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July 11, 2023

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Re: Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2023-2027  
Submitted in Compliance with 52 Pa. Code § 62.4, Docket No. M-2021-3029323

Dear Secretary Chiavetta:

On behalf of Philadelphia Gas Works (“PGW”), enclosed for filing please find its Further Revised Universal Service and Energy Conservation Plan for 2023-2027 pursuant to the Secretarial Letter dated June 21, 2023, as well as the Commission’s Orders entered on January 12, 2023 and March 16, 2023, and the Secretarial Letter dated April 10, 2023 in the above-referenced matter. Consistent with Ordering Paragraph 3 of the January 12, 2023 Order, both clean and redline versions are included.

Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

*/s/ Lauren M. Burge*

Lauren M. Burge

Enclosure

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Certificate of Service (Email Only)

## CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Further Revised Universal Service and Energy Conservation Plan for 2023-2027 upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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/s/ *Lauren M. Burge*

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Lauren M. Burge, Esq.

Philadelphia Gas Works



Further Revised Universal Service and  
Energy Conservation Plan  
2023-2027

Philadelphia Gas Works  
800 W. Montgomery Avenue  
Philadelphia, PA 19122

July 11, 2023

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## **I. Introduction**

Philadelphia Gas Works (“PGW” or “Company”) hereby submits its 2023-2027 Universal Service and Energy Conservation Plan (“USECP” or “Plan”).

### **i. Effective Date and Term of USECP**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, this USECP will be in effect until December 31, 2029 or when the following 5-year plan receives Commission approval.

### **ii. Impact Evaluation**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, the date for filing of PGW’s next Universal Service Impact Evaluation, including Low Income Usage Reduction Plan (“LIURP”), will be November 1, 2027.

### **iii. Needs Assessment**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, the date for filing of PGW’s next Needs Assessment will be February 28, 2025.

### **iv. Cost Recovery**

Pursuant to its Commission-approved Tariff, PGW recovers all costs associated with the Customer Responsibility Program (“CRP”) discount and arrearage forgiveness, the Senior Citizen Discount, and the Home Comfort Program through a Universal Service and Energy Conservation Surcharge. The Senior Citizen Discount is not part of this Plan.

### **v. USECP Updates from Previous Plan**

The following updates from the previously approved plan are summarized below:

- Modifications requiring customer information system changes may be delayed until after implementation of PGW’s new customer information system which is expected to be completed by the end of 2023. On or before December 31, 2023, PGW will file an implementation timeline for the below changes that will be implemented no later than July 1, 2024:
  - Notifying customers when year-to-date income information is used to determine CRP eligibility and explaining how they can dispute or update this income calculation;
  - Allowing customers to provide the last 30 days or 12 months of income;
  - Expanding the CRP recertification timeframe for non-LIHEAP participants from every one year to every two years;

- Reviewing CRP bills quarterly to determine whether the household is charged the correct billing amount;
- Accepting alternative forms of identification in lieu of a Social Security card;
- Revising CRP application and educational materials;
- Notifying customers about their enrollment in the Hardship Fund pilot program after eligibility is determined; and
- Charging CRP customers no more than their prorated CRP billing amount for usage incurred during their final billing period.
- Revised customer energy burden levels will no longer be implemented on a pilot basis and are now permanent;
- Enhanced outreach specifically designed to reach customers who have limited English proficiency;
- CRP acceptable income documentation has been expanded to include individual taxpayer identification numbers (“ITIN”) and “other”. The intention for this change is to allow an open-ended option for documentation;
- Current CRP hard copy application is being translated into the following languages: (i) Portuguese, (ii) Spanish, (iii) Mandarin, (iv) Russian, (v) Arabic, (vi) Vietnamese, (vii) Ukrainian, (viii) Dari, (ix) Pashto, (x) Swahili, (xi) French, (xii) Urdu, and (xiii) Karen;
- Expanded CRP recertification timeframe to every 2 years (zero income will remain on a 6-month recertification timeframe and LIHEAP recipients on 3-year recertification timeframe);
- Customers restoring service after non-payment termination do not need to reapply for CRP if they were on CRP when terminated in the past year;
- CRP participants who reach consumption limits will not be moved to an Average Bill plan but would be referred for potential LIURP treatment and PGW will perform CARES outreach in an attempt to reach the customer;
- Implemented a new LIURP pilot program called “Repair and Renew.” The Repair and Renew Program will:
  - Provide an addition to LIURP services to provide heater and water heater repairs/replacement for low-income customers issued a hazard tag in the prior month during November through April, prioritized for treatment by highest usage.
  - This pilot program will be available to both owners and tenants (with landlord consent) and the scope will include work needed to allow for proper operation of a heater and/or water heater, as applicable.
- Expanded the Hardship program to include a two-year pilot program that will offer automatic grants up to \$750/household to customers with income at or below 250% FPL under the following scenarios:
  - CRP customers who are removed from CRP during the recertification process for exceeding the income eligibility limits; and / or
  - Customers with a PFA as provided by the Protection from Abuse Act or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer.

vi. Prior Settlement Stipulations Related to Low Income Customer Assistance Programs

As directed by the Commission in its March 16, 2023 Reconsideration Order, Appendix M lists the Commission approved settlement stipulations from: (1) the November 19, 2020 Order at Docket No. R-2020-3017206 adjudicating PGW's rate case; and, (2) the October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's USECP for 2017-2022. The stipulations are being implemented consistent with the agreements reached in those proceedings and listing them herein is not intended to expand or establish commitments beyond what has already been approved by the Commission. They are only being included herein per the direction of the Commission as an aid to provide information on past and present changes initiated outside of the 2023-2027 USECP proceeding.

## II. Universal Service Programs

### A. Customer Responsibility Program (CRP)

The Customer Responsibility Program was first introduced as a Percentage of Income Payment Plan ("PIPP") and approved by the Commission in 2003. The objective of CRP is to help low-income residential customers meet their energy needs by offering payment assistance in the form of an affordable bill consistent with PUC requirements. Participants do not need to demonstrate that they are "payment troubled" in order to qualify. Furthermore, there is no limit on the number of customers that can enroll in CRP. As of December 31, 2022, there were 50,412 participants enrolled in the program.

#### 1. Program Eligibility

CRP is available to all low-income residential customers with a gross household income and size at or below 150% of the Federal Poverty Level ("FPL"). In order to apply, customers must submit their application, which can currently be done either by mail or electronically. Upon receipt, PGW will determine completeness of the application for processing purposes. Once the application is complete, PGW will determine eligibility. PGW does not accept applications over the phone or via email. A list of acceptable income documentation is attached as Appendix H. Customers enrolled in CRP will be required to pay a fixed monthly bill that is based on their gross household size and income or average bill. Currently, the minimum monthly CRP payment amount is \$25.

The table below shows the 2023 income eligibility guidelines along with the current percentage breakdowns by FPL. As an example, in 2023 a 2-person household whose gross monthly household income was \$1,700 would fall in the 6% of income category and would have a monthly CRP bill that is 6% of their gross monthly household income, or \$102 per month.

**Table 1: CRP Percentage Payment Levels**

2023 Maximum Gross Monthly Household Income by Household Size						
% Type	% of FPL	1	2	3	4	Each add.
4%	0-50%	\$608	\$822	\$1,036	\$1,250	\$214
6%	51-150%	\$1,823	\$2,465	\$3,108	\$3,750	\$643

CRP participants receive a monthly “discount” which represents the difference between the costs for actual usage and the CRP billing amount. If a customer owes any arrears at the time of enrollment, they will receive arrearage forgiveness for each monthly CRP bill that is paid on time and in full regardless of any past due bills. Arrearage forgiveness consists of the customer’s account balance being reduced by 1/36<sup>th</sup> of the original pre-program balance amount which essentially eliminates the balance within a three-year period. CRP customers can also pay ahead on their bills. If a CRP participant is current on their agreement and pays more than their CRP balance, the overage will show as a credit which will be applied to future bills until exhausted. CRP customers in the highest usage tier may also receive free conservation services through the Home Comfort Program.

CRP customers can maintain program enrollment when transferring service to a new address in PGW’s service territory.

## 2. CRP Components

- (1) CRP discounted bill – the customer’s “asked-to-pay” amount is based on the percentage of income calculation determined by the customer’s household size and income in relation to the FPL or the customer’s budget bill amount, whichever is lower. The difference between the CRP monthly bill amount and the actual bill based on usage is called the CRP discount.
- (2) Arrearage forgiveness – At the time of enrollment in CRP, a customer’s total arrearage is “frozen,” or separated from their asked-to-pay bill, and then forgiven at a fixed rate of 1/36<sup>th</sup> per month for each month that the customer pays their monthly CRP amount in full and timely regardless of their existing CRP arrearage. Customers will receive retroactive arrearage forgiveness for any months of arrearage forgiveness “missed” once the customer pays the asked to pay bill in full. This forgiveness provides an incentive to make payments of at least their CRP monthly amount. Satisfaction of the customer’s CRP cure amount in full is a precondition of reentry into the program. Upon reentry into the program, PGW will provide retroactive forgiveness for months spent outside of the program.

CRP Stay-out Provision – PGW will not allow re-enrollment of a customer into CRP (for a one-year period unless specifically identified otherwise below), if the customer:

- i) Has him/herself removed from CRP even though based on household size and income they are still eligible for the program.
- ii) Refuses access to the meter (stay-out until access is granted).
- iii) Commits two or more incidents of unauthorized usage.
- iv) Submits fraudulent enrollment or re-certification information/documentation.
- v) Refuses free Home Comfort weatherization services from PGW (stay-out until services are accepted). The process is as follows:
  - (1) Cases that are rejected by program contractors due to pre-existing conditions in the home, rather than customer refusal to accept services, are not affected by the stay-out. The following circumstances may result in the contractor not weatherizing a home: health, safety and structural issues identified by contractors in the pre-screening or audit process, such as roof leaks, mold, bed bugs, asbestos; lack of opportunity for cost-effective energy savings due to previous weatherization.
  - (2) If a customer or the contractor informs PGW that they cannot permit work to be done for any of the following reasons, then the customer will not be removed from CRP but may be contacted again in the future for treatment:
    - i. Serious illness of a household member; or
    - ii. Landlord refusal; or
    - iii. Other severe circumstance outside of the customer's control that is deemed as valid by PGW.
  - (3) All other situations involving CRP customers refusing to accept Home Comfort services will result in multiple communications to the customer reminding them of their CRP obligations. If services continue to be refused, the customer will be removed from CRP and not allowed re-enrollment until the Home Comfort services have been accepted.

### 3. Treatment of Unauthorized Usage Charges & Program Requirements

PGW's policy for unauthorized usage will be applied in the same manner to all customers including those enrolled in CRP (i.e. the customer is responsible for the entire unauthorized usage amount and must pay this amount along with any other applicable charges for restoration of service). In addition, as mentioned in the stay-out provision, all CRP customers who commit two or more incidents of unauthorized usage will not be allowed to re-enter the program for a period of one year.

CRP participants must comply with the following program requirements:

- Make timely payments in full each month
- Report any changes in household size and/or income

- Recertify household size and income every two years; customers who receive a LIHEAP grant each year and assign it to PGW are given a one-year waiver (CRP customers receiving annual LIHEAP grants would need to recertify once every three years) from the recertification requirement. For those customers who have zero income, recertification is required every six months.
- Accept Home Comfort Program services (weatherization, conservation and/or educational services) if offered by PGW
- Make an effort to conserve energy/manage usage within required consumption limits. This requirement is based on the consumption limit in this Plan.
- Do not commit any form of gas theft or fraud
- Provide PGW access to the meter if requested

The following accounts are ineligible for CRP:

- Commercial rate accounts<sup>1</sup>
- Accounts receiving the senior citizen discount
- Accounts that supply service to more than one unit/apartment
- Accounts currently enrolled in Gas Choice
- Landlord/tenant accounts where the service is in the landlord's name
- Healthcare facilities
- Accounts that are not the customer of record's primary residence
- All accounts deemed by PGW to be excluded due to violation of one of the stay-out provisions
- Non-heat accounts

#### 4. Needs Assessment

Below is required PUC reported data.

- A. Historical number of low-income customers in the City of Philadelphia, including non-gas:

Table 2 provides the estimated historical number of low-income residential customers, as required by the PUC for the Annual Universal Service Programs & Collections Performance Report. Some of this data has not been verified and, particularly with respect to low-income estimates, can be expected to be inconsistent with census/gas utility customer numbers (see below needs assessment). Overall, PGW submits that these low-income numbers are inflated with respect to gas customers.

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<sup>1</sup> A small residential home business (residential rate only) will not invalidate eligibility as long as the customer is still income eligible (though the rules for consumption limits will apply).

	2018	2019	2020	2021
Average monthly count of residential customers	477,533	480,347	486,934	488,817
Estimated number of low-income customers	206,533	197,855	195,215	187,901
Percent of residential customers eligible for CRP	43.2%	41.2%	40.1%	38.4%

B. Number of identified and estimated payment troubled, low-income customers

Table 3 shows the historical number of identified payment troubled, low-income PGW customers in the years 2018-2021, as reported in the Annual Universal Service Programs & Collections Performance Report. The number of identified customers is also the estimated number.

	2018	2019	2020	2021
Average monthly count of residential customers	477,533	480,347	486,934	488,817
Average monthly number of identified payment troubled, low-income customers	29,373	38,342	27,283	13,789
Percent of all residential customers	6.1%	8.0%	5.6%	2.8%

C. Number of customers who still need LIURP and the cost to serve that number.

If PGW’s LIURP, the Home Comfort Program, is provided to a CRP customer, it can help reduce the subsidy cost of CRP.<sup>4</sup> Starting in 2018, based on a PUC Order, PGW implemented a policy of offering LIURP to all known low-income customers, as defined by 52 Pa. Code § 58.2.<sup>5</sup>

In order to ensure that universal service is appropriately funded and available under 66 Pa.C.S. § 2203(8), PUC regulations on program funding focus on the number of “eligible customers”<sup>6</sup> and “expected customer participation rate” based on customers who are eligible.<sup>7</sup> As indicated above, PGW’s recent census-based estimate indicates that

<sup>2</sup> Universal Service Report 2018-2021.

<sup>3</sup> As defined in the PUC’s Universal Service Report 2019-2021.

<sup>4</sup> PGW currently uses the Total Resource cost (“TRC”) test for its LIURP.

<sup>5</sup> January 26, 2017, Tentative Order at 20 in Docket No. M-2016-2542415.

<sup>6</sup> 52 Pa. Code § 58.4(c)(1).

<sup>7</sup> 52 Pa. Code § 58.4(c)(2).

there are 121,496 low-income gas heat customers in PGW’s service territory.

From this starting point, PGW has computed the funding level for LIURP by making exclusions from the following figures to identify expected participation rates based on eligible customers. PGW has analyzed the customers who are confirmed low-income for which there is current data.

Each filtering point below identifies what percentage meets a given criteria. PGW then applied those percentages to the estimated low-income customer.

As an example, of the recent 86,527 eligible LIURP customers for whom PGW has data, 67,997, or 79%, have statistically significant gas usage and 12 months of concurrent usage. Therefore, PGW applied this 79% portion to the estimated low-income figure to assume that 95,477 of the estimated low-income customers would have statistically significant usage and 12 months of concurrent usage.

**Table 4: Needs Assessment Criteria**

Criteria	Confirmed LIURP eligible based on recent PGW-specific data <sup>8</sup>	Impacted percentage	Estimated low income (1 year)
Customers who are confirmed low income (based on receipt of CRP, LIHEAP or a Level 1 Payment Arrangement between September 2020 and August 2021) who have not been treated by Home Comfort in the last seven years, and have not been deemed ineligible for the program, vs. estimated number.	86,527		121,496
Customers who have statistically significant gas usage and 12 months of concurrent usage <sup>9</sup>	67,997	78.5%	95,477
High usage customers, where consumption falls into the top 50% tier	34,006	50.01%	47,749
Customers who can participate (removed 1/2 of properties with rental licenses)	31,456	92.5%	44,168

As a result, PGW’s expected participation rate based on eligible customers utilizing the above determinants is 44,168.

<sup>8</sup> PGW-specific data comes from a custom report generated in September 2021, which is used for Home Comfort assignments that lists all customers that have received CRP, LIHEAP or a Level 1 Payment Arrangement within the last year.

<sup>9</sup> Statistical significance of historical usage is determined by calculating the coefficient of determination (R-squared) between heating consumption and heating degree days. The R-squared indicates the reliability of savings and cost-effectiveness calculations based on the weather normalized usage. This means that the weather normalized results may not be producing a statistically significant confidence level (e.g. there may be anomalous usage months; inconsistent or insufficient data; etc.). PGW utilizes a minimum correlation of .9, which indicates strong correlation.

As reported in the Annual Universal Service Programs & Collections Performance Reports, PGW completed 9,259 single family Home Comfort treatments in calendar years 2017 through 2020 at an average rate of 2,321 per year.<sup>10</sup> Based on this activity, PGW projects an average job cost of \$2,975 (including administrative costs) for its single-family Home Comfort program, and has set its average annual number of jobs to 2,561. PGW completed 26 LIME projects during this period. PGW also projects that its Repair and Renew Pilot Program will cost an average of \$7,042 per job and has set its average number of annual jobs to 36 for the two-year pilot. The total production for the two LIURP (non-LIME) programs is 2,597.

### Needs Assessment Based On Above Factors

Summarizing the results of the above is PGW's needs assessment:

**121,496** – The total number of estimated low-income heat customers, as identified from recent US Census American Communities Survey (before applying any of the adjustments set forth above)

**44,168** – Customers currently potentially eligible for LIURP (based on the factors above)

**\$131,391,720** – The total expense of providing non-LIME usage reduction services for the currently potentially eligible customers, based on the Commission's calculated average cost per-job; this expense is recovered through the Universal Service and Energy Conservation Surcharge

**17 years** – Expected period of time to complete services for the currently potentially eligible customers.

### 5. CRP Outreach and Intake Efforts

PGW strives to inform all income-eligible customers about CRP by employing various outreach methods such as referrals from our customer service representatives, direct mail, targeted outreach (i.e. Spanish-speaking customers, customers on a low income payment agreement, and customers who receive a LIHEAP grant), community presentations, bill messages, and partnerships with community organizations, legislators and social service agencies throughout Philadelphia, as described more fully in Appendix G. In order to reduce the impact of the CRP subsidy and arrearage forgiveness costs on non-CRP customers, PGW coordinates Home Comfort with CRP to provide free energy conservation services to active participants in CRP. These services are described in more detail in the Home Comfort (LIURP) section.

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<sup>10</sup> Source: Universal Service Programs & Collections Performance Reports, 2019 – 2021.

## 6. CRP Intake Process

PGW customers can currently apply or re-certify for CRP online, by fax, or by mail. When a customer applies for CRP, he/she must provide proof of income for the prior 30 days or 12 months for all household members as further described below. For customers who are self-employed, PGW will accept annual federal or state tax returns filed within the last 12 months as proof of self-employment income. PGW also requests a copy of the Social Security card for each household member listed on the application. If the customer does not have a copy of the Social Security card, or the customer refuses to provide the Social Security number, PGW's requirements will differ depending on the age of the household member, as follows:

(i) for an adult household member, PGW will agree to accept some other form of identification that can be documented, such as a state issued driver's license number or an Individual Tax Identification Number. For fraud prevention purposes, PGW may require documentation supporting this number (such as but not limited to a Social Security number) as part of our periodic review of CRP applications;

(ii) for a non-adult household member, PGW will accept a government/school issued form of identification showing residency, such as a school roster or public assistance benefits letter.

PGW will require a copy of the Social Security card for each household member as part of its periodic review of CRP applications to prevent fraud (rather than requiring them at the time of application).

PGW uses year-to-date gross income to determine the monthly household income for CRP applicants when they are: 1) unable to provide proof of income for the last 30 days and indicate they are seasonally employed or have fluctuating income; 2) cannot provide proof of income for the past 12 months; and 3) have been with the same employer since the start of the calendar year. Depending on the date a CRP application is received, a customer with seasonal/fluctuating income may appear ineligible based on the previous 30-day earnings, but meet income guidelines when the previous 12-month earnings are used. By calculating the monthly income using the year-to-date income (dividing the gross year-to-date income by 12), PGW gathers a more accurate picture of the customer's monthly income. PGW will notify customers when year-to-date income information is used to determine CRP eligibility and explain how they can dispute or update this income calculation. The following common employment scenarios illustrate the need for PGW's policy regarding seasonal/fluctuating income:

- a. **Home Health Aides** - Individuals in this field can have income that varies significantly, month-to-month, based on the needs and circumstances of their patients. If a patient is in the hospital, for example, the aide is not paid as no at-home services are provided during the hospital stay.

- b. **Catering Workers** - Some employees in this industry are paid per catering event, resulting in significant variation in monthly earnings.
- c. **Construction Workers** - Many construction workers have work that is restricted by seasons and daily weather conditions. Roofers, for example may work very little during a rainy month.
- d. **School District Employees** - Some school district employees have the option of setting aside some of their pay for the summer months, when they do not report to work. Those who do receive reduced paychecks during the school year in order to continue receive paychecks during the summer. Those who do not, receive their full salary during the school year and no payments during the summer.

PGW requires CRP applicants who are self-employed and pay their own taxes to document their earnings by providing a 1040 Schedule C, along with a federal tax return for the prior year.

When a customer submits an application for CRP online or by mail, the application is reviewed for completeness and eligibility.

- Customers who are ineligible for CRP are provided/sent a letter explaining why they are ineligible.
- Customers who are eligible for CRP are provided/sent a letter describing the monthly CRP payment and their responsibilities for staying in the program.

Unearned income for minors (e.g., Social Security for child) will be excluded in the determination of household income for purposes of CRP eligibility and benefits.

Customers who report zero income and no other means of financial support are asked to complete two additional forms, in addition to the CRP application, to describe how they meet basic expenses for food, housing, and utilities. These additional forms are the Statement of No Income and the Additional Financial Assistance Affidavit located in Appendices I and J respectively. PGW does not require documentation of these expenses for application; and will require only documentation of housing costs as part of its periodic review of CRP applications to prevent fraud.

If the assessment completed by the customer indicates some form of ongoing, discrete financial support (e.g., a family member pays the rent), that support amount reported will be counted as income. If the assessment does not indicate any ongoing and discrete financial support, the customer will be placed on the CRP program for the minimum payment of \$25, assuming they are otherwise eligible for CRP. In a form of recertification, the customer will be required by letter to provide an update on their income every 6 months for as long as they report zero-income, to determine if their income or their means of meeting everyday living expenses has changed and their CRP agreement terms should be modified.

CRP customers are exempt from late payment fees, including in the final bill received after termination or disconnection of service.

If a customer has a security deposit and is income-eligible for CRP, PGW will refund the security deposit amount with applicable interest directly to the customer.

## 7. CRP Control Features

At the time of application or recertification, PGW completes an assessment to determine which payment option provides the most affordable bill by comparing the customer's projected monthly CRP PIPP amount to the customer's current budget bill amount. If it is determined that the PIPP provides the lower monthly bill, the customer will be enrolled in CRP at the PIPP amount. Otherwise, the customer will be enrolled in CRP at the customer's budget bill amount.

Provided below are additional CRP control features implemented by PGW:

- CRP Consumption Limits will impose maximum consumption limits for CRP participants with excessive usage. PGW proposed herein that CRP participants whose usage exceeds the limit will be referred for CARES and LIURP outreach.
- PGW also continuously monitors all CRP customer accounts to ensure compliance with the terms of the program (e.g., good payment habits, etc.).

## 8. CRP Recertification

CRP participants are required to recertify every 2 years, as proposed herein (6 months for zero income). See Appendix B for recertification flow. Currently, recertification is waived for one year (CRP customers receiving annual LIHEAP grants would need to recertify once every three years) if the customer receives a LIHEAP grant and assigns it to PGW on an annual basis. However, for each customer who is granted a waiver from the recertification requirement, PGW will review their account quarterly on their anniversary date during the waiver period to verify if the CRP rate (PIPP or budget bill) continues to provide the most affordable monthly bill amount. If it is determined that the customer is better served on the other CRP rate, the customer will be put on the other (lower) CRP rate.

Recertification Path for Zero Income Participants - CRP participants who report zero income will be required by letter to provide an update of their income every 6 months for as long as they report zero-income. This process will determine if the participant's income or their means of meeting everyday living expenses has changed and whether their CRP agreement terms should be modified.

CRP Provisions for Non-Compliance – CRP customers who do not comply with the program requirements related to eligibility and payments can be subject to termination after one missed bill.

Whenever a CRP customer is terminated for non-payment the balance currently in the frozen arrears immediately becomes due. To restore service and re-enroll in CRP, the customer must pay any remaining past due CRP bills in full, plus the reconnection fee, and, if applicable, a dig fee. No deposit is required. Once the customer satisfies all

payment requirements and reapplies, their balance is placed back in the frozen arrears. PGW will also provide retroactive arrearage forgiveness for months outside of the program once the customer satisfies the CRP cure amount in full. If at the time of re-enrollment the customer reports a change in income, PGW will require documentation of the changed income, and will recalculate the PIPP CRP cure amount from the date of the income change.

## 9. CRP and Application of LIHEAP Cash Grants

Under current Pennsylvania Department of Human Services (“DHS”) policy, any LIHEAP Cash grants (“LIHEAP grants”) received on behalf of CRP participants are currently applied to the customer’s asked-to-pay amount. Under current DHS policy, when the LIHEAP grant is applied, if the grant is greater than the current CRP asked to pay amount, the balance is left as a credit and applied to future bills. If DHS policy changes, the application of LIHEAP grants will change.

## 10. CRP Periodic Review

Periodically, PGW conducts reviews of CRP accounts to verify residency and perform death audits. Upon discovery of fraud or death, PGW will notify the identified CRP customers in writing of the company’s findings and of their right to dispute within 30 days prior to being removed from the program.

Quarterly CRP Review – Beginning with PGW’s implementation of its Customer Information System (CIS) in late 2023, at least once per quarter, PGW will review each CRP account to ensure customers are paying the most affordable rate.

