

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

2023 Review of All Jurisdictional Fixed : Docket No. M-2023-3038944
Utilities' Universal Service Programs :

**Comments of the Consumer Advisory Council to
the Pennsylvania Public Utility Commission**

Introduction

The members of the Consumer Advisory Council (“CAC” or “Council”) submit these comments in response to the March 27, 2023, Secretarial Letter issued by the Public Utility Commission (“PUC” or “Commission”) regarding a review of Pennsylvania’s fixed utilities’ universal service programs.

The CAC is responsible for advising the Commission on matters relating to the protection of consumer interests and is encouraged to provide advice and input that will aid the Commission in pursuit of its regulatory duties. 52 Pa. Code § 91.2.

As set forth more fully below, the Council fully supports the Commission’s determination to examine ways in which its universal service regulations, policies and procedures can be improved with a goal of “1) increasing program coordination among all utilities, 2) streamlining the eligibility and enrollment process, and 3) reducing the number of otherwise eligible consumers from losing low-income benefits due to the verification or re-enrollment process.” Sec. Ltr. at 1.

Comments

This Commission has long been a national leader in the development of universal service programs to support the ability of low-income customers to maintain essential utility services. The Commission's efforts in this regard were codified by the General Assembly for electric and natural gas utilities through provisions in the Electric Choice and Natural Gas Choice Acts in 1996 and 1999 respectively. 66 Pa.C.S. Section 2802(10), 66 Pa.C.S, Section 2203(7). More recently, a number of Pennsylvania's jurisdictional water utilities have begun to implement programs designed to assist their low-income customers in maintaining those critical services as well.

The issue raised by the March 27 Secretarial Letter – which was issued in response to the Motion of Vice Chairman DeFrank and Commissioner Zerfuss – is whether these programs can be administered more efficiently and fairly. While the CAC is not in a position to offer an opinion on all of the 14 detailed topics set forth in the Secretarial Letter, the CAC does wish to state its support of the thrust of the Letter to determine if there are ways to implement these programs across the Commonwealth in a more effective manner and to prevent those customers who may be most in need of assistance from “falling through the cracks” because of the difficulty of meeting certain administrative burdens.

In particular, the CAC supports the concept of some type of standardized form or “common application” as noted on page 3, Topic 10, of the Secretarial Letter through which a single application could be used for a number of different utility programs for which a customer might qualify. The CAC would support the development of such an application for all income-based universal service programs on a statewide basis. The concept of a common application has been widely used for decades by America's colleges and universities, with more than 1000 colleges in all 50 states now accepting a single application from high school seniors across the country. See

<https://www.commonapp.org/> The use of a common application enables students to avoid the administrative burden of assembling the information needed for each application on a separate basis. Similarly, the CAC submits that this type of procedure would be even more relevant for a low-income utility customer who may not have ready access to a computer, scanner, copying machine, and underlying documents needed to assemble multiple applications for assistance.

The use of a uniform statewide common application might also facilitate other efficiencies identified in the Secretarial Letter, such as the ability of a single utility or outside provider to perform the intake function, and, with customer permission, to provide that information to other utilities that may be able to provide similar services to that customer.¹ The basic customer information that utilities need in terms of household size, monthly income, etc, should be the same for each utility's income-based programs.

With respect to the use of "outside providers" to perform the intake function for these applications, the CAC would urge the Commission to include designated, trusted community-based organizations in this group. Particularly as utilities have tended to close many of their local offices over recent years, the accessibility and proximity of some community-based organizations can be a critical asset in furthering the Commission's goals. We note this recommendation is consistent with the Commission's statutory mandate with respect to universal service programs for electric and gas utilities to "encourage the use of community-based organizations that have the necessary technical and administrative experience to be the direct providers of services or

¹ Sec. Ltr. at 2-3, Topics 1 and 2.

programs which reduce consumption or otherwise assist low-income customers to afford electric service.”²

The CAC would add that the same principles should apply to jurisdictional water and wastewater utilities as well as natural gas and electric utilities. While universal service programs for water and wastewater utilities are not statutorily mandated, they are certainly permitted and are being implemented by several such utilities today. Although these water and wastewater programs are not yet as fully developed as our longstanding electric and natural gas low-income programs, the underlying customer information required to determine a household’s financial needs ought to be the same.

In a Letter to the Commission dated March 22, 2022, the CAC previously called on the Commission to initiate a statewide policy proceeding to address the affordability of water and wastewater utility service in Pennsylvania. As in the case of electric and natural gas utilities, water and wastewater customers across Pennsylvania would benefit from the development of consistent and well-publicized programs to support the ability of low-income residents to maintain these essential services.

Similarly, while the PUC lacks authority over non-jurisdictional Pennsylvania utilities, such as most municipally-owned utilities and authorities, the CAC would urge the PUC to invite those entities that provide low-income universal service programs in their service territories to participate in the common application process as well. While the PUC cannot require such participation, the CAC submits that those non-jurisdictional utilities that offer low-income programs could also benefit from the efficiencies of this type of coordination.

² See 66 Pa. C.S. § 2804(9), 2203(8).

Finally, the CAC is cognizant of the fact that the costs of most utility universal service programs in Pennsylvania are borne by non-participating residential customers and, as noted by Commissioners Coleman and Yanora in their Joint Statement opposing the issuance of this Secretarial Letter, these costs can be substantial.³ The CAC, however, supports the comments of Vice Chairman DeFrank and Commissioner Zerfuss at the Commission's March 27 Public Meeting that the goal of this proceeding is not to increase costs but to determine if there are ways to maximize the efficiency of these programs which, the CAC would note, could benefit the utilities and all customers. This, too, is consistent with the Commission's statutory obligation to ensure cost-effective administration of universal service programs.⁴ Universal service programs are designed to provide an alternative path to collections for low income households, and play a critical role in controlling collections costs, reducing uncollectible expenses, and safeguarding against disproportionately high levels of involuntary service termination for economically vulnerable households that cannot reasonably afford to pay full tariff rates. It is important for the Commission to ensure the programs are administratively efficient and accessible to all those in need.

Conclusion

The members of the CAC thank the Commission for its consideration of these Comments and would be happy to discuss this matter further with the Commissioners or Commission Staff.

³ See <https://www.puc.pa.gov/about-the-puc/public-meetings-hearings/>

⁴ See 66 Pa. C.S. § 2804(9), 2203(8).

Respectfully submitted,

Consumer Advisory Council to the Pennsylvania Public Utility Commission

Tim Hennessey

By: Tim Hennessey, Chair

Consumer Advisory Council

Dated: May 23, 2023