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**E-FILE**

April 27, 2023

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor North  
Harrisburg, PA 17120

**RE: PPL Electric Utilities Corporation's Universal Service and Energy  
Conservation Plan for 2023-2027  
Docket No. M-2022-3031727**

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Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") is a copy of PPL Electric's Revised Universal Service and Energy Conservation Plan for 2023-2027. The latest revisions correct several typographical and non-substantive errors. This further revised Plan is being filed pursuant to the April 24, 2023 request of Nathan Froehlich.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on April 27, 2023, which is the date it was filed electronically using the Commission's E-filing system.

If you have questions, please contact me or Melinda Stumpf, PPL Electric's Director – Customer Programs, at (484) 634-3297.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael J. Shafer".

Michael J. Shafer

Enclosure

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## CERTIFICATE OF SERVICE

(Docket No. M-2022-3031727)

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

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Date: April 27, 2023



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Michael J. Shafer

**PPL Electric Utilities Corporation**  
**Universal Service**  
**And**  
**Energy Conservation Plan (USECP)**  
**2023-2027**

Revised March 13, 2023

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## **I. INTRODUCTION**

PPL Electric Utilities Corporation’s (“PPL Electric” or the “Company”) 2023-2027 Universal Service and Energy Conservation Plan (“USECP” or “Plan”) was prepared consistent with the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) requirements, including Sections 54.71 through 54.78 of the Commission’s regulations. See 52 Pa. Code §§ 54.71-54.78.

The 2023-2027 USECP builds upon the successes and lessons learned through previous iterations of the Company’s USECP. As with past versions of the USECP, the 2023-2027 USECP is designed to achieve the Commission’s goals: (1) protecting customers’ health and safety by helping low-income customers maintain electric service; (2) providing for affordable electric service by making payment assistance available to low-income customers; (3) assisting low-income customers so that they can conserve energy and reduce residential utility bills; and (4) establishing universal service and energy conservation programs (“Universal Service Programs” or “USPs”) that are operated in a cost-effective and efficient manner. 52 Pa. Code § 54.73(b).

PPL Electric’s 2023-2027 USECP consists of four Universal Service Programs, which are designed to achieve the Commission’s goals. The programs are:

1. OnTrack – PPL Electric’s Customer Assistance Program (“CAP”);
2. WRAP – PPL Electric’s Low-Income Usage Reduction Program (“LIURP”);
3. Operation HELP – PPL Electric’s Hardship Fund; and
4. Customer Assistance and Referral Evaluation Service (“CARES”) – PPL Electric’s Special Referral Service for Customers with Temporary Hardships.

Additional details on these programs are set forth in Section II, *infra*.

## **II. PROGRAM DESCRIPTIONS**

### **A. ONTRACK**

#### **1. Overview and Background**

OnTrack is a special payment program for low-income households at or below 150 percent of the Federal Poverty Income Guidelines (“FPIG”) who have trouble paying the full cost of their electric bill. OnTrack is PPL Electric’s CAP and is one of its Universal Service Programs. OnTrack, which started as a pilot in 1993, is funded by residential customers and administered by partner organizations.

The primary customer benefits of OnTrack include:

- A reduced fixed payment amount based on a percent of income
- Arrearage forgiveness over 24 months
- Protection against shutoff of electric service
- Referrals to other programs and services
- Exemption from late payment fees, including on final bills

PPL Electric uses the Remote Entity Portal System (“REP” or “System”) to establish a 24-month debt forgiveness timetable for all new OnTrack enrollees. The customer’s outstanding balance amount is reviewed at the time of enrollment, and the overdue amount is frozen. The outstanding balance is forgiven in a straight-line method. Equal installments are forgiven over the 24-month period. The debt forgiveness installments are shown on the customer’s statement of account and in the Company’s Customer Service System (“CSS”) as arrearage forgiveness credits. PPL Electric allows OnTrack customers to receive pre-program arrearage forgiveness for each on-time and in-full monthly payment, regardless of OnTrack arrears (*i.e.*, in-program arrears), and retroactive forgiveness for any months missed once the customer pays the OnTrack balance in full.

The 24-month forgiveness timetable provides benefits to customers and the Company. From customers’ perspectives, they can see significant progress every month as the debt owed to PPL Electric is reduced. This helps motivate customers to continue making on-time payments and managing their usage to remain in the program and ultimately see the pre-program arrears amount (*i.e.*, overdue balance) reduced to zero. The Company benefits by receiving recovery of receivables and ultimately lower overdue receivables.<sup>1</sup>

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<sup>1</sup> Under the prior USECP, PPL Electric utilized an 18-month debt forgiveness timetable for OnTrack customers. As part of the transition from an 18-month to 24-month forgiveness timetable under this USECP, PPL Electric will allow OnTrack customers who enroll prior to the implementation of the Percent of Income (“PIP”) option to continue receiving arrearage forgiveness over 18 months.

In July 1992, the Commission adopted a Policy Statement that established guidelines for CAPs. The Commission encouraged all electric and gas utilities to implement CAP pilots. After receiving approval from the Commission for its pilot proposal, PPL Electric implemented OnTrack in December 1993. The pilot began in one region and expanded to all regions by June 1994. The Company agreed to enroll 2,000 low-income customers in OnTrack. PPL Electric stopped the pilot program on July 31, 1995.

On December 3, 1996, Governor Tom Ridge signed a law that increased competition in the electric utility industry. The new law gave consumers the opportunity to choose their electric generation supplier. The legislation required electric distribution companies to continue their various assistance programs (e.g., CARES, Operation HELP, OnTrack and WRAP).

As a result of its August 12, 1998, Restructuring Settlement Agreement with all interested parties, PPL Electric agreed to expand OnTrack expenditures significantly from 1999 through 2002. During this four-year period, the program’s annual budget increased from \$5.875 million in 1999 to \$11.7 million in 2002. OnTrack expenditures over the past six years have been as follows:

| <b>Program Year</b> | <b>OnTrack Expenditures</b>  |
|---------------------|------------------------------|
| 2017                | \$80.9 Million               |
| 2018                | \$80 Million                 |
| 2019                | \$82 Million                 |
| 2020                | \$77.5 Million               |
| 2021                | \$85.5 Million               |
| 2022                | \$112.2 Million <sup>2</sup> |

## **2. Objectives**

PPL Electric has structured and implemented OnTrack to address the needs of low-income customers while balancing financial, regulatory, and social interests.

The four primary operating objectives of the OnTrack program are to:

1. Improve customers’ bill payment habits and attitudes;
2. Stabilize or reduce customers’ energy usage;
3. Eliminate overdue balances for program participants; and

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<sup>2</sup> Actual OnTrack expenditures for 2022 were higher due to, among other things, increases in the price-to-compare.

4. Provide the customer with other beneficial services and/or programs through a network of partner organizations.

### **3. Program Design**

The OnTrack program is designed to establish a 12-month payment plan that complies with the CAP Policy Statement<sup>3</sup> and maintains compliance with the specific parameters of the program.

OnTrack’s payment plan design is based around three payment options beginning August 9, 2023: (1) the Percent of Income (“PIP”) option; (2) Average Bill; and (3) the Minimum Payment option. For each OnTrack participant, PPL Electric evaluates whether the PIP option or the Average Bill option will offer the best solution for the customer’s situation. These payment options are addressed in more detail below.

#### **a. Percent of Income (PIP) Option**

During the review process a Percent of Income (“PIP”) is calculated for each OnTrack applicant.

The table below shows the percent amounts that are used when the system calculates the PIP.

| Income Level<br>(Percent of FPIG) | Electric Heat | Non-Electric Heat |
|-----------------------------------|---------------|-------------------|
| 50% or Below                      | 5%            | 2%                |
| 51 to 100%                        | 6%            | 3.5%              |
| 101 to 150%                       | 7%            | 4%                |

PPL Electric calculates the Total Energy Burden Payment Amount (“TEBPA”) under the PIP by multiplying the monthly income by the applicable percent of income percentage factor (see table above).

Below is an example calculation of the OnTrack installment amount using the PIP option.

#### **PIP Option Example**

|                |       |
|----------------|-------|
| Household Size | 2     |
| Monthly income | \$950 |

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<sup>3</sup> 2019 Amendments to Policy Statement on Customer Assistance Program, 52 Pa. Code § 69.261-69.267, Docket No. M-2019-3012599.

|                                    |         |
|------------------------------------|---------|
| Electrically heated home           | Yes     |
| Percent of Income factor           | 6%      |
| Total Energy Burden Payment Amount | \$57.00 |

**b. Additional Conditions on Installment Amount**

The following are other conditions that apply to the determination of a customer’s OnTrack installment amount:

1. The review process will not allow a payment amount to be lower than the minimum payment control feature of \$40 for electric heat customers or \$20 for non-electric heat customers.
2. A customer reporting zero income will participate in the program at the minimum payment amount of \$40 for electric heat customers or \$20 for non-electric heat customers.
3. If the customer exceeds the maximum CAP credit amount, the customer will be automatically transitioned to OnTrack Budget Billing (“OTBB”) status. The OTBB standing in the program is still beneficial because the customer receives debt forgiveness and OnTrack credits (if applicable), but the customer’s fixed monthly payment amount is increased from their normal OnTrack amount to their budget billing amount.
4. When an OnTrack customer moves from one residence to another, their OnTrack amount will be recalculated at the new address.
5. PPL Electric uses an alert process to identify a participant who has a TEBPA that is greater than the average bill. Specifically, PPL Electric runs a monthly report that will alert it to any OnTrack participants with an installment amount (i.e., OnTrack bill) greater than the average bill based on usage. A program specialist reviews the account, primarily usage history, and determines if an adjustment to the installment amount is needed. If the usage history is adequate and the average bill has gone down since enrollment, PPL Electric will reduce the installment amount. If the usage history is not adequate, but historical usage suggests that the installment will fall below average, the installment amount may not be reduced. PPL Electric may also adjust installment amounts at a future review as customers continue to build usage history.

## **4. Program Eligibility**

OnTrack offers qualified customers payments that are less than their current bills, arrearage forgiveness, and a chance for a fresh start with PPL Electric. In addition, the Company coordinates referrals with other low-income assistance programs, such as WRAP, Operation HELP, LIHEAP, as well as other programs administered by the partner organizations that administer OnTrack.

### **a. Eligibility Criteria**

PPL Electric designed OnTrack specifically for low-income customers with household income at or below 150 percent of the FPIG who are unable to pay their electric service bills in full. Eligibility criteria for OnTrack include:

1. The household must be at or below 150 percent FPIG.
2. The household must submit a proof of income evidencing that they have a source of income or, alternatively, must submit the zero-income form explaining their income situation. PPL Electric will place a 30-day hold on collections activity if the OnTrack applicant is sent and asked to return a zero-income form. The Company will evaluate zero income claims by following the below listed guidelines. Additionally, the Company has the discretion to make exceptions to the guidelines for households based on specific circumstances.
3. The OnTrack application requires the customer to specify income, even if the income is unearned. Unearned income can come in the form of government assistance (temporary or long-term), public assistance grants, money from friends or relatives, and other one-time lump-sum payments. Additional examples include: (1) Temporary Assistance for Needy Families (TANF); (2) Diversion Program; (3) State Blind Pension Program; (4) Refugee Cash Assistance Program; and (5) State Supplementary Payments. Support payments that are actually paid to the household can be included if verified and documented as such. When a customer's only source of income is unearned income of this type, a self-declaration statement needs to be submitted with the OnTrack application. This self-declaration statement does not need to be notarized. This statement allows the Company to verify how the customer is paying for basic living needs, such as food, shelter, personal items, etc.

4. The customer applying cannot own or be listed on multiple properties or multiple PPL Electric accounts. Exceptions can be granted for specific scenarios such as a property with a separate meter for a garage or a property with multiple meters.
5. The customer must permanently reside in PPL Electric's service territory. If PPL Electric or the partner organization finds the customer is not a full-time occupant of the property, the OnTrack application will be rejected.
6. The customer's account must be in an individual customer's name.
7. The customer's account must be billed on a residential rate; non-residential rate accounts are not eligible for OnTrack.
8. The customer's account must be on default service to complete the OnTrack enrollment.
9. The customer's account is not enrolled in a Time of Use ("TOU") rate.
10. The customer must contact PPL Electric or the partner organization if there is a change in household size and/or income.
11. The customer must provide updated proof of income when requested by PPL Electric or the partner organization.
12. The customer must respond to requests for information and/or appointments associated with WRAP.<sup>4</sup>
13. The customer must comply with all applicable PPL Electric tariff and regulatory requirements to establish and maintain electric service.

The OnTrack application requires verification from the customer acknowledging that the customer must report changes in income and household members. The customer also must provide confirmation that all information is true and accurate to the best of their knowledge. If an application is incomplete or requires clarification, the agency reviewing the application will make a reasonable attempt to obtain the information necessary to determine eligibility or to clarify any issues which might disqualify the customer. If the customer does not respond to requests for additional information, or if PPL Electric or a partner organization finds that a customer is withholding information or did not comply with reporting all required documentation, the OnTrack application will be rejected.

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<sup>4</sup> If the customer is removed from OnTrack due to the failure to provide this response, the customer will be reinstated after providing such response.

If a customer with a security deposit on the account is determined to be eligible for OnTrack, PPL Electric will refund the security deposit to the customer with applicable interest via check or, with the customer's consent, through a credit applied to the customer's account balance. As part of obtaining the customer's consent to apply a credit to the account balance, PPL Electric will explain how that credit will impact the customer's monthly bill.

## **b. Determining and Calculating Income**

All household members of an OnTrack applicant, regardless of relationship, are considered when determining household size and income. However, the earned and unearned income for minors (*i.e.*, household members aged 18 or younger) is excluded when determining OnTrack eligibility and benefits.

Pursuant to the Pennsylvania Department of Human Services' ("DHS") LIHEAP guidelines, income is the total earned and non-earned income of a household and includes the following:

1. Employee earnings: Employee earnings is money, including wages, salaries, bonuses, commissions, and tips, before taxes or other deductions that a person receives for providing services on behalf of an employer.
2. Profit from self-employment: Profit of a self-employed person is gross receipts minus costs of operating a business or farm, practicing a profession, providing day-care for children in an approved family day-care facility, or renting nonresident real property.
  - a. The following expenses are among those that are not deductible from gross receipts:
    - i. Depreciation.
    - ii. Personal business and entertainment expenses.
    - iii. Personal transportation.
    - iv. Purchase of capital equipment.
    - v. Payment on the principal of loans for capital assets or durable goods.
    - vi. Work related expenses such as federal, state, and local income taxes, contributions to retirement funds and transportation to and from work.
    - vii. Deposits into the self-employed person retirement account and payment for his or her life insurance.

3. Income from roomers, boarders, or apartment renters: Gross income from providing room or board, or both or from apartment rentals paid directly to an adult household member.

4. Unearned Income: Unearned income includes, but is not limited to, the following:

- a. Public assistance grants.
- b. Social Security benefits.
- c. Workers' compensation (or disability).
- d. Supplemental Security Income.
- e. Unemployment compensation.
- f. Support payments (child, foster care, spousal, etc.).
- g. Cash gifts and contributions.
- h. Pensions.
- i. Interest and/or dividends from investment or bank accounts.
- j. Veterans' benefits.
- k. Funds withdrawn from Individual Retirement Accounts, Certificates of Deposit, and proceeds from the sale of stock certificates.
- l. Utility Allowances paid directly to the household from the landlord or public housing agency to cover utility bills.
- m. Income from nonresident rental property managed by a rental agency or another person.
- n. Disability.
- m. Money/income received from a family member or friend. This type of income must be documented with a verification statement. The statement does not need to be notarized.
- n. Social Security Income or Social Security Disability received for a child.

5. Operational Losses: Operational losses from self-employment or losses associated with rental properties cannot be used to offset other forms of income.

The OnTrack applicant's proof of income may include pay stubs from employers, pay stubs from government organizations, self-declaration statements describing money received from family or friends, bank statement showing direct deposit information, or official tax return documents. If the customer is self-employed or owns a small business, the income documentation must include a copy of the latest federal income tax return and net profit (not gross income), which will be used to determine eligibility for OnTrack. OnTrack applicants may provide proof of income for 30 days or 12 months, whichever is more beneficial and representative of their true annual income.

## 5. Enrollment and Referrals

PPL Electric has found that the primary source of potential OnTrack participants is referrals from the Company's Customer Service Representatives ("CSRs") and/or Customer Service contractors. CSRs have daily contacts with low-income, payment-troubled customers with overdue balances and routinely refer these customers to the partner organizations that administer OnTrack. During 2021, for example, CSRs generated approximately 148,000 referrals to OnTrack administering organizations.

PPL Electric developed an online application which was designed and created with the customer in mind. In addition to making applying easier for the customer, the process also shortens wait times by eliminating mailing delays with paper applications. The online application is available at: [www.pplelectric.com/OnTrack](http://www.pplelectric.com/OnTrack).

The customer navigates through an intuitive series of screens providing the information necessary to determine eligibility into the OnTrack program. The customer has the option of uploading their proof of income or mailing this information to the agency who administers the program. The online system provides the customer with the name and contact information, including email address, for the assigned partner agency. The entire website and all assistance program applications are available in Spanish.

Other sources of potential participants may include internal lists, referrals made by partner agencies, LIHEAP-based data, and information from other PPL Electric programs.

There are multiple opportunities for enrollment in OnTrack. These options include the following:

1. During the payment assistance (phone call) interaction with the contact center if the customer appears to be a good fit for the program, the system will automatically alert the CSR, and a program application will be sent to the customer. The CSR will inform the customer that a program application is on the way.
2. The customer can call PPL Electric directly at 1-800-342-5775 and request an application for the OnTrack program or apply over the phone with an agent.
3. The customer can call a partner organization and request an application for the OnTrack program.

4. The customer can walk into the partner organization and complete a program application or ask for assistance completing the application.
5. The customer can apply online at [www.pplelectric.com/OnTrack](http://www.pplelectric.com/OnTrack).

The Company will continue to evaluate new options for applying to the program and will move toward implementation when: (1) the costs are reasonable; and (2) the benefits align with improving the customer’s experience.

## **6. Projected Participation and Budget**

PPL Electric will continue to work with internal and external resources to identify, engage, and enroll eligible customers. PPL Electric projects the following participation and expenditures for OnTrack from 2023 through 2027. Expenditure projections include the core component costs of revenue shortfall (OnTrack credits), arrearage forgiveness, and external administration. These expenditures do not include PPL Electric’s internal costs, such as employee expense items and IT system changes.

| Program Year (as of the end of December) | Active OnTrack Households (Target/Estimate) | Projected Program Expenditures <sup>5</sup> |
|--|---|---|
| 2023                                     | 71,000                                      | \$80,276,687                                |
| 2024                                     | 73,250                                      | \$73,578,322                                |
| 2025                                     | 75,500                                      | \$72,985,745                                |
| 2026                                     | 77,700                                      | \$72,599,144                                |
| 2027                                     | 79,800                                      | \$71,986,813                                |

## **7. Needs Assessment**

Matching the proper assistance program with each potential applicant is an overriding objective in PPL Electric’s administration of the Universal Service Programs. PPL Electric personnel, as well as its partner organizations, seek to ensure that eligible residential customers have an opportunity to successfully maximize the benefits available to them via OnTrack, WRAP, Operation HELP, LIHEAP, and other related programs. Data on the Company’s customer base is noted below.

|                                     |           |
|-------------------------------------|-----------|
| Average residential customer count  | 1,334,000 |
| Estimated Low Income Customer Count | 337,091   |
| Confirmed Low Income Customer Count | 228,117   |

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<sup>5</sup> Actual program expenditures could vary depending on energy prices, as seen in the actual expenditures for 2022. These projections were based on PPL Electric’s historical experience with energy prices.

## **8. Quality Control/Quality Assurance**

### **a. Recertification**

Within six months of the Commission's Order entered February 9, 2023, PPL Electric will transition from an 18-month recertification cycle to a 12-month recertification cycle. PPL Electric will transition to a 12-month recertification cycle as follows:

- The current agreement timeline will remain at 18 months. Recertification will occur at the end of the 18-month period.
- The installment amount will change using the calculation based on new methodology of three options: (1) Percent of Income; (2) Average Bill; or (3) Minimum Payment. The new installment amount is effective for future bills.
- Arrearage forgiveness for an existing customer on an 18-month recertification cycle will remain on the 18-month timeline.
- Maximum CAP credits for an existing customer on an 18-month recertification cycle will be based on the new shortfall limits.
- A letter will be sent to existing customers on the 18-month recertification cycle explaining the changes mentioned above.
- Once these customers recertify, they will be placed in the 12-month program.

Under the 12-month program timeline, the recertification process begins at month 11. The system reviews OnTrack accounts to determine if they qualify for automatic recertification. Accounts that qualify for automatic recertification are those that have received LIHEAP funds within the past 12 months or have SSI as the primary source of income. Accounts that meet the automatic recertification criteria will be recertified for another 12 months in the program at the same OnTrack installment amount. This automatic recertification feature will not occur two consecutive times. At month 12, accounts are reviewed again for automatic recertification. This second review is completed to identify any accounts that may have recently received a LIHEAP grant. OnTrack Budget Billing accounts are also eligible for automatic recertification if they have received LIHEAP in the last 12 months or have SSI as their primary source of income. When OTBB customers are automatically recertified, they will return into regular OnTrack at the conclusion of their 12-month program cycle.

At least 30 days before the recertification is due, a program cover letter and application are sent to customers who do not qualify for automatic recertification. The partner organization caseworker completes the recertification review for the customer and, if eligible, sets up the new OnTrack installment amount. A post enrollment letter with information about the program

and the customer's payment amount is mailed or emailed to the customer. Customers remain enrolled in the program even after the pre-program arrears (overdue balance) have been forgiven.

In addition, there are special household situations where the Company will enroll a customer in OnTrack but require the customer to update their income information every six months instead of every 12 months. The Company refers to this special situation as OnTrack Lifestyle ("OTLS"). The purpose of OTLS is to address situations where customers' incomes are less than or equal to their mortgage payments or rent or they report zero income. In effect, the customers reported that they did not have enough income but somehow managed to pay their mortgage/rent and OnTrack payments. This gave rise to concerns that customers might not be reporting all sources of household income or other resources.