## 11. CRP Consumption Limits

PGW has maximum consumption limits for CRP participants with excessive usage. All active CRP customers will be notified of the consumption limit annually. CRP participants with a 12-month CRP usage that reaches 50%, 80% and 100% of a new consumption limit (expressed as a maximum CAP credit amount) will be contacted by letter when their consumption exceeds the established limit. The letter will communicate a list of possible exemptions as set forth in the Commission’s CAP Policy Statement,<sup>11</sup> and provide conservation tips, and information about the Home Comfort Program. (See Appendix F for the notification used.) Customers may request an exemption to consumption limits, in accordance with the CAP Policy Statement, if one or more of the below conditions exist:

- a) The household experienced the addition of a family member.
- b) A member of the household experienced a serious illness.
- c) Energy consumption was beyond the household’s ability to control.
- d) The household is located in housing that is or has been condemned or has housing code violations that negatively affect energy consumption.

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<sup>11</sup> 52 Pa. Code § 69.265(3)(vi)(A-E).

Customers who wish to request an exemption to the consumption limit will be encouraged to make the request to PGW by phone, but will also be able to make the request by mail. Customers that consume 80% of their limit will be referred to CARES. In addition, the property will be referred and prioritized for possible LIURP treatment and related education if the customer reaches the 80% and 100% thresholds of the consumption limit. If LIURP is offered to the customer, it must be accepted fully,<sup>12</sup> or the customer will be removed from CRP. For homes that are inspected through the LIURP program, the homes will be analyzed for the following conditions:

- Home has conditions that explain the extreme energy usage and that can be remedied by provision of weatherization services, which must be accepted in full.
- Home has conditions that explain the extreme energy usages, but conditions exist that are beyond control of the customer and of LIURP. Participants in this group will continue to remain on CRP without application of the maximum credit.
- Some other reason (including no identifiable reason) for extreme energy use. These properties will be used to develop a policy as discussed in the “Reason Analysis” set forth below.

The limit is set at 2,290 CCF which is converted into dollars when expressed to customers. This limit was determined under prior Plan by examining the distribution of usage consumed by CRP participants and making the determination that those participants whose usage exceeds the 95<sup>th</sup> percentile of the usage distribution curve may have excessive use. Those customers identified as exceeding this limit will be considered optimal candidates for conservation education as well as referral for LIURP and CARES services.

The outcomes are as follows for customers who were on the Consumption Limit between September 28, 2020 and August 31, 2021:

- 61,354 customers were on a Consumption Limit plan
- 8,869 customers hit at least 50% of the Consumption Limit
- 1,239 customers hit at least 80% of the Consumption Limit
- 381 customers hit 100% of the Consumption Limit.
- CARES attempted to call all customers who hit at least 80% of the Consumption Limit to again inform them about the Consumption Limit exemptions. CARES successfully contacted 6,982 customers to inform them about the Consumption Limit exemptions, including some customers who had hit only 50% of the Consumption Limit.

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<sup>12</sup> LIURP must be accepted fully unless (i) the case is rejected by program contractors due to pre-existing conditions in the home; or (ii) work cannot be done for any of the following reasons:

- i. Serious illness of a household member; or
- ii. Landlord refusal; or
- iii. Other severe circumstance outside of the customer’s control, and deemed as valid by PGW.

PGW has prioritized the 381 customers who have hit the 100% Consumption Limit for Home Comfort. The outcome for these is as follows:

- 181 have been treated by the Home Comfort program at some point.
- 74 have been contacted by the Home Comfort program but could not be treated due to a number of issues, such as health and safety issues, ineligible building type, customer or landlord refusal and others.
- 126 are either assigned and in-process, or are being re-evaluated to determine if they are eligible to be re-assigned.

## 12. CRP Final Billing

When a final bill is calculated based on disconnection or termination of service, CRP customers will be charged the lower of their prorated CRP billing amount for usage incurred during their final billing period or their actual bill without the CRP discount.

Remaining unforgiven prior program arrearages will be separately identified on the final bill.

## 13. CRP Estimated Budget

The CRP discount and arrearage forgiveness are funded through the Universal Service and Energy Conservation Surcharge that is paid by all firm customers. Table 5 provides an estimate of CRP administrative costs, CRP discounts, arrearage forgiveness, and participation levels from 2023 through 2027.

## 14. CRP Projected Enrollment

CRP Projected Enrollment – PGW projects the average monthly enrollment in CRP may be approximately 66,000 by the end of the calendar year 2023 and may increase to approximately 78,000 by the end of 2027. To achieve this forecast, PGW used a time-series forecasting technique called an Autoregressive Integrating Moving Average (“ARIMA”) model.<sup>13</sup> This model gives more weight to recent trends and is only an estimate.<sup>14</sup> Forecasting for the length of time presented in this Plan is complex and could be subject to change. With respect to the CRP administrative costs shown below, PGW used the average of the administrative costs from the three most recent calendar years, 2018-2020.

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<sup>13</sup> [https://en.wikipedia.org/wiki/Autoregressive\\_integrated\\_moving\\_average](https://en.wikipedia.org/wiki/Autoregressive_integrated_moving_average)

<sup>14</sup> Specifically, PGW used an ARIMA(0,2,2) model trained on historical CRP enrollment data from September 2013 through September 2021.

**Table 5: CRP Projected Budget Costs and Enrollment**

Customer Responsibility Program	2023	2024	2025	2026
Administrative Costs	\$ 2,148,280	\$ 2,148,280	\$ 2,148,280	\$ 2,148,280
CRP Discount	\$ 54,240,644	\$ 56,712,549	\$ 59,184,817	\$ 61,657,197
Arrearage Forgiveness	\$ 12,751,035	\$ 13,326,203	\$ 13,901,535	\$ 14,476,733
Total Costs	\$69,139,959	\$ 72,187,032	\$ 75,234,632	\$ 78,282,210
Average Monthly Participation	65,429	68,381	71,334	74,286

Customer Responsibility Program	2027
Administrative Costs	\$ 2,148,280
CRP Discount	\$64,129,103
Arrearage Forgiveness	\$15,051,901
Total Costs	\$81,329,284
Average Monthly Participation	77,238

With respect to the above CRP discount, PGW utilized the total discount divided by the total enrollment for each month from September 2020 through August 2021 to calculate an average discount for each calendar month. The calendar month average discounts were multiplied by the enrollment forecasts from the ARIMA model.

For example, the calculation for January 2023 was as follows:

- In January 2021 there was a total discount of \$12,742,126 and CRP enrollment of 57,022. Thus, the average customer discount was \$223.46 (rounded here).
- This January 2021 average customer discount was multiplied by the ARIMA forecast participation of 64,076 participants for January 2023 for a total cost forecast of \$14,318,423 (rounded).

With respect to the above arrearage forgiveness, PGW utilized the total forgiveness divided by the total enrollment for the past two years to calculate an average discount for each calendar month. Forgiveness was not impacted as much as the discount under the new PUC policy pilot. The calendar month average forgiveness amounts were multiplied by the enrollment forecasts from the ARIMA model.

For example, the calculation for January 2023 was as follows:

- The two-year average forgiveness per customer in January 2020 and January 2021 was \$15.97 (rounded).

- This two-year average forgiveness was multiplied by the ARIMA forecast participation of 64,076 participants for January 2023 for a total cost forecast of \$1,023,294 (rounded).

## **B. Low-income Usage Reduction Program (Home Comfort)**

The LIURP component of PGW's Universal Services Plan is fulfilled through Home Comfort.

### 1. Home Comfort Description

Home Comfort provides free, in-home weatherization and energy conservation education services for eligible single-family low-income customers and will provide weatherization and energy conservation and education services for multi-family properties pursuant to the pilot program Low Income Multi-family Efficiency program ("Pilot LIME", as described further below). Home Comfort seeks to make the homes of eligible low-income customers more energy efficient, which improves comfort and reduces the subsidy cost of those customers enrolled in CRP.

Currently, Home Comfort utilizes three independent conservation service providers (each a "CSP") to provide services. The CSP performs an energy assessment to identify potential energy conservation measures and perform health and safety tests. The CSP returns to the home to complete energy conservation measures, which could include heater repairs and replacements, water heater repairs and replacements, air sealing, insulation, programmable thermostats, heater and water heater pipe wrap, hot water conservation and other measures.

Each CSP is evaluated semi-annually based on total natural gas savings, cost-effectiveness, work quality, and customer service metrics. The evaluations inform funding allocations for each CSP, which reward the best performers.

### 2. Pilot LIME

In order for a multifamily property to be eligible for LIME it currently must be 75% confirmed low-income residency, subject to modification by PGW as required to meet the goals of the pilot. Program costs for the Pilot LIME are through PGW's Universal Services Charge ("USC") applicable to all volumes of firm gas delivered and Pilot LIME project costs will be recovered (1) 100% of low income customer usage LIME program costs will be recovered through the USC; (2) 33% of project costs for all other customer usage will be recovered through PGW's Efficiency Cost Recovery Surcharge ("ECRS"); and, (3) the remainder of project costs will be funded by property owners. The budget for 2023-2027 for the Pilot LIME is: \$230,048 annually. Since project costs can vary, this flexibility allows PGW to complete all required work in a building and not split costs between multiple years. The LIME Pilot Program installs all of the same energy efficiency measures as it does for homes participating in Home Comfort, dictated by cost-effectiveness: furnaces, boilers, hot water heaters, repairs to heating systems,

thermostats, air sealing, low-flow faucet aerators and showerheads, roof and wall insulation, and other custom measures.

### 3. Repair and Renew Pilot

As described more fully below, PGW will implement its Repair and Renew pilot program that will address heating system hazards and weatherize the homes of confirmed low-income customers who were issued hazard tags from PGW. The budget for the program is \$250,000 annually. The costs of this pilot are included within the overall LIURP program budget.

### 4. Home Comfort Needs Assessment

Please see the section entitled “Number of customers who still need LIURP and the cost to serve that number”.

### 5. Home Comfort Objectives

Home Comfort seeks to provide cost-effective energy savings to eligible low-income customers. A secondary goal of the program is to reduce the overall long-term subsidy cost of CRP.

### 6. Home Comfort Eligibility

Under the single-family Home Comfort program, CSPs will be provided a list of customers that meet the following criteria:

1. Known to be low income by having: (i) been on CRP over the prior 24 months; (ii) received a LIHEAP, CRISIS or UESF grant over the past 24 months; or (iii) been on a level 1 payment arrangement over the prior 24 months.
2. Have weather normalized usage within the top 50% of all eligible customers, and at least twelve months of continuous service at their current property, while removing outliers and anomalies based on the statistical significance of the weather normalized usage; and
3. Have not received LIURP weatherization services over the previous seven years.
4. Must reside in a single-family home or duplex, as defined below. If the customer rents the home, their landlord must authorize PGW to perform the weatherization.
5. Single family homes are defined as any housing unit which is:

- (a) Physically detached from any other housing unit (no building surfaces are common to any other housing unit or commercial space); OR
- (b) Physically attached to another housing unit or commercial space but with boundary walls extending from the ground to the roof (no housing units, commercial spaces or common spaces above or below); AND
- (c) Directly accessible from the outdoors without using a space shared by another housing unit or commercial space; AND
- (d) Supplied with space and water heating with its own individual mechanical system(s).

Duplexes also fall under the category of single-family within Home Comfort. A duplex is defined as any housing unit which is:

- 1. Physically attached to another housing unit or commercial space; AND
- 2. In a building with two units or less AND;
- 3. Supplied with space and water heating with its own individual mechanical system(s).

Multifamily Properties are defined as buildings that contain three units or more, and will be eligible for the LIME program.

In accordance with 52 Pa. Code § 58.10, prioritization for receipt of services among customers with the same standing under 52 Pa. Code § 58.10(a)(1) shall be attempted for those with the greatest arrearages. Once selected, an in-home audit and feasibility assessment is made to determine what, if any, cost-effective measures can be made.

PGW also coordinates with other agencies to qualify customer homes for the program. Customers in the top 50% usage tier that have had health and safety treatments performed by coordinating nonprofit and public agencies, but were not assigned to Home Comfort through the automatic assignment process, may be manually assigned to CSPs. PGW is notified of these homes by agencies with which it coordinates.

The requirement that a customer cannot receive weatherization if they have already received Home Comfort services in the last seven years has two exceptions: 1) In cases where customers resolve a health and safety issue that had previously prevented weatherization, they can contact their assigned CSP for further treatment. 2) In scenarios where a property is eligible for services from another agency, PGW may reopen the case to allow for further treatments. As stated above, PGW coordinates with other agencies that perform weatherization, and may reopen a previously-treated case if said agencies present an opportunity for collaboration.

Whenever a CSP encounters a case that is indicated by PGW to be a rental, or whenever the customer indicates that they are a renter and provides contact information for their landlord, a minimum of three attempts are made to contact the tenant's landlord to obtain authorization to treat the premise. PGW mails two letters to landlords, and the CSPs are responsible for contacting landlords via phone if a number is provided, or via a follow-up letter if no number is provided.

## 7. Home Comfort Projected Enrollment

PGW projects that it will treat approximately 12,821 single family homes, 71 Repair and Renew projects and 30 multifamily buildings between January 2023 and December 2027.

## 8. Home Comfort Components

Home Comfort is composed of weatherization measures, such as air sealing, insulation, equipment repair and replacement, hot water reduction measures and energy conservation education.

The Home Comfort treatment begins with an initial assessment made in the home to determine the cost-effectiveness and feasibility of various weatherization measures. During the assessment, customers are educated on ways to reduce their energy use, are provided with basic health and safety information, and low-cost energy saving measures such as low-flow devices, programmable and WiFi-enabled thermostats, and water heater tank turn-downs may be installed.

If health and safety issues like mold, asbestos, roof leaks or pests are found in the home, CSPs are permitted to perform work to remediate those issues, as long as the job remains cost-effective. Through the Health and Safety Pilot, CSPs are also permitted to exclude up to \$3,000 per project in cost effectiveness calculations to address these issues. Regardless of cost effectiveness, all Home Comfort energy assessments include the installation of new carbon monoxide detectors (or testing of existing CO detectors), checking gas lines for leaks, and combustion safety testing on natural gas equipment and appliances. Ambient carbon monoxide levels are monitored throughout the entire energy assessment process.

The same cost effectiveness consideration applies to incidental repairs that are needed to enable the installation and functioning of weatherization measures – work can be done at the discretion of the CSP, but it must be included in cost-effectiveness calculations. Examples of incidental repairs include relocating a combustion appliance, reconnecting/repairing ductwork, or clearing a work area. Any workers treating health and safety issues must be qualified, licensed, and adequately trained according to state and local codes specific to remedial work being conducted by the CSP (electrical, plumbing, mold removal, etc.). However, if health and safety issues exist and cannot be corrected cost-effectively by the CSP or through the Health and Safety Pilot exclusion, the home's treatment ends with low-cost measures. If the house is suitable for

weatherization treatment, the CSP may return to the home for comprehensive weatherization treatments, which may include:

- Repairing or replacing older and less energy efficient heating systems; and
- Providing comprehensive weatherization services by air sealing and insulating attics, basements, ducts and the overall building shell.

If homes are initially denied comprehensive weatherization because of health and safety issues, and customers are able to successfully remediate the health and safety issues to program standards, CSPs may return to perform air sealing or insulation.

## 9. CSP Requirements and Inspections

Energy auditors employed by the CSPs are required to have current BPI Building Analyst, OSHA 10, and BPI Healthy Home Evaluator certifications, and crew leaders are also required to have BPI Envelope Professional certification. Additionally, crew leaders are required to earn BPI Healthy Home Evaluator certification within six months of working in the Home Comfort program.

For 10% of all Home Comfort jobs, work is inspected and audited by an independent party for completeness and quality assurance. CSPs are required to schedule additional visits to customers' homes to address issues that are identified during inspections. PGW prioritizes inspections on jobs that were closed in the prior two months, unless there are not enough cases available to inspect in that time frame, in which case the time window is broadened. One to two percent of cases will receive on-site shadowing during either the audit or work phases. In addition to third-party inspections, CSPs are also required to perform Self-Certification BPI-level "test-out" inspections of completed projects in order to assess work scopes and identify any missed opportunities for energy savings.

CSPs are required to attend annual trainings, which are designed and delivered by jointly by PGW and its third-party inspection contractor. Training sessions focus on programmatic updates, industry best practices, health and safety protocols, and remedial training informed by issues identified during inspections. PGW's third-party inspectors meets with each CSP on a quarterly basis to review completed work and discuss areas for potential improvement.

## 10. Home Comfort Estimated Budget

Table 6 provides the estimated enrollment and budget for Home Comfort for 2023 through 2027. PGW will roll over any unspent funds to the next program year, until expended, and will report on any rolled over funds in its annual LIURP reporting.

**Table 6: Home Comfort Estimated Budget\***

	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>	<b>CY 2026</b>	<b>CY 2027</b>
<b>Budget*</b>	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818
<b>Single Family Home Comfort</b>	\$7,508,770	\$7,508,770	\$7,758,770	\$7,758,770	\$7,758,770
<b>LIME</b>	\$230,048	\$230,048	\$230,048	\$230,048	\$230,048
<b>Repair and Renew</b>	\$250,000	\$250,000			
<b>Single-Family Homes Treated</b>	2,550	2,550	2,598	2,598	2,598
<b>LIME Enrollment</b>	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8

\*\* This budget includes programmatic and administrative costs (including labor).

### 11. Continuation of Regulatory Waivers

Previously, the Commission approved a temporary partial waiver of the administrative cost limitations under 52 Pa. Code § 58.5 for 2018, 2019 and 2020 to allow PGW to develop and implement appropriate marketing, outreach, and internal procedures to effectively promote, identify, and screen all the newly eligible non-CRP and other low-income customers for CRP Home Comfort. PGW will continue its waiver of 52 Pa. Code § 58.5, which states that not more than 15% of a covered utility’s annual budget for its usage reduction program may be spent on administrative costs. The Home Comfort program’s administrative expenses exceed the 15 percent cap for administrative charges because PGW’s program design is based on industry standard TRC cost-effectiveness targets. These targets better serve the intent of this regulation (protection of rate-payer dollars) in a more effective manner than by strictly adhering to administrative cost caps.

The Commission also partially approved a waiver of 52 Pa. Code § 58.11 (subsection (a)). PGW requests a continuation of all waivers granted in its latest Plan through the end of this Plan. PGW will continue its waiver of 52 Pa. Code § 58.11. It will use the Total Resource Cost (TRC) as its cost effectiveness test, instead of the 7 or 12 year payback term. TRC allows for a “whole house” approach to weatherization under which it is more appropriate to evaluate the full job scope instead of the payback term of individual measures. The TRC benefit-to-cost ratio test recognizes the long-term benefits of natural gas weatherization measures such as heating systems, air sealing, and insulation that have lifetimes greater than 20 years.

### 12. Health and Safety Pilot Continuation

PGW allows contractors to spend up to \$3,000 per-project on the installation of health and safety measures, without the cost impacting the project’s TRC cost-effectiveness. These repairs are distinguishable from the “incidental” repairs detailed in 52 Pa. Code § 58.12, which PGW classifies as minor repairs necessary to permit proper installation of program measures. Contractors propose a work scope that will achieve at least 15% savings. Projects are prioritized by the greatest savings opportunities, and target the

highest usage homes. The costs of the pilot are included within the overall LIURP program budget and will not exceed \$100,000 per-year. Between September 2018 and December 2020, health and safety measures were installed under this pilot in 133 homes, with \$147,174 in costs for such measures excluded from TRC cost-effectiveness testing. These installed health & safety measures enabled \$428,521 in cost-effective spending on additional energy savings measures, which would not otherwise have been installed due to health and/or safety concerns in participating homes. During this period, the average direct costs of all measures installed in pilot homes were twice the average direct costs of measures installed in other homes that were comprehensively treated, producing average gas savings that were 50% higher in pilot homes than in non-pilot homes.

Consistent with Bureau of Consumer Services (“BCS”) directives, health and safety costs in this pilot initiative are tracked separately from other project costs for reporting and evaluation purposes.

### 13. LIURP Repair and Renew Pilot Proposal

PGW proposes to implement a pilot LIURP Repair and Renew program that will address heating system hazards and weatherize the homes of customers who are low income and are issued a recent hazard tag by PGW. The program will run for two program years: from January 1, 2023 to December 31, 2024. As a LIURP program, all costs related to this program will be recovered through the Universal Service surcharge. This program is beneficial in fixing heating hazards so that customers can safely operate their equipment during heating months. PGW previously implemented a similar program outside of its LIURP from 2018-2021. In this prior implementation, PGW treated 71 customers and achieved 1,979 first year MMBtu savings equal to 16.1% of pre-treatment usage.

### 14. Repair and Renew Eligibility

Customers must, (1) in the current or prior PGW fiscal year, have been on CRP, received a Low Income Home Energy Assistance Program (“LIHEAP”) grant, or been on a Level 1 (150% Federal Poverty Level (“FPL”) and below) or Level 2 (151%-200% FPL) payment arrangement (and sign an affidavit confirming their income as part of the HH Pilot); and, (2) customers must have received a hazard tag from a PGW service representative indicating a heating system component is not operating safely or at all.

Consumers whose gas service is off will be eligible for Repair and Renew, provided that the consumer first reinstates gas service in accordance with otherwise applicable requirements, including but not limited to payment of arrears. To assist this group of consumers with reinstatement of service, PGW will consider more flexible reinstatement terms including but not limited to enrollment in CRP if the household would otherwise be eligible for CRP enrollment.

Common reasons for hazard tags include:

- Combustible appliances installed in unsafe location

- Unsafe installation or defective parts, such as no safety pilot, temperature/pressure relief valve, cracked heat exchanger
- Venting issues, such as damaged flue or unsuitable venting material, obstructed chimney
- Boiler and hot water heater leaks
- Fuel line issues, including gas leaks, or other unsafe conditions
- High carbon monoxide readings

15. Repair and Renew Components:

Customers will be selected for this pilot on a monthly basis based on PGW hazard tags issued in the prior month, prioritized for treatment by highest usage and lowest arrearages, from October through April or until funds are exhausted. PGW calculates customer usage based on the weather normalized usage over the past 12 months PGW determines income eligibility based on receipt of CRP, LIHEAP UESF grant or a Level 1 or Level 2 payment arrangement within the last year. Customers who are selected will be notified by letter, and called on two separate occasions (one call during the day and one in the evening) to be invited to participate in the free program.

A Conservation Service Provider (“CSP”) will evaluate the heating or hot water heating hazard. If the project can be treated cost-effectively for those eligible for Home Comfort, the CSP will complete the treatment and include all costs in the cost-effectiveness analysis. If the heating system repair or replacement is cost ineffective, the measure costs can be excluded from the project cost effectiveness analysis up to the maximums detailed in the table below (average LIURP costs for such measures in CY20), adjusted annually; provided however, if the measure remains cost ineffective after applying the cost exclusions, the measure will not be installed.

<b>Measure</b>	<b>Average LIURP Cost in CY20</b>
Boiler Replacement	\$7,275
Boiler Repair	\$604
Furnace Replacement	\$4,579
Furnace Repair	\$692
Water Heater Replacement	\$1,313
Water Heater Repair	\$121
Flue & Chimney Related Repairs (Heating)	\$775
Flue & Chimney Related Repairs (DHW Specific)	\$201
Flue & Chimney Related Repairs (All)	\$749

This LIURP program Repair and Renew budget is \$250,000 per year (these costs are included within the overall LIURP program budget).

16. Cost Effectiveness Calculations

Cost-effectiveness calculations are used to determine what measures can be installed. Each job must be cost-effective when excluding the costs from the table on page 23 of the USECP. Steps are as follows:

- Gas, electric and water savings are calculated for each energy efficiency measure installed, based on PGW's Technical Reference Manual (TRM). Calculations are performed in the program Contractor Tool.
- Each measure installed has a dollar value calculated for measure cost, and the benefits are monetized based on avoided costs.
- If a job is not cost-effective, the contractor can apply all or some of the costs of the measure in the cost-exclusion category as long as that amount is below the maximum listed in the Cost exclusion table. As long as the job has a benefit to cost ratio (BCR) above 1.0, with the health and safety costs excluded, the job can be completed.

#### 17. Pilot Conservation Incentive Credits

This program was discontinued pursuant to PUC Order after 2020.<sup>15</sup>

### **C. Customer Assistance Referral and Evaluation Service Program (CARES)**

#### 1. CARES Description

CARES assists customers with special needs, such as those who have recently experienced a family emergency, unemployment, or age-related issues. CARES provides the customer with referral information to internal and external organizations and assistance programs. In some cases, follow-up and on-going services are provided. Information about CARES is distributed through outreach initiatives and contact with PGW customer service representatives. CARES also includes outreach activities related to LIHEAP and Crisis grants, since those grants target many of the same customers who are low-income and seek assistance with paying their utility bills.

#### 2. CARES Needs Assessment

The need for CARES assistance is assessed based on the customers' self-reported needs. For example, if a customer notifies PGW that he/she is experiencing difficulty paying a bill due to difficulty finding employment, the customer service representative will provide the customer with PGW options to make the bill more affordable (e.g., CRP) and also will provide a referral to external organizations that provide services to the unemployed. PGW uses internal data and census data to estimate the number of customers who are eligible for CARES assistance. PGW's needs assessment shows that approximately 29% of PGW's residential customer base may be eligible for some of the services provided by CARES (e.g., referrals and case management). The needs assessment set forth in this Plan's description of CRP is incorporated herein.

Some additional customers would be eligible for CARES regardless of income, such as those with a protection from abuse order ("PFA") or an impending life event that may lead to financial hardship. Therefore, any PGW residential customer is potentially eligible for CARES, depending on life circumstances.

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<sup>15</sup> See March 26, 2020 Order in Docket Nos. M-2016-2542415 and P-2020-3018867, Ordering Paragraph 4 c).

### 3. CARES Objectives

The objectives of CARES is to help customers resolve issues related to and beyond bill payment and energy affordability and to provide follow-up and case management services as needed. The objectives are achieved mainly by referrals to programs and organizations that can address customers' specific needs. Some CARES cases require follow-up and ongoing case management.

### 4. CARES Eligibility

CARES services are provided to customers who are at or below 150 percent of the FPL and who are having difficulty paying their bills; those who anticipate difficulty paying their bills due to a personal crisis that is likely to result in a financial hardship; and those who have a valid PFA or other court order indicating the customer is a victim of domestic violence - in order to ensure that additional protections are provided, particularly those under relevant PUC regulations.

### 5. CARES Projected Enrollment

In fiscal year 2021, PGW handled 6,872 CARES cases through ongoing case management, which is an average of 572 cases per month. Another 17,385 cases were resolved in a "quick-fix" manner by customer service representatives through referrals given to customers.

