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**E-FILE**

June 7, 2023

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor North  
P.O. Box 3265  
Harrisburg, PA 17120-3265

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

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Dear Secretary Chiavetta:

Enclosed for filing on behalf of PPL Electric Utilities Corporation ("PPL Electric") are PPL Electric's Comments in the above-captioned proceeding. These Comments are being filed pursuant to the March 27, 2023 Secretarial Letter seeking comments from interested parties.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on June 7, 2023 which is the date it was filed electronically using the Commission's E-filing system.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael J. Shafer", is written over a light blue horizontal line.

Michael J. Shafer

Enclosure

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

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**COMMENTS OF  
PPL ELECTRIC UTILITIES CORPORATION ON  
THE MARCH 27, 2023 SECRETARIAL LETTER**

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**I.     INTRODUCTION & BACKGROUND**

On March 27, 2023, the Pennsylvania Public Utility Commission (“Commission”) issued a Secretarial Letter (“Secretarial Letter”) seeking comments from interested parties on 14 questions, which are intended to assist the Commission’s review of areas where jurisdictional fixed utilities’ universal service programs may be improved. Specifically, the Commission has requested comments from interested parties on “how the Commission’s regulations, policies and procedures could be revised with a particular focus” on the following: (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.” (Secretarial Letter, p. 1.)

PPL Electric appreciates the opportunity to provide input on the questions raised in the Commission’s Secretarial Letter. The Company fully supports exploring potential improvements to the Universal Service and Energy Conservation Plans (“USECP”), particularly modifications that will increase efficiency and coordination. However, as explained in these Comments, the Company believes that some of the changes being considered by the Commission would not further those goals. Therefore, PPL Electric respectfully files these Comments in response to the

Commission’s Secretarial Letter and asks that the Commission consider them in evaluating its next steps.

## **II. COMMENTS**

Before addressing the Commission’s questions in detail, PPL Electric notes that its current USECP programs are performing well. As of May 31, 2023, PPL Electric has over 70,400 customers participating in OnTrack (*i.e.*, its Customer Assistance Program (“CAP”)). From January 1, 2023, to May 31, 2023, PPL Electric has granted over \$335,000 in hardship grants through Operation HELP. PPL Electric also has budget for its WRAP (*i.e.*, its Low-Income Usage Reduction Program (“LIURP”)) of approximately \$12 million to serve its eligible customers. Furthermore, the design, implementation, and performance of these programs are litigated in the USECP proceedings. In addition, while the USECP programs do benefit and provide support to vulnerable customers, the Commission and stakeholders should be mindful that those costs are passed on to other ratepayers in the residential customer class.

Accordingly, the Commission should avoid any changes that could negatively affect the USECP programs’ performance, unnecessarily increase the costs borne by residential ratepayers, or both. Indeed, the best way to improve these programs now is to pursue opportunities for increased efficiency and coordination.

To that end, PPL Electric generally agrees with standardizing forms, improving the application process by taking advantage of the Pennsylvania Department of Human Services’ (“DHS”) data sharing process, coordinating LIURP enrollment and receipt of hardship fund grants, and streamlining the public utilities reporting obligations. However, the Company respectfully disagrees with requiring one public utility or outside provider to handle the intake process on behalf of multiple public utilities (see Questions 1 through 3), instituting automatic enrollment

(see Question 4), administering CAPs on a statewide basis as opposed to an individual utility basis (see Question 5), requiring additional consumer education and outreach without cognizable incremental benefits (see Question 7), and extending the CAP recertification periods (see Questions 8 and 9).

With those overall Comments in mind, PPL Electric responds to the Commission's questions in detail in the following sections.