OTLS provides a check-up for the customer, which helps ensure that the Company is accurately documenting the customer's income situation and aligning the customer's payments with the most recent information.

Customers participating in OTLS are not eligible for automatic recertification. OTLS customers will be prompted to recertify after six months of participation. For participation beyond 12 months, customers will be required to provide additional evidence of eligibility, such as receipts, bank statements, and/or support letters, which provide an explanation as to how the customer is paying for cost-of-living expenses. The Company will not allow continued recertifications by self-declaring zero income or indicating their mortgage/rent is higher than income.

In addition, a customer may request to be removed from the OnTrack program at any time. PPL Electric will inform customers who request voluntary removal from the program after exceeding credit limits that they will be ineligible for any further credits until after the current 12-month program cycle has elapsed regardless of whether they stay in or leave. PPL will make these customers aware of the exceptions to the credit limits and what actions they should take if they qualify for these exceptions. Customers that voluntarily remove themselves from OnTrack can re-enroll within the 12-month period if they pay any in-program arrears.

#### **b. Minimum Payment Amount and Maximum CAP Credits**

The minimum payment control feature within the System will not allow a monthly payment amount to be less than \$40 for electric heat customers and \$20 for non-electric heat customers. The maximum 12-month revenue

shortfall amount (also referred to as CAP credits or benefits) for electric heat customers and non-electric heat customers are shown in the table below:

| FPL Tier/Level | Account Classification | Maximum Credit Amount That Could Be Used Over 12 Months |
|----------------|------------------------|---|
| 0% to 50%      | Electric Heat          | \$3,150   |
| 51% to 100%    | Electric Heat          | \$2,500   |
| 101% to 150%   | Electric Heat          | \$2,150   |
|                |                        |   |
| 0% to 50%      | Non-Electric Heat      | \$1,950   |
| 51% to 100%    | Non-Electric Heat      | \$1,500   |
| 101% to 150%   | Non-Electric Heat      | \$1,250   |

Customers who are active in the program will have different revenue shortfall amounts each month because the actual revenue shortfall amount will be calculated by taking the actual bill amount minus the fixed OnTrack installment amount.

If a customer exceeds the maximum credit amount before the 12-month period expires, the customer will be automatically moved to OTBB program status. When this occurs, the OTBB activation letter is sent to the customer and informs the customer of this change in status. The OTBB activation letter also informs the customer that PPL Electric will automatically send a program application prior to their recertification/re-enrollment period. Recertification or re-enrollment will be considered 12 months from the original enrollment date in OnTrack, unless the customer has SSI as their primary source of income or they have received LIHEAP in the last 12 months, in which case they will be automatically re-enrolled.

The customer will receive a letter when the pre-program arrears amount (overdue balance) is at zero. This point in time also corresponds with the recertification deadline. This letter, referred to as the *OTBB All Is Forgiven* letter, summarizes the customer's transition from traditional OnTrack to OTBB. The end of the letter states that the overdue balance has been eliminated, but PPL Electric still wants to help the customer by re-enrolling them in OnTrack at a payment amount that is lower than what they are currently paying. The customer is informed that a program application has been mailed to them.

PPL Electric may exempt a household from maximum CAP credit or consumption limits if one or more of the following conditions exist: (1) the household experienced the addition of a household member; (2) a member of the household experienced a serious illness; (3) energy consumption was beyond the household's ability to control; (4) the household is located in housing that is or

has been condemned or has housing code violations that negatively affect energy consumption; or (5) energy consumption estimates have been based on consumption of a previous occupant. OnTrack customers who have reached 50% and 80% of their maximum OnTrack credit will be sent communication letters about contacting PPL Electric regarding these possible exemptions to the maximum CAP credits. PPL Electric will file and serve copies of these communication letters within three months of the Commission's Order entered on February 9, 2023, at this docket.

PPL Electric also will track and report the number of customers who exceed their credit limit annually and are placed into OTBB in the preceding year. Beginning in 2024, PPL Electric will file and serve the report at this docket by April 1 each year through the duration of the USECP.

### **c. Collections and Service Termination**

The Company designed the OnTrack program with the idea of balance in mind. PPL Electric believes the energy burden reduction needs to be balanced against the need to hold limited-income customers accountable for making on-time payments. The Company's billing system runs on a chronological billed, due, review cycle. Actual payments received are woven into this cycle to determine how to treat the account. In practice, this means the system bills the customer, waits for the due date, and then reviews the account to see if any additional actions are needed based on what was billed versus payments received. The billed amount is also shown as the Amount Due on PPL Electric's bill. Once a customer is enrolled in OnTrack, the Customer Service Billing system will expect a payment for the OnTrack installment amount, plus any missed installments when the review occurs.

If an active OnTrack customer does not catch up on their installments during the billing/collection process, the electric service may be terminated for nonpayment.

A customer will enter the collection process after one missed payment unless the missed payment is less than \$60. If the customer misses two or more payments, they will enter the collection process regardless of the amount of the missed payment. Additionally, if the customer is placed into the collection process it may lead to electric service termination during non-moratorium months. If an active OnTrack customer's service is terminated for nonpayment, the reconnection amount will be equal to the missed OnTrack installments due plus the reconnection fee. Once reconnected, the customer will resume participation through the end of their enrollment period.

The Company has messaging in place to remind customers of the benefits of paying the bill by the due date. Five (5) days before the due date, the Company's

system will deliver a short reminder phone call to the customer. In addition, if the customer misses one payment, a letter is sent and informs the customer about the missed payment. This letter also discusses the collection process and having the electric service terminated.

In addition, a customer may request to be removed from the OnTrack program at any time. PPL Electric will inform customers who request voluntary removal from the program after exceeding credit limits that they will be ineligible for any further credits until after the current 12-month program cycle has elapsed regardless of whether they stay in or leave. PPL will make these customers aware of the exceptions to the credit limits and what actions they should take if they qualify for these exceptions. Customers that voluntarily remove themselves from OnTrack can re-enroll within the 12-month period if they pay any in-program arrears.

#### **d. Fraud and Theft of Service**

PPL Electric views theft of service as a serious public safety issue. In cases of theft of service, the customer may be placing their household in an unsafe condition.

The Company will investigate any OnTrack account where PPL Electric becomes aware of potential fraud, theft of service, or other misappropriation of funds.

When reviewing OnTrack applications for enrollment or re-certification, PPL Electric may review the application for potential fraud or misrepresentation of information (e.g., validate suspected occupants, investigate inconsistent household/demographic information provided during the application process, theft of service, “name-game”, etc.).

As part of PPL Electric’s standard revenue protection practices, customer information may be analyzed for potential fraud. The investigation may include a rate check, a credit reporting service to confirm a customer’s debt at a location, soft credit inquiry, and a probe into how the customer pays for basic living expenses. If the investigation includes the use of credit report information, PPL Electric will provide the customer with adverse action notification in accordance with the Fair Credit Reporting Act.

Fraud includes, but is not limited to, misrepresentation of the customer’s identity for the purpose of obtaining utility service or OnTrack benefits, misrepresentation of income or occupant information, tampering with PPL Electric’s equipment, or otherwise obtaining service illegally. PPL Electric will follow its normal practices for investigation of fraud, theft of service, and other misappropriations of service which may result in some or all the following: back billing, removal from OnTrack and termination of service.

Customers will have 20 days to dispute any findings of fraud before adverse action is taken by PPL Electric. Once an account is removed from OnTrack for fraud, theft of service, or other misappropriations of service, the customer will not be eligible to receive OnTrack benefits for one full year from the date of removal. Customers may also be held liable for account arrearage forgiven amounts, pre-program arrearages, bill credits, and/or related account collection and investigation fees.

### **e. Cost Tracking**

PPL Electric will take the following steps if its actual annual OnTrack costs exceed the projected budget for that year by more than 20%:

- Notify all parties to the 2023 USECP proceeding and its Universal Service Advisory Committee (“USAC”) by or before March 1 of the following year and provide actual annual OnTrack cost information for the preceding year.
- Schedule a meeting (virtual or in-person) with all interested stakeholders within 30 days of this notification to discuss the costs and receive input on cost controls.
- File and serve a petition at the 2023 USECP docket proposing additional cost control measures or a letter justifying why no additional cost control measures are needed within 30 days of the stakeholder meeting but no later than April 30th.

## **9. Miscellaneous**

### **a. Financial Posting Order for LIHEAP Funds and OnTrack Credits**

PPL Electric is an authorized LIHEAP vendor. The Company receives and posts LIHEAP funds to customer’s accounts. DHS has determined that utilities cannot use LIHEAP cash grants to offset the costs of OnTrack credits (i.e., the difference between actual bills and OnTrack payments). PPL Electric posts LIHEAP credits in accordance with the LIHEAP vendor agreement. At the time of this filing the financial posting order for LIHEAP cash or crisis grants is as follows:

- Missed OnTrack payments
- Current OnTrack bill due
- Payment of future OnTrack bills

If DHS makes changes to future vendor agreements, PPL Electric will follow compliance with program guidelines.

### **b. Overpayments**

The Company's billing system runs on a chronological billed, due, review cycle. The system bills the customer, waits for the due date, and then reviews the account to see if any additional actions are needed based on the payments received. If the customer makes the scheduled payments, the account balance continues to reduce through arrearage forgiveness credits. In cases where the payments exceed the balance of the account, the system is designed to create an OnTrack Overpayment ("OTOP") excess credit. The OTOP credit is created when current or accumulated balance overpayments for an active OnTrack customer cause the account balance to be reduced to less than \$0. Example: A customer has an OnTrack installment amount of \$100, and the account balance is \$55. The customer pays \$100. The system will create an OTOP credit of \$45 (\$100 - \$55). This \$45 OTOP credit will be applied to the future Pay This Amount (scheduled payment), as shown on the customer's bill.

### **c. Shopping for Electric Generation Supply**

PPL Electric found that customers who were enrolled in OnTrack and shopping were paying rates higher than non-shopping customers and exhausting their OnTrack credits more quickly. This has a negative impact on the shopping OnTrack customers who are not able to maximize their OnTrack benefit, and other customers who are funding OnTrack through the USR. PPL Electric received approval in its Default Service Plan V to require customers to terminate their shopping contract prior to being accepted into the OnTrack program.

Customers who apply for OnTrack and have an energy supplier go through the traditional application and income review process. If the customer is eligible for the program, the enrollment is approved in a pending status. The customer is mailed a letter advising of their approval and alerting the customer to proceed with the enrollment they need to return to default service. On day 7, if the customer has not returned to default service and has provided the Company with an email address, a reminder communication is sent. On day 15, if the customer has not returned to default service, the application is rejected, and a rejection letter is mailed. Customers may reapply once they have returned to default service.

### **d. Resource Plan**

PPL Electric uses a combination of internal resources, contractors, and partner organizations to manage and deliver the OnTrack program. A list of the current partner organizations is set forth in Appendix B.

**e. Final Billing**

For an OnTrack customer’s final bill, the Company will charge either the prorated OnTrack bill or actual tariff rate, whichever is less. If the final bill includes remaining unforgiven pre-program arrearages, the amount of pre-program arrearages will be separately identified on the final bill. Moreover, if a customer establishes service at a new account within 30 days of the prior account’s finalization, PPL Electric will transfer the OnTrack agreement to the new account.

**f. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)**

The table below provides a description of the key program design changes.

| ID # | Category       | Previous Plan (2017-2022)   | Current Plan (2023-2027)  |
|------|----------------|---|---|
| 1    | Program Design | 18 Month Program  | 12 Month Program  |
| 2    | Program Design | Percent of bill payment structure:<br>0-50% = 50%<br>51%-100% = 70%<br>101%-150% = 80%<br><br>5% - non-heating (0-50% FPIG)<br>6% - non-heating (51%-100% FPIG)<br>7% - non-heating (101%-150% FPIG)<br>13% - heating (0-50% FPIG)<br>16% - heating (51%-100% FPIG)<br>17% - heating (101%-150% FPIG) | Change primary payment option from Percent of Bill to Percent of Income plan. The percent of income amounts are based on the application of the new energy burden thresholds:<br><br>2% -non-heating (0-50% FPIG)<br>3.5% -non-heating (51%-100% FPIG)<br>4% -non-heating (101%-150% FPIG)<br>5% - heating (0-50% FPIG)<br>6% - heating (51%-100% FPIG)<br>7% - heating (101-150% FPIG) |
| 3    | Program Design | Minimum Payment Amount<br>\$12.00 – non-heating<br>\$30.00 – heating  | Minimum OnTrack Amount<br>\$20.00 – non-heating<br>\$40.00 – heating  |

|   |                                     |  |  |
|---|-------------------------------------|--|--|
| 4 | Program Design                      | Customers with arrearages had a \$5.00 monthly arrearage co-payment included in their OnTrack installment  | Eliminated the \$5.00 arrearage co-payment   |
| 5 | Program Design                      |  | OnTrack payment reviews are completed to confirm the customer does not have a payment amount that is greater than the average bill.  |
| 6 | Program Eligibility                 |  | Eligibility criteria includes: <ul style="list-style-type: none"> <li>• Time of Use customers are not eligible</li> <li>• OnTrack applicants confirmed eligible for enrollment must return to Default Service if they have a Supplier</li> </ul>                                     |
| 7 | Quality Control – Quality Assurance | 18-month program with an automatic recertification for customers that have received LIHEAP funds within the past 16 months or have Supplemental Security Income (SSI) as the primary source of income. | Change program timeline to a 12-month program.<br>Recertification guidelines are:<br>6 months for OTLS<br>One automatic recertification for customers who have received LIHEAP within the past 12 months or have Supplemental Security Income (SSI) as the primary source of income. |
| 8 | Quality Control – Quality Assurance | Electric Heat:<br>0%-50% = \$4,027<br>51%-100% = \$3,661<br>101%-150% = \$3,328<br><br>Non-electric Heat:<br>0%-50% = \$1,585<br>51%-100% = \$1,441  | Maximum OnTrack credit amounts are updated as follows:<br><br>Electric Heat:<br>0%-50% = \$3,150<br>51%-100% = \$2,500<br>101%-150% = \$2,150  |

|    |                     |   |   |
|----|---------------------|---|---|
|    |                     | 101%-150% = \$1,310   | Non-electric Heat:<br>0%-50% = \$1,950<br>51%-100% \$1,500<br>101%-150% = \$1,250   |
| 9  | Default Design      | If a customer missed two or more installments, they were removed for non-payment (also referred to as defaulted).                           | A customer no longer defaults after missing two or more installments, instead the customer will be in Active Collections for their missed OnTrack installments.                 |
| 10 | Control Features    | There is no specific language in the plan to address the handling of concerns relating to inaccurate, incomplete, or fraudulent applicants. | Update information regarding fraud protocols.   |
| 11 | Program Design      | Agency Selected payment is an option for the OnTrack installment.   | Elimination of the Agency Selected payment option is replaced with an average bill option.  |
| 12 | Program Design      | The CAP Plus amount is added to the OnTrack installment and updates annually.   | The CAP Plus amount is eliminated.  |
| 13 | Program Design      | Arrearage forgiveness occurs over 18 months.  | Arrearage forgiveness occurs over 24 months; however, arrearage forgiveness for an existing customer on an 18-month recertification cycle will remain on the 18-month timeline. |
| 14 | Program Eligibility |   | Applicants may provide 30 days or 12 months of income documentation.  |
| 15 | Program Eligibility |   | Earned and unearned income for minors is excluded as household income for program eligibility.  |

|    |                |  |   |
|----|----------------|--|---|
| 16 | Program Design |  | Customer will have the option to receive a refund or have any paid portion of the deposit applied to the account balance during the enrollment process. |
| 17 | Program Design |  | The final bill will be a prorated OnTrack installment or prorated tariff bill, whichever is less.   |
| 18 | Program Design |  | A 30-day collections hold will be placed on an applicant's account when a Zero Income form is mailed.   |
| 19 | Program Design |  | Customer communication letters around maximum shortfall limits are updated to provide the customers with information regarding reasons for exceptions.  |

## **B. WRAP**

### **1. Overview and Background**

PPL Electric's WRAP is the name of the Company's LIURP. WRAP helps customers reduce their electric bills and improve comfort for income eligible customers. The program is funded through the USR. Contractors conduct energy surveys or "audits," install weatherization measures, and provide energy education to the participating customers. The Company also uses contractors to conduct quality assurance inspections of completed work.

The WRAP services and measures installed by contractors depend on the customer's use of electricity, the results of an energy audit, and any coordination between other weatherization programs. PPL Electric encourages customers to participate as "partners" in the audit and energy education session(s) so that they can maximize their savings' success.

### **2. Objectives**

The primary objectives of WRAP are to:

1. Reduce the energy usage and electric bills of income eligible customers; and
2. Increase the ability to pay and decrease the arrearages of income eligible customers.

Secondary objectives include:

1. Improve comfort for income eligible customers;
2. Promote safer living conditions through the reduction of secondary heating devices;
3. Maintain/establish partnerships with local contractors and organizations to promote maximum and timely assistance; and
4. Make tailored referrals to Company and other assistance programs, such as OnTrack, LIHEAP, Act 129 programs, and other weatherization programs.

### **3. Program Design**

#### **a. Energy Survey**

PPL Electric uses the energy survey or “audit” to identify what measures and services the contractor will install in the customer’s home. Decisions made during the audit are based on:

- Customer interview/occupant practices
- Electric usage history
- Site-specific diagnosis
- Prioritization of measures
- PUC payback criteria
- Coordination with other weatherization programs

WRAP auditors recommend measures in compliance with the priority lists contained in the *WRAP Standards and Field Guide*. The objectives of the priority lists are to:

1. Reduce customers’ electric consumption by installing WRAP measures and providing energy education;
2. Comply with PA State Weatherization Health and Safety standards; and
3. Provide all income-eligible customers in PPL Electric’s service territory with an equal opportunity to receive WRAP services and measures.

The auditor conducts an initial energy education session with the customer to itemize electric costs and to influence choices that will save energy and improve comfort and safety. The auditor conducts the initial session prior to the installation of measures, usually during the audit. The auditor will review OnTrack program benefits with the customer and explain how their energy use affects their OnTrack benefits, when applicable.

In years 2023-2027, PPL Electric will continue to require that all LIURP customers receive an initial energy education session, unless the customer received an equivalent session through Act 129 WRAP prior to the installation of LIURP measures.

WRAP contactors are required to integrate education into all aspects of WRAP. The LIURP installer should continue to reinforce educational concepts from the LIURP or Act 129 Audit.

## **b. Installation of Measures – Baseload**

All WRAP customers are eligible for baseload measures. Standard measures and services include:

- Energy education
- Installation of Light-Emitting Diode lightbulbs (“LEDs”)
- Refrigerator replacement
- Window air conditioner replacement
- Dehumidifier replacement
- Changing or cleaning of heating/cooling filters
- Dryer venting (electric dryer)
- Clothesline installation
- Power Strip/Smart Plug
- Appliance replacement, with PPL Electric approval
- Carbon monoxide detector
- Comfort measures such as a door sweep or window quilt
- Other measures that meet PUC payback criteria

## **c. Installation of Measures – Low Cost**

If the baseload customer has an electric water heater and has the potential for water heating measures, the WRAP auditor may upgrade the job to “low cost” at the time of the baseload audit (or downgrade the job during the full cost audit).

Low-cost measures include:

- Water heater replacement with a Heat Pump Water Heater (“HPWH”) or a standard domestic electric water heater
- Gravity Film Exchange
- Repair of water leaks
- Water pipe insulation
- Installation of energy/efficient showerhead(s)
- Installation of energy-efficient aerator(s)
- All baseload measures
- Other measures that meet PUC payback criteria

The Company has no expenditure limit on low-cost jobs. However, measures must meet the PUC payback criteria described in PPL Electric’s *WRAP Standards and Field Guide*. PPL Electric requires that contractors install HPWHs when the site meets the criteria for a standard replacement.

#### **d. Installation of Measures – Full Cost**

Customers with installed electric heat in 50 percent or more of the premise are eligible for a full cost audit. The WRAP auditor can upgrade a job in a home with high seasonal usage where full cost measures may reduce heating and/or cooling costs. Conversely, the auditor may downgrade a job if there is no potential to install electric heating/cooling measures or the home is beyond the scope of weatherization. PPL Electric staff makes the final determination as to the “job type” based on the measures installed.

Full cost measures include:

- Blower door testing and associated air sealing
- Attic, wall, and floor insulation
- Sealing of attic bypasses
- Attic vents and hatches
- Crawlspace and header insulation
- Heating equipment repair/retrofit/replacement, to include Ductless Heat Pump systems (mini-split systems)
- Duct insulation and repair
- Caulking and weather-stripping
- Door sweeps
- Storm windows
- Window replacement
- Thermostat replacement
- Water heating measures if the premise has an electric water heater
- Baseload measures
- Other measures that meet the PUC payback criteria

The PUC’s LIURP guidelines suggest a seven-or 12-year payback for most measures. In 2002, PPL Electric implemented an aggregate payback formula based on the customer’s electric seasonal usage. The Company assigns a “shell allowance” for each full cost job based on the payback formula. The shell allowance serves as a spending guideline for full cost measures to reduce electric usage. Examples of shell measures include insulation and air sealing.

PPL Electric plans to continue using the shell allowance as a guideline for full cost expenditures in years 2023-2027. However, the Company will allow WRAP contractors to exceed the shell allowance for “high” priority measures, such as attic insulation and associated air sealing and electric heat repair with PPL approval.

#### **e. Quality Control/Quality Assurance**

PPL Electric will target a minimum of 30 percent of all full cost jobs for a site inspection. The Company will conduct phone inspections for a minimum of 25

percent of baseload and low-cost recipients. PPL Electric may choose to inspect all jobs with new or pilot measures.

The objectives of the inspection are to:

1. Ensure that all measures and services listed in LEAP are installed in accordance with WRAP standards;
2. Identify major missed opportunities and adherence to the priority lists; and
3. Gather customer satisfaction data.

The inspector verifies the installation of invoiced measures and notes any concerns or major missed opportunities in LEAP. The contractor has 30 days in which to respond to a customer.