### 6. CARES Components

CARES has two components, quick-fix and case management. The quick-fix component is limited to referrals. Each customer service representative has a resource guide which provides a list of external organizations that offer social services and assistance programs beyond the scope and function of any utility assistance offered by PGW. The purpose of these referrals is to provide information that can assist a customer in resolving an issue impacting their ability to pay their gas bill and maintain service. Referrals are made to a number of programs, including LIHEAP. There is no follow-up action taken by PGW after the referral is made by the customer service representative, but there is no limit to the number of times PGW will make a referral for any customer.

The case management component includes ongoing monitoring and follow-up services for the customer. These cases are handled by the Universal Services department. The case referral may come from customer service representatives, other internal PGW sources, or external sources.

7. CARES Estimated Budget

CARES budgeting is included in the LIHEAP Outreach budget; the bulk of CARES cases are customers who are unable to pay their utility bills because they are low-income and would benefit from third party assistance.

**Table 7: CARES Estimated Budget**

CARES	2023	2024	2025	2026
LIHEAP Administration/Outreach	\$ 947,550	\$ 947,550	\$ 947,550	\$ 947,550
Average monthly participation based on annual usage (CARES only including “quick fix”)	2,020	2,020	2,020	2,020

CARES	2027
LIHEAP Administration/Outreach	\$ 947,550
Average monthly participation based on annual usage (CARES only including “quick fix”)	2,020

**D. Hardship Funds and Pilot**

1. Hardship Funds Description

PGW provides Hardship Funds by matching grants paid by the Utility Emergency Service Fund (“UESF”) to customers whose service is terminated or in danger of being terminated. PGW funds are provided in the form of a matching bill credit of up to approximately \$750. Also, PGW receives customer contributions to UESF through the Dollar Plus program throughout the year; PGW expects to do outreach to customers for contributions to Dollar Plus. Contributions received are forwarded to UESF so that it can provide additional grants.

2. Hardship Funds Needs Assessment

The low-income PGW customer needs assessment set forth in this Plan’s description of CRP is incorporated herein. In addition, PGW determines the need for UESF grants by reviewing the number of grants provided in the prior 3 years and the amount of dollars granted. Since Hardship Funds are matching bill credits, the actual number of grants and the amount of credits provided will depend upon the number of grants and level of funding provided by UESF. In 2020, PGW ratepayers made available up to \$753 extra in addition to the customer/PGW match to match UESF grants.

**Table 8: Hardship Fund Estimated Spend**

Hardship Fund	Per Calendar Year 2023-2027	2018-2020 Calendar Year Average
Clients served	1,184	1,053
UESF funds	\$620,846	\$509,320.31
PGW matching credits	\$620,846	\$505,170.54

The COVID-19 pandemic negatively affected UESF’s administration of its grants in 2020, both directly through office closures, and indirectly through eligibility requirements affected by the PUC’s COVID-19 Emergency Moratorium on terminations for non-payment. This resulted in lower than a usual number of grants in 2020, which brought down the three year averages shown for years 2018-2020. The values shown for 2023-2027 are representative of more typical years.

3. Hardship Funds Objectives

The objective of Hardship Funds is to provide financial assistance to eligible customers whose service is terminated or who are in danger of losing service. The combination of UESF grant dollars and the PGW matching credit are intended to provide the customer with a “fresh start” on their gas bill.

4. Hardship Funds Eligibility

Eligibility is limited to customers with a gross household income at or below 175% of the FPL. Below is a table showing the income eligibility guidelines for UESF for fiscal years 2019 through 2021 (UESF fiscal year is July 1-June 30).

**Table 9: Hardship Fund Eligibility**

Maximum annual gross household income			
Household size	FY19	FY20	FY21
1	\$21,858	\$22,330	\$22,540
2	\$29,593	\$30,170	\$30,485
3	\$37,328	\$38,010	\$38,430
4	\$45,063	\$45,850	\$46,375
each additional	\$7,735	\$7,840	\$7,945

Additional eligibility requirements include:

- Service must be off, or threatened to be shut off;
- Customer must not have received assistance from UESF in the past 24 months;
- Customer must have applied for LIHEAP Cash and Crisis grants if those programs are open and grants are available;
- The combination of the UESF grant and the PGW matching credit cannot exceed \$1,500 (for City grants) and must eliminate the total amount due (not including frozen arrears if the customer is enrolled in CRP) and, if the customer seeks restoration, any written off debt

required for restoration. If the total amount due exceeds \$1,500, the customer must pay the difference, either out of pocket or through other utility assistance grants such as LIHEAP. It is a UESF requirement that such debt be paid in order for a grant to be awarded.

With respect to the above, when a temporary hold is placed on the account the termination is canceled. PGW will meet with UESF to discuss a policy change to allow customers with holds to remain eligible for a UESF grant.

PGW will notify customers enrolled in its Pilot Hardship Fund Program within five days after eligibility is determined regarding the amount of the grant and when they should expect to see the grant reflected in their bill.

#### 5. Hardship Funds Projected Enrollment

Enrollment projections are based on three completed prior fiscal years. Between 2018 and 2020, PGW provided matching funds for an average of 1,053 customers per year. PGW projects it could have the ability to serve an average of at least 1,184 customers per year between 2023 and 2027 and possibly a higher amount of customers, dependent on obtaining necessary grant funds and approvals.

#### 6. Hardship Funds Components

Hardship funds have at least two, and in some cases, three components: UESF grants, utility contributions, and client contributions. Combined, these components give the customer a fresh start by fully eliminating their total amount due.

#### 7. Hardship Funds Modifications

PGW relies on UESF grants to meet the Hardship requirements of the Universal Services program, which allows PGW ratepayers to benefit from funding provided to UESF through City grants and private grants. In recent years, especially during the pandemic, UESF did not issue enough grants to use up the funds PGW has budgeted as available for matching funds for the Hardship program.

PGW's Hardship Funds program has been expanded in this plan as follows:

- Expanded to utilize a portion of PGW's portion of unspent funds in an alternative program, which will require additional administrative resources and costs. PGW's cost recovery for these funds would be the same as under the current hardship program.
- If UESF is unable to meet PGW's budget for a calendar year by December 31 of that year, PGW would utilize a portion of the unused matching grants, up to \$100,000. PGW's goal would be to utilize these grants via this Hardship Program before the end of the subsequent calendar year.

- A hardship program is not meant to serve as an ongoing assistance program. A hardship program should address sudden, temporary, and acute problems across the income spectrum. A customer above the income threshold at 151% to 250% may experience a crisis where despite being at a non-low income, the income may not be enough to address both their normal monthly bill obligations, such as utility bills, *and* the temporary, but acute crisis. A hardship fund can ease the “benefits cliff” associated with graduating out of low-income programs or help prevent someone from falling into poverty.
- PGW will offer automatic grants up to \$750/household to customers under the following scenarios.
  - CRP customers who are removed from CRP during the recertification process for exceeding the income eligibility limits; and / or
  - Customers with a PFA as provided by 23 Pa.C.S. Chapter 61 (relating to Protection from Abuse Act) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer;
  - provided in either of the above instances that the income documented during the CRP recertification or PFA process is at or below 250% of the Federal Poverty Line. The minimum grant amount would be \$200 and the maximum \$750, depending on the customer’s current past due amount. Customers may opt-out of receiving this grant.
- Grants will be allocated on a first-come-first-serve basis until funds are exhausted. Grants awarded under this program will work as if they were a PGW matching grant. A single customer may only take advantage of the above program for just one of the listed reasons, and can only receive the grant once per year.
- PGW estimates that, at most, there could be 1,000 eligible customers per year who might meet eligibility for the Hardship program. The proposed budget of this is \$100,000, awarded on a first-come, first-served basis until funds are exhausted. With a proposed grant value of \$200-750, this would provide enough funding for approximately 133 to 500 customers.

#### 8. Hardship Funds Estimated Budget

The operating support paid to UESF is a fixed amount and is projected to be fully expended. However, the amount expended annually from a projected \$795,500 (dependent on obtaining necessary approvals) for matching funds will depend on other sources of funding obtained by UESF.

**Table 10: Hardship Fund Maximum Budget**

Hardship Funds	2023-2027 Per Year
Operating support (PGW)	\$260,149
UESF grants	\$795,500
Utility contribution (PGW)	\$795,500
Customer/employee contributions (PGW)	\$2,000
Total Program costs	\$1,853,149
Average annual participation	1,184

**E. Integration of Universal Services Programs; Steps Used to Identify and Enroll Customers in Universal Service Programs; Use of Community Based Organizations**

PGW makes a conscious and sustained effort to integrate all universal service programs so that customers receive information and access to all assistance programs for which they may be eligible.

CRP and LIURP – When CRP customers have trouble paying their bills or have a personal crisis that impacts their ability to pay their bills, they are referred to Hardship Funds and the CARES program. When customers have high natural gas usage they are referred to Home Comfort. Customers who receive Home Comfort services are also provided information about other assistance programs, such as the CARES program and LIHEAP and Crisis grants. PGW engages in a significant number of partnerships in support of its Home Comfort program – this coordination is described more fully on Appendix E.

CARES – PGW utilizes many internal and external assistance programs in the implementation of CARES in order to provide referrals to a variety of programs suited to resolve the customer’s particular personal crisis or issue. For example, if the issue is job loss, PGW provides the customer with information regarding external grant programs and internal assistance programs that can help them pay their gas bill in the immediate term and makes referrals to employment centers and job services. PGW has long standing relationships with a network of external organizations that provide many types of assistance for individuals and families in need. In Philadelphia, the Neighborhood Energy Centers and UESF intake sites are two networks in which PGW coordinates UESF grants and provides information to caseworkers who are helping PGW customers obtain an affordable bill. PGW refers customers to these organizations in the course of providing CARES assistance; the services provided by these organizations include budget counseling, housing counseling, job placement services, senior services, after-school programs, homelessness prevention, and other health and human services. Additionally, these organizations often provide the outreach and venue for energy conservation workshops that are sponsored annually by PGW and administered by a third party.

PGW does not limit itself to the network of organizations with which it already has established relationships. At events, PGW provides information to local residents about

CRP, LIHEAP, Crisis, and UESF grants, as well as other assistance programs at PGW. PGW also implements an aggressive and comprehensive outreach campaign to inform all of our low-income customers about LIHEAP and Crisis grants and provides direct assistance to customers in applying for grants.

Hardship Funds – In addition to the other efforts described in this section, PGW maintains relationships with the network of UESF intake sites that assist PGW’s customers.

Outreach Efforts and Campaigns – PGW engages in significant efforts throughout the year to provide information and referrals to PGW customers who may benefit from Universal Service Programs. PGW’s Outreach Plan is set forth on Attachment G.

### **III. Organizational Structure and Staff Responsibilities**

Staff with direct responsibilities in Universal Services:

- Senior Vice President, Customer and Regulatory Affairs
- Director, Regulatory Compliance 2024-2027
  - Directs policy development and implementation
  - Ensures compliance with PUC regulations and guidance
- Manager, Universal Services
  - Ensures that activities related to CRP, CARES, LIHEAP and UESF programs are run effectively, efficiently and in compliance with legislative guidelines.
  - Supervises a support staff responsible for ensuring the achievement of specific corporate goals through performing the unit’s day-to-day activities.
- Supervisor, Universal Services
  - Provides guidance and direction, setting job standards and providing technical support to the representative team.
  - Responsible for the overall quality of work for the group.
- Universal Services representatives

Staff with direct responsibilities in LIURP:

- Vice President, Regulatory Compliance and Customer Programs
- Director, Customer Programs
  - Directs program development and implementation.
  - Ensures compliance with PUC LIURP regulations and guidance.
- Manager, Energy Efficiency and Emerging Customer Programs
  - Ensures that the LIURP is run effectively, efficiently and in compliance with regulatory guidelines.
  - Manages the Energy Efficiency Program Analyst and oversees program implementation.
- Analyst, Energy Efficiency and Emerging Customer Programs
  - Day-to-day oversight of the program; primary liaison with the conservation service providers and quality assurance vendor.

- Calculates key performance indicators and prepares reports on program activities.

Additional Support:

Customer Service Representatives

#### **IV. Community Partners**

Utility Emergency Services Fund (“UESF”) – PGW partners with the Utility Emergency Services Fund to implement and administer Hardship Funds. UESF has a network of intake sites that perform the primary outreach duties for Hardship Funds and the completion of grant applications.

See Appendix C for an address list of UESF intake sites and the main office.

Neighborhood Energy Centers – Neighborhood Energy Centers provide a coordinated and comprehensive approach to energy and related problems for low and moderate income households. They provide budget counseling, energy counseling, energy conservation education, and grant application assistance for the communities they serve. They are also a means of outreach for PGW assistance programs. Since the Neighborhood Energy Centers are housed in community organizations that serve a broad mission and many needs in their community, PGW uses them often as a resource when making referrals in our CARES program.

See Appendix D for an address list of the Neighborhood Energy Centers.

Philadelphia County Assistance Office (LIHEAP District) – PGW maintains a partnership with the LIHEAP District of the Philadelphia County Assistance Office that is vital to the efficient and effective coordination of LIHEAP and Crisis grants for our low-income customers. Even though LIHEAP and Crisis grants are administered independently of our Universal Service programs, these grants serve as an important channel of outreach and referral. Also, LIHEAP grants serve as a proxy for verifying eligibility in CRP on a bi-annual basis.

An important and useful change in this partnership in recent years has been the coordination of LIHEAP, Crisis, and Hardship Funds.

See Appendix E for LIURP coordination.

The address for the Philadelphia County Assistance Office is:

Philadelphia County Assistance Office – LIHEAP  
801 Market St, 5th Floor Suite #5105  
Philadelphia, PA 19107-3109 (215) 560-4733

## **V. Conclusion**

PGW serves a customer base with the highest proportion of poverty in the Commonwealth. Approximately 1 in 3 customers are eligible for assistance from one or more of PGW's Universal Service programs. PGW makes an aggressive effort to ensure that these customers have available robust assistance programs to help them pay their bills and maintain service. The costs and participation levels of these programs are evidence of our efforts.

PGW is pleased to submit this Plan and believes that it presents a comprehensive and balanced approach to addressing the needs of the Company's low-income customers. PGW, therefore, respectfully requests that the Commission implement its Universal Service and Energy Conservation Plan in full, without modification.

## **VI. Appendices**

- A. Consolidated Charts
- B. Recertification Process
- C. UESF Intake Sites
- D. Neighborhood Energy Center locations
- E. LIURP Coordination
- F. Pilot Consumption Limits Customer Notification
- G. Consumer Education and Outreach Plan
- H. PGW CRP Application – Acceptable Income Documentation
- I. Statement of No Income
- J. Additional Financial Assistance Affidavit
- K. Landlord Authorization and Release of All Claims
- L. PGW's Low Income Multifamily Efficiency Program Landlord Authorization and Release of all Claims, and Exhibit A: Facility Tenant Income Composition
- M. Low Income Multifamily Efficiency (LIME) Program Frequently Asked Questions
- N. Prior Settlement Stipulations Related to Low Income Customer Assistance Programs

**Appendix A: Consolidated Charts**

1. Projected Needs Assessments

The following chart provides a consolidated needs assessment for PGW’s universal service programs, subject to the limitations as described in the Plan, above.

**Needs Assessment<sup>16</sup>**

Average monthly count of residential customers	488,817
Number of Identified Low-Income Customers	110,364
Estimated Number of Low-Income Customers	187,901
Number of Identified Payment-Troubled, Low-Income Customers	13,789
Current Estimated Low-Income Customers, based on Census Data	137,806
Number of Customers Needing LIURP, as set forth herein	44,168
Cost to Serve the Number Needing LIURP, as set forth herein	<u>\$131,391,720</u>
Enrollment Size of CRP to Serve All Eligible Customers <sup>17</sup>	N/A

2. Eligibility Criteria

**Program Eligibility Criteria**

	Income Criteria	Other Criteria
CRP	150% FPL	- May need to make an upfront payment, if a previous CRP agreement was broken, suspended, or inactivated
		- Must be a residential customer
		- Premises' account must be primary residence
		- PGW must be natural gas supplier
Home Comfort	150% FPL	<p><b>Single Family Properties:</b></p> <ul style="list-style-type: none"> <li>- Known to be low income by having i) been on CRP over the prior 24 months; ii) received a LIHEAP, CRISIS or UESF grant over the past 24 months; or iii) been on a level 1 payment arrangement over the prior 24 months</li> <li>- Have weather normalized usage within the top 50% of all known low income customers, and at least twelve months of continuous service at their current property, while removing outliers and anomalies based on the</li> </ul>

<sup>16</sup> From 2021 Universal Service Programs and Collection Performance Report except where indicated.

<sup>17</sup> PGW does not have a maximum enrollment limit.

		<p>statistical significance of the weather normalized usage.</p> <ul style="list-style-type: none"> <li>- Have not received LIURP weatherization services over the prior 7 years.</li> <li>- Must reside in a single-family home. If the customer rents the home, their landlord must authorize PGW to perform the weatherization.</li> </ul>
		<p><b>Multifamily Properties:</b> Currently, buildings with at least 75% of tenants at or below 150% FPL are targeted. PGW will confirm eligibility by targeting buildings with residents that receive Section 8 housing vouchers or which have Low Income Housing Tax Credits. This program is open to both master metered and individually metered properties.</p>
Hardship Fund (UESF)	175% FPL	- Maximum City grant is \$1,500
		- Combination of grants and customer co-pay must bring the total account balance or CRP cure amount to \$0
		- Can receive a grant only once every two years
		- Must apply for LIHEAP and Crisis first, if they are available
CARES	150% FPL	- Must be experiencing difficulty paying a bill due to special circumstances, such as job loss, medical emergency, domestic abuse

### 3. Projected Enrollment Levels

The following table shows PGW’s projected enrollment levels for the company’s CRP, LIURP, CARES, and Hardship fund programs.

**Projected Enrollment Levels**

Programs	2023	2024	2025	2026	2027
CRP	65,429	68,381	71,334	74,286	77,238
Home Comfort*	2,597	2,597	2,597	2,597	2,597
CARES	2,020	2,020	2,020	2,020	2,020
Hardship Fund	1,184	1,184	1,184	1,184	1,184

\*Count excludes LIME

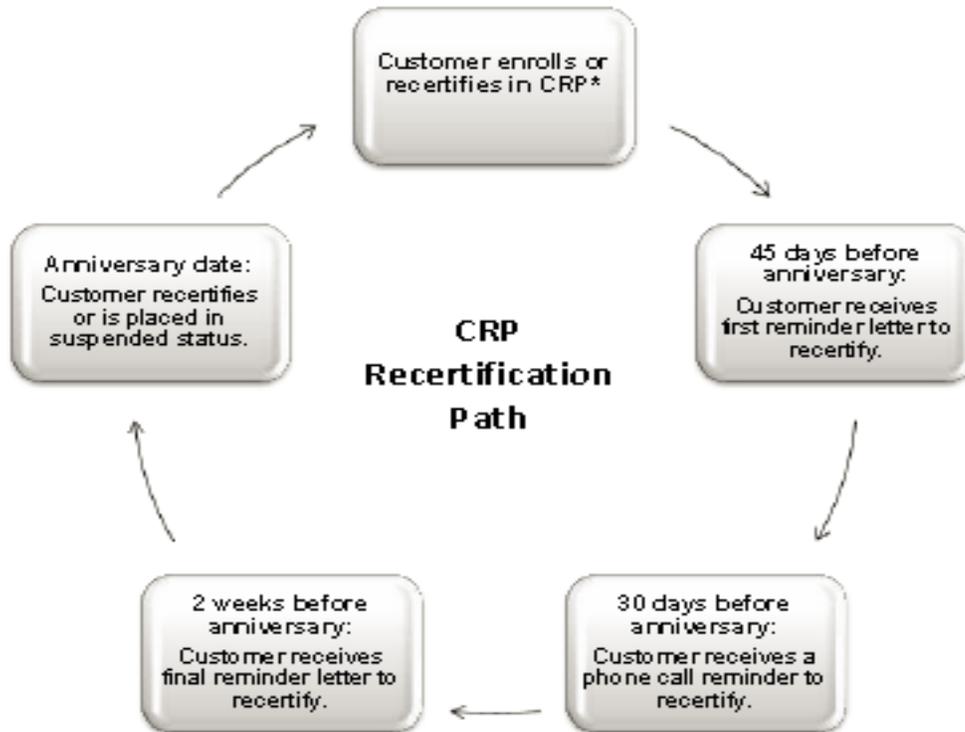
4. Universal Services Projected Program Projected Budgets

The following table shows PGW's projected program budgets for the company's CRP, LIURP, CARES, and Hardship Fund programs.

**Universal Service Projected Program Budgets**

	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
CRP	\$69,139,959	\$72,187,032	\$75,234,632	\$78,282,210	\$81,329,284
Home Comfort	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818
CARES	\$947,550	\$947,550	\$947,550	\$947,550	\$947,550
Hardship Fund	\$1,055,649	\$1,055,649	\$1,055,649	\$1,055,649	\$1,055,649
<b>Total</b>	\$79,131,976	\$82,179,049	\$85,226,649	\$88,274,227	\$91,321,301

## Appendix B: Notification Schedule for CRP Recertification Process



**Appendix C: UESF Intake Sites**

<b>Intake Sites</b>	<b>Address</b>	<b>Phone Number</b>
ACHIEVEability	59 N. 60th Street Philadelphia, PA 19139	(215) 748-8838
Action Wellness	1216 Arch Street 6th Floor Philadelphia, PA 19107	(215) 981-0088
Center in the Park	5818 Germantown Ave Philadelphia, PA	(215) 848-7722
Central Office	1617 J.F.K Blvd Philadelphia, PA 19103	(215) 972-5170
City Hall North	22nd Street and Somerset Ave, Philadelphia, PA	
Concilio	141 E. Hunting Park Ave Philadelphia, PA 19133	(215) 627-3100
Congreso De Latinos Unidos*	216 W. Somerset Street Philadelphia, PA 19124	(215) 763-8870
Dixon House	1920 S. 20th Street Philadelphia, PA 19145	(215) 336-3511
Germantown Avenue Crisis Ministry	35 W. Cheltenham Ave Philadelphia, PA 19144	(215) 843-2340
Greater Philadelphia Asian Social Service Center**	4943 N. 5th Street Philadelphia, PA 19120	(215) 456-0308
H. A. C. E. *	4907 Frankford Ave Philadelphia, PA 19124	(215) 437-7867
H. A. C. E. *	167 W. Allegheny Ave Philadelphia, PA 19140	(215) 426-8025
Hunting Park N. A. C.	3760 N. Delhi Street Philadelphia, PA 19140	(215) 225-5560
Nicetown CDC	4300 Germantown Ave Philadelphia, PA 19125	(215) 329-1824
People's Emergency Center	325 N. 39th Street Philadelphia, PA 19104	(267) 777-5854
Strawberry Mansion CDC	2829 W. Diamond Street Philadelphia, PA 19132	(215) 235-7505
Southwest CDC	6328 Paschell Ave Philadelphia, PA 19142	(215) 729-0800
United Communities	2029 S. 8th Street Philadelphia, PA 19148	(215) 468-6111 ext.200

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Urban League of Philadelphia	121 S. Broad Street Philadelphia, PA 19107	(215) 985-3220
We Never Say Never	4427 Lancaster Ave Philadelphia, PA 19104	(215) 452-0440

\*Spanish speaking assistance available (se habla español)

\*\*Chinese and other language assistance available

**Appendix D: Neighborhood Energy Center Locations**

<b>Energy Center</b>	<b>Address</b>	<b>Phone Number</b>
ACHIEVEability	59 N. 60th Street Philadelphia, PA 19139	(215) 748-8838
Center in the Park	5818 Germantown Ave Philadelphia, PA	(215) 848-7722
Congreso De Latinos Unidos*	216 W. Somerset Street Philadelphia, PA 19124	(215) 763-8870
Diversified Community Services	1920 S. 20th Street Philadelphia, PA 19145	(215) 336-3511
Germantown Avenue Crisis Ministry	35 W. Chelten Ave Philadelphia, PA 19144	(215) 843-2340
Greater Philadelphia Asian Social Service Center**	4943 N. 5th Street Philadelphia, PA 19120	(215) 456-0308
H. A. C. E.*	4907 Frankford Ave Philadelphia, PA 19124	(215) 437-7867
Hunting Park N. A. C.	3760 N. Delhi Street Philadelphia, PA 19140	(215) 225-5560
New Kensington CDC*	2515 Frankford Ave Philadelphia, PA 19125	(215) 427-0350
Nicetown CDC	4300 Germantown Ave Philadelphia, PA 19125	(215) 329-1824
Strawberry Mansion CDC	2829 W. Diamond Street Philadelphia, PA 19132	(215) 235-7505
Southwest CDC	6328 Paschell Ave Philadelphia, PA 19142	(215) 729-0800
United Communities	2029 S. 8th Street Philadelphia, PA 19148	(215) 468-6111 ext.200
We Never Say Never	4427 Lancaster Ave Philadelphia, PA 19104	(215) 452-0440

\*Spanish speaking assistance available (se habla espanol)

\*\*Chinese and other language assistance available

## Appendix E: LIURP Coordination

<b>Program/Organization &amp; Description of Coordination</b>
<p><b>Habitat for Humanity</b></p> <p>PGW and Habitat for Humanity coordinate services through Habitat’s Home Repair and Weatherization Program. Habitat's program focuses on individual neighborhoods and provides weatherization and structural repairs to support housing revitalization. Under this arrangement, PGW and Habitat share data as appropriate and identify customers who are enrolled or eligible for both Habitat's Home Repair and Weatherization Program and Home Comfort. Habitat and PGW contractors identify pre-treatment and structural issues for Habitat to address, and PGW contractors focus on weatherization. Ten projects have been coordinated to date and there are several additional homes under review for coordination.</p>
<p><b>PECO LEEP (Low Income Energy Efficiency Program)</b></p> <p>PGW has partnered with PECO’s LEEP (Low Income Energy Efficiency Program), their Act 129 program that offers customers electric energy conservation measures.</p>
<p><b>Housing Alliance of Pennsylvania</b></p> <p>PGW has collaborated with Housing Alliance of Pennsylvania to market its LIME program and reach out to multifamily building owners that can benefit from free and low-cost energy efficiency measures.</p>
<p><b>Philadelphia Energy Authority (PEA)</b></p> <p>PGW has is in the process of entering into a partnership with PEA on a new Built to Last (BTL) initiative, which coordinates home repair, weatherization, health and safety and other services for low income homeowners in Philadelphia. This partnership will make it easier for low income customers to participate in a number of programs without any administrative burden.</p>

**Appendix F: Consumption Limits Customer Notification**

## Consumption Limit Letter 1

[SYSTEM DATE]

PGW Account Number: [ACCOUNT NUMBER]  
Service Address: [PREMISE ADDRESS]

### **NOTICE OF CRP CREDIT LIMIT**

Dear [FIRST NAME] [LAST NAME],

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is approximately \$3,048 (subject to changes in PGW's rates) or 2,290 CCF through [FINAL CREDIT MONTH]. PGW will notify you by mail if your usage reaches 50%, 80% and 100% of the maximum credit. There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.