**1. What regulatory barriers are in place that would prevent utilities from having one utility do intake and then having that information provided to other utilities that provide service to that consumer for the purpose of universal service and CAP enrollment?**

PPL Electric believes there are several issues with this approach. First, this approach would place a significant strain on utilities' time and resources. Rather than focusing on their own USECP enrollment, every electric and natural gas utility (and potentially water utilities, if USECPs are expanded to them)<sup>1</sup> would be responsible for providing the customer's information to the other utility or utilities serving the customer. The utility also would have to be knowledgeable about every USECP program offered by utilities whose service territories overlap with its own. Given the substantial overlap of those service territories and the differing eligibility requirements under the utilities' USECPs, this approach would be a substantial undertaking and require a significant overhaul of the utilities' USECP operations.

Second, PPL Electric questions whether a single utility handling the customer intake for another utility or other utilities would improve the USECP programs' efficacy. For example, the Emergency Rental Assistance Program ("ERAP") is run at the county level and has been more effectively implemented than the Pennsylvania Homeowners Assistance Fund ("PAHAF"), which

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<sup>1</sup> See Section II.12, *infra*.

is run by a single entity. PPL Electric believes the same would be true with intake for the utilities' USECP programs.

Third, the utility's costs would have to be allocated among the other utilities based upon a reasonable allocation method. Aside from determining what method should be used to allocate those costs, there would be complications and potential delays in the timely recovery of those costs through the utilities' universal service riders. However, under Section 2804(8)-(9) of the Public Utility Code, the Commission must ensure that those riders fully recover the costs of the utilities' USECP programs. *See, e.g.*, 66 Pa. C.S. § 2804(8)-(9).

Fourth, this approach would cause substantial customer confusion and complicate program enrollment. Instead of working with the utility they contacted, customers would be directed to another public utility to provide their information and determine their eligibility for USECP programs. This would certainly confuse customers, who are used to contacting the actual utility with whom they have customer service and billing issues. Furthermore, "[w]hen a customer or applicant contacts a public utility to make a payment agreement as required by Section 1410," the public utility must "[r]efer the customer or applicant to the universal service program administrator of the public utility to determine eligibility for a program and to apply for enrollment in a program." 66 Pa. C.S. § 1410.1(2). Under the singular intake approach, a customer could call their public utility for a payment agreement, be routed to the one utility tasked with customer intake, only to then have that utility send the customer's information back to the customer's public utility. Not only would this confuse the customer, but this process would be incredibly inefficient and have a high potential for errors.

Fifth, a singular intake approach would require creating a secure system connecting all of the public utilities that would enable the intake utility to share customer information with other

utilities. The system would need to protect customer information from unwarranted public disclosure through cybersecurity practices and protocols. Developing such a system would naturally add more costs that would have to be required from ratepayers.

Sixth, contingency plans would need to be established in case the intake utility experiences an event that prevents them from handling their duties, such as a system outage or natural disaster.

**2. What regulatory barriers or other obstacles exist if an outside provider does the intake on behalf of multiple utilities serving the consumer and what solutions exist to overcome any barriers?**

As noted above, if a single utility were required to handle the intake for all customers, PPL Electric has concerns relating to: (1) adverse impacts on USECP programs' efficacy; (2) increased costs and the timely recovery of those costs; (3) customer confusion; (4) the need to create a secure system that would facilitate the information transfer between utilities; and (5) the need for contingency plans. The Company shares those concerns if a single "outside provider" were required to handle the intake on behalf of multiple utilities.

In addition, PPL Electric questions whether the utilities would have proper oversight of the outside provider's performance and could direct the outside provider to take corrective actions for failing or below-the-mark performance. If a customer were to have a substandard experience with the outside provider, it would reflect poorly on the customer's public utility and could lead to a customer complaint filed with the Commission. Moreover, protections would have to be installed to ensure that the outside provider treats every public utility equally. Therefore, adequate oversight of the provider's performance would be absolutely necessary.