The quality assurance inspector offers a follow-up energy education session to customers in conjunction with a post-installation inspection or within six months after the installation of all measures. If a full cost recipient does not receive a site inspection, PPL Electric will offer follow-up education while conducting a phone inspection

All full and low-cost WRAP jobs are assigned a post-installation inspection on-site or by phone. Full and low-cost WRAP jobs that receive minimal measures (i.e., aerators, thermostats, baseload measures only) are assigned a phone post-installation inspection. The objectives of the phone inspections include: (1) confirming that measures invoiced were installed; (2) assessing customer satisfaction; (3) capturing demographic data needed for the annual LIURP Report; (4) assessing if customer needs follow-up with bill; and (5) offering Full Cost recipients follow-up energy education

Customers with a usage increase or decrease of 10% or greater receive a letter recognizing the savings or alerting them to the usage increase. Contractors are provided with the list to review for possible additional measures or remedial energy education.

Customers not receiving a post-installation inspection will be sent a follow-up usage change letter at 6 months. All customers, including those who received a 6-month follow-up letter, with a usage increase or decrease of 10% or greater will receive a usage change letter 12 months post-installation of measures. PPL Electric will continue to offer remedial energy education or a referral for additional WRAP services and measures when a customer's usage increases or remains high after the twelve-month post WRAP period.

## **f. Incidental Repairs, Health and Safety, and Comfort Measures**

Contractors can make small incidental repairs as needed for the installation of other weatherization measures. As a general guideline, the suggested spending allowance for incidental repairs is 30 percent above the shell allowance limit. Contractors can exceed the allowance with PPL Electric approval.

Contractors can spend up to \$650 in health and safety diagnostic testing and measures for heating jobs without PPL Electric’s approval. Examples of health and safety measures include dryer venting, and the installation of carbon monoxide detectors and bathroom exhaust fans. PPL Electric proposes to continue allowing a “standard” \$650 health and safety allowance in years 2023-2027. Contractors can exceed the allowance with PPL Electric’s approval to address more extensive health and safety problems, such as mold or lead remediation that inhibit the installation of full cost measures.

WRAP Contractors can spend up to \$250 in “comfort” measures in conjunction with electric energy-saving measures for low cost and baseload jobs. Contractors should install comfort measures, such as window quilts, that will not impact the air changes-per-hour of the home where feasible. In situations where the contractor installs a measure that will impact air quality or combustion levels (e.g., the customer is over-income for the PA Weatherization Assistance Program), the contractor should, at a minimum, conduct a Combustion Appliance Zone (“CAZ”) test before and after the installation.

## **4. Program Eligibility**

PPL Electric requires that customers meet the following criteria to qualify for WRAP:

1. Household income is at or below 150 percent of the FPIG. However, the Company will spend up to 20 percent of its annual WRAP budget on “special needs” customers with income between 151 to 200 percent of the FPIG, including customers living in multi-unit projects who could best benefit from “whole building” treatments as well as customers referred through inter-utility coordination.” Any customer at or below 200 percent of the FPIG with an arrearage is considered “special needs,” but a customer at or below 150 percent of the FPIG with an arrearage would not qualify for 20 percent WRAP budget spend. Such a customer would receive WRAP services through the remainder of the WRAP budget.
2. The customer is at least 18 years old.

3. The premises is in PPL Electric's service territory and has its own electric meter.
4. The customer's home is the primary home, not a "second" or vacation home.
5. The electric service is the name of one of the household's occupants. (Exception: home is part of a multi-unit project and service is temporarily in the landlord's name).
6. The premises did not receive LIURP WRAP or Act 129 WRAP within the past five years and has the potential to receive energy-reduction measures and services. PPL Electric's staff will review applicants who received LIURP or Act 129 WRAP within the past five years on a case-by-case basis. Exceptions can be made if PPL Electric determines any of the following are applicable: (a) services provided were previously limited due to no landlord consent and there is an opportunity to install additional measures; (b) the customer was previously not able to fully participate in WRAP; (c) the customer is now eligible for new measures; or (d) other extenuating circumstances which warrant an exception, decided on a case-by-case basis.
7. The customer has at least nine months of usage history at the premises. (Exceptions made with Company approval).<sup>6</sup>
8. The customer consumes at least 6,000 kWh annually.<sup>7</sup>

If an apartment building contains at least three units and at least 50 percent of the tenants qualify for WRAP, PPL Electric may provide weatherization measures and services to all tenants in the building. Each tenant must provide consent for WRAP.

As part of PPL Electric's Act 129 Energy Efficiency and Conservation Plan ("Act 129 Plan"), Act 129 WRAP serves customers in multi-unit households with incomes at or below 150% of the federal poverty income guidelines. Multi-unit buildings with incomes between 150% and 200% of the federal poverty income guidelines or Act 129 recipients who could benefit from additional WRAP measures will be referred by the Act 129 conservation service provider ("CSP"). There is no minimum usage for jobs coordinated with Act 129 WRAP. A

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<sup>6</sup> Customers that have less than nine months of usage and are below 150 percent of FPIG are eligible for Act 129 WRAP.

<sup>7</sup> The Company can make exceptions for customers living in very small premises or hardship situations (e.g., elderly customer limits use of electric heat during the pre-treatment period). PPL Electric will refer "low usage" customers not served through LIURP to other utility programs, other weatherization programs (if not previously received), and LIHEAP Crisis when available.

household must have an individual meter to qualify for LIURP; master-metered buildings are not eligible for LIURP WRAP.

A customer does not need to have an overdue amount with PPL Electric to qualify for WRAP. However, the Company may prioritize WRAP services in situations where a customer has high electric consumption, or the customer participates in OnTrack and is at risk for exceeding the OnTrack benefit levels. The Company currently defines “high usage” households as households that use more than 18,000 kWh per year.

The Company may deny WRAP or limit the services offered in the home when inaccurate or fraudulent information is provided in the application. Customers may be required to provide proof of income or household composition when the Company is alerted to potential fraud.

### **a. Consent to Participate**

The Company requires customer consent prior to the start of any WRAP work. In addition to authorizing WRAP, the customer agrees to participate in the energy audit and energy education session(s). Customers completing an application give their consent on the online or paper application. Customers applying over the phone sign a consent form at the time of the WRAP audit, either via a paper form or electronically. PPL Electric’s customer consent form will explain that customers may be penalized for making false statements or knowingly making incomplete statements.

Furthermore, both homeowners and renters are eligible for WRAP. For rental properties, PPL Electric requires that the landlord sign a consent form before a tenant receives most measures. If the landlord does not sign the consent form, the Company will offer one or more of the following to the tenant:

- Referral to Act 129 Low-Income Program, if income eligible
- Provision of an energy-saving kit if the household income is between 150-200% of FPIG
- Phone or in-home energy education session (e.g., high usage OnTrack customer)
- Limited baseload WRAP

PPL Electric’s landlord consent form will include an agreement that: (1) rents will not be raised unless the increase is related to matters other than the installation of the usage reduction measures; and (2) the tenant will not be evicted for a stated period of time at least 12 months after the installation of the program measures, if the tenant complies with ongoing obligations and responsibilities

owed the landlord. PPL Electric also will provide renters with a copy of the signed landlord consent form.

**b. LIURP Coordination with Act 129 WRAP**

If a customer qualifies for WRAP, PPL Electric’s Low-Income Energy Assistance Programs database system (“LEAP”) assigns a Case Number and designates the case as “LIURP” or “Act 129 WRAP” based on the current criteria as delineated in the following table.

| <b>LIURP</b>   | <b>Act 129 WRAP</b>  |
|--|--|
| All cases between 150%-200% of the FPIG*   | All Multi-unit homes   |
| Installed electric heat (primary source)*  | Non-installed electric heat (primary source) and usage is less than 18,000 kWh |
| Annual usage is greater than 17,999 kWh*   | Less than nine months of usage at the premise under the current account**      |
| Electric water heater 12+ years old, or mobile home with an electric water heater* | Mobile home without an electric water heater and usage is less than 18,000 kWh |

\*Excludes multi-unit premises

\*\* Household income must be 150% of the FPIG or lower

Act 129 cases are assigned to an Act 129 CSP; LIURP cases are assigned to a LIURP contractor. PPL Electric’s staff can change the program type, except cases above 150% of the FPIG must remain LIURP. Act 129 customers may receive additional measures from LIURP, which are tracked separately under a different case number.

An application that does not automatically qualify goes under “review” (e.g., customer has service at multiple premises). PPL Electric staff makes the determination as to customer eligibility based on program guidelines, customer need, and the potential to receive WRAP measures.

Further, PPL Electric waives the minimum usage requirements when coordinating WRAP with its Act 129 program and other weatherization programs.

**5. Promoting WRAP**

PPL Electric employs a variety of channels to advertise WRAP, including bill inserts and company website, so all residential customers can learn about the program. The Company also implemented an “on-line” WRAP Application in March 2015.

The Company strongly encourages that OnTrack customers participate in WRAP. In June 2018, the Company implemented an automated process to create a WRAP application for every approved OnTrack customer with an annual kWh use of 18,000 or greater, regardless of heating source.<sup>8</sup> PPL Electric plans to develop an enhanced communication plan to increase OnTrack customer participation in WRAP. Failure for an OnTrack customer to reduce or maintain electric usage or to fulfill WRAP-related requirements may result in removal from the program. PPL Electric informs OnTrack customers about the program through its *Post Enrollment OnTrack letter*, agency referrals, website, and targeted phone calls and mailings. The Company will continue to seek innovative ways to enroll OnTrack customers into WRAP and to focus on the benefits that the service provides.

In addition, the Company may use some or all of the following outreach methods to reach potentially eligible customers in years 2023-2027:

- Phone calls, text messaging, mailings, and e-mail “blasts” to electric LIHEAP recipients and customers identified as income eligible in PPL Electric’s Customer Service System (“CSS”)
- Program information on PPL Electric’s website ([www.pplelectric.com](http://www.pplelectric.com))
- Presentations and communications to PPL Electric employees, including information and updates on the Customer Services internal website
- Cross-marketing with other weatherization and utility programs
- Social media (e.g., Facebook)
- Presentations and communications to social service agencies, senior citizens groups and other organizations
- Participation in community events, PUC/Utility events, and booths at high traffic areas where customers with limited incomes can be reached
- Communications and personal contact with multi-family housing authorities, project managers, and landlords
- WRAP Contractor Referrals/Word-of-Mouth
- Low-cost print media options such as “merchandisers”
- Other, as appropriate

PPL Electric tracks the number of qualified WRAP participants and “how they heard about WRAP” through its “Low-Income Energy Assistance Programs” Database System or LEAP. The Company will continue to evaluate new outreach technologies and strategies throughout 2023-2027 and implement as cost-effective and feasible.

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<sup>8</sup> PPL Electric will monitor collection and termination rates for OnTrack customers with annual usage between 6,000 kWh and 18,000 kWh and share this information annually with its USAC.

## 6. Projected Participation and Budget

PPL Electric's current WRAP (LIURP) budget is \$12,000,000 annually. The chart below depicts the 2023-2027 funding levels and estimated enrollment level.

| Years       | Yearly Enrollment Level | Yearly Expenditure |
|-------------|-------------------------|--------------------|
| 2023 – 2027 | 3500                    | \$12 Million       |

Unspent WRAP funds will be rolled over into the next program year, until expended, for the duration of the 2023 USECP.

In addition to the estimated enrollment levels listed above, the Company may provide energy-saving kits and/or energy education for income eligible customers not eligible for WRAP measures in conjunction with the LIURP budget. PPL Electric estimates an average of 50 customers per year may receive an energy saving kit and/or energy education through 2027.

## 7. Needs Assessment

As of April 1, 2022, PPL Electric has identified approximately 85,825 customers that can benefit from WRAP. The Company projects a total cost of \$236,735,254 to serve these customers based on the methodology below. The costs are based on the 2021 average-cost-per-job for direct costs, multiplied by 1.12 (12%) for administrative and field support costs. The calculation below accounts for the average cost-per-job for direct costs differs based on the type of job. The total cost to serve figure was calculated as follows:

- Number of confirmed income eligible customers coded as residential – electric heat: 36,905
- Customers likely to receive electric heat treatments based on historical data: 32,107
- The average cost-per-job for direct cost (electric heat treatment): \$4,072

To calculate the total cost to serve residential electric heat customers, PPL Electric multiplied the number of heating customers (32,107) by the average-cost-per-job for direct costs (\$4,072) and added 12% for administrative/field support. This resulted in a total cost to serve in the amount of \$146,429,073.

- Number of confirmed low-income customers coded as residential – non-electric heat = 48,920
- Customers likely to receive water heating and/or baseload treatments, including customers with electric heat = 53,718
- The average cost-per-job for direct cost (water heating and/or baseload treatment): \$1501

To calculate the total cost to serve residential non-electric heat customers, PPL Electric multiplied the number of customers likely to receive water heating and/or baseload treatments (53,718) by the average cost-per-job for direct cost (\$1,501) and added 12% for administrative/field support. This resulted in a total cost to serve in the amount of \$90,306,181.

To complete the calculation, the total cost to serve 32,107 heating customers (\$146,429,073) and the total cost to serve 53,718 customers with water heating/baseload jobs (\$90,306,181) were added together to provide a total cost of \$236,735,254.

## **8. WRAP Contractors**

### **a. Contractor Selection and Requirements**

PPL Electric uses contractors and their representatives to install weatherization measures and conduct audits, inspections, and energy education sessions. The Company's Program Management Staff, in conjunction with a PPL Electric Supply Chain representative, select contractors from qualified and reputable weatherization agencies and local private contractors.

PPL Electric staff will select the contractors through a request for proposal process in accordance with the Company's procurement guidelines and policies.

PPL Electric assigns work to contractors based on customer need, location, skill sets, experience, and ability to handle workload. Habitual delays may result in the assignment of work to another contractor.

PPL Electric requires that all of its WRAP contractors meet the following qualifications:

- Contractor shall assure that all workers that perform audits, installations, and/or inspections must have the appropriate Building Performance Institute ("BPI") Certifications or Pennsylvania State equivalent certification as determined by PPL Electric. Some jobs may be required to have at least one installer that is certified in Lead Renovation and will oversee safe lead practices on a WRAP job as applicable.
- PPL Electric may require additional certification during the contract period based on federal, state, and industry standards and requirements. Contactor shall provide proof of certification(s) and subsequent recertification(s) upon request.
- Field observations by PPL Electric program staff are to ensure adherence to procedures, customer interactions, OnTrack education, and soft skills.

## **b. Contractor Performance**

PPL Electric conducts a performance review with individual WRAP contractors at least once per year. The Company evaluates contractors on their ability to complete assigned work on time, quality of their work, cost-effectiveness, and customer satisfaction. Performance metrics, as documented in LEAP, include:

- Turn-around time for job completion
- Coordination with other programs and services
- Measures installed, cost per measure installed
- Customer satisfaction

Contractors will also receive feedback as part of the annual LIURP evaluation as to their average pre-to-post WRAP savings, acquisition cost (when available) and WRAP savings' results in general.

The performance review gives contractors the opportunity to express any problems or concerns and to make suggestions for improvement.

In addition to the annual performance review, PPL Electric staff or a designated home performance specialist performs periodic field observations of auditors, crew leaders, and energy educators to include observations of new personnel. The Company's staff may also conduct field inspections of jobs that do not require diagnostic testing.

PPL Electric may request additional meetings and/or training for contractors that do not meet WRAP requirements. If performance does not improve, the Company may terminate the WRAP contract.

To further aid in the evaluation of the WRAP contractors' performance, PPL Electric will file and serve a report on WRAP jobs provided to each county in its service territory, broken down by job type, and the number and percentage of WRAP-eligible households in each county. PPL Electric shall file and serve this report annually by April 1 at this docket, beginning in 2023, through the duration of the 2023 USECP. PPL Electric also will review this information annually with its USAC.

## **c. Contractor Training**

PPL Electric will continue to reserve a portion of its annual field support budget for existing WRAP contractors. Training funds can be used to:

1. Sponsor and/or provide contractor sponsorships to conferences and special events (e.g., National Affordable Comfort Conference).

2. Sponsor and/or provide training that will enable contractors to receive Continuing Education Units (“CEUs”) or prepare for Building Performance Institute (“BPI”) Certification.
3. Sponsor and coordinate training for specialized work (e.g., combustion testing, infrared training, heat pump water heater installation, baseload measures and energy education).
4. Develop and implement training that is PPL Electric specific (e.g., OnTrack education, new pilots, or measures).
5. Sponsor webinars on new technologies, techniques, and best practices.

PPL Electric will allocate a portion of its training budget, as needed, to support the PA Quality Control Inspector (“QCI”) and BPI testing and certification/re-certification fees. The Company will work with the PUC, the PA Weatherization Advisory Panel, and WRAP Contractors to identify and support training needs as needed to meet state or federal home performance standards.

The Company offers a stipend to contractors who attend mandatory training that is specific to PPL Electric’s LIURP to help offset productivity losses. The stipend does not apply to training at the job site.

## **9. Miscellaneous**

### **a. Inter-Utility Coordination**

PPL Electric will continue to encourage coordination with the PA Weatherization Assistance Program (“WAP”), gas utility weatherization programs, and county weatherization programs in accordance with the budget and resources of the other programs.

In 2023-2027, PPL Electric plans to strengthen utility-coordination through the following initiatives:

1. Participate in meetings regarding program coordination.
2. Monitor contractor coordination efforts through LEAP.
3. Provide WAP contractors with WRAP Applications, upon request.
4. Screen customer lists provided by agencies for possible WRAP referral.

5. Align WRAP with PA WAP standards where it is cost-effective and feasible to do so. Continue to identify and implement training partnerships with the National Sustainable Structures Center.

**b. Reporting and Evaluation**

PPL Electric is required to submit the following annual reports to the PUC on or near the following dates:

1. LIURP Productivity Report – March 1
2. USRR (LIURP Section) – April 1
3. LIURP Annual Report – April 30
4. LIURP Annual Narrative Report – April 30

The reports due at the end of April are PPL Electric’s “self-evaluation” of its LIURP two years prior to the submission date. In other words, the 2023 LIURP Report will evaluate jobs completed in 2021. This allows the Company to collect 12 months of post-weatherization data.

PPL Electric is required to submit a third-party evaluation on its Universal Service Programs to the PUC every six years. Approximately 15 percent of the evaluation is dedicated to WRAP and funded through the LIURP budget. PPL Electric’s next Universal Service Program evaluation is due to the Commission in October 2026.

**c. Resource Plan**

PPL Electric uses a combination of internal resources, contractors, and partner organizations to manage and deliver WRAP. A list of the current partner organizations is set forth in Appendix B.

**d. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)**

The table below depicts the key program changes between the previous plan and the current plan (2023-2027).

| ID# | Category   | Previous Plan (2017-2022)               | Current Plan (2023-2027)                         |
|-----|------------|---|--|
| 1   | Background | Winter Relief Assistance Program (WRAP) | Elimination of acronym – Program is name is WRAP |

|    |                           |  |   |
|----|---------------------------|--|---|
| 2  | Participation Eligibility | The premise did not receive LIURP WRAP or Act 129 WRAP within the past three years.  | The premise did not receive LIURP WRAP or Act 129 WRAP within the past five years.  |
| 3  | Participation Eligibility | The company provides partial weatherization in situations where the major energy use is attributed to lifestyle choices, such as hot tubs, heated sunrooms, etc. | Remove  |
| 4  | Participation Eligibility |  | The Company may deny WRAP or limit the services offered in the home when inaccurate or fraudulent information is provided in the application. They may be asked to provide proof of income. |
| 5  | New Measure               | Ductless Heat Pump pilot conducted   | Add as a standard measure: Ductless Heat Pump (aka Mini-split system)   |
| 6  | Evaluation                | Conducted third party evaluation in 2020   | Begin the selection process for the 2026 USP Evaluation as required by the PUC  |
| 7  | Program Design            |  | Renters are provided a copy of the signed landlord consent form.  |
| 8  | Program Design            |  | Landlord consent form is updated to include the provisions that the landlord will not raise the rent or evict tenant as a result of WRAP  |
| 9  | Program Design            |  | WRAP budget increased to \$12M. Unspent WRAP will rollover to the next program year.  |
| 10 | Evaluation                |  | File and serve a report providing each WRAP job completed by county. The report is due April 1 <sup>st</sup> .  |

## **C. OPERATION HELP**

### **1. Overview and Background**

Operation HELP is a hardship fund supported by donations from PPL Corporation, its employees, retirees, and customers. The program targets low-income customers who have overdue balances and an inability to pay the full amount of their energy bills. Income eligibility for the program is established at 250 percent or below of the FPIG.

The primary features of Operation HELP include:

- Direct financial assistance for overdue energy bills
- Protection against shutoffs
- Referrals to other programs and services

Operation HELP is available on a year-round basis throughout the Company's service territory. However, due to the demand for energy assistance, some agencies may stop taking applications for a period of time because they have exhausted their current funding. Because of ongoing donations from contributors, PPL Electric disburses funding to the partner organizations that administer Operation HELP periodically over the course of the year.

Started in March 1983, Operation HELP was one of the early utility-sponsored hardship funds in the nation. Through promotional campaigns, customers are encouraged to pledge to the program by making a one-time donation or adding a monthly donation to their electric bill. Approximately 11,000 customers give to Operation HELP via their electric bill payments. PPL Electric's customer service billing system has the flexibility to allow customers to give any amount to the program.

Employees may support Operation HELP as customers or through payroll deductions. In addition, PPL Electric encourages retirees to give in two ways: pension deductions or a one-time separate check donation.

### **2. Objectives**

The overall objectives of Operation HELP are as follows:

1. Provide financial assistance to qualified income eligible families who are having difficulty paying the full amount of their electric bills.
2. Offer financial assistance to households that are ineligible for OnTrack and the federally funded LIHEAP.
3. Administer a year-round program as funding permits.

### **3. Program Design**

To administer Operation HELP, PPL Electric works with partner organizations that have extensive experience in delivering human services. The administration of the program is a collaboration between these organizations and the Company. The primary duties include the following.