You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: (215) 235-1000.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com](http://www.pgwenergysense.com).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of your hot water heater.
- Reduce your shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Consumption Limit Letter 2

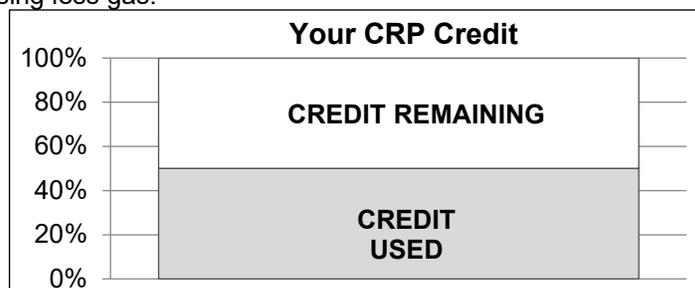
September 15, 2017

PGW Account Number: 999999999  
Service Address: 123 Main Street

### **NOTICE OF LIMITED CRP CREDIT REMAINING**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you only have 50% of your annual credit remaining.** There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.



You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of your hot water heater.
- Reduce your shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

### Consumption Limit Letter 3

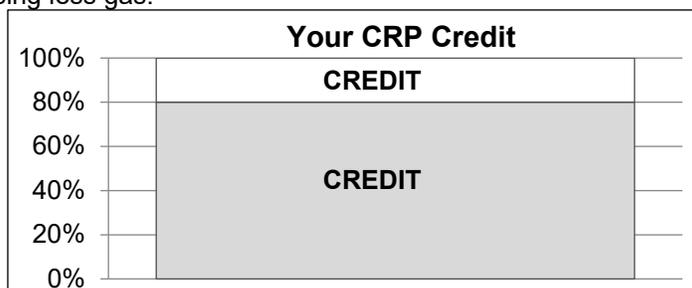
September 15, 2017

PGW Account Number: 999999999  
Service Address: 123 Main Street

#### **NOTICE OF LIMITED CRP CREDIT REMAINING**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you only have 20% of your annual credit remaining.** There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.



You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of the hot water heater.
- Reduce shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Consumption Limit Letter 4

September 15, 2017

PGW Account Number: 9999999999  
Service Address: 123 Main Street

### **NOTICE OF MAXIMUM CREDIT**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you have reached the maximum annual credit. There is no penalty for exceeding your maximum credit at this time, but we encourage you to take steps today to begin using less gas.** You will continue to be billed for service according to your CRP agreement.

You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of the hot water heater.
- Reduce shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Appendix G: Consumer Education and Outreach Plan



### 2023 Consumer Education and Outreach Plan

**Goal:** Perform outreach to educate and enroll eligible PGW customers at or below 50% of the Federal Poverty Income Guidelines (FPIG). All outreach efforts should strive for equity and accessibility.

Provided below is an outline of efforts to be conducted by PGW in 2023 to encourage income-eligible customers to apply for CRP, UESF, LIHEAP and Crisis in our service territory. This plan may be modified and enhanced within the duration of the 2023-2027 Universal Service and Energy Conservation Plan.

#### Target Audience(s):

- All Philadelphia residents.
- Income eligible Philadelphia residents in the following zip codes: 19104, 19120, 19121, 19124, 19132, 19133, 19134, 19139, 19140, 19145, 19148, 19144, 19104.
- Income Eligible Seniors (Age 65 and older).
- Income Eligible non-English speaking or English as a second language (ESL) customers. Primarily Spanish and Simple Chinese. PGW intends to include Russian and French in 2023
- Relevant stakeholders (anchor organizations, elected officials, Neighborhood Advisory Committees). Anchor organizations are community groups within the aforementioned zip codes.
- PGW Customers identified at 50% of the Federal Poverty Line (FPL) or below.

PGW will specifically target the following external organizations:

HACE, Hunting Park NAC, New Kensington CDC, Parkside NAC, People's Emergency Center, South Kensington NAC, Southwest CDC, Enterprise CDC, Nueva Esperanza, Nicetown CDC, Allegheny West Foundation, Universal Companies, United Communities, ACHIEVEability, Mt. Vernon Manor CDC, Brewerytown Sharswood NAC, Strawberry Mansion, APM, Frankford CDC, GPASS, Whitman Council.

#### 47 Faith Based Organizations

- Synagogues
- Mosques
- Churches

#### 10 Non-English Speaking

- KITHS
- GPASS
- Chinatown CDC
- HACE
- Congreso
- APM
- AFRICOM
- Cambodian Association of Greater Philadelphia
- Nationalities Service Center
- Nueva Esperanza

**Utilize diverse communications tools:**

- Community Outreach - In-person events and virtual sessions
- Community Partnerships
- Email Newsletters and social media toolkits
- Mass Media Campaigns (Print, Television, Radio, Outdoor and Social & Digital Media)
- Outbound Calls
- Direct Mail

#### **Direct Contact**

- Mailings- PGW conducts multiple direct mailing campaigns annually to encourage income-eligible customers to apply for CRP, UESF, LIHEAP and Crisis. This process entails sending both letters and/or postcards to potentially eligible customers to inform them about the benefits of each program and how to apply.
- Outbound Calls- PGW also utilizes outbound calls to perform direct outreach. These calls consist of providing information about eligibility, as well as how to apply. The outbound call function also provides customers with the ability to request an application be mailed directly to their home.
- Bill Inserts- In addition to letters, PGW also dedicates space in its monthly newsletter, The Good Gas News, to perform outreach to customers. These communications include promoting CRP as well as the availability of grants such as LIHEAP, Crisis and UESF.

#### **Mass Media Campaigns**

- PGW advertises its assistance programs on the radio, TV, mass transit, social media and in community newspapers. Much of the advertising is targeted to communities that have the highest density of customers who can benefit from PGW's programs. In addition, PGW also promotes its assistance programs on the company's website [www.pgworks.com](http://www.pgworks.com). Throughout the site, there are descriptions of each program, as well as link or direct access to applications for customers to download in both English and Spanish.

#### **Community Outreach**

- Community Events- PGW will conduct specific outreach to organizations and community groups in identified zip codes to host in-person events and trainings. We also expect to continue to conduct virtual events, as well, due to the ongoing pandemic. These events provide the company with the opportunity to have direct contact with customers to answer questions as well as distribute information. The company is also able to provide application assistance for LIHEAP and enroll customers into CRP onsite.
- Partnerships- PGW has developed partnerships with local city officials, low-income advocates, and other external stakeholders such as Neighborhood Advisory Committees to increase awareness of the various resources. Through these partnerships, PGW provides outreach materials as well as conduct presentations to staff to increase awareness of the company's programs. The company also attends various events held by partners to provide information and enroll customers into assistance programs.
  - PGW will partner with Benefits Data Trust to develop tactics to specifically target PGW customers living at or below 50 percent of the FPL.

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- PGW will collaborate with schools, faith-based institutions and local grass roots organizations to increase visibility through in person interaction to increase awareness to our targeted demographics.
  
- Workshops/Presentations- Annually, PGW offers approximately 100 educational workshops to its customers. These workshops include information on how to weatherize homes as well as provide attendees with kits and information packets about the company's assistance programs. Each attendee also provides their contact information, which allows PGW to add them to the appropriate direct contact campaign to receive additional information regarding other resources that may be available to them.

**Appendix H: PGW CRP Application – Acceptable Income Documentation**

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
<b>Employment</b>	<ul style="list-style-type: none"> <li>• Pay Stubs - Last 30 days of Gross Income including YTD amounts, net income and deductions</li> <li>• Employer Verification Letter on Company Letterhead for new hires who cannot produce paystubs</li> </ul>
<b>Unemployment</b>	<ul style="list-style-type: none"> <li>• Letter from the Department of Labor and Industry showing unemployment benefits</li> <li>• Unemployment Award Letter</li> </ul>
<b>Pension</b>	<ul style="list-style-type: none"> <li>• Monthly Bank Statement showing direct deposit</li> <li>• Pension Award Letter</li> <li>• Monthly Check</li> </ul>
<b>Workmen’s Compensation</b>	<ul style="list-style-type: none"> <li>• Worker’s Compensation pay stub</li> <li>• Workmen’s Compensation Award Letter</li> <li>• Monthly Bank Statement showing Workmen’s Compensation deposits</li> </ul>
<b>Short/Long Term Disability</b>	<ul style="list-style-type: none"> <li>• Short-and/or long-term disability pay stubs.</li> <li>• Monthly Bank Statement showing Short-and/or long-term disability deposits</li> </ul>
<b>Department of Human Services (DHS)</b>	<ul style="list-style-type: none"> <li>• DHS benefits summary</li> <li>• Compass printout showing the household’s benefits and income</li> </ul>
<b>Child Support</b>	<ul style="list-style-type: none"> <li>• Child Support Court Order received on behalf of a child</li> <li>• Monthly Bank Statement showing child support deposits</li> </ul>
<b>Spousal Support</b>	<ul style="list-style-type: none"> <li>• Alimony Court Order</li> <li>• Alimony Monthly Check</li> <li>• Monthly bank statements showing Alimony deposits</li> </ul>
<b>Social Security (SSI, SSD, Survivor Benefits, etc.)</b>	<ul style="list-style-type: none"> <li>• Social Security Award Letter, provide annual award letter or bank statement showing monthly direct deposits</li> </ul>
<b>Rental Income</b>	<ul style="list-style-type: none"> <li>• Prior Year Federal Tax return showing rental Income</li> <li>• Copy of your most recent Mortgage Statement for the property you rent or a deed showing ownership of the rented, a copy of the lease with your tenant(s), and documentation of rental receipt (e.g., bank statements, rent receipts).</li> </ul>
<b>Self Employed</b>	<ul style="list-style-type: none"> <li>• Federal tax return for the prior year</li> </ul>
<b>Foster Care Support</b>	<ul style="list-style-type: none"> <li>• Foster Care Support Payments</li> </ul>
<b>Additional Financial Assistance</b>	<ul style="list-style-type: none"> <li>• A completed Additional Financial Assistance section on the CRP application. Must be completed by the person providing the assistance.</li> </ul> <p>As part of the review process, PGW may also request a copy of a photo I.D. and a valid phone number of the person who provides Additional Financial Assistance. If the person providing assistance is enrolled in</p>

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
	the PGW Customer Responsibility Program, the person providing assistance will be required to demonstrate how they meet basic living expenses.
<b>No Income</b>	<ul style="list-style-type: none"> <li>• Explanation of how food, housing and utility expenses are met</li> <li>• Unemployment Denial Letter</li> <li>• Workmen’s Compensation Exhaustion of Benefit or Denial Letter</li> <li>• Veteran’s Benefit Denial Letter</li> <li>• DHS Benefit STOP Notice</li> <li>• Social Security Benefits Denial Letter</li> </ul>



**Appendix I: Statement of No Income  
PHILADELPHIA GAS WORKS**

800 West Montgomery Avenue • Philadelphia, PA 19122

**Customer Responsibility Program  
Statement of No Income or Financial Support**

**IMPORTANT:** Only complete this form if neither you, nor anyone else in your household, has received any type of income, financial assistance, child support, or any other type of cash assistance within the last 30 days, other than SNAP benefits, a housing voucher, or a PHA utility payment.

Please describe below how your household meets the basic needs of food, housing, and utilities each month.

Food - \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Housing - \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Utilities - \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By signing below, I certify that neither myself, nor anyone who lives in my household, receives any type of income, cash support, or financial assistance, and that the food, housing, and utility costs for my household, and for everyone who lives with me, are met using other means of support, as described above. I also acknowledge that if upon investigation, PGW finds that I have made false statements on

this document, that my account will be removed from the Customer Responsibility Program, I will be re-billed for any discounts received and arrears forgiven, and that I will be prohibited from re-enrolling in the program for one year.

Name		Street Address		PGW Acct #	
------	--	----------------	--	------------	--

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Appendix J: Additional Financial Assistance Affidavit

### Additional Financial Assistance Affidavit

If someone not living in your home provides financial assistance to you or someone else in your home, they must complete the section below and sign where noted.

**Note:** PGW may require verification of the information stated in this section. This form is only to be completed and signed by the person providing assistance.

#### Person Getting Assistance

---

Account Number

---

First Name

Middle Initial

Last Name

---

Address

Apt

---

City

State

Zip

#### Person Giving Assistance

---

First Name

Middle Initial

Last Name

---

Address

Apt

---

City

State

Zip

---

Phone Number

By signing in the space provided below, I certify that I provide \$\_\_\_\_\_ per month in cash assistance to the CRP applicant listed at the top of this form and I understand that PGW can request verification of this information.

---

Signature of person giving assistance

Date

www.pgworks.com

## Appendix K: Landlord Authorization and Release of All Claims

### PGW' S HOME COMFORT PROGRAM LANDLORD AUTHORIZATION AND RELEASE OF ALL CLAIMS

Property Address: \_\_\_\_\_  
Tenant Name: \_\_\_\_\_  
Property Owner's Name and Mail  
Address: \_\_\_\_\_  
Property Owner's Authorized Representative Name and Mail  
Address: \_\_\_\_\_  
Effective Date: \_\_\_\_\_, 20\_\_

I, as the Property Owner of the above property ("Property"), authorize <CSP> Energy Services ("<CSP>") and Philadelphia Gas Works (PGW) to weatherize my Property under PGW's Home Comfort Program. I understand that my current Tenant(s) has agreed to participate in the Home Comfort Program. I agree that <CSP>, PGW and their respective contractors may enter my Property to inspect it, install usage reduction measures, and make such Property repairs and improvements (collectively the "Program Measures") as they deem appropriate under the PGW Home Comfort Program, may examine any records relating to utility usage and charges with respect to the Property, and may release to their respective designees information about the Property and the Program Measures made at the Property.

I, as the Property Owner, agree and warrant that if the Tenant complies with ongoing obligations and responsibilities owed to the Property Owner: (i) I shall not evict the Tenant from the Property for at least twelve (12) months after the completion of the Program Measures unless the eviction is due to Tenant's violation of the applicable lease or is otherwise unrelated to the installation of the Program Measures; and (ii) I shall not raise the tenant's rent unless the rent increase is related to matters other than the installation of the Program Measures.

I, as Property Owner, authorize the above noted Authorized Representative to act on my behalf and receive any future notices from PGW and/ or <CSP>.

In consideration for the Program Measures to my Property, on behalf of myself, my estate, my executors and administrators, and my heirs, I hereby (i) release, waive, discharge, indemnify and hold harmless PGW, Philadelphia Facilities Management Corporation, and the City of Philadelphia, and their respective owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof arising out of or in any way associated with the Property, the Program Measures and/or the weatherization materials provided to the Property; and (ii) release, waive, discharge, indemnify and hold harmless <CSP> and its owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof arising out of or in any way associated with the Property to the extent they arise from or are related to the act(s), omission(s), negligence or fault of the Property owner, tenant, third party, and/or Property owner employee(s), contractor(s) or agent(s).

I acknowledge that PGW, <CSP>, and their contractors disclaim all warranties, implied or express, including any warranties of merchantability with respect to the Program Measures and the weatherization materials provided to the Property and the results of their installation. Notwithstanding the above, any available manufacturer warranties for equipment and materials installed shall be assigned to the Property Owner. <CSP> will provide a one-year workmanship warranty on the work performed, and any defects in the work

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caused by improper installation shall be corrected by <CSP> for a period of one (1) year from the agreement date.

I also acknowledge that any energy savings projected by PGW, <CSP>, or their contractors as a result of the installation of weatherization materials are only an estimate.

Property Owner(s) Signature(s): \_\_\_\_\_

Property Owner(s) Signature(s): \_\_\_\_\_

## **Appendix L: PGW's Low Income Multifamily Efficiency Program Landlord Authorization and Release of All Claims**

### **LANDLORD AUTHORIZATION AND RELEASE OF ALL CLAIMS**

Property Address(es):

Property Owner:

As of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ ("Effective Date"), Property Owner ("Owner") listed above authorizes CMC Energy Services ("CMC") and Philadelphia Gas Works ("PGW") to weatherize the Property listed above ("Property") under PGW's Low Income Multifamily

Efficiency ("LIME") program. Owner agrees that CMC, PGW and their respective contractors may enter the Property to inspect it, install usage reduction measures, and make such repairs and improvements at the Property (collectively the "Program Measures") as they deem appropriate, may examine any records relating to utility usage and charges with respect to the Property, and may release to their respective designees information about the Property and the Program Measures.

Owner, agrees to the following:

- a) if the tenant complies with ongoing obligations and responsibilities owed to the Owner:
  - (i) Owner shall not evict the tenant at the Property for at least twelve (12) months after the completion of the Program Measures, unless the eviction is due to tenant's violation of the applicable lease or is otherwise unrelated to the installation of the Program Measures; and
  - (ii) Owner shall not raise the tenant's rent unless the rent increase is related to matters other than the installation of the Program Measures.
- b) PGW may, for a period of five (5) years following the installation, inspect the Property or install equipment to monitor usage of any Program Measures.
- c) PGW may publicly use information about, and photographs of, the efficiency improvements at the Property. PGW may discuss and display copies of the photographs of any Efficiency Improvements to other customers who are considering participating in one of PGW's efficiency programs, or other persons.
- d) Any warranties for equipment and materials installed shall be assigned to the Owner. CMC will provide a one-year workmanship warranty on the work performed, and any defects in the work caused by improper installation shall be corrected by CMC for a period of one (1) year from the Effective Date.

Owner represents and warrants that the income composition of the Property listed in Exhibit A is correct as of the Effective Date. Owner must notify PGW if, on or before the installation of Program Measures, occupancy changes result in fewer than 75% of the Property's residents' having income at or below 150% of the Federal Poverty Limit. PGW may modify or discontinue the planned installation of Program Measures based on changes to the income composition listed in Exhibit A.

In consideration for the Program Measures to the Property, on behalf of myself, my estate, my executors and administrators and my heirs, Owner hereby (i) releases, waives, discharges, indemnifies and holds harmless PGW, Philadelphia Facilities Management Corporation, and the City of Philadelphia, and their respective owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage or damage to tenant property), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof directly or indirectly arising out of or in any way associated

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with the Property, the Program Measures and/or the weatherization materials provided to the Property; and (ii) releases, waives, discharges, indemnifies and holds harmless CMC and its owners, officers, directors, and employees from any and all known and unknown, foreseen and

unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage or damage to tenant property), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof directly or indirectly arising out of or in any way associated with the Property, the Program Measures and/or the weatherization materials provided to the Property, except to the extent they arise from the negligence or willful misconduct of CMC, including its respective affiliates, employees and subcontractors.

I acknowledge that PGW, CMC, and their contractors disclaim all warranties, implied or express, including any warranties of merchantability with respect to the Program Measures and the weatherization materials provided to the Property and the results of their installation. Notwithstanding the above, any available manufacturer warranties for equipment and materials installed shall be assigned to the Property Owner.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## **Appendix M: Low Income Multifamily Efficiency (LIME) Program Frequently Asked Questions**

### **➤ What is LIME?**

- ❖ LIME is PGW's Low Income Multifamily Efficiency program. LIME helps low-income customers living in multifamily buildings save energy, make their homes more comfortable, and lower their bills.

### **➤ What are the benefits of LIME?**

- ❖ LIME is a FREE program that offers building improvements including weatherization, heater repair/replacement, insulation, water conservation devices, thermostats, and more.
- ❖ Residents will experience improved comfort and lower energy bills.
- ❖ LIME includes energy conservation education for building owners and tenants.
- ❖ Not only does saving energy lower energy bills, it also helps contribute to a cleaner environment.

### **➤ Who is eligible?**

- ❖ For a property to be eligible, 75% of the building's residents must have household income at or below 150% of the Federal Poverty Level (FPL). See income eligibility tables below. PGW will also prioritize buildings with especially high gas usage.
- ❖ Properties must have active PGW accounts and 3 or more dwelling units.

### **➤ What can I expect from the LIME program?**

- ❖ PGW's approved contractor, CMC Energy Services, will obtain your authorization and verify the incomes of tenants. If your property qualifies, CMC will schedule an energy assessment of the building. PGW will review the results of the assessment and determine what opportunities for building improvements are present, if any.
- ❖ CMC will schedule all follow-up appointments to complete the approved work scope.
- ❖ PGW or a preapproved contractor will perform inspection and verification of installed measures. Any issues identified during the inspection may be corrected during additional contractor visits.

### **➤ Am I required to participate? Is there any cost to me or my tenants?**

- ❖ There is no requirement to participate in LIME.
- ❖ There is no required cost to you or your tenants to participate in LIME. You are only asked to allow contractors to perform work on your property. For approved projects, PGW pays for 100% of the costs for common areas and in-unit installations for eligible tenants. If there are income-ineligible tenants residing in the building, the owner may opt to pay 66% of the total cost for improvements in those units, but it is not required.

➤ **What building improvements are offered?**

- ❖ Energy efficiency improvements are approved according to what is cost-effective for your property. Cost effectiveness is based on information collected about your property during the energy assessment, including gas usage.
- ❖ Eligible measures include:
  - Attic and/or basement insulation
  - Air sealing and other building shell improvements
  - Repair or replacement of old heating and hot water equipment
  - Water conservation devices (ex. low-flow showerheads, faucet aerators)
  - Programmable and smart thermostats

➤ **Is there a warranty for the work?**

- ❖ CMC is required to provide a one-year warranty for all work performed. Please contact CMC with inquiries.

➤ **Who should I contact with questions?**

- ❖ Questions should be directed to Nick Skari, CMC Energy Services, at 888-749-5211 or [nskari@cmcenergy.com](mailto:nskari@cmcenergy.com).

➤ **2023 Federal Poverty Level Eligibility**

Annual Income	
Persons in family/household	150% Federal Poverty Limit
1	\$21,870
2	\$29,580
3	\$37,290
4	\$45,000
5	\$52,710

*For each additional household member, add \$7,710.*

Monthly Income	
Persons in family/household	150% Federal Poverty Limit
1	\$1,823
2	\$2,465
3	\$3,108
4	\$3,750
5	\$4,393

*For each additional household member, add \$643.*

## **Appendix N: Prior Settlement Stipulations Related to Low Income Customer Assistance Programs**

As directed by the Commission in its March 16, 2023 Reconsideration Order, below are the Commission approved settlement stipulations related to low income customer assistance programs from: (1) the November 19, 2020 Order at Docket No. R-2020-3017206 adjudicating PGW's rate case; and, (2) the October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's 2017 USECP. The stipulations are being implemented consistent with the agreements reached in those proceedings and listing them herein is not intended to expand or establish commitments beyond what has already been approved by the Commission. They are only being included herein per the direction of the Commission as an aid to provide information on past and present changes initiated outside of the 2023 USECP proceeding.

**From November 19, 2020 Opinion and Order at Docket No. R-2020-3017206 adjudicating PGW's Rate Case (as set forth on pp. 32-38)**

### **D. Low Income Customer Issues**

33. PGW shall make the following enhancements to its Universal Service Programs:
  - a. No later than March 31, 2021, PGW will provide an annual training to Community Based Organizations that are open on how to use the customer-facing online Customer Responsibility Program (CRP) application tool. The training will also include information about promoting CRP enrollment.
  - b. PGW will create a video explaining how to apply for CRP online and post the video on its website, in social media and will advertise the video in a Good Gas News. PGW will similarly publicize non-contact methods for CRP application (call for application, mail-in, online).
  - c. As part of its new CIS implementation, PGW shall review and adjust CRP asked to pay amounts quarterly, and increase/decrease the asked to pay amount if there has been a change in the average bill amount. If the average bill amount exceeds the household's energy burden, the customer shall be switched to a CRP Percentage of Income Bill at that time.
  - d. Unspent 2019 and 2020 LIURP funds shall roll over and be added to PGW's LIURP program budget through the end of the current Universal Service and Energy Conservation Plan

(USECP) (i.e. 2023), until expended. These funds shall be incremental to the existing LIURP budget.

- e. PGW will provide, to the tax mailing address available online or a contact address provided by a tenant, two landlord letters seeking to obtain landlord approval to perform LIURP services for a tenant. If a landlord telephone number is available, one of the letters will be replaced with a telephone call.

34. PGW agrees to track and maintain annual data as follows:

- a. For PGW's LIHEAP Crisis acceptance policy:
  - i. The number of customers who: receive a LIHEAP Crisis grant who had a balance due to PGW in an amount greater than the maximum Crisis grant amount; and
  - ii. the dollar value of LIHEAP Crisis grants received by PGW for customers with an account balance greater than the maximum Crisis grant amount.
  - iii. PGW will separately track this information for customers whose service is on and applicants or customers restoring service.
  - iv. PGW will provide the parties to this settlement with the collected data on or before September 30, 2021 for the 2020-2021 LIHEAP season.
- b. For properties where service has been terminated due to non-payment:
  - i. The total number of customers who did not have service restored in the full year following such termination.
  - ii. PGW will provide the data identified in subpart (b) to its Universal Service Advisory Group in 2022 for calendar year 2021.
- c. PGW will provide the parties to this settlement with the collected data identified in subparts a and b in an excel spreadsheet.

35. PGW shall make the following policy changes:
- a. For PGW's LIHEAP Crisis acceptance policy:
    - i. PGW shall perform an analysis of the results of its Crisis threshold amount for that LIHEAP season at the conclusion of the LIHEAP 2020-2021 season.
    - ii. PGW shall provide this analysis to the parties to the settlement at the conclusion of the LIHEAP 2020-2021 season.
    - iii. For the 2021 LIHEAP season, PGW shall expand its "LIHEAP Crisis Policy" to permit customers to restore PGW service if their balance with PGW is at or below \$1200, even if the grant is not enough to pay PGW's restoration requirement in full. Unauthorized usage debt is not eligible for such consideration.
  