**3. How can consumer consent be built into the intake process that permits the utility doing the intake to provide the enrollment information to the other utilities serving the consumer?**

Protecting the unwarranted public disclosure of customer information is critically important to PPL Electric and its customers. Accordingly, affirmative consent from customers to share such information should be required. However, rather than building a customer consent process into the utility intake process, the Company believes it would be better to build customer consent into the Low-Income Home Energy Assistance Program (“LIHEAP”) application, so that the information can be collected and shared with utilities. Public utilities already receive a data file from LIHEAP when grants are applied to customers’ accounts. That existing process could be modified, such that customer consent is a part of that data file, and that potential modification is already being discussed with DHS.

- 4. Is an automatic enrollment program feasible where any mechanism through which an electronic exchange of information between a utility and a state social service agency confirms the eligibility of public benefits whether or not the information is expressly authorized by the household? If express authorization is needed, rather than automatic enrollment, can that express authorization be provided one time in a uniform application rather than on a utility-by-utility basis using separate applications?**

PPL Electric disagrees with automatic enrollment of customers. The Company believes that “express authorization” should be provided through the LIHEAP application, as explained previously. Customers need to understand what they are signing up for; therefore, customers should receive sufficient information and answers to their questions before they enroll in these programs. As an example, there are differences in utilities’ CAPs, so customers should receive specific information about their utility’s CAPs and not generalized information about all utilities’ CAPs. Also, automatic enrollment would be inappropriate because not every eligible customer wants to participate. While most low-income customers would benefit from CAP enrollment, this does not mean that they should be forced to participate in these programs. Ultimately, the

decision to participate in a CAP lies with the customer, and the dignity of that choice should be respected. Lastly, automatic enrollment could drastically expand the number of participants and increase costs to other ratepayers.

**5. Should CAP programs be administered statewide across all utility service territories rather than on a utility-by-utility basis? If so, what are the barriers to accomplishing this and what are the benefits and drawbacks to this approach? If not, what are the benefits and drawbacks of continuing to administer the programs on a utility-by-utility basis?**

PPL Electric disagrees with a statewide administration of CAPs. As explained previously, there are several issues and concerns with having a one utility or an outside provider handle customer intake. Those issues and concerns are amplified with the statewide administration of CAPs. Additionally, public utilities have different tariffs, rates, billing practices, etc. and must design their CAPs to meet the needs of their specific customers. Therefore, statewide administration of CAPs would be complicated, inefficient, and problematic.

**6. What changes would be required to EDCs' and NGDCs' existing, Commission-approved universal service and energy conservation programs to incorporate improvements and could changes be addressed in a streamlined fashion?**

PPL Electric believes that the LIHEAP data sharing improvements, described above, can be implemented in a streamlined fashion outside of the utilities' USECP proceedings. However, many of the other changes mentioned by the Commission, such as statewide administration of CAPs, would require extensive revisions to the utilities' existing USECPs. Moreover, PPL Electric's current five-year USECP was recently approved by the Commission.<sup>2</sup> If the Company's and other utilities' USECPs were required to be substantially rewritten, PPL Electric, other

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<sup>2</sup> See *PPL Elec. Utils. Corp. Universal Serv. and Energy Conserv. Plan for 2023-2027 Submitted in Compliance with 52 Pa. Code § 54.74*, Docket No. M-2022-3031727 (Order entered Feb. 9, 2023), *reconsideration denied*, Docket No. M-2022-3031727 (Order entered Apr. 20, 2023).



utilities, stakeholders, and the Commission would be forced to devote significant time and resources to incorporate changes that, for the reasons explained previously, will actually have adverse effects on the USECP programs.

**7. What additional consumer education and outreach could be undertaken to make more low-income consumers aware of the benefits that may be available to them?**

The Company reiterates that customer education and outreach are vital to a success USECP program. PPL Electric already conducts significant customer education and outreach, including, but not limited to, monthly e-newsletters, targeted emails, social media, and paid advertising to increase awareness of assistance programs and help customers manage their electric bills. As such, PPL Electric does not believe that additional customer education and outreach is required. Instead, the Commission's focus should be on streamlining the application process and making it easier for customers to enroll in the utility's programs, such as through the LIHEAP data sharing process outlined previously. Further, utilities' customer education and outreach plans are already addressed in USECP proceedings.<sup>3</sup> To the extent that improvements can be made to those plans, they are more properly addressed in the context of those individual proceedings.