PPL Electric:

- Collect and disburse contributions to the partner organizations.
- Provide funding to support program administration.
- Process Operation HELP payments.
- Solicit donations from customers, employees, and retirees.
- Oversee the administration of the program.
- Maintain close working relationships with the partner organizations.
- Conduct procedural audits to review performance.
- Complete PUC-required reports.

Operation HELP partner organizations:

- Conduct intake and verify applicants' eligibility.
- Process Operation HELP applications.
- Send timely payments to PPL for posting.
- Refer applicants to other assistance programs.
- Establish a separate account for processing donations and disbursements.
- Maintain detailed program records and arrange for an annual financial audit of Operation HELP.

PPL Electric does not use customer, employee, or retiree donations for administrative expenses, weatherization measures, food, winter clothing, or promotional activities

### **4. Program Eligibility**

PPL Electric established the eligibility criteria in cooperation with the Operation HELP administering organizations. Customers with household incomes at or below 250 percent of the FPIG and other hardships may be eligible for assistance.

Under the Operation HELP guidelines, a customer can receive assistance once in a calendar year. However, the Company gives the partner organizations the flexibility to review referrals on a case-by-case basis if customers have compelling and extenuating circumstances.

Operation HELP applicants are not automatically eligible for assistance by virtue of their income, age, or family circumstances. The Company targets program funds for income-eligible customers who face hardships and have an inability to pay the full amount of their electric bills.

The partner organizations generally consider the following factors when determining program eligibility:

- Eligibility to receive other programs and services with larger funding and availability, such as LIHEAP and OnTrack.
- Extenuating circumstances impacting a member of the household, including, but not limited to, serious illness, injuries, loss of life, or loss of employment.
- Composition of household.
- The customer's collection status<sup>9</sup> as well as their payment history, including the overdue balance and payment efforts on their PPL Electric account.

The partner organizations may consult with PPL Electric's Regulatory Program Specialist ("RPS") to discuss individual cases with extenuating circumstances and any requests for exceptions to the program guidelines.

The Company's partner organizations review applications and make the grant determination based on the specific account information. Operation HELP is not a one size fits all program; instead, the grant is unique to the customer and is intended to help resolve their immediate need. Additionally, there is no minimum or maximum threshold for assistance. A customer can apply for the program regardless of their balance. However, if the grant is not sufficient to cover the amount needed, the customer may be asked to make a payment or seek additional sources of assistance. Thus, although the grant amount does not need to pay off an existing balance, a customer payment may be required in addition to the grant amount to catch up on a payment agreement.

## **5. Enrollments and Referrals**

PPL Electric has found that the primary source of potential Operation HELP recipients is referrals from the CSRs and/or Customer Service contractors. CSRs have daily contacts with low-income, payment-troubled customers with overdue balances and routinely refer these customers to the partner organizations that administer Operation HELP.

There are multiple options for a customer to apply for an Operation HELP grant. These options include the following:

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<sup>9</sup> The only requirement regarding collection status is that the account be past due.

1. During the payment assistance (phone call) interaction with the contact center if the customer appears to be a good fit for the program, the CSR may inform the customer about the program.
2. The customer can call PPL Electric directly at 1-800-342-5775 and request an application for the program or apply over the phone with an agent.
3. The customer can call a partner organization and request an application for the program.
4. The customer can walk-in to the partner organization and complete a program application or ask for assistance completing the application.
5. The customer can apply online at [www.pplelectric.com/OperationHELP](http://www.pplelectric.com/OperationHELP)

## **6. Projected Participation and Budget**

The donations from PPL Electric, its customers, employees, retirees, and fundraising activities determine the number of customers assisted. The Company will continue to solicit donations for the program. In addition, PPL Electric will continue its fundraising activities for Operation HELP (e.g., golf tournament). The Company’s tariff has a provision that directs all final bills with balances less than five dollars to the Operation HELP hardship fund.

| Year        | Enrollment Levels | Budget        |
|-------------|-------------------|---------------|
| 2023 - 2027 | 2,500             | \$1.3 Million |

## **7. Needs Assessment**

|  |           |
|--|-----------|
| Average residential customer count                                 | 1,334,000 |
| Estimated Low Income Payment Troubled households below 150%        | 159,183   |
| Confirmed Low Income Payment Troubled households below 150%        | 140,220   |
| Estimated Low Income Payment Troubled households between 151%-250% | 81,568    |
| Confirmed Low Income Payment Troubled households between 151%-250% | 27,697    |

Depending on factors such as overdue amount, payment arrangement history, and extenuating circumstances, the Company’s CSRs refer these customers to

programs like the CAP known as OnTrack, the Company's LIURP known as the WRAP, CARES, Operation HELP, and LIHEAP when available.

## **8. Quality Control/Quality Assurance**

The decision to give to any charitable cause involves several factors. One of the most important is the belief by contributors that the charitable organization uses their funds properly. PPL Electric requires the Operation HELP administering organizations to have a Certified Public Accounting ("CPA") firm conduct an annual financial audit of the program. Some of the partner organizations complete their Operation HELP audit in conjunction with their annual federal and state-funded program audits.

To supplement the CPA audit, PPL Electric conducts annual procedural audits of the partner organizations that administer Operation HELP. The primary purposes of the audit include:

1. Review the partner organizations' record keeping procedures.
2. Discuss the findings with the partner organizations and implement corrective action where necessary.
3. Monitor the partner organizations' adherence to Operation HELP guidelines and procedures.
4. Ensure the proper expenditure of donations.

PPL Electric prepares monthly reports that monitor and track the partner organizations' performance. The Company provides monthly feedback (e.g., electronic copy of reports) to the agencies regarding Operation HELP results. The PPL Electric management team also conducts meetings throughout the year with the partner organizations to discuss progress and special situations.

The Company uses its outside auditor to review internal procedures and records regarding Operation HELP. The audit includes, among other things, a review of record-keeping procedures and a reconciliation of donations from a sampling of customers.

## 9. Miscellaneous

### a. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)

PPL Electric has consistently administered Operation HELP according to long-established guidelines and procedures. The table below provides a description of the key program design changes.

| ID# | Category            | Previous Plan (2017-2022)                     | Current Plan (2023-2027)  |
|-----|---------------------|---|---|
| 1   | Program Eligibility | Income eligible if at or below 200% of FPIG   | Income eligible if at or below 250% of FPIG                                     |
| 2   | Program Eligibility | Grants are approved for other energy vendors. | Limit the use of Operation HELP to grants for the customer's PPL Electric bill. |

## **D. CARES**

### **1. Overview and Background**

The CARES program is a special referral service for customers with temporary hardships, such as illness, injury, loss of job, or high medical bills. The program recognizes that people are sometimes victims of circumstances beyond their control. These conditions create hardships that are difficult to address without some type of assistance. CARES plays a role in responding to customers who have special circumstances.

The primary features of CARES include:

- Protection against shutoff of electric service.
- Referrals to other programs and services.
- Possible financial assistance for overdue electric bills.

The program is available to residential customers, regardless of income level, who face a temporary hardship that could result in the loss of electric service. The Company refers low-income customers with longer-term problems to OnTrack, which offers reduced payment amounts, arrearage forgiveness, and referrals to other assistance programs.

PPL Electric started CARES as a six-month pilot program in 1980-81. The Company conducted the pilot in three areas: Lancaster, Harrisburg, and Hazleton. Following an evaluation of the pilot, the Company implemented CARES as a system-wide program in February 1982. PPL Electric maintains effective working relationships with a variety of partner organizations and supports outreach efforts for LIHEAP in the partner organizations' operating areas.

### **2. Objectives**

The primary objectives of the CARES program are to:

1. Help customers who are experiencing temporary hardships to prevent termination of service and to manage their overdue electric bills by providing them with information and resources;
2. Make referrals to Company and/or community assistance programs; and
3. Act as an internal advocate for residential payment-troubled customers.

### **3. Program Design**

#### **a. Referrals and Assistance Coordination**

PPL Electric's support staff communicates directly with CARES customers. They analyze customer accounts and circumstances to determine the basic cause(s) of their bill-payment problems. They may refer customers to appropriate programs and services offered by various agencies or PPL Electric.

#### **b. Networking**

Another key responsibility of the PPL Electric management team is to maintain working relationships with partner organizations and departments within PPL Electric, such as the Customer Contact Center, Field Operations, and Revenue Assurance, to ensure awareness of the program.

#### **c. CARES Credits**

A unique feature of PPL Electric's CARES program is a provision for CARES Credits. The CARES recipient receives these credits to help pay electric bills. There are circumstances where neither PPL Electric nor social service agencies can provide sufficient and/or timely assistance to customers. Programs may have closed (e.g., LIHEAP) or the customer is ineligible for services because their household income is above program guidelines.

The typical annual CARES Credit budget is \$54,000, which comes from PPL Electric's annual donation to Operation HELP. No formal guidelines exist for the use of CARES Credits because PPL Electric applies the funds on a case-by-case basis. The Company's program management staff often use the credits for customers confronted with high medical bills or the death of the primary wage earner. In 2021, 73 customers received assistance through CARES Credits. The average grant was approximately \$538 during this period.

### **4. Program Eligibility**

Referrals to the CARES program originate from PPL Electric's Customer Contact Center ("CCC") CSRs, social agency caseworkers, and self-referrals. PPL Electric established referral criteria for CCC employees and partner organization caseworkers to use as a screening device to ensure appropriate referrals to CARES services. In practice, the CCC's CSRs refer most customers to the program.

CSRs and partner organization caseworkers refer customers to CARES when any one of the following conditions exist:

- Illness, injury, or high medical bills
- Previously good-paying customers with temporary hardship situation

- Recent loss of job or major reduction in household income
- Death of primary wage earner
- Confused and disoriented customer

The above referral criteria do not address every customer situation or hardship. The CCC representatives and partner organization caseworkers use their judgment and discretion in referring customers to CARES who may not precisely match the referral criteria. If unusual conditions exist, the support staff consults with the program manager to discuss the situation.

## **5. Projected Participation and Budget**

PPL Electric bases the projected enrollment levels on its historical experience with CARES. In 2021, for example, there were 263 customer referrals to the program. Of this total, 73 customers had CARES Credits applied to their account. The Company projects that the number of CARES referrals will likely remain at around 400 annually. PPL Electric now refers many low-income, payment-troubled customers to OnTrack, which is a special payment program, instead of CARES. Because OnTrack offers a longer-term solution, it may be a better alternative than CARES.

The projected enrollment levels will remain flat, estimated at 400 each year from 2023-2027.

The annual expenditure for CARES in 2023 is approximately \$114,000: \$60,000 for staff who support the program and \$54,000 for CARES Credits. There is no specific operating and maintenance budget for CARES. PPL Electric estimates that the time spent by PPL Electric staff in support of the program is valued at \$60,000 annually. These expenses are not recovered through the USR. As noted earlier, the Company uses the remaining \$54,000 of CARES Credits to assist customers who need help and have run out of options.

The projected budget amounts shown below for 2023 through 2027 will remain relatively flat. The annual increases represented below are due to increases in staff wages and overhead costs.

| Year | Total Funding Level <sup>10</sup> |
|------|-----------------------------------|
| 2023 | \$114,000                         |
| 2024 | \$117,420                         |
| 2025 | \$120,943                         |

---

<sup>10</sup> The slight annual increase is due to salary expenses.

|      |           |
|------|-----------|
| 2026 | \$124,570 |
| 2027 | \$128,308 |

## **6. Needs Assessment**

The program is available to any residential customer regardless of income. However, CARES bases eligibility on customers’ individual needs and concerns, and targets households with temporary hardships. PPL Electric believes that CARES will continue to serve the needs of a specific segment of residential customers.

## **7. Miscellaneous**

### **a. Resource Plan**

PPL Electric uses a combination of internal resources, contractors, and partner agencies to manage and deliver CARES. A list of the current partner organizations is set forth in Appendix B.

### **b. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)**

PPL Electric has consistently administered CARES according to long-established guidelines and procedures. There are no major changes proposed in the current Plan (2023-2027) as compared to the prior Plan (2017-2019).

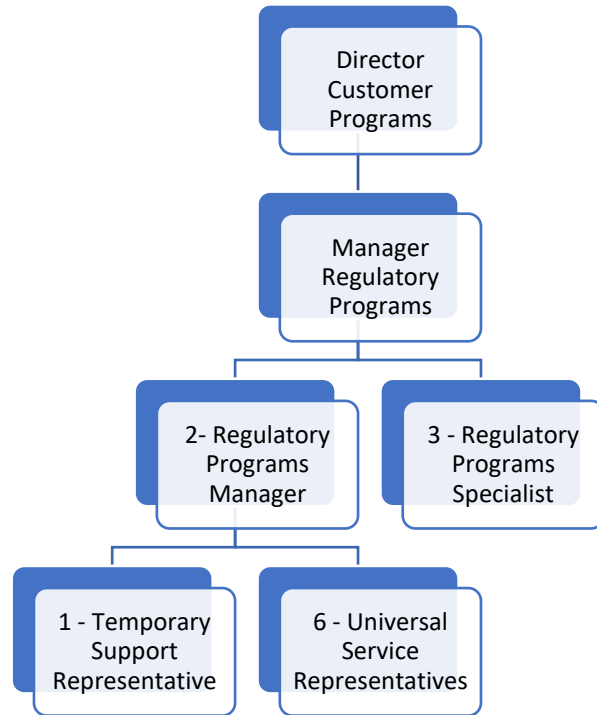
## **III. STAKEHOLDER ENGAGEMENT**

PPL Electric has established a Universal Service Stakeholder Group (“USSG”) that meets at least twice per year. The intent of the USSG is to improve PPL Electric’s Universal Service Programs through sharing information and inviting feedback. The USSG also reviews consumer education material and customer outreach plans. The USSG provides a forum to discuss all four of PPL Electric’s universal service programs and coordination with the Act 129 program.

## **IV. USE OF COMMUNITY-BASED ORGANIZATIONS**

PPL Electric utilizes several community-based organizations (“CBOs) to administer OnTrack, WRAP, CARES, and Operation HELP. Any current partner organizations that are CBOs are identified in Appendix B. The Company maintains a close working relationship with its network of CBOs, which guide customers to the most appropriate assistance program.

## Appendix A – Organizational Chart and Role Responsibilities



|  |  |
|--|--|
| <b>Director Customer Programs</b>            | Responsible for oversight of all Customer Programs including Universal Service and Energy Efficiency Programs.                                       |
| <b>Manager Regulatory Programs</b>           | Responsible for all Universal Service Programs, regulatory reporting requirements, budget management, strategic planning, and department management. |
| <b>Regulatory Programs Managers</b>          | Responsible for the design and implementation of the Universal Service programs including program strategy, communications, and resource management. |
| <b>Regulatory Programs Specialists</b>       | Responsible for management support, auditing, quality assurance, and primary contact for partner organizations and contractors.                      |
| <b>Universal Service Representatives</b>     | Support daily/weekly account level work associated with Universal Service Programs.  |
| <b>Temporary Support Representatives</b>     | Support daily/weekly account level work associated with programs such as LIHEAP, ERAP, and PAHAF <sup>11</sup> .                                     |
| <b>Partner Organizations and Contractors</b> | Implementation of programs including approving program participation and installation of measures.   |

<sup>11</sup> Low Income Home Energy Assistance Program, Emergency Rental Assistance Program, and the Pennsylvania Homeowners Assistance Fund.

## Appendix B – Partner Organizations

### OnTrack and Operation HELP

| <b>Organization Name</b>   | <b>Phone Number</b>          |
|--|------------------------------|
| *Catholic Charities, Diocese of Allentown<br>402 W. Chew St<br>Allentown, PA 18102<br>cc-ontrack@allentowndiocese.org  | 610.435.1541                 |
| *Commission on Economic Opportunity<br>165 Amber Lane, PO Box 1127<br>Wilkes-Barre, PA 18702<br>CEO@ceopeoplehelpingpeople.org   | 570.826.0510                 |
| *Community Action Partnership of Lancaster County<br>601 S. Queen St<br>Lancaster, PA 17603<br>OnTrack@caplanc.org   | 717.299.7301 ext. 3108       |
| *Schuylkill Community Action<br>225 N Centre St<br>Pottsville, PA 17901<br>Or<br>105 W Broad St, Rear, Suite 100<br>Tamaqua, PA 18252<br>casemangers@schuylkillcommunityaction.com | 570.622.1995<br>570.668.1038 |
| *STEP, Inc.<br>2138 Lincoln St<br>Williamsport, PA 17701<br>utilitieslycoming@stepcorp.org   | 570.327.5485                 |
| *TREHAB<br>100 4th St Suite 20<br>Honesdale, PA 18431<br>PPLOntrack@trehab.org   | 570.253.8941                 |
| *Tri-County Community Action<br>1514 Derry Street<br>Harrisburg, PA 17104<br>pplontrack@cactricounty.org   | 717.232.9757                 |
| *Union-Snyder Community Action Agency<br>713 Bridge Street, Suite 10<br>Selinsgrove, PA 17870<br>info@union-snydercaa.org  | 570.374.0181                 |

**WRAP**

| <b>Organization Name</b>  | <b>Phone Number</b> |
|---|---------------------|
| *CEO<br>32-34 West Union Street<br>Kingston, PA 18704<br>Kingston@ceopeoplehelpingpeople.org          | 570.331.4709        |
| CLEAResult<br>124 Rose Street<br>Scotrun, PA 18355<br>poconoweatherization@clearesult.com             | 855.570.4712        |
| Custom Weatherization, LLC<br>1855 Weaversville Rd<br>Allentown, PA 18109<br>info@TruEnergySaver.com  | 610.861.5290        |
| Green Kite, Inc<br>902 S Center St<br>POB 579<br>Gratz, PA 17030<br>cases@greenkite.co                | 717.230.1616        |
| MT Weatherization<br>2301 Academy Drive<br>Harrisburg, PA 17112<br>Info@TennyGroup.com                | 717.525.9665        |
| K2 Weatherization<br>401 East Louther Street<br>Carlisle, PA 17013<br>kretzingenergy@gmail.com        | 717.448.4382        |
| True Management, LLC<br>431 Clearfield Street<br>Freemansburg, PA 18017<br>info@truemanagementllc.com | 484.866.8011        |

\* Indicates a partner organization that is a Community Based Organization

## **Appendix C – Consumer Education and Outreach Plan (CEOP)**

PPL Electric uses a comprehensive approach to its Consumer Education and Outreach Plan (“CEOP”), which educates customers on available programs through a variety of channels and methods. The Company’s goal is to connect customers with the programs that will benefit them the most. Marketing and communication efforts are intended to increase eligible customer enrollments and the quantity of grant dollars received from government and PPL Electric programs, and to expand awareness of available assistance.

The following outlines the plan to continue existing initiatives and incorporate new communication and marketing efforts in the future CEOP.

**Existing CEOP:** PPL Electric will continue marketing and communication initiatives that have proven successful in reaching its goals, including targeted outreach to customers via print communications, email, website marketing, text, phone and social media. **Newly implemented CEOP:** PPL Electric will continue initiatives that were implemented since the last USECP last filing, including frequent targeted outreach to customers eligible for LIHEAP via email, text message, and printed applications, while increasing the frequency of targeted communications for all program promotions. The Company plans to increase awareness, by holding recurring program education sessions with customer facing employees to maintain and grow program participation.

**Future CEOP:** PPL Electric will incorporate new communication methods to expand program enrollment and awareness through increased use of short videos to explain program benefits and text messages to promote program applications. Here are communication tactics to be used in the future. Specific frequency, targeting and message will be adapted to the current environment and program needs.

| <b>Communication</b>  | <b>Audience</b>   | <b>Frequency</b>         |
|---|---|--------------------------|
| Organic bill help social media posts                        | All followers   | Weekly                   |
| Article in print or digital newsletter                      | All residential customers                                     | Monthly                  |
| OnTrack enrollment emails with a link to an explainer video | Customers recently enrolled in PPL Electric’s OnTrack program | Monthly                  |
| LIHEAP emails   | All eligible customers  | Bimonthly, during season |

| <b>Communication</b>                                   | <b>Audience</b>  | <b>Frequency</b>                  |
|--|--|-----------------------------------|
| LIHEAP UFT emails and text messages                    | Customers who received a cash grant and are eligible for a crisis grant                                | Weekly or biweekly, during season |
| OnTrack recertification blaster calls                  | Customers eligible to recertify  | Biweekly                          |
| Targeted program emails (all programs or one-specific) | Eligible customers   | Bimonthly                         |
| Bill help content on homepage of pplelectric.com       | All web visitors   | Bimonthly                         |
| OnTrack emails   | Customers who received LIHEAP and are automatically eligible for OnTrack                               | Biannually                        |
| LIURP/WRAP emails                                      | Customers participating in other low-income programs, including LIHEAP, that meet eligibility criteria | Biannually                        |
| Bill help/general program emails                       | All residential customers  | Biannually                        |
| Bill help/general program news release, media pitch    | Media and stakeholders   | As needed, at least annually      |
| Paid social media advertising                          | All followers  | As needed, at least annually      |
| WRAP postcards, mailed by contractors                  | Customers who were approved for WRAP, but have not yet scheduled their energy assessment               | As needed                         |
| WRAP booklet provided by contractors                   | Customers who have completed their energy assessment   | As needed                         |
| LIURP/WRAP Mass Media Marketing                        | Segments within service area identified low in leads   | As needed                         |
| LIURP/WRAP informational videos                        | Customers interested or enrolled in WRAP   | Ongoing (once developed)          |

The Company provides information to customers in Spanish, such as the website, program application and selected outreach material. The Company also has a language line that allows customers calling PPL Electric directly to speak

with a Customer Service Representative in their preferred language via a translation service. The Company determines the language offerings based on the needs of its service territory. Specifically, Spanish is identified as the predominant language used for the Company's customer service call translations.