  - b. Domestic Violence: PGW shall draft a written policy that details how PGW handles cases for victims of domestic violence in compliance with Chapter 14 of the Public Utility Code and Chapter 56 of the Commission's Regulations. This written policy will include how a call is referred to a CARES representative when a customer discloses that they are a victim of domestic violence, and designate a specific team within PGW to handle those calls and inquiries. PGW will provide a copy of this policy to all signatories to this settlement within 90 days of approval of this settlement agreement. PGW agrees to consider input from the rate case parties on the drafted policy for domestic violence victims, and while the decision is within PGW's discretion, will provide an explanation for any input from the rate case parties that is not adopted and integrated into the policy.
    - i. PGW shall ensure that the team that works with these calls will be specifically trained on the unique statutory and

- regulatory protections, as well as the vulnerabilities and need for privacy protections of victims.
    - ii. PGW shall provide all customer service representatives with annual training addressing handling of customers with a PFA, or court order issued by a court of competent jurisdiction in Pennsylvania providing clear evidence of domestic violence. This training shall include the rights associated with the domestic violence protections, the procedures used to process documentation, and how to refer customers to the designated team at PGW. PGW will provide the training materials created to the rate case parties.
    - iii. A PGW trainer will work with a domestic violence agency (willing to do so) to obtain input and suggestions on soft skills in working with domestic violence victims protected under a PFA or similar order. Training materials created from that input will be updated and provided to the rate case parties.
- 36. Within 90 days of the approval of this settlement agreement, PGW shall create website content regarding:
  - a. The protections available for victims of domestic violence. The website shall identify the rights associated with the domestic violence protections and the required documentation, and explain specifically how a customer can self-identify and provide information to PGW. PGW agrees to consider input from rate case parties on this created content.
- 37. PGW shall agree to the following:
  - a. PGW shall provide availability to spoken language translation services, regardless of whether customers speaking that language comprise less than 5% of the PGW customer base, for service center communications.

- b. PGW shall provide customer service representatives with annual training on how to utilize language assistance services, and provide written hand-held reference on how to utilize spoken translation services.
- c. PGW shall work with the Universal Services Advisory Group (USAG) over the next year to identify no more than ten (10) key universal service, safety, and customer service documents that will be made available in up to five (5) languages (other than English and Spanish) that will be made available on PGW's website.

38. With respect to liens and arrearage forgiveness cost recovery:

- a. For 12 months, PGW shall report the number of liens perfected which include dollars subject to forgiveness pursuant to CRP and the dollars of pre-existing arrears covered by such liens.
- b. For 12 months, PGW shall report the number of liens paid off which include dollars of pre-existing arrears subject to forgiveness pursuant to CRP.
- c. For 12 months, PGW shall report the dollars of pre-existing arrears subject to forgiveness that were paid off as a result of a lien payoff.

39. PGW will work with its Universal Services Advisory Committee to refine its Consumer Education and Outreach Plan that was included with its Second Amended Universal Services and Energy Conservation Plan 2017-2022 at Docket Nos. P-2020-3018867, M-2016-2542415. The group will specifically address outreach to low-income customers at or below 0-50% of the Federal Poverty Level.

40. If, after the Commission's current termination moratorium expires or is otherwise terminated, the Commission issues a similar order reinstating a termination moratorium due to the COVID-19 pandemic, while not delaying the Company's response to any cessation order, the Company will initiate discussions with the parties to this Settlement within thirty (30) days of the order to discuss a possible extension of customer benefits provided. PGW reserves the right to petition the Commission to take action

or modify (i) the current termination moratorium order if the order remains in place beyond December 1, 2020, or (ii) any such similar order. The parties reserve their respective rights to respond to any Commission Order or any Company Petition or response to a Commission Order.

41. The continuation of a bad debt offset will satisfy the concerns identified by OCA witness Roger Colton at pages 61-65 regarding the double recovery of arrears collected through the CRP. PGW shall implement a 5.75% Bad Debt Offset which will offset CRP credit amounts (i.e., reported as "CRP Discount" in PGW's quarterly filings) related to average annual CRP participants exceeding 80,000 customers. The offset will be calculated as follows: (1) average annual CRP credit amount; multiplied by (2) average annual number of CRP participants exceeding 80,000 customers; multiplied by (3) 5.75%. The offset will only be effective during the effective period of the distribution base rates established in this proceeding and, unless extended by a subsequent PUC order, shall terminate upon new base rates becoming effective. In the next base rate case, all parties reserve their rights to argue their positions as to the offset.

42. Within 12 months of PUC approval of this Settlement, PGW will review the reasons why customers were denied enrollment or recertification into CRP for inability to verify income, including whether a customer provided income and was rejected because it was unacceptable. Based on that review, PGW will determine whether PGW's list of acceptable verification documents should be expanded. Within 15 months of PUC approval of this Settlement, PGW will convene a meeting of interested Rate Case Parties to present and discuss their findings. The final results of its review will be communicated to the Rate Case Parties.

**B. October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's 2017 USECP (as set forth in the September 19, 2022 Recommended Decision at pp. 12-15)**

30. With respect to the Customer Responsibility Program (CRP), PGW's current amended USECP for 2017-2022 will remain in place for the duration of the Plan's term (until the USECP for 2023-2027 goes into effect), subject to the modifications identified herein. Any CRP modifications will be implemented on a going forward basis only. Modifications to non-CRP programs will occur only as ordered by the PUC in PGW's subsequent USECP

(a) No party will seek refunds or any other method to recover costs, in this proceeding or otherwise, related to PGW's energy burden Pilot Program or other Plan modifications implemented in compliance with the Commission's March 26, 2020, Order.

(b) This settlement resolves all open issues related to PGW's USECP for 2017-2022. For clarity, issues of over- or under-recovery and issues regarding application of USECP charges to particular customer classes or customers are not included in this proceeding

31. Within 90 days after a final PUC order is entered in this proceeding, PGW will disseminate and publish on its website a fax number by which customers can submit CRP applications and associated supporting documentation.

32. The parties agree to support or not oppose the continuation of the energy burdens in PGW's USECP for 2023-2027. 33. PGW provided the current projected USECP budget for calendar year 2022 in its Further Revised 2017-2022 USECP filed on April 10, 2020. If PGW's actual annual CRP costs<sup>[41]</sup> exceed the originally projected budget by greater than 20%, PGW will take the following steps:

(a) PGW will provide this information to all parties in this proceeding.

(b) PGW will provide actual cost information in March and will schedule a meeting with the parties to this proceeding within 30 days after providing the data to discuss the costs and receive the parties' input on cost controls.

(c) Any party to this proceeding may petition the

Commission before or after those meetings to address their cost control concerns.

(d) Parties to this proceeding retain the right to propose or oppose in any subsequent USECP proceeding or base rate proceeding going forward cost control measures that seek to protect nonparticipants.

(e) PGW will propose going forward cost control measures if CRP costs exceed budgeted amounts by 20% or more, or will justify why, despite this increase, no cost control measures are needed.

(f) If the Commission approves the continued use of the energy burdens approved here in PGW's currently pending USECP proceeding for the period from 2023-2027, PGW agrees to continue the requirements of this paragraph for the 2023-2027 period, with the comparison for that period being the final projected costs for the 2023-2027 period as approved by the PUC in PGW's USECP 2023-2027.

34. Within eighteen (18) months after a final PUC order is entered in this proceeding, PGW will complete a review of CRP for minimum bill, average bill, and Percentage of Income Payment Program (PIPP) customers, broken down for each by the following income tiers at a point in time: 0-50% of FPL; 51-100% of FPL; and 101-150% of FPL. The purpose of this evaluation will be to respond to the below five (5) questions. PGW will then meet with the parties to this proceeding to discuss the results of its evaluation.

(a) Did pilot program participants pay their CRP bills?

(b) How much arrearage forgiveness did pilot program participants earn?

(c) What was the average annual usage of pilot program participants?

(d) Did pilot program participants receive LIHEAP grants and what was the average grant amount?

(e) How many pilot program participants were removed from CRP due to termination for nonpayment?

35. As part of its next USECP Impact Evaluation, PGW will include the following information regarding its CRP:

(a) Payment frequency and bill coverage rates, by CRP type (i.e. average; minimum; 4% and 6%).

- (b) Non-payment shut off frequency, by CRP type.
- (c) Average CRP credit by CRP type.
- (d) Effectiveness of LIURP to reduce gas usage by high-consumption CRP participants.
- (e) Changes in weather-normalized usage for new participants in the CRP compared to their consumption levels as non-participants.
- (f) Trends in CRP participant weather-normalized usage levels during the past two years, compared to non-participants.

Philadelphia Gas Works



Further Revised Universal Service and  
Energy Conservation Plan  
2023-2027

Philadelphia Gas Works  
800 W. Montgomery Avenue  
Philadelphia, PA 19122  
2023

~~June 12~~ July 11,

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## **I. Introduction**

Philadelphia Gas Works (“PGW” or “Company”) hereby submits its 2023-2027 Universal Service and Energy Conservation Plan (“USECP” or “Plan”).

### **i. Effective Date and Term of USECP**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, this USECP will be in effect until December 31, 2029 or when the following 5-year plan receives Commission approval.

### **ii. Impact Evaluation**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, the date for filing of PGW’s next Universal Service Impact Evaluation, including Low Income Usage Reduction Plan (“LIURP”), will be November 1, 2027.

### **iii. Needs Assessment**

As set forth in the PUC Order entered January 12, 2023 at Docket Number M-2021-3029323, the date for filing of PGW’s next Needs Assessment will be February 28, 2025.

### **iv. Cost Recovery**

Pursuant to its Commission-approved Tariff, PGW recovers all costs associated with the Customer Responsibility Program (“CRP”) discount and arrearage forgiveness, the Senior Citizen Discount, and the Home Comfort Program through a Universal Service and Energy Conservation Surcharge. The Senior Citizen Discount is not part of this Plan.

### **v. USECP Updates from Previous Plan**

The following updates from the previously approved plan are summarized below:

- Modifications requiring customer information system changes may be delayed until after implementation of PGW’s new customer information system which is expected to be completed by the end of 2023. On or before December 31, 2023, PGW will file an implementation timeline for the below changes that will be implemented no later than July 1, 2024:
  - Notifying customers when year-to-date income information is used to determine CRP eligibility and explaining how they can dispute or update this income calculation;
  - Allowing customers to provide the last 30 days or 12 months of income;
  - Expanding the CRP recertification timeframe for non-LIHEAP participants from every one year to every two years;

- Reviewing CRP bills quarterly to determine whether the household is charged the correct billing amount;
- Accepting alternative forms of identification in lieu of a Social Security card;
- Revising CRP application and educational materials;
- Notifying customers about their enrollment in the Hardship Fund pilot program after eligibility is determined; and
- Charging CRP customers no more than their prorated CRP billing amount for usage incurred during their final billing period.
- Revised customer energy burden levels will no longer be implemented on a pilot basis and are now permanent;
- Enhanced outreach specifically designed to reach customers who have limited English proficiency;
- CRP acceptable income documentation has been expanded to include individual taxpayer identification numbers (“ITIN”) and “other”. The intention for this change is to allow an open-ended option for documentation;
- Current CRP hard copy application is being translated into the following languages: (i) Portuguese, (ii) Spanish, (iii) Mandarin, (iv) Russian, (v) Arabic, (vi) Vietnamese, (vii) Ukrainian, (viii) Dari, (ix) Pashto, (x) Swahili, (xi) French, (xii) Urdu, and (xiii) Karen;
- Expanded CRP recertification timeframe to every 2 years (zero income will remain on a 6-month recertification timeframe and LIHEAP recipients on 3-year recertification timeframe);
- Customers restoring service after non-payment termination do not need to reapply for CRP if they were on CRP when terminated in the past year;
- CRP participants who reach consumption limits will not be moved to an Average Bill plan but would be referred for potential LIURP treatment and PGW will perform CARES outreach in an attempt to reach the customer;
- Implemented a new LIURP pilot program called “Repair and Renew.” The Repair and Renew Program will:
  - Provide an addition to LIURP services to provide heater and water heater repairs/replacement for low-income customers issued a hazard tag in the prior month during November through April, prioritized for treatment by highest usage.
  - This pilot program will be available to both owners and tenants (with landlord consent) and the scope will include work needed to allow for proper operation of a heater and/or water heater, as applicable.
- Expanded the Hardship program to include a two-year pilot program that will offer automatic grants up to \$750/household to customers with income at or below 250% FPL under the following scenarios:
  - CRP customers who are removed from CRP during the recertification process for exceeding the income eligibility limits; and / or
  - Customers with a PFA as provided by the Protection from Abuse Act or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer.

vi. Prior Settlement Stipulations Related to Low Income Customer Assistance Programs

As directed by the Commission in its March 16, 2023 Reconsideration Order, Appendix M lists the Commission approved settlement stipulations from: (1) the November 19, 2020 Order at Docket No. R-2020-3017206 adjudicating PGW's rate case; and, (2) the October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's USECP for 2017-2022. The stipulations are being implemented consistent with the agreements reached in those proceedings and listing them herein is not intended to expand or establish commitments beyond what has already been approved by the Commission. They are only being included herein per the direction of the Commission as an aid to provide information on past and present changes initiated outside of the 2023-2027 USECP proceeding.

## **II. Universal Service Programs**

### **A. Customer Responsibility Program (CRP)**

The Customer Responsibility Program was first introduced as a Percentage of Income Payment Plan ("PIPP") and approved by the Commission in 2003. The objective of CRP is to help low-income residential customers meet their energy needs by offering payment assistance in the form of an affordable bill consistent with PUC requirements. Participants do not need to demonstrate that they are "payment troubled" in order to qualify. Furthermore, there is no limit on the number of customers that can enroll in CRP. As of December 31, 2022, there were 50,412 participants enrolled in the program.

#### 1. Program Eligibility

CRP is available to all low-income residential customers with a gross household income and size at or below 150% of the Federal Poverty Level ("FPL"). In order to apply, customers must submit their application, which can currently be done either by mail or electronically. Upon receipt, PGW will determine completeness of the application for processing purposes. Once the application is complete, PGW will determine eligibility. PGW does not accept applications over the phone or via email. A list of acceptable income documentation is attached as Appendix H. Customers enrolled in CRP will be required to pay a fixed monthly bill that is based on their gross household size and income or average bill. Currently, the minimum monthly CRP payment amount is \$25.

The table below shows the 2023 income eligibility guidelines along with the current percentage breakdowns by FPL. As an example, in 2023 a 2-person household whose gross monthly household income was \$1,700 would fall in the 6% of income category and would have a monthly CRP bill that is 6% of their gross monthly household income, or \$102 per month.

**Table 1: CRP Percentage Payment Levels**

2023 Maximum Gross Monthly Household Income by Household Size						
% Type	% of FPL	1	2	3	4	Each add.
4%	0-50%	\$608	\$822	\$1,036	\$1,250	\$214
6%	51-150%	\$1,823	\$2,465	\$3,108	\$3,750	\$643

CRP participants receive a monthly “discount” which represents the difference between the costs for actual usage and the CRP billing amount. If a customer owes any arrears at the time of enrollment, they will receive arrearage forgiveness for each monthly CRP bill that is paid on time and in full regardless of any past due bills. Arrearage forgiveness consists of the customer’s account balance being reduced by 1/36<sup>th</sup> of the original pre-program balance amount which essentially eliminates the balance within a three-year period. CRP customers can also pay ahead on their bills. If a CRP participant is current on their agreement and pays more than their CRP balance, the overage will show as a credit which will be applied to future bills until exhausted. CRP customers in the highest usage tier may also receive free conservation services through the Home Comfort Program.

CRP customers can maintain program enrollment when transferring service to a new address in PGW’s service territory.

## 2. CRP Components

- (1) CRP discounted bill – the customer’s “asked-to-pay” amount is based on the percentage of income calculation determined by the customer’s household size and income in relation to the FPL or the customer’s budget bill amount, whichever is lower. The difference between the CRP monthly bill amount and the actual bill based on usage is called the CRP discount.
- (2) Arrearage forgiveness – At the time of enrollment in CRP, a customer’s total arrearage is “frozen,” or separated from their asked-to-pay bill, and then forgiven at a fixed rate of 1/36<sup>th</sup> per month for each month that the customer pays their monthly CRP amount in full and timely regardless of their existing CRP arrearage. Customers will receive retroactive arrearage forgiveness for any months of arrearage forgiveness “missed” once the customer pays the asked to pay bill in full. This forgiveness provides an incentive to make payments of at least their CRP monthly amount. Satisfaction of the customer’s CRP cure amount in full is a precondition of reentry into the program. Upon reentry into the program, PGW will provide retroactive forgiveness for months spent outside of the program.

CRP Stay-out Provision – PGW will not allow re-enrollment of a customer into CRP (for a one-year period unless specifically identified otherwise below), if the customer:

- i) Has him/herself removed from CRP even though based on household size and income they are still eligible for the program.
- ii) Refuses access to the meter (stay-out until access is granted).
- iii) Commits two or more incidents of unauthorized usage.
- iv) Submits fraudulent enrollment or re-certification information/documentation.
- v) Refuses free Home Comfort weatherization services from PGW (stay-out until services are accepted). The process is as follows:
  - (1) Cases that are rejected by program contractors due to pre-existing conditions in the home, rather than customer refusal to accept services, are not affected by the stay-out. The following circumstances may result in the contractor not weatherizing a home: health, safety and structural issues identified by contractors in the pre-screening or audit process, such as roof leaks, mold, bed bugs, asbestos; lack of opportunity for cost-effective energy savings due to previous weatherization.
  - (2) If a customer or the contractor informs PGW that they cannot permit work to be done for any of the following reasons, then the customer will not be removed from CRP but may be contacted again in the future for treatment:
    - i. Serious illness of a household member; or
    - ii. Landlord refusal; or
    - iii. Other severe circumstance outside of the customer's control that is deemed as valid by PGW.
  - (3) All other situations involving CRP customers refusing to accept Home Comfort services will result in multiple communications to the customer reminding them of their CRP obligations. If services continue to be refused, the customer will be removed from CRP and not allowed re-enrollment until the Home Comfort services have been accepted.

### 3. Treatment of Unauthorized Usage Charges & Program Requirements

PGW's policy for unauthorized usage will be applied in the same manner to all customers including those enrolled in CRP (i.e. the customer is responsible for the entire unauthorized usage amount and must pay this amount along with any other applicable charges for restoration of service). In addition, as mentioned in the stay-out provision, all CRP customers who commit two or more incidents of unauthorized usage will not be allowed to re-enter the program for a period of one year.

CRP participants must comply with the following program requirements:

- Make timely payments in full each month
- Report any changes in household size and/or income

- Recertify household size and income every two years; customers who receive a LIHEAP grant each year and assign it to PGW are given a one-year waiver (CRP customers receiving annual LIHEAP grants would need to recertify once every three years) from the recertification requirement. For those customers who have zero income, recertification is required every six months.
- Accept Home Comfort Program services (weatherization, conservation and/or educational services) if offered by PGW
- Make an effort to conserve energy/manage usage within required consumption limits. This requirement is based on the consumption limit in this Plan.
- Do not commit any form of gas theft or fraud
- Provide PGW access to the meter if requested

The following accounts are ineligible for CRP:

- Commercial rate accounts<sup>1</sup>
- Accounts receiving the senior citizen discount
- Accounts that supply service to more than one unit/apartment
- Accounts currently enrolled in Gas Choice
- Landlord/tenant accounts where the service is in the landlord's name
- Healthcare facilities
- Accounts that are not the customer of record's primary residence
- All accounts deemed by PGW to be excluded due to violation of one of the stay-out provisions
- Non-heat accounts

#### 4. Needs Assessment

Below is required PUC reported data.

- A. Historical number of low-income customers in the City of Philadelphia, including non-gas:

Table 2 provides the estimated historical number of low-income residential customers, as required by the PUC for the Annual Universal Service Programs & Collections Performance Report. Some of this data has not been verified and, particularly with respect to low-income estimates, can be expected to be inconsistent with census/gas utility customer numbers (see below needs assessment). Overall, PGW submits that these low-income numbers are inflated with respect to gas customers.

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<sup>1</sup> A small residential home business (residential rate only) will not invalidate eligibility as long as the customer is still income eligible (though the rules for consumption limits will apply).

	2018	2019	2020	2021
Average monthly count of residential customers	477,533	480,347	486,934	488,817
Estimated number of low-income customers	206,533	197,855	195,215	187,901
Percent of residential customers eligible for CRP	43.2%	41.2%	40.1%	38.4%

B. Number of identified and estimated payment troubled, low-income customers

Table 3 shows the historical number of identified payment troubled, low-income PGW customers in the years 2018-2021, as reported in the Annual Universal Service Programs & Collections Performance Report. The number of identified customers is also the estimated number.

	2018	2019	2020	2021
Average monthly count of residential customers	477,533	480,347	486,934	488,817
Average monthly number of identified payment troubled, low-income customers	29,373	38,342	27,283	13,789
Percent of all residential customers	6.1%	8.0%	5.6%	2.8%

C. Number of customers who still need LIURP and the cost to serve that number.

If PGW's LIURP, the Home Comfort Program, is provided to a CRP customer, it can help reduce the subsidy cost of CRP.<sup>4</sup> Starting in 2018, based on a PUC Order, PGW implemented a policy of offering LIURP to all known low-income customers, as defined by 52 Pa. Code § 58.2.<sup>5</sup>

In order to ensure that universal service is appropriately funded and available under 66 Pa.C.S. § 2203(8), PUC regulations on program funding focus on the number of "eligible customers"<sup>6</sup> and "expected customer participation rate" based on customers who are eligible.<sup>7</sup> As indicated above, PGW's recent census-based estimate indicates that

<sup>2</sup> Universal Service Report 2018-2021.

<sup>3</sup> As defined in the PUC's Universal Service Report 2019-2021.

<sup>4</sup> PGW currently uses the Total Resource cost ("TRC") test for its LIURP.

<sup>5</sup> January 26, 2017, Tentative Order at 20 in Docket No. M-2016-2542415.

<sup>6</sup> 52 Pa. Code § 58.4(c)(1).

<sup>7</sup> 52 Pa. Code § 58.4(c)(2).

there are 121,496 low-income gas heat customers in PGW’s service territory.

From this starting point, PGW has computed the funding level for LIURP by making exclusions from the following figures to identify expected participation rates based on eligible customers. PGW has analyzed the customers who are confirmed low-income for which there is current data.

Each filtering point below identifies what percentage meets a given criteria. PGW then applied those percentages to the estimated low-income customer.

As an example, of the recent 86,527 eligible LIURP customers for whom PGW has data, 67,997, or 79%, have statistically significant gas usage and 12 months of concurrent usage. Therefore, PGW applied this 79% portion to the estimated low-income figure to assume that 95,477 of the estimated low-income customers would have statistically significant usage and 12 months of concurrent usage.

**Table 4: Needs Assessment Criteria**

Criteria	Confirmed LIURP eligible based on recent PGW-specific data <sup>8</sup>	Impacted percentage	Estimated low income (1 year)
Customers who are confirmed low income (based on receipt of CRP, LIHEAP or a Level 1 Payment Arrangement between September 2020 and August 2021) who have not been treated by Home Comfort in the last seven years, and have not been deemed ineligible for the program, vs. estimated number.	86,527		121,496
Customers who have statistically significant gas usage and 12 months of concurrent usage <sup>9</sup>	67,997	78.5%	95,477
High usage customers, where consumption falls into the top 50% tier	34,006	50.01%	47,749
Customers who can participate (removed 1/2 of properties with rental licenses)	31,456	92.5%	44,168

As a result, PGW’s expected participation rate based on eligible customers utilizing the above determinants is 44,168.

<sup>8</sup> PGW-specific data comes from a custom report generated in September 2021, which is used for Home Comfort assignments that lists all customers that have received CRP, LIHEAP or a Level 1 Payment Arrangement within the last year.

<sup>9</sup> Statistical significance of historical usage is determined by calculating the coefficient of determination (R-squared) between heating consumption and heating degree days. The R-squared indicates the reliability of savings and cost-effectiveness calculations based on the weather normalized usage. This means that the weather normalized results may not be producing a statistically significant confidence level (e.g. there may be anomalous usage months; inconsistent or insufficient data; etc.). PGW utilizes a minimum correlation of .9, which indicates strong correlation.

As reported in the Annual Universal Service Programs & Collections Performance Reports, PGW completed 9,259 single family Home Comfort treatments in calendar years 2017 through 2020 at an average rate of 2,321 per year.<sup>10</sup> Based on this activity, PGW projects an average job cost of \$2,975 (including administrative costs) for its single-family Home Comfort program, and has set its average annual number of jobs to 2,561. PGW completed 26 LIME projects during this period. PGW also projects that its Repair and Renew Pilot Program will cost an average of \$7,042 per job and has set its average number of annual jobs to 36 for the two-year pilot. The total production for the two LIURP (non-LIME) programs is 2,597.

### Needs Assessment Based On Above Factors

Summarizing the results of the above is PGW's needs assessment:

**121,496** – The total number of estimated low-income heat customers, as identified from recent US Census American Communities Survey (before applying any of the adjustments set forth above)

**44,168** – Customers currently potentially eligible for LIURP (based on the factors above)

**\$131,391,720** – The total expense of providing non-LIME usage reduction services for the currently potentially eligible customers, based on the Commission's calculated average cost per-job; this expense is recovered through the Universal Service and Energy Conservation Surcharge

**17 years** – Expected period of time to complete services for the currently potentially eligible customers.

### 5. CRP Outreach and Intake Efforts

PGW strives to inform all income-eligible customers about CRP by employing various outreach methods such as referrals from our customer service representatives, direct mail, targeted outreach (i.e. Spanish-speaking customers, customers on a low income payment agreement, and customers who receive a LIHEAP grant), community presentations, bill messages, and partnerships with community organizations, legislators and social service agencies throughout Philadelphia, as described more fully in Appendix G. In order to reduce the impact of the CRP subsidy and arrearage forgiveness costs on non-CRP customers, PGW coordinates Home Comfort with CRP to provide free energy conservation services to active participants in CRP. These services are described in more detail in the Home Comfort (LIURP) section.

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<sup>10</sup> Source: Universal Service Programs & Collections Performance Reports, 2019 – 2021.

