



National Fuel®

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VIA ELECTRONIC FILING

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

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

Dear Secretary Chiavetta:

Enclosed for filing, please find National Fuel Gas Distribution Corporation's Comments to the Pennsylvania Public Utility Commission's 2023 Review of All Jurisdictional Fixed Utilities' Universal Service Programs.

Should you have any questions or comments, please do not hesitate to contact me at (814) 871-8177 or via e-mail at sisinnid@natfuel.com.

Respectfully submitted,

Dominick A. Sisinni

Enclosure

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**COMMENTS OF
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
MARCH 27, 2023 SECRETARIAL LETTER**

I. INTRODUCTION

National Fuel Gas Distribution Corporation (“National Fuel” or the “Company”) submits the following Comments to the Pennsylvania Public Utility Commission’s (“PUC” or “Commission”) Secretarial Letter entered on March 27, 2023 regarding a new review of utility universal service programs (“Secretarial Letter”).

The March 2023 Secretarial Letter notes that it is important to review universal service policies “from time to time.” Therefore, the PUC is seeking comments from interested parties 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 at 1. The Commission’s goal of these considerations is to “make enrollment and retainment in universal service as efficient as possible for the consumer and the utility while maintaining proper diligence and verification for eligibility.” Secretarial Letter at 2.

Comments to the Secretarial Letter are due 60 days following its publication in the *Pennsylvania Bulletin*, i.e., June 7, 2023. On June 7, 2023, the Energy Association of Pennsylvania (“EAP” or “Association”) filed Comments to the Secretarial Letter on behalf of its member

companies (the “EAP Comments”) at the above-captioned docket. National Fuel strongly agrees with the positions and responses contained in the EAP Comments, and, in many instances, as will be noted below, National Fuel explicitly adopts those positions as its own/incorporates certain positions taken in the EAP Comments by reference.

II. BACKGROUND

The EAP Comments contain, among other things, a comprehensive summary of: (a) the regulatory backdrop prior to and leading up to the issuance of the instant Secretarial Letter; (b) certain information/goals the Commission hopes to obtain through the Comments filed in response to the instant Secretarial Letter; and (c) a comparison of the *stated objectives* espoused at the outset of previous Commission-initiated universal service proceedings to the *actual outcomes* occurring after the close of same.¹ The EAP Comments also contain a description of the pivotal role that public utilities play in implementing universal service programs in the Commonwealth.² National Fuel incorporates such provisions of the EAP Comments by reference as if fully set forth at length herein.

In addition, National Fuel notes that, in the midst of the regulatory activity/universal service proceedings referenced in the EAP Comments, National Fuel submitted and received Commission approval of its 2022-2026 Universal Service and Energy Conservation Plan (the “2022-2026 NFG USECP” or “Current Plan”).³ In this regard, National Fuel notes that much time, effort, and resources were devoted to developing the 2022-2026 NFG USECP in a manner which comported with, *inter alia*, the regulatory positions/guidance from said proceedings (including,

¹ EAP Comments at Section II, pp. 2-4.

² EAP Comments at Section III, pp. 4-5.

³ See, Docket No. M-2021-3024935 – National Fuel Gas Distribution Corporation’s 2022-2026 Universal Service and Energy Conservation Program Plan.

among other things, modifying National Fuel's LIRA (*i.e.*, its longstanding customer assistance program or "CAP" from a "rate discount" to a percentage of income program or "PIP"). Considerable resources are currently being expended by National Fuel to implement these changes.

III. SPECIFIC ISSUES RAISED BY THE MARCH 27 SECRETARIAL LETTER

- 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?**

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;⁴ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

- 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?**

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;⁵ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

- 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?**

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;⁶ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

- 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**

⁴ EAP Comments at Section IV, pp. 6-7.

⁵ EAP Comments at Section IV, pp. 7-8.

⁶ EAP Comments at Section IV, pp. 8-9.

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?

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;⁷ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

5. Should CAPs 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.

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;⁸ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

By way of further comment, National Fuel notes that the existing framework, whereby each EDC and NGDC develops its own USECP (subject to Commission review and approval),⁹ results in, among other things: (1) universal service programs/offerings that are tailored to the unique needs of each EDC's and NGDC's service territory; and (2) a comprehensive universal service plan which balances providing support with stewardship for all ratepayers (including those who do not qualify for universal service programs but bear the cost of same). This framework has allowed National Fuel to develop impactful universal service offerings while keeping such program costs low (relative to the costs incurred by other EDCs and NGDCs across the Commonwealth).

⁷ EAP Comments at Section IV, pp. 9-10.

⁸ EAP Comments at Section IV, pp. 10-12.

⁹ See, 52 Pa. Code § 62.4 (with respect to NGDC's).

National Fuel contends that departure from the existing approach/framework in favor of a statewide CAP would result in an outcome where one public utility's ratepayers would be forced to bear additional cost and expense to subsidize ratepayers of other utilities. Such result would not, in National Fuel's approximation, be in the best interest of its customers.

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?

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁰ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

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?

In response to the above-referenced issue, National Fuel first expresses its belief that lack of enrollment/customer participation in universal service programs, etc. is not solely attributable to lack of customer awareness/education. Subject to the foregoing, National Fuel also: (1) incorporates by reference the response taken to same in the EAP Comments;¹¹ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

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?

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹² and (2) adopts said response of EAP as National Fuel's own comments/response to this issue. By way of further comment, National Fuel notes that

¹⁰ EAP Comments at Section IV, pp. 12-13.

¹¹ EAP Comments at Section IV, pp. 13-14.

¹² EAP Comments at Section IV, pp. 14-15.

in its Current Plan, National Fuel has conformed its recertification timeframes to those periods specified in the CAP Policy Statement. Additionally, National Fuel notes that within acceptable regulatory parameters, it works collaboratively with its customers on matters such as recertifications, etc.

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?

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹³ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

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?

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁴ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue. By way of further comment, National Fuel notes that while a "common application" and common procedures are laudable goals, it is unclear that such "common application" and/or common procedures would have an impact on CAP enrollment.

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

In response to the above-referenced issue, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁵ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

¹³ EAP Comments at Section IV, p. 15.

¹⁴ EAP Comments at Section IV, pp. 15-16.

¹⁵ EAP Comments at Section IV, pp. 16-17.

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?

National Fuel, like the EAP, does not have comment on this issue at this time. Consequently, National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁶ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

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?

National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁷ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

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

National Fuel: (1) incorporates by reference the response taken to same in the EAP Comments;¹⁸ and (2) adopts said response of EAP as National Fuel's own comments/response to this issue.

IV. CONCLUSION

National Fuel appreciates the continued dialogue offered by the Commission at this Secretarial Letter on the complex subject of universal service programs. As noted in the EAP Comments, National Fuel (like other public utilities) alongside the Commission, strives for balance

¹⁶ EAP Comments at Section IV, p. 17.

¹⁷ EAP Comments at Section IV, pp. 17-18.

¹⁸ EAP Comments at Section IV, pp. 18-19.

between offering assistance those customers seeking help paying their utility bills and ensuring program efficiency and integrity for those customers asked to pay for these programs.

In this regard, National Fuel believes that the closing remarks contained in the EAP Comments¹⁹ clearly and concisely address key considerations which the Commission should consider before taking further action on this matter. Therefore, National Fuel incorporates such provisions of the EAP Comments by reference as if fully set forth at length herein.

Respectfully submitted,



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¹⁹ EAP Comments at Section V at pp. 20-21.