PPL Electric's CEOP is an evolving process and will be modified and enhanced as needed within the duration of the USECP. Also, beginning in 2024 and for the duration of the USECP, PPL Electric will file and serve by March 1 at Docket No. M-2022-3031727 annual updates to its CEOP and include outreach and education actions taken. In conjunction with its annual filings, PPL Electric will also describe:

- The additional educational training webinars and workshops used to keep community partners and interested stakeholders informed and updated about PPL Electric's universal service programs.
- PPL Electric's enhanced outreach efforts for households with incomes at or below 50% of the FPIG.
- PPL Electric's efforts to educate and inform customers about the importance of understanding their energy burden to foster customer awareness of how much their household is spending on energy.
- How the components of its CEOP are provided to each county within PPL Electric's service territory.
- How PPL Electric has shared its tools, outline approaches, and activities for the energy burden education components in future CEOPs and include the PUC educators as needed.

**PPL Electric Utilities Corporation**  
**Universal Service**  
**And**  
**Energy Conservation Plan (USECP)**  
**2023-2027**

**REDLINE**

**PPL Electric Utilities Corporation**  
**Universal Service**  
**And**  
**Energy Conservation Plan (USECP)**  
**2023-2027**

Revised March 13, 2023

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Appendix A – Organizational Chart and Role Responsibilities

Appendix B – Partner Organizations

## **I. INTRODUCTION**

PPL Electric Utilities Corporation’s (“PPL Electric” or the “Company”) 2023-2027 Universal Service and Energy Conservation Plan (“USECP” or “Plan”) was prepared consistent with the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) requirements, including Sections 54.71 through 54.78 of the Commission’s regulations. See 52 Pa. Code §§ 54.71-54.78.

The 2023-2027 USECP builds upon the successes and lessons learned through previous iterations of the Company’s USECP. As with past versions of the USECP, the 2023-2027 USECP is designed to achieve the Commission’s goals: (1) protecting customers’ health and safety by helping low-income customers maintain electric service; (2) providing for affordable electric service by making payment assistance available to low-income customers; (3) assisting low-income customers so that they can conserve energy and reduce residential utility bills; and (4) establishing universal service and energy conservation programs (“Universal Service Programs” or “USPs”) that are operated in a cost-effective and efficient manner. 52 Pa. Code § 54.73(b).

PPL Electric’s 2023-2027 USECP consists of four Universal Service Programs, which are designed to achieve the Commission’s goals. The programs are:

1. OnTrack – PPL Electric’s Customer Assistance Program (“CAP”);
2. WRAP – PPL Electric’s Low-Income Usage Reduction Program (“LIURP”);
3. Operation HELP – PPL Electric’s Hardship Fund; and
4. Customer Assistance and Referral Evaluation Service (“CARES”) – PPL Electric’s Special Referral Service for Customers with Temporary Hardships.

Additional details on these programs are set forth in Section II, *infra*.

## **II. PROGRAM DESCRIPTIONS**

### **A. ONTRACK**

#### **1. Overview and Background**

OnTrack is a special payment program for low-income households at or below 150 percent of the Federal Poverty Income Guidelines (“FPIG”) who have trouble paying the full cost of their electric bill. OnTrack is PPL Electric’s CAP and is one of its Universal Service Programs. OnTrack, which started as a pilot in 1993, is funded by residential customers and administered by partner organizations.

The primary customer benefits of OnTrack include:

- A reduced fixed payment amount based on a percent of income
- Arrearage forgiveness over 24 months
- Protection against shutoff of electric service
- Referrals to other programs and services
- Exemption from late payment fees, including on final bills

PPL Electric uses the Remote Entity Portal System (“REP” or “System”) to establish a 24-month debt forgiveness timetable for all new OnTrack enrollees. The customer’s outstanding balance amount is reviewed at the time of enrollment, and the overdue amount is frozen. The outstanding balance is forgiven in a straight-line method. Equal installments are forgiven over the 24-month period. The debt forgiveness installments are shown on the customer’s statement of account and in the Company’s Customer Service System (“CSS”) as arrearage forgiveness credits. PPL Electric allows OnTrack customers to receive pre-program arrearage forgiveness for each on-time and in-full monthly payment, regardless of OnTrack arrears (*i.e.*, in-program arrears), and retroactive forgiveness for any months missed once the customer pays the OnTrack balance in full.

The 24-month forgiveness timetable provides benefits to customers and the Company. From customers’ perspectives, they can see significant progress every month as the debt owed to PPL Electric is reduced. This helps motivate customers to continue making on-time payments and managing their usage to remain in the program and ultimately see the pre-program arrears amount (*i.e.*, overdue balance) reduced to zero. The Company benefits by receiving recovery of receivables and ultimately lower overdue receivables.<sup>1</sup>

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<sup>1</sup> Under the prior USECP, PPL Electric utilized an 18-month debt forgiveness timetable for OnTrack customers. As part of the transition from an 18-month to 24-month forgiveness timetable under this USECP, PPL Electric will allow OnTrack customers who enroll prior to the implementation of the Percent of Income (“PIP”) option to continue receiving arrearage forgiveness over 18 months.

In July 1992, the Commission adopted a Policy Statement that established guidelines for CAPs. The Commission encouraged all electric and gas utilities to implement CAP pilots. After receiving approval from the Commission for its pilot proposal, PPL Electric implemented OnTrack in December 1993. The pilot began in one region and expanded to all regions by June 1994. The Company agreed to enroll 2,000 low-income customers in OnTrack. PPL Electric stopped the pilot program on July 31, 1995.

On December 3, 1996, Governor Tom Ridge signed a law that increased competition in the electric utility industry. The new law gave consumers the opportunity to choose their electric generation supplier. The legislation required electric distribution companies to continue their various assistance programs (e.g., CARES, Operation HELP, OnTrack and WRAP).

As a result of its August 12, 1998, Restructuring Settlement Agreement with all interested parties, PPL Electric agreed to expand OnTrack expenditures significantly from 1999 through 2002. During this four-year period, the program’s annual budget increased from \$5.875 million in 1999 to \$11.7 million in 2002. OnTrack expenditures over the past six years have been as follows:

| <b>Program Year</b> | <b>OnTrack Expenditures</b>  |
|---------------------|------------------------------|
| 2017                | \$80.9 Million               |
| 2018                | \$80 Million                 |
| 2019                | \$82 Million                 |
| 2020                | \$77.5 Million               |
| 2021                | \$85.5 Million               |
| 2022                | \$112.2 Million <sup>2</sup> |

## **2. Objectives**

PPL Electric has structured and implemented OnTrack to address the needs of low-income customers while balancing financial, regulatory, and social interests.

The four primary operating objectives of the OnTrack program are to:

1. Improve customers’ bill payment habits and attitudes;
2. Stabilize or reduce customers’ energy usage;
3. Eliminate overdue balances for program participants; and

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<sup>2</sup> Actual OnTrack expenditures for 2022 were higher due to, among other things, increases in the price-to-compare.

4. Provide the customer with other beneficial services and/or programs through a network of partner organizations.

### 3. Program Design

The OnTrack program is designed to establish a 12-month payment plan that complies with the CAP Policy Statement<sup>3</sup> and maintains compliance with the specific parameters of the program.

OnTrack’s payment plan design is based around three payment options beginning August 9, 2023: (1) the Percent of Income (“PIP”) option; (2) Average Bill; and (3) the Minimum Payment option. For each OnTrack participant, PPL Electric evaluates whether the PIP option or the Average Bill option will offer the best solution for the customer’s situation. These payment options are addressed in more detail below.

#### a. Percent of Income (PIP) Option

During the review process a Percent of Income (“PIP”) is calculated for each OnTrack applicant.

The table below shows the percent amounts that are used when the system calculates the PIP.

| Income Level<br>(Percent of FPIG) | Electric Heat | Non-Electric Heat |
|-----------------------------------|---------------|-------------------|
| 50% or Below                      | 5%            | 2%                |
| 51 to 100%                        | 6%            | 3.5%              |
| 101 to 150%                       | 7%            | 4%                |

PPL Electric calculates the Total Energy Burden Payment Amount (“TEBPA”) under the PIP by multiplying the monthly income by the applicable percent of income percentage factor (see table above).

Below is an example calculation of the OnTrack installment amount using the PIP option.

#### PIP Option Example

|                |       |
|----------------|-------|
| Household Size | 2     |
| Monthly income | \$950 |

<sup>3</sup> 2019 Amendments to Policy Statement on Customer Assistance Program, 52 Pa. Code § 69.261-69.267, Docket No. M-2019-3012599.

|                                    |         |
|------------------------------------|---------|
| Electrically heated home           | Yes     |
| Percent of Income factor           | 6%      |
| Total Energy Burden Payment Amount | \$57.00 |

**b. Additional Conditions on Installment Amount**

The following are other conditions that apply to the determination of a customer’s OnTrack installment amount:

1. The review process will not allow a payment amount to be lower than the minimum payment control feature of \$40 for electric heat customers or \$20 for non-electric heat customers.
2. A customer reporting zero income will participate in the program at the minimum payment amount of \$40 for electric heat customers or \$20 for non-electric heat customers.
3. If the customer exceeds the maximum CAP credit amount, the customer will be automatically transitioned to OnTrack Budget Billing (“OTBB”) status. The OTBB standing in the program is still beneficial because the customer receives debt forgiveness and OnTrack credits (if applicable), but the customer’s fixed monthly payment amount is increased from their normal OnTrack amount to their budget billing amount.
4. When an OnTrack customer moves from one residence to another, their OnTrack amount will be recalculated at the new address.
5. PPL Electric uses an alert process to identify a participant who has a TEBPA that is greater than the average bill. Specifically, PPL Electric runs a monthly report that will alert it to any OnTrack participants with an installment amount (i.e., OnTrack bill) greater than the average bill based on usage. A program specialist reviews the account, primarily usage history, and determines if an adjustment to the installment amount is needed. If the usage history is adequate and the average bill has gone down since enrollment, PPL Electric will reduce the installment amount. If the usage history is not adequate, but historical usage suggests that the installment will fall below average, the installment amount may not be reduced. PPL Electric may also adjust installment amounts at a future review as customers continue to build usage history.

#### **4. Program Eligibility**

OnTrack offers qualified customers payments that are less than their current bills, arrearage forgiveness, and a chance for a fresh start with PPL Electric. In addition, the Company coordinates referrals with other low-income assistance programs, such as WRAP, Operation HELP, LIHEAP, as well as other programs administered by the partner organizations that administer OnTrack.

##### **a. Eligibility Criteria**

PPL Electric designed OnTrack specifically for low-income customers with household income at or below 150 percent of the FPIG who are unable to pay their electric service bills in full. Eligibility criteria for OnTrack include:

1. The household must be at or below 150 percent FPIG.
2. The household must submit a proof of income evidencing that they have a source of income or, alternatively, must submit the zero-income form explaining their income situation. PPL Electric will place a 30-day hold on collections activity if the OnTrack applicant is sent and asked to return a zero-income form. The Company will evaluate zero income claims by following the below listed guidelines. Additionally, the Company has the discretion to make exceptions to the guidelines for households based on specific circumstances.
3. The OnTrack application requires the customer to specify income, even if the income is unearned. Unearned income can come in the form of government assistance (temporary or long-term), public assistance grants, money from friends or relatives, and other one-time lump-sum payments. Additional examples include: (1) Temporary Assistance for Needy Families (TANF); (2) Diversion Program; (3) State Blind Pension Program; (4) Refugee Cash Assistance Program; and (5) State Supplementary Payments. Support payments that are actually paid to the household can be included if verified and documented as such. When a customer's only source of income is unearned income of this type, a self-declaration statement needs to be submitted with the OnTrack application. This self-declaration statement does not need to be notarized. This statement allows the Company to verify how the customer is paying for basic living needs, such as food, shelter, personal items, etc.

4. The customer applying cannot own or be listed on multiple properties or multiple PPL Electric accounts. Exceptions can be granted for specific scenarios such as a property with a separate meter for a garage or a property with multiple meters.
5. The customer must permanently reside in PPL Electric's service territory. If PPL Electric or the partner organization finds the customer is not a full-time occupant of the property, the OnTrack application will be rejected.
6. The customer's account must be in an individual customer's name.
7. The customer's account must be billed on a residential rate; non-residential rate accounts are not eligible for OnTrack.
8. The customer's account must be on default service to complete the OnTrack enrollment.
9. The customer's account is not enrolled in a Time of Use ("TOU") rate.
10. The customer must contact PPL Electric or the partner organization if there is a change in household size and/or income.
11. The customer must provide updated proof of income when requested by PPL Electric or the partner organization.
12. The customer must respond to requests for information and/or appointments associated with WRAP.<sup>4</sup>
13. The customer must comply with all applicable PPL Electric tariff and regulatory requirements to establish and maintain electric service.

The OnTrack application requires verification from the customer acknowledging that the customer must report changes in income and household members. The customer also must provide confirmation that all information is true and accurate to the best of their knowledge. If an application is incomplete or requires clarification, the agency reviewing the application will make a reasonable attempt to obtain the information necessary to determine eligibility or to clarify any issues which might disqualify the customer. If the customer does not respond to requests for additional information, or if PPL Electric or a partner organization finds that a customer is withholding information or did not comply with reporting all required documentation, the OnTrack application will be rejected.

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<sup>4</sup> If the customer is removed from OnTrack due to the failure to provide this response, the customer will be reinstated after providing such response.

If a customer with a security deposit on the account is determined to be eligible for OnTrack, PPL Electric will refund the security deposit to the customer with applicable interest via check or, with the customer's consent, through a credit applied to the customer's account balance. As part of obtaining the customer's consent to apply a credit to the account balance, PPL Electric will explain how that credit will impact the customer's monthly bill.

### **b. Determining and Calculating Income**

All household members of an OnTrack applicant, regardless of relationship, are considered when determining household size and income. However, the earned and unearned income for minors (*i.e.*, household members aged 18 or younger) ~~are~~ is excluded when determining OnTrack eligibility and benefits.

Pursuant to the Pennsylvania Department of Human Services' ("DHS") LIHEAP guidelines, income is the total earned and non-earned income of a household and includes the following:

1. Employee earnings: Employee earnings is money, including wages, salaries, bonuses, commissions, and tips, before taxes or other deductions that a person receives for providing services on behalf of an employer.

2. Profit from self-employment: Profit of a self-employed person is gross receipts minus costs of operating a business or farm, practicing a profession, providing day-care for children in an approved family day-care facility, or renting nonresident real property.

a. The following expenses are among those that are not deductible from gross receipts:

- i. Depreciation.
- ii. Personal business and entertainment expenses.
- iii. Personal transportation.
- iv. Purchase of capital equipment.
- v. Payment on the principal of loans for capital assets or durable goods.
- vi. Work related expenses such as federal, state, and local income taxes, contributions to retirement funds and transportation to and from work.
- vii. Deposits into the self-employed person retirement account and payment for his or her life insurance.

3. Income from roomers, boarders, or apartment renters: Gross income from providing room or board, or both or from apartment rentals paid directly to an adult household member.

4. Unearned Income: Unearned income includes, but is not limited to, the following:

- a. Public assistance grants.
- b. Social Security benefits.
- c. Workers' compensation (or disability).
- d. Supplemental Security Income.
- e. Unemployment compensation.
- f. Support payments (child, foster care, spousal, etc.).
- g. Cash gifts and contributions.
- h. Pensions.
- i. Interest and/or dividends from investment or bank accounts.
- j. Veterans' benefits.
- k. Funds withdrawn from Individual Retirement Accounts, Certificates of Deposit, and proceeds from the sale of stock certificates.
- l. Utility Allowances paid directly to the household from the landlord or public housing agency to cover utility bills.
- m. Income from nonresident rental property managed by a rental agency or another person.
- n. Disability.
- m. Money/income received from a family member or friend. This type of income must be documented with a verification statement. The statement does not need to be notarized.
- n. Social Security Income or Social Security Disability received for a child.

5. Operational Losses: Operational losses from self-employment or losses associated with rental properties cannot be used to offset other forms of income.

The OnTrack applicant's proof of income may include pay stubs from employers, pay stubs from government organizations, self-declaration statements describing money received from family or friends, bank statement showing direct deposit information, or official tax return documents. If the customer is self-employed or owns a small business, the income documentation must include a copy of the latest federal income tax return and net profit (not gross income), which will be used to determine eligibility for OnTrack. OnTrack applicants may provide proof of income for 30 days or 12 months, whichever is more beneficial and representative of their true annual income.

## 5. Enrollment and Referrals

PPL Electric has found that the primary source of potential OnTrack participants is referrals from the Company's Customer Service Representatives ("CSRs") and/or Customer Service contractors. CSRs have daily contacts with low-income, payment-troubled customers with overdue balances and routinely refer these customers to the partner organizations that administer OnTrack. During 2021, for example, CSRs generated approximately 148,000 referrals to OnTrack administering organizations.

PPL Electric developed an online application which was designed and created with the customer in mind. In addition to making applying easier for the customer, the process also shortens wait times by eliminating mailing delays with paper applications. The online application is available at: [www.pplelectric.com/OnTrack](http://www.pplelectric.com/OnTrack).

The customer navigates through an intuitive series of screens providing the information necessary to determine eligibility into the OnTrack program. The customer has the option of uploading their proof of income or mailing this information to the agency who administers the program. The online system provides the customer with the name and contact information, including email address, for the assigned partner agency. The entire website and all assistance program applications are available in Spanish.

Other sources of potential participants may include internal lists, referrals made by partner agencies, LIHEAP-based data, and information from other PPL Electric programs.

There are multiple opportunities for enrollment in OnTrack. These options include the following:

1. During the payment assistance (phone call) interaction with the contact center if the customer appears to be a good fit for the program, the system will automatically alert the CSR, and a program application will be sent to the customer. The CSR will inform the customer that a program application is on the way.
2. The customer can call PPL Electric directly at 1-800-342-5775 and request an application for the OnTrack program or apply over the phone with an agent.
3. The customer can call a partner organization and request an application for the OnTrack program.

4. The customer can walk into the partner organization and complete a program application or ask for assistance completing the application.
5. The customer can apply online at [www.pplelectric.com/OnTrack](http://www.pplelectric.com/OnTrack).

The Company will continue to evaluate new options for applying to the program and will move toward implementation when: (1) the costs are reasonable; and (2) the benefits align with improving the customer’s experience.

## **6. Projected Participation and Budget**

PPL Electric will continue to work with internal and external resources to identify, engage, and enroll eligible customers. PPL Electric projects the following participation and expenditures for OnTrack from 2023 through 2027. Expenditure projections include the core component costs of revenue shortfall (OnTrack credits), arrearage forgiveness, and external administration. These expenditures do not include PPL Electric’s internal costs, such as employee expense items and IT system changes.

| Program Year (as of the end of December) | Active OnTrack Households (Target/Estimate) | Projected Program Expenditures <sup>5</sup> |
|--|---|---|
| 2023                                     | 71,000                                      | \$80,276,687                                |
| 2024                                     | 73,250                                      | \$73,578,322                                |
| 2025                                     | 75,500                                      | \$72,985,745                                |
| 2026                                     | 77,700                                      | \$72,599,144                                |
| 2027                                     | 79,800                                      | \$71,986,813                                |

## **7. Needs Assessment**

Matching the proper assistance program with each potential applicant is an overriding objective in PPL Electric’s administration of the Universal Service Programs. PPL Electric personnel, as well as its partner organizations, seek to ensure that eligible residential customers have an opportunity to successfully maximize the benefits available to them via OnTrack, WRAP, Operation HELP, LIHEAP, and other related programs. Data on the Company’s customer base is noted below.

|                                     |           |
|-------------------------------------|-----------|
| Average residential customer count  | 1,334,000 |
| Estimated Low Income Customer Count | 337,091   |
| Confirmed Low Income Customer Count | 228,117   |

<sup>5</sup> Actual program expenditures could vary depending on energy prices, as seen in the actual expenditures for 2022. These projections were based on PPL Electric’s historical experience with energy prices.

## **8. Quality Control/Quality Assurance**

### **a. Recertification**

Within six months of the Commission's Order entered February 9, 2023, PPL Electric will transition from an 18-month recertification cycle to a 12-month recertification cycle. PPL Electric will transition to a 12-month recertification cycle as follows:

- The current agreement timeline will remain at 18 months. Recertification will occur at the end of the 18-month period.
- The installment amount will change using the calculation based on new methodology of three options: (1) Percent of Income; (2) Average Bill; or (3) Minimum Payment. The new installment amount is effective for future bills.
- Arrearage forgiveness for an existing customer on an 18-month recertification cycle will remain on the 18-month timeline.
- Maximum CAP credits for an existing customer on an 18-month recertification cycle will be based on the new shortfall limits.
- A letter will be sent to existing customers on the 18-month recertification cycle explaining the changes mentioned above.
- Once these customers recertify, they will be placed in the 12-month program.

Under the 12-month program timeline, the recertification process begins at month 11. The system reviews OnTrack accounts to determine if they qualify for automatic recertification. Accounts that qualify for automatic recertification are those that have received LIHEAP funds within the past 12 months or have SSI as the primary source of income. Accounts that meet the automatic recertification criteria will be recertified for another 12 months in the program at the same OnTrack installment amount. This automatic recertification feature will not occur two consecutive times. At month 12, accounts are reviewed again for automatic recertification. This second review is completed to identify any accounts that may have recently received a LIHEAP grant. OnTrack Budget Billing accounts are also eligible for automatic recertification if they have received LIHEAP in the last 12 months or have SSI as their primary source of income. When OTBB customers are automatically recertified, they will return into regular OnTrack at the conclusion of their 12-month program cycle.

At least 30 days before the recertification is due, a program cover letter and application are sent to customers who do not qualify for automatic recertification. The partner organization caseworker completes the recertification review for the customer and, if eligible, sets up the new OnTrack installment amount. A post enrollment letter with information about the program

and the customer's payment amount is mailed or emailed to the customer. Customers remain enrolled in the program even after the pre-program arrears (overdue balance) have been forgiven.

In addition, there are special household situations where the Company will enroll a customer in OnTrack but require the customer to update their income information every six months instead of every 12 months. The Company refers to this special situation as OnTrack Lifestyle ("OTLS"). The purpose of OTLS is to address situations where customers' incomes are less than or equal to their mortgage payments or rent or they report zero income. In effect, the customers reported that they did not have enough income but somehow managed to pay their mortgage/rent and OnTrack payments. This gave rise to concerns that customers might not be reporting all sources of household income or other resources.

OTLS provides a check-up for the customer, which helps ensure that the Company is accurately documenting the customer's income situation and aligning the customer's payments with the most recent information.