## 6. CRP Intake Process

PGW customers can currently apply or re-certify for CRP online, by fax, or by mail. When a customer applies for CRP, he/she must provide proof of income for the prior 30 days or 12 months for all household members as further described below. For customers who are self-employed, PGW will accept annual federal or state tax returns filed within the last 12 months as proof of self-employment income. PGW also requests a copy of the Social Security card for each household member listed on the application. If the customer does not have a copy of the Social Security card, or the customer refuses to provide the Social Security number, PGW's requirements will differ depending on the age of the household member, as follows:

(i) for an adult household member, PGW will agree to accept some other form of identification that can be documented, such as a state issued driver's license number or an Individual Tax Identification Number. For fraud prevention purposes, PGW may require documentation supporting this number (such as but not limited to a Social Security number) as part of our periodic review of CRP applications;

(ii) for a non-adult household member, PGW will accept a government/school issued form of identification showing residency, such as a school roster or public assistance benefits letter.

PGW will require a copy of the Social Security card for each household member as part of its periodic review of CRP applications to prevent fraud (rather than requiring them at the time of application).

PGW uses year-to-date gross income to determine the monthly household income for CRP applicants when they are: 1) unable to provide proof of income for the last 30 days and indicate they are seasonally employed or have fluctuating income; 2) cannot provide proof of income for the past 12 months; and 3) have been with the same employer since the start of the calendar year. Depending on the date a CRP application is received, a customer with seasonal/fluctuating income may appear ineligible based on the previous 30-day earnings, but meet income guidelines when the previous 12-month earnings are used. By calculating the monthly income using the year-to-date income (dividing the gross year-to-date income by 12), PGW gathers a more accurate picture of the customer's monthly income. PGW will notify customers when year-to-date income information is used to determine CRP eligibility and explain how they can dispute or update this income calculation. The following common employment scenarios illustrate the need for PGW's policy regarding seasonal/fluctuating income:

- a. **Home Health Aides** - Individuals in this field can have income that varies significantly, month-to-month, based on the needs and circumstances of their patients. If a patient is in the hospital, for example, the aide is not paid as no at-home services are provided during the hospital stay.

- b. **Catering Workers** - Some employees in this industry are paid per catering event, resulting in significant variation in monthly earnings.
- c. **Construction Workers** - Many construction workers have work that is restricted by seasons and daily weather conditions. Roofers, for example may work very little during a rainy month.
- d. **School District Employees** - Some school district employees have the option of setting aside some of their pay for the summer months, when they do not report to work. Those who do receive reduced paychecks during the school year in order to continue receive paychecks during the summer. Those who do not, receive their full salary during the school year and no payments during the summer.

PGW requires CRP applicants who are self-employed and pay their own taxes to document their earnings by providing a 1040 Schedule C, along with a federal tax return for the prior year.

When a customer submits an application for CRP online or by mail, the application is reviewed for completeness and eligibility.

- Customers who are ineligible for CRP are provided/sent a letter explaining why they are ineligible.
- Customers who are eligible for CRP are provided/sent a letter describing the monthly CRP payment and their responsibilities for staying in the program.

Unearned income for minors (e.g., Social Security for child) will be ~~included~~[excluded](#) in the determination of household income for purposes of CRP eligibility and benefits.

Customers who report zero income and no other means of financial support are asked to complete two additional forms, in addition to the CRP application, to describe how they meet basic expenses for food, housing, and utilities. These additional forms are the Statement of No Income and the Additional Financial Assistance Affidavit located in Appendices I and J respectively. PGW does not require documentation of these expenses for application; and will require only documentation of housing costs as part of its periodic review of CRP applications to prevent fraud.

If the assessment completed by the customer indicates some form of ongoing, discrete financial support (e.g., a family member pays the rent), that support amount reported will be counted as income. If the assessment does not indicate any ongoing and discrete financial support, the customer will be placed on the CRP program for the minimum payment of \$25, assuming they are otherwise eligible for CRP. In a form of recertification, the customer will be required by letter to provide an update on their income every 6 months for as long as they report zero-income, to determine if their income or their means of meeting everyday living expenses has changed and their CRP agreement terms should be modified.

CRP customers are exempt from late payment fees, including in the final bill received after termination or disconnection of service.

[If a customer has a security deposit and is income-eligible for CRP, PGW will refund the security deposit amount with applicable interest directly to the customer.](#)

## 7. CRP Control Features

At the time of application or recertification, PGW completes an assessment to determine which payment option provides the most affordable bill by comparing the customer's projected monthly CRP PIPP amount to the customer's current budget bill amount. If it is determined that the PIPP provides the lower monthly bill, the customer will be enrolled in CRP at the PIPP amount. Otherwise, the customer will be enrolled in CRP at the customer's budget bill amount.

Provided below are additional CRP control features implemented by PGW:

- CRP Consumption Limits will impose maximum consumption limits for CRP participants with excessive usage. PGW proposed herein that CRP participants whose usage exceeds the limit will be referred for CARES and LIURP outreach.
- PGW also continuously monitors all CRP customer accounts to ensure compliance with the terms of the program (e.g., good payment habits, etc.).

## 8. CRP Recertification

CRP participants are required to recertify every 2 years, as proposed herein (6 months for zero income). See Appendix B for recertification flow. Currently, recertification is waived for one year (CRP customers receiving annual LIHEAP grants would need to recertify once every three years) if the customer receives a LIHEAP grant and assigns it to PGW on an annual basis. However, for each customer who is granted a waiver from the recertification requirement, PGW will review their account quarterly on their anniversary date during the waiver period to verify if the CRP rate (PIPP or budget bill) continues to provide the most affordable monthly bill amount. If it is determined that the customer is better served on the other CRP rate, the customer will be put on the other (lower) CRP rate.

Recertification Path for Zero Income Participants - CRP participants who report zero income will be required by letter to provide an update of their income every 6 months for as long as they report zero-income. This process will determine if the participant's income or their means of meeting everyday living expenses has changed and whether their CRP agreement terms should be modified.

CRP Provisions for Non-Compliance – CRP customers who do not comply with the program requirements related to eligibility and payments can be subject to termination after one missed bill.

Whenever a CRP customer is terminated for non-payment the balance currently in the frozen arrears immediately becomes due. To restore service and re-enroll in CRP, the customer must pay any remaining past due CRP bills in full, plus the reconnection fee, and, if applicable, a dig fee. No deposit is required. Once the customer satisfies all

payment requirements and reapplies, their balance is placed back in the frozen arrears. PGW will also provide retroactive arrearage forgiveness for months outside of the program once the customer satisfies the CRP cure amount in full. If at the time of re-enrollment the customer reports a change in income, PGW will require documentation of the changed income, and will recalculate the PIPP CRP cure amount from the date of the income change.

## 9. CRP and Application of LIHEAP Cash Grants

Under current Pennsylvania Department of Human Services (“DHS”) policy, any LIHEAP Cash grants (“LIHEAP grants”) received on behalf of CRP participants are currently applied to the customer’s asked-to-pay amount. Under current DHS policy, when the LIHEAP grant is applied, if the grant is greater than the current CRP asked to pay amount, the balance is left as a credit and applied to future bills. If DHS policy changes, the application of LIHEAP grants will change.

## 10. CRP Periodic Review

Periodically, PGW conducts reviews of CRP accounts to verify residency and perform death audits. Upon discovery of fraud or death, PGW will notify the identified CRP customers in writing of the company’s findings and of their right to dispute within 30 days prior to being removed from the program.

Quarterly CRP Review – Beginning with PGW’s implementation of its Customer Information System (CIS) in late 2023, at least once per quarter, PGW will review each CRP account to ensure customers are paying the most affordable rate.

## 11. CRP Consumption Limits

PGW has maximum consumption limits for CRP participants with excessive usage. All active CRP customers will be notified of the consumption limit annually. CRP participants with a 12-month CRP usage that reaches 50%, 80% and 100% of a new consumption limit (expressed as a maximum CAP credit amount) will be contacted by letter when their consumption exceeds the established limit. The letter will communicate a list of possible exemptions as set forth in the Commission’s CAP Policy Statement,<sup>11</sup> and provide conservation tips, and information about the Home Comfort Program. (See Appendix F for the notification used.) Customers may request an exemption to consumption limits, in accordance with the CAP Policy Statement, if one or more of the below conditions exist:

- a) The household experienced the addition of a family member.
- b) A member of the household experienced a serious illness.
- c) Energy consumption was beyond the household’s ability to control.
- d) The household is located in housing that is or has been condemned or has housing code violations that negatively affect energy consumption.

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<sup>11</sup> 52 Pa. Code § 69.265(3)(vi)(A-E).

Customers who wish to request an exemption to the consumption limit will be encouraged to make the request to PGW by phone, but will also be able to make the request by mail. Customers that consume 80% of their limit will be referred to CARES. In addition, the property will be referred and prioritized for possible LIURP treatment and related education if the customer reaches the 80% and 100% thresholds of the consumption limit. If LIURP is offered to the customer, it must be accepted fully,<sup>12</sup> or the customer will be removed from CRP. For homes that are inspected through the LIURP program, the homes will be analyzed for the following conditions:

- Home has conditions that explain the extreme energy usage and that can be remedied by provision of weatherization services, which must be accepted in full.
- Home has conditions that explain the extreme energy usages, but conditions exist that are beyond control of the customer and of LIURP. Participants in this group will continue to remain on CRP without application of the maximum credit.
- Some other reason (including no identifiable reason) for extreme energy use. These properties will be used to develop a policy as discussed in the “Reason Analysis” set forth below.

The limit is set at 2,290 CCF which is converted into dollars when expressed to customers. This limit was determined under prior Plan by examining the distribution of usage consumed by CRP participants and making the determination that those participants whose usage exceeds the 95<sup>th</sup> percentile of the usage distribution curve may have excessive use. Those customers identified as exceeding this limit will be considered optimal candidates for conservation education as well as referral for LIURP and CARES services.

The outcomes are as follows for customers who were on the Consumption Limit between September 28, 2020 and August 31, 2021:

- 61,354 customers were on a Consumption Limit plan
- 8,869 customers hit at least 50% of the Consumption Limit
- 1,239 customers hit at least 80% of the Consumption Limit
- 381 customers hit 100% of the Consumption Limit.
- CARES attempted to call all customers who hit at least 80% of the Consumption Limit to again inform them about the Consumption Limit exemptions. CARES successfully contacted 6,982 customers to inform them about the Consumption Limit exemptions, including some customers who had hit only 50% of the Consumption Limit.

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<sup>12</sup> LIURP must be accepted fully unless (i) the case is rejected by program contractors due to pre-existing conditions in the home; or (ii) work cannot be done for any of the following reasons:

- i. Serious illness of a household member; or
- ii. Landlord refusal; or
- iii. Other severe circumstance outside of the customer’s control, and deemed as valid by PGW.

PGW has prioritized the 381 customers who have hit the 100% Consumption Limit for Home Comfort. The outcome for these is as follows:

- 181 have been treated by the Home Comfort program at some point.
- 74 have been contacted by the Home Comfort program but could not be treated due to a number of issues, such as health and safety issues, ineligible building type, customer or landlord refusal and others.
- 126 are either assigned and in-process, or are being re-evaluated to determine if they are eligible to be re-assigned.

## 12. CRP Final Billing

When a final bill is calculated based on disconnection or termination of service, CRP customers will be charged the lower of their prorated CRP billing amount for usage incurred during their final billing period or their actual bill without the CRP discount.

Remaining unforgiven prior program arrearages will be separately identified on the final bill.

## 13. CRP Estimated Budget

The CRP discount and arrearage forgiveness are funded through the Universal Service and Energy Conservation Surcharge that is paid by all firm customers. Table 5 provides an estimate of CRP administrative costs, CRP discounts, arrearage forgiveness, and participation levels from 2023 through 2027.

## 14. CRP Projected Enrollment

CRP Projected Enrollment – PGW projects the average monthly enrollment in CRP may be approximately 66,000 by the end of the calendar year 2023 and may increase to approximately 78,000 by the end of 2027. To achieve this forecast, PGW used a time-series forecasting technique called an Autoregressive Integrating Moving Average (“ARIMA”) model.<sup>13</sup> This model gives more weight to recent trends and is only an estimate.<sup>14</sup> Forecasting for the length of time presented in this Plan is complex and could be subject to change. With respect to the CRP administrative costs shown below, PGW used the average of the administrative costs from the three most recent calendar years, 2018-2020.

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<sup>13</sup> [https://en.wikipedia.org/wiki/Autoregressive\\_integrated\\_moving\\_average](https://en.wikipedia.org/wiki/Autoregressive_integrated_moving_average)

<sup>14</sup> Specifically, PGW used an ARIMA(0,2,2) model trained on historical CRP enrollment data from September 2013 through September 2021.

**Table 5: CRP Projected Budget Costs and Enrollment**

Customer Responsibility Program	2023	2024	2025	2026
Administrative Costs	\$ 2,148,280	\$ 2,148,280	\$ 2,148,280	\$ 2,148,280
CRP Discount	\$ 54,240,644	\$ 56,712,549	\$ 59,184,817	\$ 61,657,197
Arrearage Forgiveness	\$ 12,751,035	\$ 13,326,203	\$ 13,901,535	\$ 14,476,733
Total Costs	\$69,139,959	\$ 72,187,032	\$ 75,234,632	\$ 78,282,210
Average Monthly Participation	65,429	68,381	71,334	74,286

Customer Responsibility Program	2027
Administrative Costs	\$ 2,148,280
CRP Discount	\$64,129,103
Arrearage Forgiveness	\$15,051,901
Total Costs	\$81,329,284
Average Monthly Participation	77,238

With respect to the above CRP discount, PGW utilized the total discount divided by the total enrollment for each month from September 2020 through August 2021 to calculate an average discount for each calendar month. The calendar month average discounts were multiplied by the enrollment forecasts from the ARIMA model.

For example, the calculation for January 2023 was as follows:

- In January 2021 there was a total discount of \$12,742,126 and CRP enrollment of 57,022. Thus, the average customer discount was \$223.46 (rounded here).
- This January 2021 average customer discount was multiplied by the ARIMA forecast participation of 64,076 participants for January 2023 for a total cost forecast of \$14,318,423 (rounded).

With respect to the above arrearage forgiveness, PGW utilized the total forgiveness divided by the total enrollment for the past two years to calculate an average discount for each calendar month. Forgiveness was not impacted as much as the discount under the new PUC policy pilot. The calendar month average forgiveness amounts were multiplied by the enrollment forecasts from the ARIMA model.

For example, the calculation for January 2023 was as follows:

- The two-year average forgiveness per customer in January 2020 and January 2021 was \$15.97 (rounded).

- This two-year average forgiveness was multiplied by the ARIMA forecast participation of 64,076 participants for January 2023 for a total cost forecast of \$1,023,294 (rounded).

## **B. Low-income Usage Reduction Program (Home Comfort)**

The LIURP component of PGW's Universal Services Plan is fulfilled through Home Comfort.

### 1. Home Comfort Description

Home Comfort provides free, in-home weatherization and energy conservation education services for eligible single-family low-income customers and will provide weatherization and energy conservation and education services for multi-family properties pursuant to the pilot program Low Income Multi-family Efficiency program ("Pilot LIME", as described further below). Home Comfort seeks to make the homes of eligible low-income customers more energy efficient, which improves comfort and reduces the subsidy cost of those customers enrolled in CRP.

Currently, Home Comfort utilizes three independent conservation service providers (each a "CSP") to provide services. The CSP performs an energy assessment to identify potential energy conservation measures and perform health and safety tests. The CSP returns to the home to complete energy conservation measures, which could include heater repairs and replacements, water heater repairs and replacements, air sealing, insulation, programmable thermostats, heater and water heater pipe wrap, hot water conservation and other measures.

Each CSP is evaluated semi-annually based on total natural gas savings, cost-effectiveness, work quality, and customer service metrics. The evaluations inform funding allocations for each CSP, which reward the best performers.

### 2. Pilot LIME

In order for a multifamily property to be eligible for LIME it currently must be 75% confirmed low-income residency, subject to modification by PGW as required to meet the goals of the pilot. Program costs for the Pilot LIME are through PGW's Universal Services Charge ("USC") applicable to all volumes of firm gas delivered and Pilot LIME project costs will be recovered (1) 100% of low income customer usage LIME program costs will be recovered through the USC; (2) 33% of project costs for all other customer usage will be recovered through PGW's Efficiency Cost Recovery Surcharge ("ECRS"); and, (3) the remainder of project costs will be funded by property owners. The budget for 2023-2027 for the Pilot LIME is: \$230,048 annually. Since project costs can vary, this flexibility allows PGW to complete all required work in a building and not split costs between multiple years. The LIME Pilot Program installs all of the same energy efficiency measures as it does for homes participating in Home Comfort, dictated by cost-effectiveness: furnaces, boilers, hot water heaters, repairs to heating systems,

thermostats, air sealing, low-flow faucet aerators and showerheads, roof and wall insulation, and other custom measures.

### 3. Repair and Renew Pilot

As described more fully below, PGW will implement its Repair and Renew pilot program that will address heating system hazards and weatherize the homes of confirmed low-income customers who were issued hazard tags from PGW. The budget for the program is \$250,000 annually. The costs of this pilot are included within the overall LIURP program budget.

### 4. Home Comfort Needs Assessment

Please see the section entitled “Number of customers who still need LIURP and the cost to serve that number”.

### 5. Home Comfort Objectives

Home Comfort seeks to provide cost-effective energy savings to eligible low-income customers. A secondary goal of the program is to reduce the overall long-term subsidy cost of CRP.

### 6. Home Comfort Eligibility

Under the single-family Home Comfort program, CSPs will be provided a list of customers that meet the following criteria:

1. Known to be low income by having: (i) been on CRP over the prior 24 months; (ii) received a LIHEAP, CRISIS or UESF grant over the past 24 months; or (iii) been on a level 1 payment arrangement over the prior 24 months.
2. Have weather normalized usage within the top 50% of all eligible customers, and at least twelve months of continuous service at their current property, while removing outliers and anomalies based on the statistical significance of the weather normalized usage; and
3. Have not received LIURP weatherization services over the previous seven years.
4. Must reside in a single-family home or duplex, as defined below. If the customer rents the home, their landlord must authorize PGW to perform the weatherization.
5. Single family homes are defined as any housing unit which is:

- (a) Physically detached from any other housing unit (no building surfaces are common to any other housing unit or commercial space); OR
- (b) Physically attached to another housing unit or commercial space but with boundary walls extending from the ground to the roof (no housing units, commercial spaces or common spaces above or below); AND
- (c) Directly accessible from the outdoors without using a space shared by another housing unit or commercial space; AND
- (d) Supplied with space and water heating with its own individual mechanical system(s).

Duplexes also fall under the category of single-family within Home Comfort. A duplex is defined as any housing unit which is:

- 1. Physically attached to another housing unit or commercial space; AND
- 2. In a building with two units or less AND;
- 3. Supplied with space and water heating with its own individual mechanical system(s).

BuildingsMultifamily Properties are defined as buildings that contain three units or more, and will be eligible for the LIME program.

In accordance with 52 Pa. Code § 58.10, prioritization for receipt of services among customers with the same standing under 52 Pa. Code § 58.10(a)(1) shall be attempted for those with the greatest arrearages. Once selected, an in-home audit and feasibility assessment is made to determine what, if any, cost-effective measures can be made.

PGW also coordinates with other agencies to qualify customer homes for the program. Customers in the top 50% usage tier that have had health and safety treatments performed by coordinating nonprofit and public agencies, but were not assigned to Home Comfort through the automatic assignment process, may be manually assigned to CSPs. PGW is notified of these homes by agencies with which it coordinates.

The requirement that a customer cannot receive weatherization if they have already received Home Comfort services in the last seven years has two exceptions: 1) In cases where customers resolve a health and safety issue that had previously prevented weatherization, they can contact their assigned CSP for further treatment. 2) In scenarios where a property is eligible for services from another agency, PGW may reopen the case to allow for further treatments. As stated above, PGW coordinates with other agencies that perform weatherization, and may reopen a previously-treated case if said agencies present an opportunity for collaboration.

Whenever a CSP encounters a case that is indicated by PGW to be a rental, or whenever the customer indicates that they are a renter and provides contact information for their landlord, a minimum of three attempts are made to contact the tenant's landlord to obtain authorization to treat the premise. PGW mails two letters to landlords, and the CSPs are responsible for contacting landlords via phone if a number is provided, or via a follow-up letter if no number is provided.

## 7. Home Comfort Projected Enrollment

PGW projects that it will treat approximately 12,821 single family homes, 71 Repair and Renew projects and 30 multifamily buildings between January 2023 and December 2027.

## 8. Home Comfort Components

Home Comfort is composed of weatherization measures, such as air sealing, insulation, equipment repair and replacement, hot water reduction measures and energy conservation education.

The Home Comfort treatment begins with an initial assessment made in the home to determine the cost-effectiveness and feasibility of various weatherization measures. During the assessment, customers are educated on ways to reduce their energy use, are provided with basic health and safety information, and low-cost energy saving measures such as low-flow devices, programmable and WiFi-enabled thermostats, and water heater tank turn-downs may be installed.

If health and safety issues like mold, asbestos, roof leaks or pests are found in the home, CSPs are permitted to perform work to remediate those issues, as long as the job remains cost-effective. Through the Health and Safety Pilot, CSPs are also permitted to exclude up to \$3,000 per project in cost effectiveness calculations to address these issues. Regardless of cost effectiveness, all Home Comfort energy assessments include the installation of new carbon monoxide detectors (or testing of existing CO detectors), checking gas lines for leaks, and combustion safety testing on natural gas equipment and appliances. Ambient carbon monoxide levels are monitored throughout the entire energy assessment process.

The same cost effectiveness consideration applies to incidental repairs that are needed to enable the installation and functioning of weatherization measures – work can be done at the discretion of the CSP, but it must be included in cost-effectiveness calculations. Examples of incidental repairs include relocating a combustion appliance, reconnecting/repairing ductwork, or clearing a work area. Any workers treating health and safety issues must be qualified, licensed, and adequately trained according to state and local codes specific to remedial work being conducted by the CSP (electrical, plumbing, mold removal, etc.). However, if health and safety issues exist and cannot be corrected cost-effectively by the CSP or through the Health and Safety Pilot exclusion, the home's treatment ends with low-cost measures. If the house is suitable for

weatherization treatment, the CSP may return to the home for comprehensive weatherization treatments, which may include:

- Repairing or replacing older and less energy efficient heating systems; and
- Providing comprehensive weatherization services by air sealing and insulating attics, basements, ducts and the overall building shell.

If homes are initially denied comprehensive weatherization because of health and safety issues, and customers are able to successfully remediate the health and safety issues to program standards, CSPs may return to perform air sealing or insulation.

## 9. CSP Requirements and Inspections

Energy auditors employed by the CSPs are required to have current BPI Building Analyst, OSHA 10, and BPI Healthy Home Evaluator certifications, and crew leaders are also required to have BPI Envelope Professional certification. Additionally, crew leaders are required to earn BPI Healthy Home Evaluator certification within six months of working in the Home Comfort program.

For 10% of all Home Comfort jobs, work is inspected and audited by an independent party for completeness and quality assurance. CSPs are required to schedule additional visits to customers' homes to address issues that are identified during inspections. PGW prioritizes inspections on jobs that were closed in the prior two months, unless there are not enough cases available to inspect in that time frame, in which case the time window is broadened. One to two percent of cases will receive on-site shadowing during either the audit or work phases. In addition to third-party inspections, CSPs are also required to perform Self-Certification BPI-level "test-out" inspections of completed projects in order to assess work scopes and identify any missed opportunities for energy savings.

CSPs are required to attend annual trainings, which are designed and delivered by jointly by PGW and its third-party inspection contractor. Training sessions focus on programmatic updates, industry best practices, health and safety protocols, and remedial training informed by issues identified during inspections. PGW's third-party inspectors meets with each CSP on a quarterly basis to review completed work and discuss areas for potential improvement.

## 10. Home Comfort Estimated Budget

Table 6 provides the estimated enrollment and budget for Home Comfort for 2023 through 2027. PGW will roll over any unspent funds to the next program year, until expended, and will report on any rolled over funds in its annual LIURP reporting.

**Table 6: Home Comfort Estimated Budget\***

	<b>CY 2023</b>	<b>CY 2024</b>	<b>CY 2025</b>	<b>CY 2026</b>	<b>CY 2027</b>
<b>Budget*</b>	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818
<b>Single Family Home Comfort</b>	\$7,508,770	\$7,508,770	\$7,758,770	\$7,758,770	\$7,758,770
<b>LIME</b>	\$230,048	\$230,048	\$230,048	\$230,048	\$230,048
<b>Repair and Renew</b>	\$250,000	\$250,000			
<b>Single-Family Homes Treated</b>	2,550	2,550	2,598	2,598	2,598
<b>LIME Enrollment</b>	6 - 8	6 - 8	6 - 8	6 - 8	6 - 8

\*\* This budget includes programmatic and administrative costs (including labor).

### 11. Continuation of Regulatory Waivers

Previously, the Commission approved a temporary partial waiver of the administrative cost limitations under 52 Pa. Code § 58.5 for 2018, 2019 and 2020 to allow PGW to develop and implement appropriate marketing, outreach, and internal procedures to effectively promote, identify, and screen all the newly eligible non-CRP and other low-income customers for CRP Home Comfort. PGW will continue its waiver of 52 Pa. Code § 58.5, which states that not more than 15% of a covered utility’s annual budget for its usage reduction program may be spent on administrative costs. The Home Comfort program’s administrative expenses exceed the 15 percent cap for administrative charges because PGW’s program design is based on industry standard TRC cost-effectiveness targets. These targets better serve the intent of this regulation (protection of rate-payer dollars) in a more effective manner than by strictly adhering to administrative cost caps.

The Commission also partially approved a waiver of 52 Pa. Code § 58.11 (subsection (a)). PGW requests a continuation of all waivers granted in its latest Plan through the end of this Plan. PGW will continue its waiver of 52 Pa. Code § 58.11. It will use the Total Resource Cost (TRC) as its cost effectiveness test, instead of the 7 or 12 year payback term. TRC allows for a “whole house” approach to weatherization under which it is more appropriate to evaluate the full job scope instead of the payback term of individual measures. The TRC benefit-to-cost ratio test recognizes the long-term benefits of natural gas weatherization measures such as heating systems, air sealing, and insulation that have lifetimes greater than 20 years.

