



June 21, 2023

To: All Parties of Record at Docket No. M-2021-3029323  
Philadelphia Gas Works 2023-2027 USECP

**RE: Compliance Issues with Philadelphia Gas Works' Revised 2023-2027 USECP**

*Overview*

On January 12, 2023, the Pennsylvania Public Utility Commission (Commission) entered an Order (January 12 Order) which directed Philadelphia Gas Works (PGW) to, *inter alia*, file a revised 2023-2027 Universal Service and Energy Conservation Plan (2023 USECP) consistent with the Order within 30 days. January 12 Order at 94, OP #2.

On January 18, 2023, PGW filed a Petition requesting a 60-day extension for submitting its Revised 2023 USECP. Petition for Extension at 1. On January 27, 2023, PGW also filed a Petition for Reconsideration regarding the disposition of its 2023 USECP set forth in the Commission's January 12th Order. On February 9, 2023, the Commission entered an Order (February 9 Order) that approved the Petition for Extension and granted the Petition for Reconsideration, pending review of, and consideration on, the merits of the Petition for Reconsideration. February 9 Order at 2-3.

On March 16, 2023, the Commission entered an Order (March 16 Order) that granted the Petition for Reconsideration in part and denied the Petition for Reconsideration in part. The March 16 Order, *inter alia*, directed PGW to file a Revised 2023 USECP consistent with the January 12 and March 16 Orders within 30 days. March 16th Order at 25, OP #7. On March 27, 2023, PGW filed a Petition (March 27 Petition) requesting an extension until June 12, 2023, to file its Revised 2023 USECP. On April 10, 2023, the Commission issued a Secretarial Letter granting PGW's March 27 Petition.

On June 12, 2023, PGW filed clean and redlined versions of its revised 2023 USECP (June 12 Compliance Filing).<sup>1</sup> To date, no protests or other responsive pleadings have been filed relative to the June 12 Compliance Filing.

As directed by the January 12th and March 16th Order, the Commission's Bureau of Consumer Services (BCS) has reviewed the June 12 Compliance Filing. BCS has identified three areas where the revised 2023 USECP is not compliant with the January 12th and March 16th Orders and is now directing PGW to file and serve a further revised 2023 USECP. Except as noted herein, BCS finds that PGW has included appropriate provisions relative to the January 12th and March 16th Orders in its June 12th Compliance Filing.

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<sup>1</sup> All references to the June 12 Compliance Filing refer to the clean version of the revised 2023 USECP.

1. *Refund of Security Deposits*

In the March 16 Order, the Commission approved PGW's proposal to refund security deposits plus interest directly to customers, instead of seeking prior consent from the customer as directed by the January 12 Order.<sup>2</sup> PGW was directed to reflect this process in its further revised 2023 USECP. March 16th Order at 18, 25, OP #5.

The June 12 Compliance Filing does not include any information regarding PGW's policy for refunding security deposits. PGW must include this information in a further revised 2023 USECP.

2. *Unearned Income of Minors*

In the January 12 Order, PGW was directed to exclude unearned income for minors when determining household income for CRP eligibility and to include this clarification in its further revised 2023 USECP. January 12 Order at 34, 96, OP #5(j).

In the June 12 Compliance Filing, PGW states "unearned income for minors (e.g., Social Security for child) will be included in the determination of household income for purposes of CRP eligibility and benefits." June 12th Compliance Filing at 13. This provision is not compliant with the January 12 Order. PGW must specify in a further revised 2023 USECP that unearned income of minors is **not** included when determining household income for CRP eligibility.

3. *Definition of a Multifamily Property*

In the January 12 Order, PGW was directed to include a definition for multi-family properties in its Revised 2023 USECP. January 12 Order at 65, 96, OP #5(s).

In the June 12 Compliance Filing, PGW specifies that its Low Income Multifamily Efficiency (LIME) program serves multifamily properties (page 19) and later states that "buildings that contain three or more units will be eligible for the LIME program" (page 21). Though inferred, it is not clearly stated that PGW defines a multifamily property as a building with three or more units. PGW must include this clarification in a further revised 2023 USECP.

BCS has also identified two other areas of non-compliance with the January 12 Order that are unrelated to the June 12 Compliance filing.

1. *Health & Safety Pilot Program Filing*

In the January 12th Order, the Commission directed PGW to report annually on April 1 the number of homes deferred for Home Comfort services due to health and safety issues during the previous calendar year and the reasons for deferral (Home Comfort Deferral Report),

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<sup>2</sup> See January 12 Order at 28, OP #5(f).

starting on April 1, 2023, and continuing for the duration of its 2023 USECP. January 12th Order at 54, 99, OP #12.

As of June 21, 2023, PGW has not yet filed the 2022 Home Comfort Deferral Report due on April 1, 2023. Within thirty days of this Secretarial Letter, PGW must file its 2022 Home Comfort Deferral Report at Docket No. M-2021-3029323.

## *2. Repair and Renew Pilot Program Filing*

In the January 12 Order, the Commission directed PGW to report annual statistics on the Repair and Renew Pilot Program (Repair and Renew Pilot Report), including the number of customers selected for this program monthly, the number of Repair and Renew Pilot Program jobs completed and total dollars spent during the previous calendar year. The Commission directed PGW to file this report annually on April 1st, starting on April 1, 2023, and continuing through 2025. January 12 Order at 58, 99, OP #13.

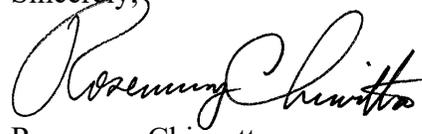
As of June 21, 2023, PGW has not yet filed the 2022 Repair and Renew Pilot Report due on April 1, 2023. Within thirty days of this Secretarial Letter, PGW must file its 2022 Repair and Renew Pilot Report at Docket No. M-2021-3029323.

## *Conclusion*

Accordingly, within 20 days, PGW is directed to file and serve a further revised 2023 USECP to address the issues identified above. PGW may submit its further revised 2023 USECP to BCS for an informal compliance review prior to filing. PGW is also directed to file its 2022 Home Comfort Deferral Report and 2022 Repair and Renew Pilot Report within 30 days. BCS staff has made the determinations in this Secretarial Letter under authority delegated by the Commission. Parties have the right to seek reconsideration of this staff action. Parties may seek reconsideration of these directives by petitioning the Commission within 20 days after service of this Secretarial Letter. See 52 Pa. Code § 5.44 (relating to petitions for appeal from actions of the staff).

If you have any questions, please contact BCS Energy Policy Analyst Norma Bowman at [nobowman@pa.gov](mailto:nobowman@pa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is fluid and cursive, with the first name being the most prominent.

Rosemary Chiavetta  
Secretary

cc: Gladys Brown Dutrieuille, Chairman  
Stephen M. DeFrank, Vice Chairman  
Ralph V. Yanora, Commissioner  
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