Customers participating in OTLS are not eligible for automatic recertification. OTLS customers will be prompted to recertify after six months of participation. For participation beyond 12 months, customers will be required to provide additional evidence of eligibility, such as receipts, bank statements, and/or support letters, which provide an explanation as to how the customer is paying for cost-of-living expenses. The Company will not allow continued recertifications by self-declaring zero income or indicating their mortgage/rent is higher than income.

In addition, a customer may request to be removed from the OnTrack program at any time. PPL Electric will inform customers who request voluntary removal from the program after exceeding credit limits that they will be ineligible for any further credits until after the current 12-month program cycle has elapsed regardless of whether they stay in or leave. PPL will make these customers aware of the exceptions to the credit limits and what actions they should take if they qualify for these exceptions. Customers that voluntarily remove themselves from OnTrack can re-enroll within the 12-month period if they pay any in-program arrears.

#### **b. Minimum Payment Amount and Maximum CAP Credits**

The minimum payment control feature within the System will not allow a monthly payment amount to be less than \$40 for electric heat customers and \$20 for non-electric heat customers. The maximum 12-month revenue

shortfall amount (also referred to as CAP credits or benefits) for electric heat customers and non-electric heat customers are shown in the table below:

| FPL Tier/Level | Account Classification | Maximum Credit Amount That Could Be Used Over 12 Months |
|----------------|------------------------|---|
| 0% to 50%      | Electric Heat          | \$3,150   |
| 51% to 100%    | Electric Heat          | \$2,500   |
| 101% to 150%   | Electric Heat          | \$2,150   |
| 0% to 50%      | Non-Electric Heat      | \$1,950   |
| 51% to 100%    | Non-Electric Heat      | \$1,500   |
| 101% to 150%   | Non-Electric Heat      | \$1,250   |

Customers who are active in the program will have different revenue shortfall amounts each month because the actual revenue shortfall amount will be calculated by taking the actual bill amount minus the fixed OnTrack installment amount.

If a customer exceeds the maximum credit amount before the 12-month period expires, the customer will be automatically moved to OTBB program status. When this occurs, the OTBB activation letter is sent to the customer and informs the customer of this change in status. The OTBB activation letter also informs the customer that PPL Electric will automatically send a program application prior to their recertification/re-enrollment period. Recertification or re-enrollment will be considered 12 months from the original enrollment date in OnTrack, unless the customer has SSI as their primary source of income or they have received LIHEAP in the last 12 months, in which case they will be automatically re-enrolled.

The customer will receive a letter when the pre-program arrears amount (overdue balance) is at zero. This point in time also corresponds with the recertification deadline. This letter, referred to as the *OTBB All Is Forgiven* letter, summarizes the customer's transition from traditional OnTrack to OTBB. The end of the letter states that the overdue balance has been eliminated, but PPL Electric still wants to help the customer by re-enrolling them in OnTrack at a payment amount that is lower than what they are currently paying. The customer is informed that a program application has been mailed to them.

PPL Electric may exempt a household from maximum CAP credit or consumption limits if one or more of the following conditions exist: (1) the household experienced the addition of a household member; (2) a member of the household experienced a serious illness; (3) energy consumption was beyond the household's ability to control; (4) the household is located in housing that is or

has been condemned or has housing code violations that negatively affect energy consumption; or (5) energy consumption estimates have been based on consumption of a previous occupant. OnTrack customers who have reached 50% and 80% of their maximum OnTrack credit will be sent communication letters about contacting PPL Electric regarding these possible exemptions to the maximum CAP credits. PPL Electric will file and serve copies of these communication letters within three months of the Commission's Order entered on February 9, 2023, at this docket.

PPL Electric also will track and report the number of customers who exceed their credit limit annually and are placed into OTBB in the preceding year. Beginning in 2024, PPL Electric will file and serve the report at this docket by April 1 each year through the duration of the USECP.

### **c. Collections and Service Termination**

The Company designed the OnTrack program with the idea of balance in mind. PPL Electric believes the energy burden reduction needs to be balanced against the need to hold limited-income customers accountable for making on-time payments. The Company's billing system runs on a chronological billed, due, review cycle. Actual payments received are woven into this cycle to determine how to treat the account. In practice, this means the system bills the customer, waits for the due date, and then reviews the account to see if any additional actions are needed based on what was billed versus payments received. The billed amount is also shown as the Amount Due on PPL Electric's bill. Once a customer is enrolled in OnTrack, the Customer Service Billing system will expect a payment for the OnTrack installment amount, plus any missed installments when the review occurs.

If an active OnTrack customer does not catch up on their installments during the billing/collection process, the electric service may be terminated for nonpayment.

A customer will enter the collection process after one missed payment unless the missed payment is less than \$60. If the customer misses two or more payments, they will enter the collection process regardless of the amount of the missed payment. Additionally, if the customer is placed into the collection process it may lead to electric service termination during non-moratorium months. If an active OnTrack customer's service is terminated for nonpayment, the reconnection amount will be equal to the missed OnTrack installments due plus the reconnection fee. Once reconnected, the customer will resume participation through the end of their enrollment period.

The Company has messaging in place to remind customers of the benefits of paying the bill by the due date. Five (5) days before the due date, the Company's

system will deliver a short reminder phone call to the customer. In addition, if the customer misses one payment, a letter is sent and informs the customer about the missed payment. This letter also discusses the collection process and having the electric service terminated.

In addition, a customer may request to be removed from the OnTrack program at any time. PPL Electric will inform customers who request voluntary removal from the program after exceeding credit limits that they will be ineligible for any further credits until after the current 12-month program cycle has elapsed regardless of whether they stay in or leave. PPL will make these customers aware of the exceptions to the credit limits and what actions they should take if they qualify for these exceptions. Customers that voluntarily remove themselves from OnTrack can re-enroll within the 12-month period if they pay any in-program arrears.

#### **d. Fraud and Theft of Service**

PPL Electric views theft of service as a serious public safety issue. In cases of theft of service, the customer may be placing their household in an unsafe condition.

The Company will investigate any OnTrack account where PPL Electric becomes aware of potential fraud, theft of service, or other misappropriation of funds.

When reviewing OnTrack applications for enrollment or re-certification, PPL Electric may review the application for potential fraud or misrepresentation of information (e.g., validate suspected occupants, investigate inconsistent household/demographic information provided during the application process, theft of service, “name-game”, etc.).

As part of PPL Electric’s standard revenue protection practices, customer information may be analyzed for potential fraud. The investigation may include a rate check, a credit reporting service to confirm a customer’s debt at a location, soft credit inquiry, and a probe into how the customer pays for basic living expenses. If the investigation includes the use of credit report information, PPL Electric will provide the customer with adverse action notification in accordance with the Fair Credit Reporting Act.

Fraud includes, but is not limited to, misrepresentation of the customer’s identity for the purpose of obtaining utility service or OnTrack benefits, misrepresentation of income or occupant information, tampering with PPL Electric’s equipment, or otherwise obtaining service illegally. PPL Electric will follow its normal practices for investigation of fraud, theft of service, and other misappropriations of service which may result in some or all the following: back billing, removal from OnTrack and termination of service.

Customers will have 20 days to dispute any findings of fraud before adverse action is taken by PPL Electric. Once an account is removed from OnTrack for fraud, theft of service, or other misappropriations of service, the customer will not be eligible to receive OnTrack benefits for one full year from the date of removal. Customers may also be held liable for account arrearage forgiven amounts, pre-program arrearages, bill credits, and/or related account collection and investigation fees.

#### **e. Cost Tracking**

PPL Electric will take the following steps if its actual annual OnTrack costs exceed the projected budget for that year by more than 20%:

- Notify all parties to the 2023 USECP proceeding and its Universal Service Advisory Committee (“USAC”) by or before March 1 of the following year and provide actual annual OnTrack cost information for the preceding year.
- Schedule a meeting (virtual or in-person) with all interested stakeholders within 30 days of this notification to discuss the costs and receive input on cost controls.
- File and serve a petition at the 2023 USECP docket proposing additional cost control measures or a letter justifying why no additional cost control measures are needed within 30 days of the stakeholder meeting but no later than April 30th.

### **9. Miscellaneous**

#### **a. Financial Posting Order for LIHEAP Funds and OnTrack Credits**

PPL Electric is an authorized LIHEAP vendor. The Company receives and posts LIHEAP funds to customer’s accounts. DHS has determined that utilities cannot use LIHEAP cash grants to offset the costs of OnTrack credits (i.e., the difference between actual bills and OnTrack payments). PPL Electric posts LIHEAP credits in accordance with the LIHEAP vendor agreement. At the time of this filing the financial posting order for LIHEAP cash or crisis grants is as follows:

- Missed OnTrack payments
- Current OnTrack bill due
- Payment of future OnTrack bills

If DHS makes changes to future vendor agreements, PPL Electric will follow compliance with program guidelines.

#### **b. Overpayments**

The Company's billing system runs on a chronological billed, due, review cycle. The system bills the customer, waits for the due date, and then reviews the account to see if any additional actions are needed based on the payments received. If the customer makes the scheduled payments, the account balance continues to reduce through arrearage forgiveness credits. In cases where the payments exceed the balance of the account, the system is designed to create an OnTrack Overpayment ("OTOP") excess credit. The OTOP credit is created when current or accumulated balance overpayments for an active OnTrack customer cause the account balance to be reduced to less than \$0. Example: A customer has an OnTrack installment amount of \$100, and the account balance is \$55. The customer pays \$100. The system will create an OTOP credit of \$45 (\$100 - \$55). This \$45 OTOP credit will be applied to the future Pay This Amount (scheduled payment), as shown on the customer's bill.

#### **c. Shopping for Electric Generation Supply**

PPL Electric found that customers who were enrolled in OnTrack and shopping were paying rates higher than non-shopping customers and exhausting their OnTrack credits more quickly. This has a negative impact on the shopping OnTrack customers who are not able to maximize their OnTrack benefit, and other customers who are funding OnTrack through the USR. PPL Electric received approval in its Default Service Plan V to require customers to terminate their shopping contract prior to being accepted into the OnTrack program.

Customers who apply for OnTrack and have an energy supplier go through the traditional application and income review process. If the customer is eligible for the program, the enrollment is approved in a pending status. The customer is mailed a letter advising of their approval and alerting the customer to proceed with the enrollment they need to return to default service. On day 7, if the customer has not returned to default service and has provided the Company with an email address, a reminder communication is sent. On day 15, if the customer has not returned to default service, the application is rejected, and a rejection letter is mailed. Customers may reapply once they have returned to default service.

#### **d. Resource Plan**

PPL Electric uses a combination of internal resources, contractors, and partner organizations to manage and deliver the OnTrack program. A list of the current partner organizations is set forth in Appendix B.

**e. Final Billing**

For an OnTrack customer’s final bill, the Company will charge either the prorated OnTrack bill or actual tariff rate, whichever is less. If the final bill includes remaining unforgiven pre-program arrearages, the amount of pre-program arrearages will be separately identified on the final bill. Moreover, if a customer establishes service at a new account within 30 days of the prior account’s finalization, PPL Electric will transfer the OnTrack agreement to the new account.

**f. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)**

The table below provides a description of the key program design changes.

| ID # | Category       | Previous Plan (2017-2022)   | Current Plan (2023-2027)  |
|------|----------------|---|---|
| 1    | Program Design | 18 Month Program  | 12 Month Program  |
| 2    | Program Design | Percent of bill payment structure:<br>0-50% = 50%<br>51%-100% = 70%<br>101%-150% = 80%<br><br>5% - non-heating (0-50% FPIG)<br>6% - non-heating (51%-100% FPIG)<br>7% - non-heating (101%-150% FPIG)<br>13% - heating (0-50% FPIG)<br>16% - heating (51%-100% FPIG)<br>17% - heating (101%-150% FPIG) | Change primary payment option from Percent of Bill to Percent of Income plan. The percent of income amounts are based on the application of the new energy burden thresholds:<br><br>2% -non-heating (0-50% FPIG)<br>3.5% -non-heating (51%-100% FPIG)<br>4% -non-heating (101%-150% FPIG)<br>5% - heating (0-50% FPIG)<br>6% - heating (51%-100% FPIG)<br>7% - heating (101-150% FPIG) |
| 3    | Program Design | Minimum Payment Amount<br>\$12.00 – non-heating<br>\$30.00 – heating  | Minimum OnTrack Amount<br>\$20.00 – non-heating<br>\$40.00 – heating  |

|   |                                     |   |   |
|---|-------------------------------------|---|---|
| 4 | Program Design                      | Customers with arrearages had a \$5.00 monthly arrearage co-payment included in their OnTrack installment   | Eliminated the \$5.00 arrearage co-payment  |
| 5 | Program Design                      |   | OnTrack payment reviews are completed to confirm the customer does not have a payment amount that is greater than the average bill.   |
| 6 | Program Eligibility                 |   | Eligibility criteria includes: <ul style="list-style-type: none"> <li>• Time of Use customers are not eligible</li> <li>• OnTrack applicants confirmed eligible for enrollment must return to Default Service if they have a Supplier</li> </ul>                                      |
| 7 | Quality Control – Quality Assurance | 18-month program with an automatic recertification for customers that have received LIHEAP funds withing the past 16 months or have Supplemental Security Income (SSI) as the primary source of income. | Change program timeline to a 12-month program.<br>Recertification guidelines are:<br>6 months for OTLS<br>One automatic recertification for customers who have received LIHEAP with in the past 12 months or have Supplemental Security Income (SSI) as the primary source of income. |
| 8 | Quality Control – Quality Assurance | Electric Heat:<br>0%-50% = \$4,027<br>51%-100% = \$3,661<br>101%-150% = \$3,328<br><br>Non-electric Heat:<br>0%-50% = \$1,585<br>51%-100% \$1,441   | Maximum OnTrack credit amounts are updated as follows:<br><br>Electric Heat:<br>0%-50% = \$3,150<br>51%-100% = \$2,500<br>101%-150% = \$2,150   |

|    |                     |   |   |
|----|---------------------|---|---|
|    |                     | 101%-150% = \$1,310   | Non-electric Heat:<br>0%-50% = \$1,950<br>51%-100% \$1,500<br>101%-150% = \$1,250   |
| 9  | Default Design      | If a customer missed two or more installments, they were removed for non-payment (also referred to as defaulted).                           | A customer no longer defaults after missing two or more installments, instead the customer will be in Active Collections for their missed OnTrack installments.                 |
| 10 | Control Features    | There is no specific language in the plan to address the handling of concerns relating to inaccurate, incomplete, or fraudulent applicants. | Update information regarding fraud protocols.   |
| 11 | Program Design      | Agency Selected payment is an option for the OnTrack installment.   | Elimination of the Agency Selected payment option is replaced with an average bill option.  |
| 12 | Program Design      | The CAP Plus amount is added to the OnTrack installment and updates annually.   | The CAP Plus amount is eliminated.  |
| 13 | Program Design      | Arrearage forgiveness occurs over 18 months.  | Arrearage forgiveness occurs over 24 months; however, arrearage forgiveness for an existing customer on an 18-month recertification cycle will remain on the 18-month timeline. |
| 14 | Program Eligibility |   | Applicants may provide 30 days or 12 months of income documentation.  |
| 15 | Program Eligibility |   | <del>Unearned-Earned and unearned</del> income for minors is excluded as household income for program eligibility.  |

|    |                |  |   |
|----|----------------|--|---|
| 16 | Program Design |  | Customer will have the option to receive a refund or have any paid portion of the deposit applied to the account balance during the enrollment process. |
| 17 | Program Design |  | The final bill will be a prorated OnTrack installment or prorated tariff bill, whichever is less.   |
| 18 | Program Design |  | A 30-day collections hold will be placed on an applicant's account when a Zero Income form is mailed.   |
| 19 | Program Design |  | Customer communication letters around maximum shortfall limits are updated to provide the customers with information regarding reasons for exceptions.  |

## **B. WRAP**

### **1. Overview and Background**

PPL Electric's WRAP is the name of the Company's LIURP. WRAP helps customers reduce their electric bills and improve comfort for income eligible customers. The program is funded through the USR. Contractors conduct energy surveys or "audits," install weatherization measures, and provide energy education to the participating customers. The Company also uses contractors to conduct quality assurance inspections of completed work.

The WRAP services and measures installed by contractors depend on the customer's use of electricity, the results of an energy audit, and any coordination between other weatherization programs. PPL Electric encourages customers to participate as "partners" in the audit and energy education session(s) so that they can maximize their savings' success.

### **2. Objectives**

The primary objectives of WRAP are to:

1. Reduce the energy usage and electric bills of income eligible customers; and
2. Increase the ability to pay and decrease the arrearages of income eligible customers.

Secondary objectives include:

1. Improve comfort for income eligible customers;
2. Promote safer living conditions through the reduction of secondary heating devices;
3. Maintain/establish partnerships with local contractors and organizations to promote maximum and timely assistance; and
4. Make tailored referrals to Company and other assistance programs, such as OnTrack, LIHEAP, Act 129 programs, and other weatherization programs.

### **3. Program Design**

#### **a. Energy Survey**

PPL Electric uses the energy survey or “audit” to identify what measures and services the contractor will install in the customer’s home. Decisions made during the audit are based on:

- Customer interview/occupant practices
- Electric usage history
- Site-specific diagnosis
- Prioritization of measures
- PUC payback criteria
- Coordination with other weatherization programs

WRAP auditors recommend measures in compliance with the priority lists contained in the *WRAP Standards and Field Guide*. The objectives of the priority lists are to:

1. Reduce customers’ electric consumption by installing WRAP measures and providing energy education;
2. Comply with PA State Weatherization Health and Safety standards; and
3. Provide all income-eligible customers in PPL Electric’s service territory with an equal opportunity to receive WRAP services and measures.

The auditor conducts an initial energy education session with the customer to itemize electric costs and to influence choices that will save energy and improve comfort and safety. The auditor conducts the initial session prior to the installation of measures, usually during the audit. The auditor will review OnTrack program benefits with the customer and explain how their energy use affects their OnTrack benefits, when applicable.

In years 2023-2027, PPL Electric will continue to require that all LIURP customers receive an initial energy education session, unless the customer received an equivalent session through Act 129 WRAP prior to the installation of LIURP measures.

WRAP contactors are required to integrate education into all aspects of WRAP. The LIURP installer should continue to reinforce educational concepts from the LIURP or Act 129 Audit.

## **b. Installation of Measures – Baseload**

All WRAP customers are eligible for baseload measures. Standard measures and services include:

- Energy education
- Installation of Light-Emitting Diode lightbulbs (“LEDs”)
- Refrigerator replacement
- Window air conditioner replacement
- Dehumidifier replacement
- Changing or cleaning of heating/cooling filters
- Dryer venting (electric dryer)
- Clothesline installation
- Power Strip/Smart Plug
- Appliance replacement, with PPL Electric approval
- Carbon monoxide detector
- Comfort measures such as a door sweep or window quilt
- Other measures that meet PUC payback criteria

## **c. Installation of Measures – Low Cost**

If the baseload customer has an electric water heater and has the potential for water heating measures, the WRAP auditor may upgrade the job to “low cost” at the time of the baseload audit (or downgrade the job during the full cost audit).

Low-cost measures include:

- Water heater replacement with a Heat Pump Water Heater (“HPWH”) or a standard domestic electric water heater
- Gravity Film Exchange
- Repair of water leaks
- Water pipe insulation
- Installation of energy/efficient showerhead(s)
- Installation of energy-efficient aerator(s)
- All baseload measures
- Other measures that meet PUC payback criteria

The Company has no expenditure limit on low-cost jobs. However, measures must meet the PUC payback criteria described in PPL Electric’s *WRAP Standards and Field Guide*. PPL Electric requires that contractors install HPWHs when the site meets the criteria for a standard replacement.

#### **d. Installation of Measures – Full Cost**

Customers with installed electric heat in 50 percent or more of the premise are eligible for a full cost audit. The WRAP auditor can upgrade a job in a home with high seasonal usage where full cost measures may reduce heating and/or cooling costs. Conversely, the auditor may downgrade a job if there is no potential to install electric heating/cooling measures or the home is beyond the scope of weatherization. PPL Electric staff makes the final determination as to the “job type” based on the measures installed.

Full cost measures include:

- Blower door testing and associated air sealing
- Attic, wall, and floor insulation
- Sealing of attic bypasses
- Attic vents and hatches
- Crawlspace and header insulation
- Heating equipment repair/retrofit/replacement, to include Ductless Heat Pump systems (mini-split systems)
- Duct insulation and repair
- Caulking and weather-stripping
- Door sweeps
- Storm windows
- Window replacement
- Thermostat replacement
- Water heating measures if the premise has an electric water heater
- Baseload measures
- Other measures that meet the PUC payback criteria

The PUC’s LIURP guidelines suggest a seven-or 12-year payback for most measures. In 2002, PPL Electric implemented an aggregate payback formula based on the customer’s electric seasonal usage. The Company assigns a “shell allowance” for each full cost job based on the payback formula. The shell allowance serves as a spending guideline for full cost measures to reduce electric usage. Examples of shell measures include insulation and air sealing.

PPL Electric plans to continue using the shell allowance as a guideline for full cost expenditures in years 2023-2027. However, the Company will allow WRAP contractors to exceed the shell allowance for “high” priority measures, such as attic insulation and associated air sealing and electric heat repair with PPL approval.

#### **e. Quality Control/Quality Assurance**

PPL Electric will target a minimum of 30 percent of all full cost jobs for a site inspection. The Company will conduct phone inspections for a minimum of 25

percent of baseload and low-cost recipients. PPL Electric may choose to inspect all jobs with new or pilot measures.

The objectives of the inspection are to:

1. Ensure that all measures and services listed in LEAP are installed in accordance with WRAP standards;
2. Identify major missed opportunities and adherence to the priority lists; and
3. Gather customer satisfaction data.

The inspector verifies the installation of invoiced measures and notes any concerns or major missed opportunities in LEAP. The contractor has 30 days in which to respond to a customer.