### 12. Health and Safety Pilot Continuation

PGW allows contractors to spend up to \$3,000 per-project on the installation of health and safety measures, without the cost impacting the project’s TRC cost-effectiveness. These repairs are distinguishable from the “incidental” repairs detailed in 52 Pa. Code § 58.12, which PGW classifies as minor repairs necessary to permit proper installation of program measures. Contractors propose a work scope that will achieve at least 15% savings. Projects are prioritized by the greatest savings opportunities, and target the

highest usage homes. The costs of the pilot are included within the overall LIURP program budget and will not exceed \$100,000 per-year. Between September 2018 and December 2020, health and safety measures were installed under this pilot in 133 homes, with \$147,174 in costs for such measures excluded from TRC cost-effectiveness testing. These installed health & safety measures enabled \$428,521 in cost-effective spending on additional energy savings measures, which would not otherwise have been installed due to health and/or safety concerns in participating homes. During this period, the average direct costs of all measures installed in pilot homes were twice the average direct costs of measures installed in other homes that were comprehensively treated, producing average gas savings that were 50% higher in pilot homes than in non-pilot homes.

Consistent with Bureau of Consumer Services (“BCS”) directives, health and safety costs in this pilot initiative are tracked separately from other project costs for reporting and evaluation purposes.

### 13. LIURP Repair and Renew Pilot Proposal

PGW proposes to implement a pilot LIURP Repair and Renew program that will address heating system hazards and weatherize the homes of customers who are low income and are issued a recent hazard tag by PGW. The program will run for two program years: from January 1, 2023 to December 31, 2024. As a LIURP program, all costs related to this program will be recovered through the Universal Service surcharge. This program is beneficial in fixing heating hazards so that customers can safely operate their equipment during heating months. PGW previously implemented a similar program outside of its LIURP from 2018-2021. In this prior implementation, PGW treated 71 customers and achieved 1,979 first year MMBtu savings equal to 16.1% of pre-treatment usage.

### 14. Repair and Renew Eligibility

Customers must, (1) in the current or prior PGW fiscal year, have been on CRP, received a Low Income Home Energy Assistance Program (“LIHEAP”) grant, or been on a Level 1 (150% Federal Poverty Level (“FPL”) and below) or Level 2 (151%-200% FPL) payment arrangement (and sign an affidavit confirming their income as part of the HH Pilot); and, (2) customers must have received a hazard tag from a PGW service representative indicating a heating system component is not operating safely or at all.

Consumers whose gas service is off will be eligible for Repair and Renew, provided that the consumer first reinstates gas service in accordance with otherwise applicable requirements, including but not limited to payment of arrears. To assist this group of consumers with reinstatement of service, PGW will consider more flexible reinstatement terms including but not limited to enrollment in CRP if the household would otherwise be eligible for CRP enrollment.

Common reasons for hazard tags include:

- Combustible appliances installed in unsafe location

- Unsafe installation or defective parts, such as no safety pilot, temperature/pressure relief valve, cracked heat exchanger
- Venting issues, such as damaged flue or unsuitable venting material, obstructed chimney
- Boiler and hot water heater leaks
- Fuel line issues, including gas leaks, or other unsafe conditions
- High carbon monoxide readings

#### 15. Repair and Renew Components:

Customers will be selected for this pilot on a monthly basis based on PGW hazard tags issued in the prior month, prioritized for treatment by highest usage and lowest arrearages, from October through April or until funds are exhausted. PGW calculates customer usage based on the weather normalized usage over the past 12 months PGW determines income eligibility based on receipt of CRP, LIHEAP UESF grant or a Level 1 or Level 2 payment arrangement within the last year. Customers who are selected will be notified by letter, and called on two separate occasions (one call during the day and one in the evening) to be invited to participate in the free program.

A Conservation Service Provider (“CSP”) will evaluate the heating or hot water heating hazard. If the project can be treated cost-effectively for those eligible for Home Comfort, the CSP will complete the treatment and include all costs in the cost-effectiveness analysis. If the heating system repair or replacement is cost ineffective, the measure costs can be excluded from the project cost effectiveness analysis up to the maximums detailed in the table below (average LIURP costs for such measures in CY20), adjusted annually; provided however, if the measure remains cost ineffective after applying the cost exclusions, the measure will not be installed.

<b>Measure</b>	<b>Average LIURP Cost in CY20</b>
Boiler Replacement	\$7,275
Boiler Repair	\$604
Furnace Replacement	\$4,579
Furnace Repair	\$692
Water Heater Replacement	\$1,313
Water Heater Repair	\$121
Flue & Chimney Related Repairs (Heating)	\$775
Flue & Chimney Related Repairs (DHW Specific)	\$201
Flue & Chimney Related Repairs (All)	\$749

This LIURP program Repair and Renew budget is \$250,000 per year (these costs are included within the overall LIURP program budget).

#### 16. Cost Effectiveness Calculations

Cost-effectiveness calculations are used to determine what measures can be installed. Each job must be cost-effective when excluding the costs from the table on page 23 of the USECP. Steps are as follows:

- Gas, electric and water savings are calculated for each energy efficiency measure installed, based on PGW's Technical Reference Manual (TRM). Calculations are performed in the program Contractor Tool.
- Each measure installed has a dollar value calculated for measure cost, and the benefits are monetized based on avoided costs.
- If a job is not cost-effective, the contractor can apply all or some of the costs of the measure in the cost-exclusion category as long as that amount is below the maximum listed in the Cost exclusion table. As long as the job has a benefit to cost ratio (BCR) above 1.0, with the health and safety costs excluded, the job can be completed.

#### 17. Pilot Conservation Incentive Credits

This program was discontinued pursuant to PUC Order after 2020.<sup>15</sup>

### **C. Customer Assistance Referral and Evaluation Service Program (CARES)**

#### 1. CARES Description

CARES assists customers with special needs, such as those who have recently experienced a family emergency, unemployment, or age-related issues. CARES provides the customer with referral information to internal and external organizations and assistance programs. In some cases, follow-up and on-going services are provided. Information about CARES is distributed through outreach initiatives and contact with PGW customer service representatives. CARES also includes outreach activities related to LIHEAP and Crisis grants, since those grants target many of the same customers who are low-income and seek assistance with paying their utility bills.

#### 2. CARES Needs Assessment

The need for CARES assistance is assessed based on the customers' self-reported needs. For example, if a customer notifies PGW that he/she is experiencing difficulty paying a bill due to difficulty finding employment, the customer service representative will provide the customer with PGW options to make the bill more affordable (e.g., CRP) and also will provide a referral to external organizations that provide services to the unemployed. PGW uses internal data and census data to estimate the number of customers who are eligible for CARES assistance. PGW's needs assessment shows that approximately 29% of PGW's residential customer base may be eligible for some of the services provided by CARES (e.g., referrals and case management). The needs assessment set forth in this Plan's description of CRP is incorporated herein.

Some additional customers would be eligible for CARES regardless of income, such as those with a protection from abuse order ("PFA") or an impending life event that may lead to financial hardship. Therefore, any PGW residential customer is potentially eligible for CARES, depending on life circumstances.

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<sup>15</sup> See March 26, 2020 Order in Docket Nos. M-2016-2542415 and P-2020-3018867, Ordering Paragraph 4 c).

### 3. CARES Objectives

The objectives of CARES is to help customers resolve issues related to and beyond bill payment and energy affordability and to provide follow-up and case management services as needed. The objectives are achieved mainly by referrals to programs and organizations that can address customers' specific needs. Some CARES cases require follow-up and ongoing case management.

### 4. CARES Eligibility

CARES services are provided to customers who are at or below 150 percent of the FPL and who are having difficulty paying their bills; those who anticipate difficulty paying their bills due to a personal crisis that is likely to result in a financial hardship; and those who have a valid PFA or other court order indicating the customer is a victim of domestic violence - in order to ensure that additional protections are provided, particularly those under relevant PUC regulations.

### 5. CARES Projected Enrollment

In fiscal year 2021, PGW handled 6,872 CARES cases through ongoing case management, which is an average of 572 cases per month. Another 17,385 cases were resolved in a "quick-fix" manner by customer service representatives through referrals given to customers.

### 6. CARES Components

CARES has two components, quick-fix and case management. The quick-fix component is limited to referrals. Each customer service representative has a resource guide which provides a list of external organizations that offer social services and assistance programs beyond the scope and function of any utility assistance offered by PGW. The purpose of these referrals is to provide information that can assist a customer in resolving an issue impacting their ability to pay their gas bill and maintain service. Referrals are made to a number of programs, including LIHEAP. There is no follow-up action taken by PGW after the referral is made by the customer service representative, but there is no limit to the number of times PGW will make a referral for any customer.

The case management component includes ongoing monitoring and follow-up services for the customer. These cases are handled by the Universal Services department. The case referral may come from customer service representatives, other internal PGW sources, or external sources.

## 7. CARES Estimated Budget

CARES budgeting is included in the LIHEAP Outreach budget; the bulk of CARES cases are customers who are unable to pay their utility bills because they are low-income and would benefit from third party assistance.

**Table 7: CARES Estimated Budget**

CARES	2023	2024	2025	2026
LIHEAP Administration/Outreach	\$ 947,550	\$ 947,550	\$ 947,550	\$ 947,550
Average monthly participation based on annual usage (CARES only including “quick fix”)	2,020	2,020	2,020	2,020

CARES	2027
LIHEAP Administration/Outreach	\$ 947,550
Average monthly participation based on annual usage (CARES only including “quick fix”)	2,020

### D. Hardship Funds and Pilot

#### 1. Hardship Funds Description

PGW provides Hardship Funds by matching grants paid by the Utility Emergency Service Fund (“UESF”) to customers whose service is terminated or in danger of being terminated. PGW funds are provided in the form of a matching bill credit of up to approximately \$750. Also, PGW receives customer contributions to UESF through the Dollar Plus program throughout the year; PGW expects to do outreach to customers for contributions to Dollar Plus. Contributions received are forwarded to UESF so that it can provide additional grants.

#### 2. Hardship Funds Needs Assessment

The low-income PGW customer needs assessment set forth in this Plan’s description of CRP is incorporated herein. In addition, PGW determines the need for UESF grants by reviewing the number of grants provided in the prior 3 years and the amount of dollars granted. Since Hardship Funds are matching bill credits, the actual number of grants and the amount of credits provided will depend upon the number of grants and level of funding provided by UESF. In 2020, PGW ratepayers made available up to \$753 extra in addition to the customer/PGW match to match UESF grants.

**Table 8: Hardship Fund Estimated Spend**

Hardship Fund	Per Calendar Year 2023-2027	2018-2020 Calendar Year Average
Clients served	1,184	1,053
UESF funds	\$620,846	\$509,320.31
PGW matching credits	\$620,846	\$505,170.54

The COVID-19 pandemic negatively affected UESF’s administration of its grants in 2020, both directly through office closures, and indirectly through eligibility requirements affected by the PUC’s COVID-19 Emergency Moratorium on terminations for non-payment. This resulted in lower than a usual number of grants in 2020, which brought down the three year averages shown for years 2018-2020. The values shown for 2023-2027 are representative of more typical years.

### 3. Hardship Funds Objectives

The objective of Hardship Funds is to provide financial assistance to eligible customers whose service is terminated or who are in danger of losing service. The combination of UESF grant dollars and the PGW matching credit are intended to provide the customer with a “fresh start” on their gas bill.

### 4. Hardship Funds Eligibility

Eligibility is limited to customers with a gross household income at or below 175% of the FPL. Below is a table showing the income eligibility guidelines for UESF for fiscal years 2019 through 2021 (UESF fiscal year is July 1-June 30).

**Table 9: Hardship Fund Eligibility**

Maximum annual gross household income			
Household size	FY19	FY20	FY21
1	\$21,858	\$22,330	\$22,540
2	\$29,593	\$30,170	\$30,485
3	\$37,328	\$38,010	\$38,430
4	\$45,063	\$45,850	\$46,375
each additional	\$7,735	\$7,840	\$7,945

Additional eligibility requirements include:

- Service must be off, or threatened to be shut off;
- Customer must not have received assistance from UESF in the past 24 months;
- Customer must have applied for LIHEAP Cash and Crisis grants if those programs are open and grants are available;
- The combination of the UESF grant and the PGW matching credit cannot exceed \$1,500 (for City grants) and must eliminate the total amount due (not including frozen arrears if the customer is enrolled in CRP) and, if the customer seeks restoration, any written off debt

required for restoration. If the total amount due exceeds \$1,500, the customer must pay the difference, either out of pocket or through other utility assistance grants such as LIHEAP. It is a UESF requirement that such debt be paid in order for a grant to be awarded.

With respect to the above, when a temporary hold is placed on the account the termination is canceled. PGW will meet with UESF to discuss a policy change to allow customers with holds to remain eligible for a UESF grant.

PGW will notify customers enrolled in its Pilot Hardship Fund Program within five days after eligibility is determined regarding the amount of the grant and when they should expect to see the grant reflected in their bill.

#### 5. Hardship Funds Projected Enrollment

Enrollment projections are based on three completed prior fiscal years. Between 2018 and 2020, PGW provided matching funds for an average of 1,053 customers per year. PGW projects it could have the ability to serve an average of at least 1,184 customers per year between 2023 and 2027 and possibly a higher amount of customers, dependent on obtaining necessary grant funds and approvals.

#### 6. Hardship Funds Components

Hardship funds have at least two, and in some cases, three components: UESF grants, utility contributions, and client contributions. Combined, these components give the customer a fresh start by fully eliminating their total amount due.

#### 7. Hardship Funds Modifications

PGW relies on UESF grants to meet the Hardship requirements of the Universal Services program, which allows PGW ratepayers to benefit from funding provided to UESF through City grants and private grants. In recent years, especially during the pandemic, UESF did not issue enough grants to use up the funds PGW has budgeted as available for matching funds for the Hardship program.

PGW's Hardship Funds program has been expanded in this plan as follows:

- Expanded to utilize a portion of PGW's portion of unspent funds in an alternative program, which will require additional administrative resources and costs. PGW's cost recovery for these funds would be the same as under the current hardship program.
- If UESF is unable to meet PGW's budget for a calendar year by December 31 of that year, PGW would utilize a portion of the unused matching grants, up to \$100,000. PGW's goal would be to utilize these grants via this Hardship Program before the end of the subsequent calendar year.

- A hardship program is not meant to serve as an ongoing assistance program. A hardship program should address sudden, temporary, and acute problems across the income spectrum. A customer above the income threshold at 151% to 250% may experience a crisis where despite being at a non-low income, the income may not be enough to address both their normal monthly bill obligations, such as utility bills, *and* the temporary, but acute crisis. A hardship fund can ease the “benefits cliff” associated with graduating out of low-income programs or help prevent someone from falling into poverty.
- PGW will offer automatic grants up to \$750/household to customers under the following scenarios.
  - CRP customers who are removed from CRP during the recertification process for exceeding the income eligibility limits; and / or
  - Customers with a PFA as provided by 23 Pa.C.S. Chapter 61 (relating to Protection from Abuse Act) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer;
  - provided in either of the above instances that the income documented during the CRP recertification or PFA process is at or below 250% of the Federal Poverty Line. The minimum grant amount would be \$200 and the maximum \$750, depending on the customer’s current past due amount. Customers may opt-out of receiving this grant.
- Grants will be allocated on a first-come-first-serve basis until funds are exhausted. Grants awarded under this program will work as if they were a PGW matching grant. A single customer may only take advantage of the above program for just one of the listed reasons, and can only receive the grant once per year.
- PGW estimates that, at most, there could be 1,000 eligible customers per year who might meet eligibility for the Hardship program. The proposed budget of this is \$100,000, awarded on a first-come, first-served basis until funds are exhausted. With a proposed grant value of \$200-750, this would provide enough funding for approximately 133 to 500 customers.

#### 8. Hardship Funds Estimated Budget

The operating support paid to UESF is a fixed amount and is projected to be fully expended. However, the amount expended annually from a projected \$795,500 (dependent on obtaining necessary approvals) for matching funds will depend on other sources of funding obtained by UESF.

**Table 10: Hardship Fund Maximum Budget**

Hardship Funds	2023-2027 Per Year
Operating support (PGW)	\$260,149
UESF grants	\$795,500
Utility contribution (PGW)	\$795,500
Customer/employee contributions (PGW)	\$2,000
Total Program costs	\$1,853,149
Average annual participation	1,184

**E. Integration of Universal Services Programs; Steps Used to Identify and Enroll Customers in Universal Service Programs; Use of Community Based Organizations**

PGW makes a conscious and sustained effort to integrate all universal service programs so that customers receive information and access to all assistance programs for which they may be eligible.

CRP and LIURP – When CRP customers have trouble paying their bills or have a personal crisis that impacts their ability to pay their bills, they are referred to Hardship Funds and the CARES program. When customers have high natural gas usage they are referred to Home Comfort. Customers who receive Home Comfort services are also provided information about other assistance programs, such as the CARES program and LIHEAP and Crisis grants. PGW engages in a significant number of partnerships in support of its Home Comfort program – this coordination is described more fully on Appendix E.

CARES – PGW utilizes many internal and external assistance programs in the implementation of CARES in order to provide referrals to a variety of programs suited to resolve the customer’s particular personal crisis or issue. For example, if the issue is job loss, PGW provides the customer with information regarding external grant programs and internal assistance programs that can help them pay their gas bill in the immediate term and makes referrals to employment centers and job services. PGW has long standing relationships with a network of external organizations that provide many types of assistance for individuals and families in need. In Philadelphia, the Neighborhood Energy Centers and UESF intake sites are two networks in which PGW coordinates UESF grants and provides information to caseworkers who are helping PGW customers obtain an affordable bill. PGW refers customers to these organizations in the course of providing CARES assistance; the services provided by these organizations include budget counseling, housing counseling, job placement services, senior services, after-school programs, homelessness prevention, and other health and

human services. Additionally, these organizations often provide the outreach and venue for energy conservation workshops that are sponsored annually by PGW and administered by a third party.

PGW does not limit itself to the network of organizations with which it already has established relationships. At events, PGW provides information to local residents about CRP, LIHEAP, Crisis, and UESF grants, as well as other assistance programs at PGW. PGW also implements an aggressive and comprehensive outreach campaign to inform all of our low-income customers about LIHEAP and Crisis grants and provides direct assistance to customers in applying for grants.

Hardship Funds – In addition to the other efforts described in this section, PGW maintains relationships with the network of UESF intake sites that assist PGW’s customers.

Outreach Efforts and Campaigns – PGW engages in significant efforts throughout the year to provide information and referrals to PGW customers who may benefit from Universal Service Programs. PGW’s Outreach Plan is set forth on Attachment G.

### **III. Organizational Structure and Staff Responsibilities**

Staff with direct responsibilities in Universal Services:

- Senior Vice President, Customer and Regulatory Affairs
- Director, Regulatory Compliance 2024-2027
  - Directs policy development and implementation
  - Ensures compliance with PUC regulations and guidance
- Manager, Universal Services
  - Ensures that activities related to CRP, CARES, LIHEAP and UESF programs are run effectively, efficiently and in compliance with legislative guidelines.
  - Supervises a support staff responsible for ensuring the achievement of specific corporate goals through performing the unit’s day-to-day activities.
- Supervisor, Universal Services
  - Provides guidance and direction, setting job standards and providing technical support to the representative team.
  - Responsible for the overall quality of work for the group.
- Universal Services representatives

Staff with direct responsibilities in LIURP:

- Vice President, Regulatory Compliance and Customer Programs
- Director, Customer Programs
  - Directs program development and implementation.
  - Ensures compliance with PUC LIURP regulations and guidance.
- Manager, Energy Efficiency and Emerging Customer Programs

- Ensures that the LIURP is run effectively, efficiently and in compliance with regulatory guidelines.
- Manages the Energy Efficiency Program Analyst and oversees program implementation.
- Analyst, Energy Efficiency and Emerging Customer Programs
  - Day-to-day oversight of the program; primary liaison with the conservation service providers and quality assurance vendor.
  - Calculates key performance indicators and prepares reports on program activities.

Additional Support:

Customer Service Representatives

#### **IV. Community Partners**

Utility Emergency Services Fund (“UESF”) – PGW partners with the Utility Emergency Services Fund to implement and administer Hardship Funds. UESF has a network of intake sites that perform the primary outreach duties for Hardship Funds and the completion of grant applications.

See Appendix C for an address list of UESF intake sites and the main office.

Neighborhood Energy Centers – Neighborhood Energy Centers provide a coordinated and comprehensive approach to energy and related problems for low and moderate income households. They provide budget counseling, energy counseling, energy conservation education, and grant application assistance for the communities they serve. They are also a means of outreach for PGW assistance programs. Since the Neighborhood Energy Centers are housed in community organizations that serve a broad mission and many needs in their community, PGW uses them often as a resource when making referrals in our CARES program.

See Appendix D for an address list of the Neighborhood Energy Centers.

Philadelphia County Assistance Office (LIHEAP District) – PGW maintains a partnership with the LIHEAP District of the Philadelphia County Assistance Office that is vital to the efficient and effective coordination of LIHEAP and Crisis grants for our low-income customers. Even though LIHEAP and Crisis grants are administered independently of our Universal Service programs, these grants serve as an important channel of outreach and referral. Also, LIHEAP grants serve as a proxy for verifying eligibility in CRP on a bi-annual basis.

An important and useful change in this partnership in recent years has been the coordination of LIHEAP, Crisis, and Hardship Funds.

See Appendix E for LIURP coordination.

The address for the Philadelphia County Assistance Office is:

Philadelphia County Assistance Office – LIHEAP  
801 Market St, 5th Floor Suite #5105  
Philadelphia, PA 19107-3109 (215) 560-4733

## **V. Conclusion**

PGW serves a customer base with the highest proportion of poverty in the Commonwealth. Approximately 1 in 3 customers are eligible for assistance from one or more of PGW's Universal Service programs. PGW makes an aggressive effort to ensure that these customers have available robust assistance programs to help them pay their bills and maintain service. The costs and participation levels of these programs are evidence of our efforts.

PGW is pleased to submit this Plan and believes that it presents a comprehensive and balanced approach to addressing the needs of the Company's low-income customers. PGW, therefore, respectfully requests that the Commission implement its Universal Service and Energy Conservation Plan in full, without modification.

## **VI. Appendices**

- A. Consolidated Charts
- B. Recertification Process
- C. UESF Intake Sites
- D. Neighborhood Energy Center locations
- E. LIURP Coordination
- F. Pilot Consumption Limits Customer Notification
- G. Consumer Education and Outreach Plan
- H. PGW CRP Application – Acceptable Income Documentation
- I. Statement of No Income
- J. Additional Financial Assistance Affidavit
- K. Landlord Authorization and Release of All Claims
- L. PGW's Low Income Multifamily Efficiency Program Landlord Authorization and Release of all Claims, and Exhibit A: Facility Tenant Income Composition
- M. Low Income Multifamily Efficiency (LIME) Program Frequently Asked Questions
- N. Prior Settlement Stipulations Related to Low Income Customer Assistance Programs

## Appendix A: Consolidated Charts

### 1. Projected Needs Assessments

The following chart provides a consolidated needs assessment for PGW's universal service programs, subject to the limitations as described in the Plan, above.

#### Needs Assessment<sup>16</sup>

Average monthly count of residential customers	488,817
Number of Identified Low-Income Customers	110,364
Estimated Number of Low-Income Customers	187,901
Number of Identified Payment-Troubled, Low-Income Customers	13,789
Current Estimated Low-Income Customers, based on Census Data	137,806
Number of Customers Needing LIURP, as set forth herein	44,168
Cost to Serve the Number Needing LIURP, as set forth herein	<u>\$131,391,720</u>
Enrollment Size of CRP to Serve All Eligible Customers <sup>17</sup>	N/A

### 2. Eligibility Criteria

#### Program Eligibility Criteria

	Income Criteria	Other Criteria
CRP	150% FPL	- May need to make an upfront payment, if a previous CRP agreement was broken, suspended, or inactivated
		- Must be a residential customer
		- Premises' account must be primary residence
		- PGW must be natural gas supplier
Home Comfort	150% FPL	<b>Single Family Properties:</b> - Known to be low income by having i) been on CRP over the prior 24 months; ii) received a LIHEAP, CRISIS or UESF grant over the past 24 months; or iii) been on a level 1 payment arrangement over the prior 24 months - Have weather normalized usage within the top 50% of all known low income customers, and at least twelve months of continuous service at their current property, while removing outliers and anomalies based on the

<sup>16</sup> From 2021 Universal Service Programs and Collection Performance Report except where indicated.

<sup>17</sup> PGW does not have a maximum enrollment limit.

		<p>statistical significance of the weather normalized usage.</p> <ul style="list-style-type: none"> <li>- Have not received LIURP weatherization services over the prior 7 years.</li> <li>- Must reside in a single-family home. If the customer rents the home, their landlord must authorize PGW to perform the weatherization.</li> </ul>
		<p><b>Multifamily Properties:</b> Currently, buildings with at least 75% of tenants at or below 150% FPL are targeted. PGW will confirm eligibility by targeting buildings with residents that receive Section 8 housing vouchers or which have Low Income Housing Tax Credits. This program is open to both master metered and individually metered properties.</p>
Hardship Fund (UESF)	175% FPL	- Maximum City grant is \$1,500
		- Combination of grants and customer co-pay must bring the total account balance or CRP cure amount to \$0
		- Can receive a grant only once every two years
		- Must apply for LIHEAP and Crisis first, if they are available
CARES	150% FPL	- Must be experiencing difficulty paying a bill due to special circumstances, such as job loss, medical emergency, domestic abuse

### 3. Projected Enrollment Levels

The following table shows PGW’s projected enrollment levels for the company’s CRP, LIURP, CARES, and Hardship fund programs.

