservation Plan ("**Plan**") at Docket No. M-2021-3024935

Narrative Response in Lieu of Filing the Annual Energy Burden Report with Respect to its Low Income Rate Assistance Program ("**LIRA**") as Specified in Order of the Commission Entered on May 3, 2022 at Above-Referenced Docket (the "**Original USECP Approval Order**")

Dear Secretary Chiavetta:

Per the Original USECP Approval Order, National Fuel's Plan was approved.¹ As originally approved, National Fuel's Plan would have continued to use a modified version of its existing "rate discount" design for LIRA (*i.e.*, National Fuel's Customer Assistance Program or CAP) (the "**Originally Approved LIRA Design**").²

Among other things, to gauge the efficacy of the Originally Approved LIRA Design in meeting the specified energy burdens of 4% (for customers with household income at 0% - 50% FPIG) or 6% (for customers with household income at 51-150% of FPIG), the Original USECP Approval Order directed National Fuel to file an annual report on the number of LIRA households receiving monthly bills exceeding their targeted energy burdens and reasons for same (the "**Annual Energy Burden Report**").³

Subsequent to the entry of the Original USECP Approval Order, National Fuel filed a Petition in which it, *inter alia*, (1) requested leave from the Commission to modify LIRA to a percentage of income program ("**PIP**") (as opposed to the Originally Approved LIRA Design approved per

¹ See, Original USECP Approval Order at 75, Ord. Par. 1-2.

² As originally proposed in the Plan and approved per the Original USECP Approval Order, National Fuel's "rate discount" design for LIRA was set to bring the maximum numbers of LIRA participants' energy burdens within the 4% energy burden (for customers with household income at 0% - 50% FPIG) or 6% for customers with household income at 51-150% of FPIG). See, Plan filed on March 31, 2021 at Docket No. M-2021-3024935, p. 20. These energy burden thresholds, in turn, were based off of the Commission's 2019 Amendments to the CAP Policy Statement. 50 Pa.B. 1661.

³ Original USECP Approval Order at Ordering ¶ 8, p. 78.

the Original USECP Approval Order); and (2) until such time as the PIP design is in place, to “stay” implementation of certain portions of the Plan as approved (including the Originally Approved LIRA Design) (the “**Petition**”).⁴

Subsequently, the Commission approved National Fuel’s Petition (including National Fuel’s proposed PIP design for LIRA) and granted National Fuel’s request to “stay” implementation of certain elements of the Originally Approved LIRA Design, given the ultimate conversion of LIRA to a PIP.⁵

Given the foregoing, National Fuel discussed the Annual Energy Burden Report with the Commission’s Bureau of Consumer Services Staff, noting that, in light of LIRA’s conversion to PIP and the fact that National Fuel has been granted leave to not implement certain provisions of the Originally Approved LIRA Design (per the stay granted in the Commission’s Order on Reconsideration),⁶ the 2023 Annual Energy Burden Report would not provide meaningful data.⁷

National Fuel and Commission Staff concluded such discussions by noting that National Fuel would file a narrative at the instant docket in lieu of making a 2023 Annual Energy Burden Report (with National Fuel making the first Annual Energy Burden Report the June 1st immediately following the date upon which National Fuel’s conversion of LIRA to a PIP is complete).

Consequently, National Fuel is hereby filing this Letter for the purposes described in the foregoing paragraph (and in lieu of the 2023 Annual Energy Burden Report).

Should you have any questions or concerns, please do not hesitate to contact me at (814) 871-8177.

Very truly yours,



Dominick A. Sisinni

cc: *Per Certificate of Service*

⁴ See *generally*, National Fuel’s Petition for Clarification and Reconsideration of the Commission’s Original USECP Approval Order filed on May 18, 2022 at Docket No. M-2022-3024935.

⁵ Order on Reconsideration Entered at Docket No. M-2021-3024935 on July 14, 2022, Ordering ¶¶ 1, 3, p. 13. See *also*, Order entered on December 22, 2022 at Docket No. M-2021-3024935.

⁶ See, note 5, *supra*.

⁷ In this regard, consistent with the Order on Reconsideration (see, note 5, *supra*), until such time as National Fuel’s LIRA is converted to a PIP program, LIRA’s “rate discount” methodology was set to bring LIRA participants’ household energy burdens to 6.5% (for customers with household income at 0% - 50% FPIG); 8% (for customers with household income at 51-100% FPIG); and 9% for customers with household income at 101-150% of FPIG).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code 1.54 (relating to service by a party)

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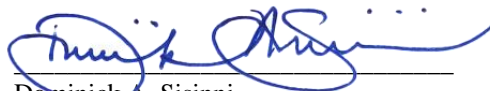
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