The quality assurance inspector offers a follow-up energy education session to customers in conjunction with a post-installation inspection or within six months after the installation of all measures. If a full cost recipient does not receive a site inspection, PPL Electric will offer follow-up education while conducting a phone inspection

All full and low-cost WRAP jobs are assigned a post-installation inspection on-site or by phone. Full and low-cost WRAP jobs that receive minimal measures (i.e., aerators, thermostats, baseload measures only) are assigned a phone post-installation inspection. The objectives of the phone inspections include: (1) confirming that measures invoiced were installed; (2) assessing customer satisfaction; (3) capturing demographic data needed for the annual LIURP Report; (4) assessing if customer needs follow-up with bill; and (5) offering Full Cost recipients follow-up energy education

Customers with a usage increase or decrease of 10% or greater receive a letter recognizing the savings or alerting them to the usage increase. Contractors are provided with the list to review for possible additional measures or remedial energy education.

Customers not receiving a post-installation inspection will be sent a follow-up usage change letter at 6 months. All customers, including those who received a 6-month follow-up letter, with a usage increase or decrease of 10% or greater will receive a usage change letter 12 months post-installation of measures. PPL Electric will continue to offer remedial energy education or a referral for additional WRAP services and measures when a customer's usage increases or remains high after the twelve-month post WRAP period.

#### **f. Incidental Repairs, Health and Safety, and Comfort Measures**

Contractors can make small incidental repairs as needed for the installation of other weatherization measures. As a general guideline, the suggested spending allowance for incidental repairs is 30 percent above the shell allowance limit. Contractors can exceed the allowance with PPL Electric approval.

Contractors can spend up to \$650 in health and safety diagnostic testing and measures for heating jobs without PPL Electric's approval. Examples of health and safety measures include dryer venting, and the installation of carbon monoxide detectors and bathroom exhaust fans. PPL Electric proposes to continue allowing a "standard" \$650 health and safety allowance in years 2023-2027. Contractors can exceed the allowance with PPL Electric's approval to address more extensive health and safety problems, such as mold or lead remediation that inhibit the installation of full cost measures.

WRAP Contractors can spend up to \$250 in "comfort" measures in conjunction with electric energy-saving measures for low cost and baseload jobs. Contractors should install comfort measures, such as window quilts, that will not impact the air changes-per-hour of the home where feasible. In situations where the contractor installs a measure that will impact air quality or combustion levels (e.g., the customer is over-income for the PA Weatherization Assistance Program), the contractor should, at a minimum, conduct a Combustion Appliance Zone ("CAZ") test before and after the installation.

#### **4. Program Eligibility**

PPL Electric requires that customers meet the following criteria to qualify for WRAP:

1. Household income is at or below 150 percent of the FPIG. However, the Company will spend up to 20 percent of its annual WRAP budget on "special needs" customers with income between 151 to 200 percent of the FPIG, including customers living in multi-unit projects who could best benefit from "whole building" treatments as well as customers referred through inter-utility coordination." Any customer at or below 200 percent of the FPIG with an arrearage is considered "special needs," but a customer at or below 150 percent of the FPIG with an arrearage would not qualify for 20 percent WRAP budget spend. Such a customer would receive WRAP services through the remainder of the WRAP budget.
2. The customer is at least 18 years old.

3. The premises is in PPL Electric's service territory and has its own electric meter.
4. The customer's home is the primary home, not a "second" or vacation home.
5. The electric service is the name of one of the household's occupants. (Exception: home is part of a multi-unit project and service is temporarily in the landlord's name).
6. The premises did not receive LIURP WRAP or Act 129 WRAP within the past five years and has the potential to receive energy-reduction measures and services. PPL Electric's staff will review applicants who received LIURP or Act 129 WRAP within the past five years on a case-by-case basis. Exceptions can be made if PPL Electric determines any of the following are applicable: (a) services provided were previously limited due to no landlord consent and there is an opportunity to install additional measures; (b) the customer was previously not able to fully participate in WRAP; (c) the customer is now eligible for new measures; or (d) other extenuating circumstances which warrant an exception, decided on a case-by-case basis.
7. The customer has at least nine months of usage history at the premises. (Exceptions made with Company approval).<sup>6</sup>
8. The customer consumes at least 6,000 kWh annually.<sup>7</sup>

If an apartment building contains at least three units and at least 50 percent of the tenants qualify for WRAP, PPL Electric may provide weatherization measures and services to all tenants in the building. Each tenant must provide consent for WRAP.

As part of PPL Electric's Act 129 Energy Efficiency and Conservation Plan ("Act 129 Plan"), Act 129 WRAP serves customers in multi-unit households with incomes at or below 150% of the federal poverty income guidelines. Multi-unit buildings with incomes between 150% and 200% of the federal poverty income guidelines or Act 129 recipients who could benefit from additional WRAP measures will be referred by the Act 129 conservation service provider ("CSP"). There is no minimum usage for jobs coordinated with Act 129 WRAP. A

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<sup>6</sup> Customers that have less than nine months of usage and are below 150 percent of FPIG are eligible for Act 129 WRAP.

<sup>7</sup> The Company can make exceptions for customers living in very small premises or hardship situations (e.g., elderly customer limits use of electric heat during the pre-treatment period). PPL Electric will refer "low usage" customers not served through LIURP to other utility programs, other weatherization programs (if not previously received), and LIHEAP Crisis when available.

household must have an individual meter to qualify for LIURP; master-metered buildings are not eligible for LIURP WRAP.

A customer does not need to have an overdue amount with PPL Electric to qualify for WRAP. However, the Company may prioritize WRAP services in situations where a customer has high electric consumption, or the customer participates in OnTrack and is at risk for exceeding the OnTrack benefit levels. The Company currently defines “high usage” households as households that use more than 18,000 kWh per year.

The Company may deny WRAP or limit the services offered in the home when inaccurate or fraudulent information is provided in the application. Customers may be required to provide proof of income or household composition when the Company is alerted to potential fraud.

#### **a. Consent to Participate**

The Company requires customer consent prior to the start of any WRAP work. In addition to authorizing WRAP, the customer agrees to participate in the energy audit and energy education session(s). Customers completing an application give their consent on the online or paper application. Customers applying over the phone sign a consent form at the time of the WRAP audit, either via a paper form or electronically. PPL Electric’s customer consent form will explain that customers may be penalized for making false statements or knowingly making incomplete statements.

Furthermore, both homeowners and renters are eligible for WRAP. For rental properties, PPL Electric requires that the landlord sign a consent form before a tenant receives most measures. If the landlord does not sign the consent form, the Company will offer one or more of the following to the tenant:

- Referral to Act 129 Low-Income Program, if income eligible
- Provision of an energy-saving kit if the household income is between 150-200% of FPIG
- Phone or in-home energy education session (e.g., high usage OnTrack customer)
- Limited baseload WRAP

PPL Electric’s landlord consent form will include an agreement that: (1) rents will not be raised unless the increase is related to matters other than the installation of the usage reduction measures; and (2) the tenant will not be evicted for a stated period of time at least 12 months after the installation of the program measures, if the tenant complies with ongoing obligations and responsibilities

owed the landlord. PPL Electric also will provide renters with a copy of the signed landlord consent form.

**b. LIURP Coordination with Act 129 WRAP**

If a customer qualifies for WRAP, PPL Electric’s Low-Income Energy Assistance Programs database system (“LEAP”) assigns a Case Number and designates the case as “LIURP” or “Act 129 WRAP” based on the current criteria as delineated in the following table.

| <b>LIURP</b>   | <b>Act 129 WRAP</b>  |
|--|--|
| All cases between 150%-200% of the FPIG*   | All Multi-unit homes   |
| Installed electric heat (primary source)*  | Non-installed electric heat (primary source) and usage is less than 18,000 kWh |
| Annual usage is greater than 17,999 kWh*   | Less than nine months of usage at the premise under the current account**      |
| Electric water heater 12+ years old, or mobile home with an electric water heater* | Mobile home without an electric water heater and usage is less than 18,000 kWh |

\*Excludes multi-unit premises

\*\* Household income must be 150% of the FPIG or lower

Act 129 cases are assigned to an Act 129 CSP; LIURP cases are assigned to a LIURP contractor. PPL Electric’s staff can change the program type, except cases above 150% of the FPIG must remain LIURP. Act 129 customers may receive additional measures from LIURP, which are tracked separately under a different case number.

An application that does not automatically qualify goes under “review” (e.g., customer has service at multiple premises). PPL Electric staff makes the determination as to customer eligibility based on program guidelines, customer need, and the potential to receive WRAP measures.

Further, PPL Electric waives the minimum usage requirements when coordinating WRAP with its Act 129 program and other weatherization programs.

**5. Promoting WRAP**

PPL Electric employs a variety of channels to advertise WRAP, including bill inserts and company website, so all residential customers can learn about the program. The Company also implemented an “on-line” WRAP Application in March 2015.

The Company strongly encourages that OnTrack customers participate in WRAP. In June 2018, the Company implemented an automated process to create a WRAP application for every approved OnTrack customer with an annual kWh use of 18,000 or greater, regardless of heating source.<sup>8</sup> PPL Electric plans to develop an enhanced communication plan to increase OnTrack customer participation in WRAP. Failure for an OnTrack customer to reduce or maintain electric usage or to fulfill WRAP-related requirements may result in removal from the program. PPL Electric informs OnTrack customers about the program through its *Post Enrollment OnTrack letter*, agency referrals, website, and targeted phone calls and mailings. The Company will continue to seek innovative ways to enroll OnTrack customers into WRAP and to focus on the benefits that the service provides.

In addition, the Company may use some or all of the following outreach methods to reach potentially eligible customers in years 2023-2027:

- Phone calls, text messaging, mailings, and e-mail “blasts” to electric LIHEAP recipients and customers identified as income eligible in PPL Electric’s Customer Service System (“CSS”)
- Program information on PPL Electric’s website ([www.pplelectric.com](http://www.pplelectric.com))
- Presentations and communications to PPL Electric employees, including information and updates on the Customer Services internal website
- Cross-marketing with other weatherization and utility programs
- Social media (e.g., Facebook)
- Presentations and communications to social service agencies, senior citizens groups and other organizations
- Participation in community events, PUC/Utility events, and booths at high traffic areas where customers with limited incomes can be reached
- Communications and personal contact with multi-family housing authorities, project managers, and landlords
- WRAP Contractor Referrals/Word-of-Mouth
- Low-cost print media options such as “merchandisers”
- Other, as appropriate

PPL Electric tracks the number of qualified WRAP participants and “how they heard about WRAP” through its “Low-Income Energy Assistance Programs” Database System or LEAP. The Company will continue to evaluate new outreach technologies and strategies throughout 2023-2027 and implement as cost-effective and feasible.

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<sup>8</sup> PPL Electric will monitor collection and termination rates for OnTrack customers with annual usage between 6,000 kWh and 18,000 kWh and share this information annually with its USAC.

## 6. Projected Participation and Budget

PPL Electric's current WRAP (LIURP) budget is \$12,000,000 annually. The chart below depicts the 2023-2027 funding levels and estimated enrollment level.

| Years       | Yearly Enrollment Level | Yearly Expenditure |
|-------------|-------------------------|--------------------|
| 2023 – 2027 | 3500                    | \$12 Million       |

Unspent WRAP funds will be rolled over into the next program year, until expended, for the duration of the 2023 USECP.

In addition to the estimated enrollment levels listed above, the Company may provide energy-saving kits and/or energy education for income eligible customers not eligible for WRAP measures in conjunction with the LIURP budget. PPL Electric estimates an average of 50 customers per year may receive an energy saving kit and/or energy education through 2027.

## 7. Needs Assessment

As of April 1, 2022, PPL Electric has identified approximately 85,825 customers that can benefit from WRAP. The Company projects a total cost of \$236,735,254 to serve these customers based on the methodology below. The costs are based on the 2021 average-cost-per-job for direct costs, multiplied by 1.12 (12%) for administrative and field support costs. The calculation below accounts for the average cost-per-job for direct costs differs based on the type of job. The total cost to serve figure was calculated as follows:

- Number of confirmed income eligible customers coded as residential – electric heat: 36,905
- Customers likely to receive electric heat treatments based on historical data: 32,107
- The average cost-per-job for direct cost (electric heat treatment): \$4,072

To calculate the total cost to serve residential electric heat customers, PPL Electric multiplied the number of heating customers (32,107) by the average-cost-per-job for direct costs (\$4,072) and added 12% for administrative/field support. This resulted in a total cost to serve in the amount of \$146,429,073.

- Number of confirmed low-income customers coded as residential – non-electric heat = 48,920
- Customers likely to receive water heating and/or baseload treatments, including customers with electric heat = 53,718
- The average cost-per-job for direct cost (water heating and/or baseload treatment): \$1501

To calculate the total cost to serve residential non-electric heat customers, PPL Electric multiplied the number of customers likely to receive water heating and/or baseload treatments (53,718) by the average cost-per-job for direct cost (\$1,501) and added 12% for administrative/field support. This resulted in a total cost to serve in the amount of \$90,306,181.

To complete the calculation, the total cost to serve 32,107 heating customers (\$146,429,073) and the total cost to serve 53,718 customers with water heating/baseload jobs (\$90,306,181) were added together to provide a total cost of \$236,735,254.

## **8. WRAP Contractors**

### **a. Contractor Selection and Requirements**

PPL Electric uses contractors and their representatives to install weatherization measures and conduct audits, inspections, and energy education sessions. The Company's Program Management Staff, in conjunction with a PPL Electric Supply Chain representative, select contractors from qualified and reputable weatherization agencies and local private contractors.

PPL Electric staff will select the contractors through a request for proposal process in accordance with the Company's procurement guidelines and policies.

PPL Electric assigns work to contractors based on customer need, location, skill sets, experience, and ability to handle workload. Habitual delays may result in the assignment of work to another contractor.

PPL Electric requires that all of its WRAP contractors meet the following qualifications:

- Contractor shall assure that all workers that perform audits, installations, and/or inspections must have the appropriate Building Performance Institute ("BPI") Certifications or Pennsylvania State equivalent certification as determined by PPL Electric. Some jobs may be required to have at least one installer that is certified in Lead Renovation and will oversee safe lead practices on a WRAP job as applicable.
- PPL Electric may require additional certification during the contract period based on federal, state, and industry standards and requirements. Contractor shall provide proof of certification(s) and subsequent recertification(s) upon request.
- Field observations by PPL Electric program staff are to ensure adherence to procedures, customer interactions, OnTrack education, and soft skills.

## **b. Contractor Performance**

PPL Electric conducts a performance review with individual WRAP contractors at least once per year. The Company evaluates contractors on their ability to complete assigned work on time, quality of their work, cost-effectiveness, and customer satisfaction. Performance metrics, as documented in LEAP, include:

- Turn-around time for job completion
- Coordination with other programs and services
- Measures installed, cost per measure installed
- Customer satisfaction

Contractors will also receive feedback as part of the annual LIURP evaluation as to their average pre-to-post WRAP savings, acquisition cost (when available) and WRAP savings' results in general.

The performance review gives contractors the opportunity to express any problems or concerns and to make suggestions for improvement.

In addition to the annual performance review, PPL Electric staff or a designated home performance specialist performs periodic field observations of auditors, crew leaders, and energy educators to include observations of new personnel. The Company's staff may also conduct field inspections of jobs that do not require diagnostic testing.

PPL Electric may request additional meetings and/or training for contractors that do not meet WRAP requirements. If performance does not improve, the Company may terminate the WRAP contract.

To further aid in the evaluation of the WRAP contractors' performance, PPL Electric will file and serve a report on WRAP jobs provided to each county in its service territory, broken down by job type, and the number and percentage of WRAP-eligible households in each county. PPL Electric shall file and serve this report annually by April 1 at this docket, beginning in 2023, through the duration of the 2023 USECP. PPL Electric also will review this information annually with its USAC.

## **c. Contractor Training**

PPL Electric will continue to reserve a portion of its annual field support budget for existing WRAP contractors. Training funds can be used to:

1. Sponsor and/or provide contractor sponsorships to conferences and special events (e.g., National Affordable Comfort Conference).

2. Sponsor and/or provide training that will enable contractors to receive Continuing Education Units (“CEUs”) or prepare for Building Performance Institute (“BPI”) Certification.
3. Sponsor and coordinate training for specialized work (e.g., combustion testing, infrared training, heat pump water heater installation, baseload measures and energy education).
4. Develop and implement training that is PPL Electric specific (e.g., OnTrack education, new pilots, or measures).
5. Sponsor webinars on new technologies, techniques, and best practices.

PPL Electric will allocate a portion of its training budget, as needed, to support the PA Quality Control Inspector (“QCI”) and BPI testing and certification/re-certification fees. The Company will work with the PUC, the PA Weatherization Advisory Panel, and WRAP Contractors to identify and support training needs as needed to meet state or federal home performance standards.

The Company offers a stipend to contractors who attend mandatory training that is specific to PPL Electric’s LIURP to help offset productivity losses. The stipend does not apply to training at the job site.

## **9. Miscellaneous**

### **a. Inter-Utility Coordination**

PPL Electric will continue to encourage coordination with the PA Weatherization Assistance Program (“WAP”), gas utility weatherization programs, and county weatherization programs in accordance with the budget and resources of the other programs.

In 2023-2027, PPL Electric plans to strengthen utility-coordination through the following initiatives:

1. Participate in meetings regarding program coordination.
2. Monitor contractor coordination efforts through LEAP.
3. Provide WAP contractors with WRAP Applications, upon request.
4. Screen customer lists provided by agencies for possible WRAP referral.

5. Align WRAP with PA WAP standards where it is cost-effective and feasible to do so. Continue to identify and implement training partnerships with the National Sustainable Structures Center.

**b. Reporting and Evaluation**

PPL Electric is required to submit the following annual reports to the PUC on or near the following dates:

1. LIURP Productivity Report – March 1
2. USRR (LIURP Section) – April 1
3. LIURP Annual Report – April 30
4. LIURP Annual Narrative Report – April 30

The reports due at the end of April are PPL Electric’s “self-evaluation” of its LIURP two years prior to the submission date. In other words, the 2023 LIURP Report will evaluate jobs completed in 2021. This allows the Company to collect 12 months of post-weatherization data.

PPL Electric is required to submit a third-party evaluation on its Universal Service Programs to the PUC every six years. Approximately 15 percent of the evaluation is dedicated to WRAP and funded through the LIURP budget. PPL Electric’s next Universal Service Program evaluation is due to the Commission in October 2026.

**c. Resource Plan**

PPL Electric uses a combination of internal resources, contractors, and partner organizations to manage and deliver WRAP. A list of the current partner organizations is set forth in Appendix B.

**d. Summary of Differences Between Current Previous Plan (2017-2019) and Proposed Current Plan (2023-2027)**

The table below depicts the key program changes between the ~~current-previous~~ plan and the ~~proposed-current~~ plan (2023-2027).

| ID# | Category   | Previous Plan (2017-2022)               | Current Plan (2023-2027)                         |
|-----|------------|---|--|
| 1   | Background | Winter Relief Assistance Program (WRAP) | Elimination of acronym – Program is name is WRAP |

|    |                           |  |   |
|----|---------------------------|--|---|
| 2  | Participation Eligibility | The premise did not receive LIURP WRAP or Act 129 WRAP within the past three years.  | The premise did not receive LIURP WRAP or Act 129 WRAP within the past five years.  |
| 3  | Participation Eligibility | The company provides partial weatherization in situations where the major energy use is attributed to lifestyle choices, such as hot tubs, heated sunrooms, etc. | Remove  |
| 4  | Participation Eligibility |  | The Company may deny WRAP or limit the services offered in the home when inaccurate or fraudulent information is provided in the application. They may be asked to provide proof of income. |
| 5  | New Measure               | Ductless Heat Pump pilot conducted   | Add as a standard measure: Ductless Heat Pump (aka Mini-split system)   |
| 6  | Evaluation                | Conducted third party evaluation in 2020   | Begin the selection process for the 2026 USP Evaluation as required by the PUC  |
| 7  | Program Design            |  | Renters are provided a copy of the signed landlord consent form.  |
| 8  | Program Design            |  | Landlord consent form is updated to include the provisions that the landlord will not raise the rent or evict tenant as a result of WRAP  |
| 9  | Program Design            |  | WRAP budget increased to \$12M. Unspent WRAP will rollover to the next program year.  |
| 10 | Evaluation                |  | File and serve a report providing each WRAP job completed by county. The report is due April 1 <sup>st</sup> .  |

## **C. OPERATION HELP**

### **1. Overview and Background**

Operation HELP is a hardship fund supported by donations from PPL Corporation, its employees, retirees, and customers. The program targets low-income customers who have overdue balances and an inability to pay the full amount of their energy bills. Income eligibility for the program is established at 250 percent or below of the FPIG.

The primary features of Operation HELP include:

- Direct financial assistance for overdue energy bills
- Protection against shutoffs
- Referrals to other programs and services

Operation HELP is available on a year-round basis throughout the Company's service territory. However, due to the demand for energy assistance, some agencies may stop taking applications for a period of time because they have exhausted their current funding. Because of ongoing donations from contributors, PPL Electric disburses funding to the partner organizations that administer Operation HELP periodically over the course of the year.

Started in March 1983, Operation HELP was one of the early utility-sponsored hardship funds in the nation. Through promotional campaigns, customers are encouraged to pledge to the program by making a one-time donation or adding a monthly donation to their electric bill. Approximately 11,000 customers give to Operation HELP via their electric bill payments. PPL Electric's customer service billing system has the flexibility to allow customers to give any amount to the program.

Employees may support Operation HELP as customers or through payroll deductions. In addition, PPL Electric encourages retirees to give in two ways: pension deductions or a one-time separate check donation.

### **2. Objectives**

The overall objectives of Operation HELP are as follows:

1. Provide financial assistance to qualified income eligible families who are having difficulty paying the full amount of their electric bills.
2. Offer financial assistance to households that are ineligible for OnTrack and the federally funded LIHEAP.
3. Administer a year-round program as funding permits.

### **3. Program Design**

To administer Operation HELP, PPL Electric works with partner organizations that have extensive experience in delivering human services. The administration of the program is a collaboration between these organizations and the Company. The primary duties include the following.