**8. Can recertification periods in the existing CAP Policy Statement at Section 69.265(8)(viii) be extended so that otherwise eligible consumers do not lose benefits solely due to the fact that they timely failed to recertify their eligibility?**

Public utilities already have expedited recertification for those enrolled in other programs or who have certain types of income. For example, customers who receive LIHEAP or whose primary source of income is social security already automatically recertified. However,

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<sup>3</sup> See, e.g., PPL Electric's 2023-2027 USECP, Docket No. M-2022-3031727, Appx. C (Compliance Filing dated Apr. 27, 2023).

recertification is a necessary process for program integrity. Assistance through the programs should not be open-ended with no limit on the benefits. These programs need to be balanced with reasonable recertification requirements, or else non-participating customers will bear unnecessary expenses. Also, PPL Electric believes that LIHEAP data sharing will help with the recertification process because customers who receive LIHEAP funding are automatically recertified. Finally, recertification provides another opportunity for the utility to provide customers with information about the USECP programs and other available assistance programs.

**9. Can the default provisions in the existing CAP Policy Statement at Section 69.265(9) be modified to reduce the chances that otherwise eligible consumers do not lose benefits solely due to the failure to comply with one of the articulated default provisions?**

See PPL Electric's response to Question 8, *supra*.

**10. Should utilities be required to develop and use standardized CAP forms and CAP procedures? What are the barriers, if any, of establishing a common application?**

PPL Electric believes that there are opportunities to standardized CAP forms and procedures. Such standardization could benefit customers who receive both electric and natural gas service and participate in both utilities' CAPs as well as customers who move between utilities' service territories. However, there are differences across the utilities' CAPs that would need to be addressed as part of this standardization effort. Although not insurmountable, substantial coordination and collaboration by the utilities, Commission, and stakeholders would be necessary.

**11. What other additions or changes to the existing CAP Policy Statement should be made to increase eligibility, enrollment and maintenance of CAP benefits?**

PPL Electric recommends that the LIHEAP data sharing process be incorporated into the CAP Policy Statement.

- 12. Should the CAP Policy Statement be amended to include jurisdictional water public utilities and, if so, what barriers if any exist to doing so and how can those barriers be overcome?**

PPL Electric has no comments on this question.

- 13. If a coordinated enrollment process could be achieved with respect to CAP, could that same process be applied to identify eligibility for a utility's Low Income Usage Reduction Program (LIURP) or eligibility for receipt of hardship fund grants?**

PPL Electric already identifies eligibility for LIURP and hardship fund grants as part of its CAP enrollment process. When a customer is a high user enrolled in CAP, the customer is automatically referred to LIURP. Also, as part of the CAP enrollment process, PPL Electric considers customers' eligibility for CAP and hardship funds. Specifically, the Company first evaluates whether the customer is eligible for CAP. Then, if the customer is ineligible for CAP, the Company evaluates whether the customer is eligible for hardship grants.

- 14. What changes are required to the Commission's existing policies or regulations to incorporate improvements?**

PPL Electric does not believe that changes are required to the Commission's existing policies or regulations to incorporate improvements at this time. For example, LIHEAP data sharing and the standardization of forms, which the Company supports, should not require any such changes to the Commission's policies or regulations. Nevertheless, as explained in response to Question 11, PPL Electric recommends that the LIHEAP data sharing process be incorporated into the CAP Policy Statement.

**III. CONCLUSION**

PPL Electric appreciates the opportunity to provide these Comments and respectfully requests that the Commission take these Comments into consideration in developing its next steps.

Respectfully submitted,



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