PPL Electric:

- Collect and disburse contributions to the partner organizations.
- Provide funding to support program administration.
- Process Operation HELP payments.
- Solicit donations from customers, employees, and retirees.
- Oversee the administration of the program.
- Maintain close working relationships with the partner organizations.
- Conduct procedural audits to review performance.
- Complete PUC-required reports.

Operation HELP partner organizations:

- Conduct intake and verify applicants' eligibility.
- Process Operation HELP applications.
- Send timely payments to PPL for posting.
- Refer applicants to other assistance programs.
- Establish a separate account for processing donations and disbursements.
- Maintain detailed program records and arrange for an annual financial audit of Operation HELP.

PPL Electric does not use customer, employee, or retiree donations for administrative expenses, weatherization measures, food, winter clothing, or promotional activities

### **4. Program Eligibility**

PPL Electric established the eligibility criteria in cooperation with the Operation HELP administering organizations. Customers with household incomes at or below 250 percent of the FPIG and other hardships may be eligible for assistance.

Under the Operation HELP guidelines, a customer can receive assistance once in a calendar year. However, the Company gives the partner organizations the flexibility to review referrals on a case-by-case basis if customers have compelling and extenuating circumstances.

Operation HELP applicants are not automatically eligible for assistance by virtue of their income, age, or family circumstances. The Company targets program funds for income-eligible customers who face hardships and have an inability to pay the full amount of their electric bills.

The partner organizations generally consider the following factors when determining program eligibility:

- Eligibility to receive other programs and services with larger funding and availability, such as LIHEAP and OnTrack.
- Extenuating circumstances impacting a member of the household, including, but not limited to, serious illness, injuries, loss of life, or loss of employment.
- Composition of household.
- The customer's collection status<sup>9</sup> as well as their payment history, including the overdue balance and payment efforts on their PPL Electric account.

The partner organizations may consult with PPL Electric's Regulatory Program Specialist ("RPS") to discuss individual cases with extenuating circumstances and any requests for exceptions to the program guidelines.

The Company's partner organizations review applications and make the grant determination based on the specific account information. Operation HELP is not a one size fits all program; instead, the grant is unique to the customer and is intended to help resolve their immediate need. Additionally, there is no minimum or maximum threshold for assistance. A customer can apply for the program regardless of their balance. However, if the grant is not sufficient to cover the amount needed, the customer may be asked to make a payment or seek additional sources of assistance. Thus, although the grant amount does not need to pay off an existing balance, a customer payment may be required in addition to the grant amount to catch up on a payment agreement.

## **5. Enrollments and Referrals**

PPL Electric has found that the primary source of potential Operation HELP recipients is referrals from the CSRs and/or Customer Service contractors. CSRs have daily contacts with low-income, payment-troubled customers with overdue balances and routinely refer these customers to the partner organizations that administer Operation HELP.

There are multiple options for a customer to apply for an Operation HELP grant. These options include the following:

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<sup>9</sup> The only requirement regarding collection status is that the account be past due.

1. During the payment assistance (phone call) interaction with the contact center if the customer appears to be a good fit for the program, the CSR may inform the customer about the program.
2. The customer can call PPL Electric directly at 1-800-342-5775 and request an application for the program or apply over the phone with an agent.
3. The customer can call a partner organization and request an application for the program.
4. The customer can walk-in to the partner organization and complete a program application or ask for assistance completing the application.
5. The customer can apply online at [www.pplelectric.com/OperationHELP](http://www.pplelectric.com/OperationHELP)

## **6. Projected Participation and Budget**

The donations from PPL Electric, its customers, employees, retirees, and fundraising activities determine the number of customers assisted. The Company will continue to solicit donations for the program. In addition, PPL Electric will continue its fundraising activities for Operation HELP (e.g., golf tournament). The Company's tariff has a provision that directs all final bills with balances less than five dollars to the Operation HELP hardship fund.

| Year        | Enrollment Levels | Budget        |
|-------------|-------------------|---------------|
| 2023 - 2027 | 2,500             | \$1.3 Million |

## **7. Needs Assessment**

|  |           |
|--|-----------|
| Average residential customer count                                 | 1,334,000 |
| Estimated Low Income Payment Troubled households below 150%        | 159,183   |
| Confirmed Low Income Payment Troubled households below 150%        | 140,220   |
| Estimated Low Income Payment Troubled households between 151%-250% | 81,568    |
| Confirmed Low Income Payment Troubled households between 151%-250% | 27,697    |

Depending on factors such as overdue amount, payment arrangement history, and extenuating circumstances, the Company's CSRs refer these customers to

programs like the CAP known as OnTrack, the Company's LIURP known as the WRAP, CARES, Operation HELP, and LIHEAP when available.

## **8. Quality Control/Quality Assurance**

The decision to give to any charitable cause involves several factors. One of the most important is the belief by contributors that the charitable organization uses their funds properly. PPL Electric requires the Operation HELP administering organizations to have a Certified Public Accounting ("CPA") firm conduct an annual financial audit of the program. Some of the partner organizations complete their Operation HELP audit in conjunction with their annual federal and state-funded program audits.

To supplement the CPA audit, PPL Electric conducts annual procedural audits of the partner organizations that administer Operation HELP. The primary purposes of the audit include:

1. Review the partner organizations' record keeping procedures.
2. Discuss the findings with the partner organizations and implement corrective action where necessary.
3. Monitor the partner organizations' adherence to Operation HELP guidelines and procedures.
4. Ensure the proper expenditure of donations.

PPL Electric prepares monthly reports that monitor and track the partner organizations' performance. The Company provides monthly feedback (e.g., electronic copy of reports) to the agencies regarding Operation HELP results. The PPL Electric management team also conducts meetings throughout the year with the partner organizations to discuss progress and special situations.

The Company uses its outside auditor to review internal procedures and records regarding Operation HELP. The audit includes, among other things, a review of record-keeping procedures and a reconciliation of donations from a sampling of customers.

## 9. Miscellaneous

### a. Summary of Differences Between **Current Previous Plan (2017-2019)** and **Proposed Current Plan (2023-2027)**

PPL Electric has consistently administered Operation HELP according to long-established guidelines and procedures. The table below provides a description of the key program design changes.

| ID# | Category            | Previous Plan (2017-2022)                     | Current Plan (2023-2027)  |
|-----|---------------------|---|---|
| 1   | Program Eligibility | Income eligible if at or below 200% of FPIG   | Income eligible if at or below 250% of FPIG                                     |
| 2   | Program Eligibility | Grants are approved for other energy vendors. | Limit the use of Operation HELP to grants for the customer's PPL Electric bill. |

## **D. CARES**

### **1. Overview and Background**

The CARES program is a special referral service for customers with temporary hardships, such as illness, injury, loss of job, or high medical bills. The program recognizes that people are sometimes victims of circumstances beyond their control. These conditions create hardships that are difficult to address without some type of assistance. CARES plays a role in responding to customers who have special circumstances.

The primary features of CARES include:

- Protection against shutoff of electric service.
- Referrals to other programs and services.
- Possible financial assistance for overdue electric bills.

The program is available to residential customers, regardless of income level, who face a temporary hardship that could result in the loss of electric service. The Company refers low-income customers with longer-term problems to OnTrack, which offers reduced payment amounts, arrearage forgiveness, and referrals to other assistance programs.

PPL Electric started CARES as a six-month pilot program in 1980-81. The Company conducted the pilot in three areas: Lancaster, Harrisburg, and Hazleton. Following an evaluation of the pilot, the Company implemented CARES as a system-wide program in February 1982. PPL Electric maintains effective working relationships with a variety of partner organizations and supports outreach efforts for LIHEAP in the partner organizations' operating areas.

### **2. Objectives**

The primary objectives of the CARES program are to:

1. Help customers who are experiencing temporary hardships to prevent termination of service and to manage their overdue electric bills by providing them with information and resources;
2. Make referrals to Company and/or community assistance programs; and
3. Act as an internal advocate for residential payment-troubled customers.

### **3. Program Design**

#### **a. Referrals and Assistance Coordination**

PPL Electric's support staff communicates directly with CARES customers. They analyze customer accounts and circumstances to determine the basic cause(s) of their bill-payment problems. They may refer customers to appropriate programs and services offered by various agencies or PPL Electric.

#### **b. Networking**

Another key responsibility of the PPL Electric management team is to maintain working relationships with partner organizations and departments within PPL Electric, such as the Customer Contact Center, Field Operations, and Revenue Assurance, to ensure awareness of the program.

#### **c. CARES Credits**

A unique feature of PPL Electric's CARES program is a provision for CARES Credits. The CARES recipient receives these credits to help pay electric bills. There are circumstances where neither PPL Electric nor social service agencies can provide sufficient and/or timely assistance to customers. Programs may have closed (e.g., LIHEAP) or the customer is ineligible for services because their household income is above program guidelines.

The typical annual CARES Credit budget is \$54,000, which comes from PPL Electric's annual donation to Operation HELP. No formal guidelines exist for the use of CARES Credits because PPL Electric applies the funds on a case-by-case basis. The Company's program management staff often use the credits for customers confronted with high medical bills or the death of the primary wage earner. In 2021, 73 customers received assistance through CARES Credits. The average grant was approximately \$538 during this period.

### **4. Program Eligibility**

Referrals to the CARES program originate from PPL Electric's Customer Contact Center ("CCC") CSRs, social agency caseworkers, and self-referrals. PPL Electric established referral criteria for CCC employees and partner organization caseworkers to use as a screening device to ensure appropriate referrals to CARES services. In practice, the CCC's CSRs refer most customers to the program.

CSRs and partner organization caseworkers refer customers to CARES when any one of the following conditions exist:

- Illness, injury, or high medical bills
- Previously good-paying customers with temporary hardship situation

- Recent loss of job or major reduction in household income
- Death of primary wage earner
- Confused and disoriented customer

The above referral criteria do not address every customer situation or hardship. The CCC representatives and partner organization caseworkers use their judgment and discretion in referring customers to CARES who may not precisely match the referral criteria. If unusual conditions exist, the support staff consults with the program manager to discuss the situation.

### 5. Projected Participation and Budget

PPL Electric bases the projected enrollment levels on its historical experience with CARES. In 2021, for example, there were 263 customer referrals to the program. Of this total, 73 customers had CARES Credits applied to their account. The Company projects that the number of CARES referrals will likely remain at around 400 annually. PPL Electric now refers many low-income, payment-troubled customers to OnTrack, which is a special payment program, instead of CARES. Because OnTrack offers a longer-term solution, it may be a better alternative than CARES.

The projected enrollment levels will remain flat, estimated at 400 each year from 2023-2027.

The annual expenditure for CARES in 2023 is approximately \$114,000: \$60,000 for staff who support the program and \$54,000 for CARES Credits. There is no specific operating and maintenance budget for CARES. PPL Electric estimates that the time spent by PPL Electric staff in support of the program is valued at \$60,000 annually. These expenses are not recovered through the USR. As noted earlier, the Company uses the remaining \$54,000 of CARES Credits to assist customers who need help and have run out of options.

The projected budget amounts shown below for 2023 through 2027 will remain relatively flat. The annual increases represented below are due to increases in staff wages and overhead costs.

| Year | Total Funding Level <sup>10</sup> |
|------|-----------------------------------|
| 2023 | \$114,000                         |
| 2024 | \$117,420                         |
| 2025 | \$120,943                         |

<sup>10</sup> The slight annual increase is due to salary expenses.

|      |           |
|------|-----------|
| 2026 | \$124,570 |
| 2027 | \$128,308 |

## 6. Needs Assessment

The program is available to any residential customer regardless of income. However, CARES bases eligibility on customers’ individual needs and concerns, and targets households with temporary hardships. PPL Electric believes that CARES will continue to serve the needs of a specific segment of residential customers.

## 7. Miscellaneous

### a. Resource Plan

PPL Electric uses a combination of internal resources, contractors, and partner agencies to manage and deliver CARES. A list of the current partner organizations is set forth in Appendix B.

### b. Summary of Differences Between Previous Plan (2017-2019) and Current Plan (2023-2027)

PPL Electric has consistently administered CARES according to long-established guidelines and procedures. There are no major changes proposed in the current Plan (2023-2027) as compared to the prior Plan (2017-2019).

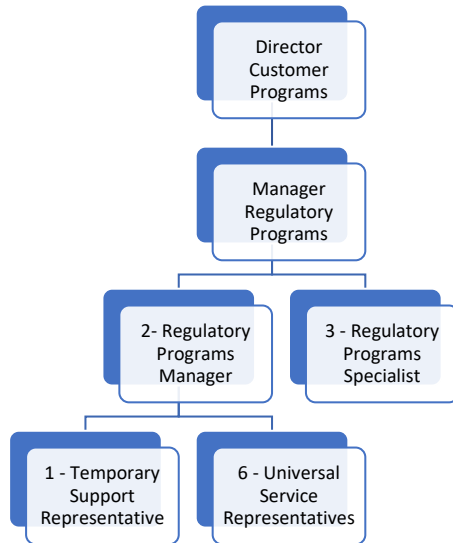
## III. STAKEHOLDER ENGAGEMENT

PPL Electric has established a Universal Service Stakeholder Group (“USSG”) that meets at least twice per year. The intent of the USSG is to improve PPL Electric’s Universal Service Programs through sharing information and inviting feedback. The USSG also reviews consumer education material and customer outreach plans. The USSG provides a forum to discuss all four of PPL Electric’s universal service programs and coordination with the Act 129 program.

## IV. USE OF COMMUNITY-BASED ORGANIZATIONS

PPL Electric utilizes several community-based organizations (“CBOs”) to administer OnTrack, WRAP, CARES, and Operation HELP. Any current partner organizations that are CBOs are identified in Appendix B. The Company maintains a close working relationship with its network of CBOs, which guide customers to the most appropriate assistance program.

## Appendix A – Organizational Chart and Role Responsibilities



|  |  |
|--|--|
| <b>Director Customer Programs</b>            | Responsible for oversight of all Customer Programs including Universal Service and Energy Efficiency Programs.                                       |
| <b>Manager Regulatory Programs</b>           | Responsible for all Universal Service Programs, regulatory reporting requirements, budget management, strategic planning, and department management. |
| <b>Regulatory Programs Managers</b>          | Responsible for the design and implementation of the Universal Service programs including program strategy, communications, and resource management. |
| <b>Regulatory Programs Specialists</b>       | Responsible for management support, auditing, quality assurance, and primary contact for partner organizations and contractors.                      |
| <b>Universal Service Representatives</b>     | Support daily/weekly account level work associated with Universal Service Programs.  |
| <b>Temporary Support Representatives</b>     | Support daily/weekly account level work associated with programs such as LIHEAP, ERAP, and PAHAF <sup>11</sup> .                                     |
| <b>Partner Organizations and Contractors</b> | Implementation of programs including approving program participation and installation of measures.   |

<sup>11</sup> Low Income Home Energy Assistance Program, Emergency Rental Assistance Program, and the Pennsylvania Homeowners Assistance Fund.

**Appendix B – Partner Organizations**

**OnTrack and Operation HELP**

| <b>Organization Name</b>   | <b>Phone Number</b>          |
|--|------------------------------|
| *Catholic Charities, Diocese of Allentown<br>402 W. Chew St<br>Allentown, PA 18102<br>cc-ontrack@allentowndioocese.org   | 610.435.1541                 |
| *Commission on Economic Opportunity<br>165 Amber Lane, PO Box 1127<br>Wilkes-Barre, PA 18702<br>CEO@ceopeoplehelpingpeople.org   | 570.826.0510                 |
| *Community Action Partnership of Lancaster County<br>601 S. Queen St<br>Lancaster, PA 17603<br>OnTrack@caplanc.org   | 717.299.7301 ext. 3108       |
| *Schuylkill Community Action<br>225 N Centre St<br>Pottsville, PA 17901<br>Or<br>105 W Broad St, Rear, Suite 100<br>Tamaqua, PA 18252<br>casemangers@schuylkillcommunityaction.com | 570.622.1995<br>570.668.1038 |
| *STEP, Inc.<br>2138 Lincoln St<br>Williamsport, PA 17701<br>utilitieslycoming@stepcorp.org   | 570.327.5485                 |
| *TREHAB<br>100 4th St Suite 20<br>Honesdale, PA 18431<br>PPLontrack@trehab.org   | 570.253.8941                 |
| *Tri-County Community Action<br>1514 Derry Street<br>Harrisburg, PA 17104<br>pplontrack@cactricounty.org   | 717.232.9757                 |
| *Union-Snyder Community Action Agency<br>713 Bridge Street, Suite 10<br>Selinsgrove, PA 17870<br>info@union-snydercaa.org  | 570.374.0181                 |

**WRAP**

| <b>Organization Name</b>  | <b>Phone Number</b> |
|---|---------------------|
| *CEO<br>32-34 West Union Street<br>Kingston, PA 18704<br>Kingston@ceopeoplehelpingpeople.org          | 570.331.4709        |
| CLEARresult<br>124 Rose Street<br>Scotrun, PA 18355<br>poconoweatherization@clearresult.com           | 855.570.4712        |
| Custom Weatherization, LLC<br>1855 Weaversville Rd<br>Allentown, PA 18109<br>info@TruEnergySaver.com  | 610.861.5290        |
| Green Kite, Inc<br>902 S Center St<br>POB 579<br>Gratz, PA 17030<br>cases@greenkite.co                | 717.230.1616        |
| MT Weatherization<br>2301 Academy Drive<br>Harrisburg, PA 17112<br>Info@TennyGroup.com                | 717.525.9665        |
| K2 Weatherization<br>401 East Louthier Street<br>Carlisle, PA 17013<br>kretzingenergy@gmail.com       | 717.448.4382        |
| True Management, LLC<br>431 Clearfield Street<br>Freemansburg, PA 18017<br>info@truemanagementllc.com | 484.866.8011        |

\* Indicates a partner organization that is a Community Based Organization

**Appendix C – Consumer Education and Outreach Plan (CEOP)**

PPL Electric uses a comprehensive approach to its Consumer Education and Outreach Plan (“CEOP”), which educates customers on available programs through a variety of channels and methods. The Company’s goal is to connect customers with the programs that will benefit them the most. Marketing and communication efforts are intended to increase eligible customer enrollments and the quantity of grant dollars received from government and PPL Electric programs, and to expand awareness of available assistance.

The following outlines the plan to continue existing initiatives and incorporate new communication and marketing efforts in the future CEOP.

**Existing CEOP:** PPL Electric will continue marketing and communication initiatives that have proven successful in reaching its goals, including targeted outreach to customers via print communications, email, website marketing, text, phone and social media. Newly implemented CEOP: PPL Electric will continue initiatives that were implemented since the last USECP last filing, including frequent targeted outreach to customers eligible for LIHEAP via email, text message, and printed applications, while increasing the frequency of targeted communications for all program promotions. The Company plans to increase awareness, by holding recurring program education sessions with customer facing employees to maintain and grow program participation.

**Future CEOP:** PPL Electric will incorporate new communication methods to expand program enrollment and awareness through increased use of short videos to explain program benefits and text messages to promote program applications. Here are communication tactics to be used in the future. Specific frequency, targeting and message will be adapted to the current environment and program needs.

| <b>Communication</b>  | <b>Audience</b>   | <b>Frequency</b>         |
|---|---|--------------------------|
| Organic bill help social media posts                        | All followers   | Weekly                   |
| Article in print or digital newsletter                      | All residential customers                                     | Monthly                  |
| OnTrack enrollment emails with a link to an explainer video | Customers recently enrolled in PPL Electric’s OnTrack program | Monthly                  |
| LIHEAP emails   | All eligible customers  | Bimonthly, during season |

| <b>Communication</b>                                   | <b>Audience</b>  | <b>Frequency</b>                  |
|--|--|-----------------------------------|
| LIHEAP UFT emails and text messages                    | Customers who received a cash grant and are eligible for a crisis grant                                | Weekly or biweekly, during season |
| OnTrack recertification blaster calls                  | Customers eligible to recertify  | Biweekly                          |
| Targeted program emails (all programs or one-specific) | Eligible customers   | Bimonthly                         |
| Bill help content on homepage of pplelectric.com       | All web visitors   | Bimonthly                         |
| OnTrack emails   | Customers who received LIHEAP and are automatically eligible for OnTrack                               | Biannually                        |
| LIURP/WRAP emails                                      | Customers participating in other low-income programs, including LIHEAP, that meet eligibility criteria | Biannually                        |
| Bill help/general program emails                       | All residential customers  | Biannually                        |
| Bill help/general program news release, media pitch    | Media and stakeholders   | As needed, at least annually      |
| Paid social media advertising                          | All followers  | As needed, at least annually      |
| WRAP postcards, mailed by contractors                  | Customers who were approved for WRAP, but have not yet scheduled their energy assessment               | As needed                         |
| WRAP booklet provided by contractors                   | Customers who have completed their energy assessment   | As needed                         |
| LIURP/WRAP Mass Media Marketing                        | Segments within service area identified low in leads   | As needed                         |
| LIURP/WRAP informational videos                        | Customers interested or enrolled in WRAP   | Ongoing (once developed)          |

The Company provides information to customers in Spanish, such as the website, program application and selected outreach material. The Company also has a language line that allows customers calling PPL Electric directly to speak

with a Customer Service Representative in their preferred language via a translation service. The Company determines the language offerings based on the needs of its service territory. Specifically, Spanish is identified as the predominant language used for the Company's customer service call translations.

PPL Electric's CEOP is an evolving process and will be modified and enhanced as needed within the duration of the USECP. Also, beginning in 2024 and for the duration of the USECP, PPL Electric will file and serve by March 1 at Docket No. M-2022-3031727 annual updates to its CEOP and include outreach and education actions taken. In conjunction with its annual filings, PPL Electric will also describe:

- The additional educational training webinars and workshops used to keep community partners and interested stakeholders informed and updated about PPL Electric's universal service programs.

- PPL Electric's enhanced outreach efforts for households with incomes at or below 50% of the FPIG.

- PPL Electric's efforts to educate and inform customers about the importance of understanding their energy burden to foster customer awareness of how much their household is spending on energy.

- How the components of its CEOP are provided to each county within PPL Electric's service territory.

- How PPL Electric has shared its tools, outline approaches, and activities for the energy burden education components in future CEOPs and include the PUC educators as needed.