**Projected Enrollment Levels**

Programs	2023	2024	2025	2026	2027
CRP	65,429	68,381	71,334	74,286	77,238
Home Comfort*	2,597	2,597	2,597	2,597	2,597
CARES	2,020	2,020	2,020	2,020	2,020
Hardship Fund	1,184	1,184	1,184	1,184	1,184

\*Count excludes LIME

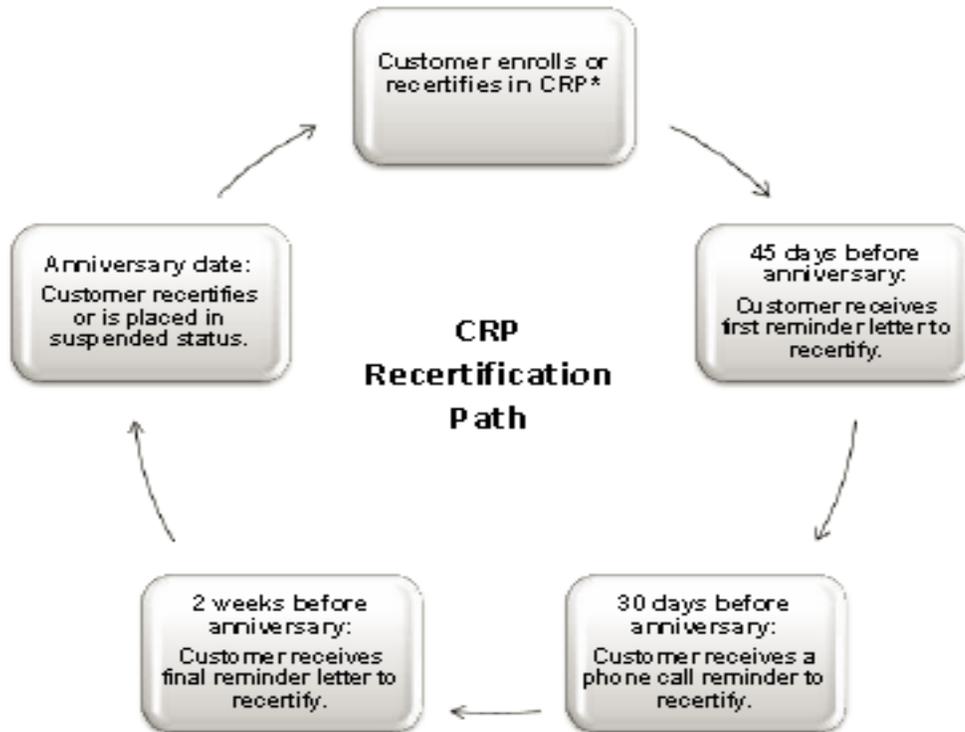
#### 4. Universal Services Projected Program Projected Budgets

The following table shows PGW's projected program budgets for the company's CRP, LIURP, CARES, and Hardship Fund programs.

##### Universal Service Projected Program Budgets

	2023	2024	2025	2026	2027
CRP	\$69,139,959	\$72,187,032	\$75,234,632	\$78,282,210	\$81,329,284
Home Comfort	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818	\$7,988,818
CARES	\$947,550	\$947,550	\$947,550	\$947,550	\$947,550
Hardship Fund	\$1,055,649	\$1,055,649	\$1,055,649	\$1,055,649	\$1,055,649
<b>Total</b>	<b>\$79,131,976</b>	<b>\$82,179,049</b>	<b>\$85,226,649</b>	<b>\$88,274,227</b>	<b>\$91,321,301</b>

## Appendix B: Notification Schedule for CRP Recertification Process



### Appendix C: UESF Intake Sites

<b>Intake Sites</b>	<b>Address</b>	<b>Phone Number</b>
ACHIEVEability	59 N. 60th Street Philadelphia, PA 19139	(215) 748-8838
Action Wellness	1216 Arch Street 6th Floor Philadelphia, PA 19107	(215) 981-0088
Center in the Park	5818 Germantown Ave Philadelphia, PA	(215) 848-7722
Central Office	1617 J.F.K Blvd Philadelphia, PA 19103	(215) 972-5170
City Hall North	22nd Street and Somerset Ave, Philadelphia, PA	
Concilio	141 E. Hunting Park Ave Philadelphia, PA 19133	(215) 627-3100
Congreso De Latinos Unidos*	216 W. Somerset Street Philadelphia, PA 19124	(215) 763-8870
Dixon House	1920 S. 20th Street Philadelphia, PA 19145	(215) 336-3511
Germantown Avenue Crisis Ministry	35 W. Cheltenham Ave Philadelphia, PA 19144	(215) 843-2340
Greater Philadelphia Asian Social Service Center**	4943 N. 5th Street Philadelphia, PA 19120	(215) 456-0308
H. A. C. E. *	4907 Frankford Ave Philadelphia, PA 19124	(215) 437-7867
H. A. C. E. *	167 W. Allegheny Ave Philadelphia, PA 19140	(215) 426-8025
Hunting Park N. A. C.	3760 N. Delhi Street Philadelphia, PA 19140	(215) 225-5560
Nicetown CDC	4300 Germantown Ave Philadelphia, PA 19125	(215) 329-1824
People's Emergency Center	325 N. 39th Street Philadelphia, PA 19104	(267) 777-5854
Strawberry Mansion CDC	2829 W. Diamond Street Philadelphia, PA 19132	(215) 235-7505
Southwest CDC	6328 Paschell Ave Philadelphia, PA 19142	(215) 729-0800
United Communities	2029 S. 8th Street Philadelphia, PA 19148	(215) 468-6111 ext.200

Urban League of Philadelphia	121 S. Broad Street Philadelphia, PA 19107	(215) 985-3220
We Never Say Never	4427 Lancaster Ave Philadelphia, PA 19104	(215) 452-0440

\*Spanish speaking assistance available (se habla español)

\*\*Chinese and other language assistance available

## Appendix D: Neighborhood Energy Center Locations

Energy Center	Address	Phone Number
ACHIEVEability	59 N. 60th Street Philadelphia, PA 19139	(215) 748-8838
Center in the Park	5818 Germantown Ave Philadelphia, PA	(215) 848-7722
Congreso De Latinos Unidos*	216 W. Somerset Street Philadelphia, PA 19124	(215) 763-8870
Diversified Community Services	1920 S. 20th Street Philadelphia, PA 19145	(215) 336-3511
Germantown Avenue Crisis Ministry	35 W. Cheltenham Ave Philadelphia, PA 19144	(215) 843-2340
Greater Philadelphia Asian Social Service Center**	4943 N. 5th Street Philadelphia, PA 19120	(215) 456-0308
H. A. C. E.*	4907 Frankford Ave Philadelphia, PA 19124	(215) 437-7867
Hunting Park N. A. C.	3760 N. Delhi Street Philadelphia, PA 19140	(215) 225-5560
New Kensington CDC*	2515 Frankford Ave Philadelphia, PA 19125	(215) 427-0350
Nicetown CDC	4300 Germantown Ave Philadelphia, PA 19125	(215) 329-1824
Strawberry Mansion CDC	2829 W. Diamond Street Philadelphia, PA 19132	(215) 235-7505
Southwest CDC	6328 Paschell Ave Philadelphia, PA 19142	(215) 729-0800
United Communities	2029 S. 8th Street Philadelphia, PA 19148	(215) 468-6111 ext.200
We Never Say Never	4427 Lancaster Ave Philadelphia, PA 19104	(215) 452-0440

\*Spanish speaking assistance available (se habla español)

\*\*Chinese and other language assistance available

## Appendix E: LIURP Coordination

<b>Program/Organization &amp; Description of Coordination</b>
<p><b>Habitat for Humanity</b></p> <p>PGW and Habitat for Humanity coordinate services through Habitat’s Home Repair and Weatherization Program. Habitat's program focuses on individual neighborhoods and provides weatherization and structural repairs to support housing revitalization. Under this arrangement, PGW and Habitat share data as appropriate and identify customers who are enrolled or eligible for both Habitat's Home Repair and Weatherization Program and Home Comfort. Habitat and PGW contractors identify pre-treatment and structural issues for Habitat to address, and PGW contractors focus on weatherization. Ten projects have been coordinated to date and there are several additional homes under review for coordination.</p>
<p><b>PECO LEEP (Low Income Energy Efficiency Program)</b></p> <p>PGW has partnered with PECO’s LEEP (Low Income Energy Efficiency Program), their Act 129 program that offers customers electric energy conservation measures.</p>
<p><b>Housing Alliance of Pennsylvania</b></p> <p>PGW has collaborated with Housing Alliance of Pennsylvania to market its LIME program and reach out to multifamily building owners that can benefit from free and low-cost energy efficiency measures.</p>
<p><b>Philadelphia Energy Authority (PEA)</b></p> <p>PGW has is in the process of entering into a partnership with PEA on a new Built to Last (BTL) initiative, which coordinates home repair, weatherization, health and safety and other services for low income homeowners in Philadelphia. This partnership will make it easier for low income customers to participate in a number of programs without any administrative burden.</p>

## **Appendix F: Consumption Limits Customer Notification**

## Consumption Limit Letter 1

[SYSTEM DATE]

PGW Account Number: [ACCOUNT NUMBER]  
Service Address: [PREMISE ADDRESS]

### **NOTICE OF CRP CREDIT LIMIT**

Dear [FIRST NAME] [LAST NAME],

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is approximately \$3,048 (subject to changes in PGW's rates) or 2,290 CCF through [FINAL CREDIT MONTH]. PGW will notify you by mail if your usage reaches 50%, 80% and 100% of the maximum credit. There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.

You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: (215) 235-1000.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com](http://www.pgwenergysense.com).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of your hot water heater.
- Reduce your shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Consumption Limit Letter 2

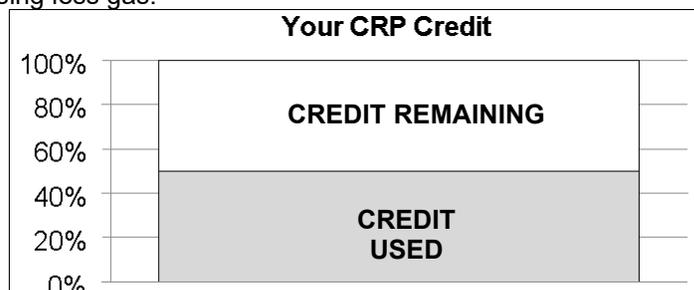
September 15, 2017

PGW Account Number: 999999999  
Service Address: 123 Main Street

### **NOTICE OF LIMITED CRP CREDIT REMAINING**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you only have 50% of your annual credit remaining.** There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.



You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of your hot water heater.
- Reduce your shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Consumption Limit Letter 3

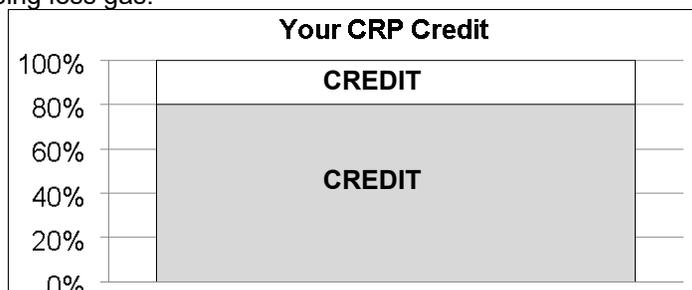
September 15, 2017

PGW Account Number: 999999999  
Service Address: 123 Main Street

### **NOTICE OF LIMITED CRP CREDIT REMAINING**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you only have 20% of your annual credit remaining.** There is currently no penalty for exceeding your maximum credit, but we encourage you to take steps today to begin using less gas.



You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of the hot water heater.
- Reduce shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Consumption Limit Letter 4

September 15, 2017

PGW Account Number: 9999999999  
Service Address: 123 Main Street

### **NOTICE OF MAXIMUM CREDIT**

Dear CUSTOMER NAME,

As a participant in PGW's Customer Responsibility Program (CRP) you receive a credit paid for by other PGW customers that covers a portion of your monthly bill. Your current maximum annual credit is \$3,048, subject to changes in PGW's rates. **As of August 2021, you have reached the maximum annual credit. There is no penalty for exceeding your maximum credit at this time, but we encourage you to take steps today to begin using less gas.** You will continue to be billed for service according to your CRP agreement.

You may be eligible for an exemption to the maximum credit if any of the following are true, 1) a family member has recently moved into your household; 2) a member of your household has experienced a serious illness; 3) your house has been condemned or has housing code violations that affect gas use; or, 4) the gas use is otherwise beyond your ability to control. If you wish to request an exemption, please contact PGW at: ###-###-####.

Below are a few steps you can take to save gas to avoid reaching the maximum credit. More savings tips are available at [www.pgwenergysense.com/tips-forhomeowners.html](http://www.pgwenergysense.com/tips-forhomeowners.html).

- During the winter, lower your thermostat to 68°F when you are home and to 58°F if you're going to be away for more than a few hours.
- Lower the temperature of the hot water heater.
- Reduce shower time, and begin showering immediately after it becomes warm.
- If you have a furnace, check the system's air filter every month and replace if dirty.

You may also conserve natural gas by participating in PGW's Home Comfort program. If you are selected for this free program offering conservation services, be sure to accept the services. It is requirement of CRP and will help you avoid reaching the maximum credit.

Please contact PGW at 215-235-1000 if you require assistance.

## Appendix G: Consumer Education and Outreach Plan



# 2023 Consumer Education and Outreach Plan

**Goal:** Perform outreach to educate and enroll eligible PGW customers at or below 50% of the Federal Poverty Income Guidelines (FPIG). All outreach efforts should strive for equity and accessibility.

Provided below is an outline of efforts to be conducted by PGW in 2023 to encourage income-eligible customers to apply for CRP, UESF, LIHEAP and Crisis in our service territory. This plan may be modified and enhanced within the duration of the 2023-2027 Universal Service and Energy Conservation Plan.

### Target Audience(s):

- All Philadelphia residents.
- Income eligible Philadelphia residents in the following zip codes: 19104, 19120, 19121, 19124, 19132, 19133, 19134, 19139, 19140, 19145, 19148, 19144, 19104.
- Income Eligible Seniors (Age 65 and older).
- Income Eligible non-English speaking or English as a second language (ESL) customers. Primarily Spanish and Simple Chinese. PGW intends to include Russian and French in 2023
- Relevant stakeholders (anchor organizations, elected officials, Neighborhood Advisory Committees). Anchor organizations are community groups within the aforementioned zip codes.
- PGW Customers identified at 50% of the Federal Poverty Line (FPL) or below.

PGW will specifically target the following external organizations:

HACE, Hunting Park NAC, New Kensington CDC, Parkside NAC, People's Emergency Center, South Kensington NAC, Southwest CDC, Enterprise CDC, Nueva Esperanza, Nicetown CDC, Allegheny West Foundation, Universal Companies, United Communities, ACHIEVEability, Mt. Vernon Manor CDC, Brewerytown Sharswood NAC, Strawberry Mansion, APM, Frankford CDC, GPASS, Whitman Council.

### 47 Faith Based Organizations

- Synagogues
- Mosques
- Churches

### 10 Non-English Speaking

- KITHS
- GPASS
- Chinatown CDC
- HACE
- Congreso
- APM
- AFRICOM
- Cambodian Association of Greater Philadelphia
- Nationalities Service Center
- Nueva Esperanza

### Utilize diverse communications tools:

- Community Outreach - In-person events and virtual sessions
- Community Partnerships
- Email Newsletters and social media toolkits
- Mass Media Campaigns (Print, Television, Radio, Outdoor and Social & Digital Media)
- Outbound Calls
- Direct Mail

#### **Direct Contact**

- Mailings- PGW conducts multiple direct mailing campaigns annually to encourage income-eligible customers to apply for CRP, UESF, LIHEAP and Crisis. This process entails sending both letters and/or postcards to potentially eligible customers to inform them about the benefits of each program and how to apply.
- Outbound Calls- PGW also utilizes outbound calls to perform direct outreach. These calls consist of providing information about eligibility, as well as how to apply. The outbound call function also provides customers with the ability to request an application be mailed directly to their home.
- Bill Inserts- In addition to letters, PGW also dedicates space in its monthly newsletter, The Good Gas News, to perform outreach to customers. These communications include promoting CRP as well as the availability of grants such as LIHEAP, Crisis and UESF.

#### **Mass Media Campaigns**

- PGW advertises its assistance programs on the radio, TV, mass transit, social media and in community newspapers. Much of the advertising is targeted to communities that have the highest density of customers who can benefit from PGW's programs. In addition, PGW also promotes its assistance programs on the company's website [www.pgworks.com](http://www.pgworks.com). Throughout the site, there are descriptions of each program, as well as link or direct access to applications for customers to download in both English and Spanish.

#### **Community Outreach**

- Community Events- PGW will conduct specific outreach to organizations and community groups in identified zip codes to host in-person events and trainings. We also expect to continue to conduct virtual events, as well, due to the ongoing pandemic. These events provide the company with the opportunity to have direct contact with customers to answer questions as well as distribute information. The company is also able to provide application assistance for LIHEAP and enroll customers into CRP onsite.
- Partnerships- PGW has developed partnerships with local city officials, low-income advocates, and other external stakeholders such as Neighborhood Advisory Committees to increase awareness of the various resources. Through these partnerships, PGW provides outreach materials as well as conduct presentations to staff to increase awareness of the company's programs. The company also attends various events held by partners to provide information and enroll customers into assistance programs.
  - PGW will partner with Benefits Data Trust to develop tactics to specifically target PGW customers living at or below 50 percent of the FPL.

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- PGW will collaborate with schools, faith-based institutions and local grass roots organizations to increase visibility through in person interaction to increase awareness to our targeted demographics.
- Workshops/Presentations- Annually, PGW offers approximately 100 educational workshops to its customers. These workshops include information on how to weatherize homes as well as provide attendees with kits and information packets about the company's assistance programs. Each attendee also provides their contact information, which allows PGW to add them to the appropriate direct contact campaign to receive additional information regarding other resources that may be available to them.

**Appendix H: PGW CRP Application – Acceptable Income Documentation**

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
<b>Employment</b>	<ul style="list-style-type: none"> <li>• Pay Stubs - Last 30 days of Gross Income including YTD amounts, net income and deductions</li> <li>• Employer Verification Letter on Company Letterhead for new hires who cannot produce paystubs</li> </ul>
<b>Unemployment</b>	<ul style="list-style-type: none"> <li>• Letter from the Department of Labor and Industry showing unemployment benefits</li> <li>• Unemployment Award Letter</li> </ul>
<b>Pension</b>	<ul style="list-style-type: none"> <li>• Monthly Bank Statement showing direct deposit</li> <li>• Pension Award Letter</li> <li>• Monthly Check</li> </ul>

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
<b>Workmen's Compensation</b>	<ul style="list-style-type: none"> <li>• Worker's Compensation pay stub</li> <li>• Workmen's Compensation Award Letter</li> <li>• Monthly Bank Statement showing Workmen's Compensation deposits</li> </ul>
<b>Short/Long Term Disability</b>	<ul style="list-style-type: none"> <li>• Short-and/or long-term disability pay stubs.</li> <li>• Monthly Bank Statement showing Short-and/or long-term disability deposits</li> </ul>
<b>Department of Human Services (DHS)</b>	<ul style="list-style-type: none"> <li>• DHS benefits summary</li> <li>• Compass printout showing the household's benefits and income</li> </ul>
<b>Child Support</b>	<ul style="list-style-type: none"> <li>• Child Support Court Order received on behalf of a child</li> <li>• Monthly Bank Statement showing child support deposits</li> </ul>

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
<b>Spousal Support</b>	<ul style="list-style-type: none"> <li>• Alimony Court Order</li> <li>• Alimony Monthly Check</li> <li>• Monthly bank statements showing Alimony deposits</li> </ul>
<b>Social Security</b> <i>(SSI, SSD, Survivor Benefits, etc.)</i>	<ul style="list-style-type: none"> <li>• Social Security Award Letter, provide annual award letter or bank statement showing monthly direct deposits</li> </ul>
<b>Rental Income</b>	<ul style="list-style-type: none"> <li>• Prior Year Federal Tax return showing rental Income</li> <li>• Copy of your most recent Mortgage Statement for the property you rent or a deed showing ownership of the rented, a copy of the lease with your tenant(s), and documentation of rental receipt (e.g., bank statements, rent receipts).</li> </ul>
<b>Self Employed</b>	<ul style="list-style-type: none"> <li>• Federal tax return for the prior year</li> </ul>

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
<b>Foster Care Support</b>	<ul style="list-style-type: none"> <li>• Foster Care Support Payments</li> </ul>
<b>Additional Financial Assistance</b>	<ul style="list-style-type: none"> <li>• A completed Additional Financial Assistance section on the CRP application. Must be completed by the person providing the assistance.</li> </ul> <p>As part of the review process, PGW may also request a copy of a photo I.D. and a valid phone number of the person who provides Additional Financial Assistance. If the person providing assistance is enrolled in the PGW Customer Responsibility Program, the person providing assistance will be required to demonstrate how they</p>

<b>Type of Income</b>	<b>Acceptable Proof of Income</b>
	meet basic living expenses.
<b>No Income</b>	<ul style="list-style-type: none"> <li>• Explanation of how food, housing and utility expenses are met</li> <li>• Unemployment Denial Letter</li> <li>• Workmen’s Compensation Exhaustion of Benefit or Denial Letter</li> <li>• Veteran’s Benefit Denial Letter</li> <li>• DHS Benefit STOP Notice</li> <li>• Social Security Benefits Denial Letter</li> </ul>



**Appendix I: Statement of No Income  
PHILADELPHIA GAS WORKS**

800 West Montgomery Avenue • Philadelphia, PA 19122

**Customer Responsibility Program  
Statement of No Income or Financial Support**

**IMPORTANT:** Only complete this form if neither you, nor anyone else in your household, has received any type of income, financial assistance, child support, or any other type of cash assistance within the last 30 days, other than SNAP benefits, a housing voucher, or a PHA utility payment.

Please describe below how your household meets the basic needs of food, housing, and utilities each month.

Food - \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Housing - \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Utilities - \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By signing below, I certify that neither myself, nor anyone who lives in my household, receives any type of income, cash support, or financial assistance, and that the food, housing, and utility costs for my household, and for everyone who lives with me, are met using other means of support, as described above. I also acknowledge that if upon investigation, PGW finds that I have made false statements on

this document, that my account will be removed from the Customer Responsibility Program, I will be re-billed for any discounts received and arrears forgiven, and that I will be prohibited from re-enrolling in the program for one year.

Name		Street Address		PGW Acct #	
------	--	----------------	--	------------	--

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## Appendix J: Additional Financial Assistance Affidavit

### Additional Financial Assistance Affidavit

If someone not living in your home provides financial assistance to you or someone else in your home, they must complete the section below and sign where noted.

**Note:** PGW may require verification of the information stated in this section. This form is only to be completed and signed by the person providing assistance.

#### Person Getting Assistance

---

Account Number

---

First Name

Middle Initial

Last Name

---

Address

Apt

---

City

State

Zip

#### Person Giving Assistance

---

First Name

Middle Initial

Last Name

---

Address

Apt

---

City

State

Zip

---

Phone Number

By signing in the space provided below, I certify that I provide \$\_\_\_\_\_ per month in cash assistance to the CRP applicant listed at the top of this form and I understand that PGW can request verification of this information.

---

Signature of person giving assistance

Date

www.pgworks.com

## Appendix K: Landlord Authorization and Release of All Claims

### PGW' S HOME COMFORT PROGRAM LANDLORD AUTHORIZATION AND RELEASE OF ALL CLAIMS

Property Address: \_\_\_\_\_

Tenant Name: \_\_\_\_\_

Property Owner's Name and Mail

Address: \_\_\_\_\_

Property Owner's Authorized Representative Name and Mail

Address: \_\_\_\_\_

Effective Date: \_\_\_\_\_, 20\_\_

I, as the Property Owner of the above property ("Property"), authorize <CSP> Energy Services ("<CSP>") and Philadelphia Gas Works (PGW) to weatherize my Property under PGW's Home Comfort Program. I understand that my current Tenant(s) has agreed to participate in the Home Comfort Program. I agree that <CSP>, PGW and their respective contractors may enter my Property to inspect it, install usage reduction measures, and make such Property repairs and improvements (collectively the "Program Measures") as they deem appropriate under the PGW Home Comfort Program, may examine any records relating to utility usage and charges with respect to the Property, and may release to their respective designees information about the Property and the Program Measures made at the Property.

I, as the Property Owner, agree and warrant that if the Tenant complies with ongoing obligations and responsibilities owed to the Property Owner: (i) I shall not evict the Tenant from the Property for at least twelve (12) months after the completion of the Program Measures unless the eviction is due to Tenant's violation of the applicable lease or is otherwise unrelated to the installation of the Program Measures; and (ii) I shall not raise the tenant's rent unless the rent increase is related to matters other than the installation of the Program Measures.

I, as Property Owner, authorize the above noted Authorized Representative to act on my behalf and receive any future notices from PGW and/ or <CSP>.

In consideration for the Program Measures to my Property, on behalf of myself, my estate, my executors and administrators, and my heirs, I hereby (i) release, waive, discharge, indemnify and hold harmless PGW, Philadelphia Facilities Management Corporation, and the City of Philadelphia, and their respective owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof arising out of or in any way associated with the Property, the Program Measures and/or the weatherization materials provided to the Property; and (ii) release, waive, discharge, indemnify and hold harmless <CSP> and its owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof arising out of or in any way associated with the Property to the extent they arise from or are related to the act(s), omission(s), negligence or fault of the Property owner, tenant, third party, and/or Property owner employee(s), contractor(s) or agent(s).

I acknowledge that PGW, <CSP>, and their contractors disclaim all warranties, implied or express, including any warranties of merchantability with respect to the Program Measures and the weatherization materials provided to the Property and the results of their installation. Notwithstanding the above, any available manufacturer warranties for equipment and materials installed shall be assigned to the Property Owner. <CSP> will provide a one-year workmanship warranty on the work performed, and any defects in the work

caused by improper installation shall be corrected by <CSP> for a period of one (1) year from the agreement date.

I also acknowledge that any energy savings projected by PGW, <CSP>, or their contractors as a result of the installation of weatherization materials are only an estimate.

Property Owner(s) Signature(s): \_\_\_\_\_

Property Owner(s) Signature(s): \_\_\_\_\_

## **Appendix L: PGW's Low Income Multifamily Efficiency Program Landlord Authorization and Release of All Claims**

### **LANDLORD AUTHORIZATION AND RELEASE OF ALL CLAIMS**

Property Address(es):

Property Owner:

As of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ ("Effective Date"), Property Owner ("Owner") listed above authorizes CMC Energy Services ("CMC") and Philadelphia Gas Works ("PGW") to weatherize the Property listed above ("Property") under PGW's Low Income Multifamily

Efficiency ("LIME") program. Owner agrees that CMC, PGW and their respective contractors may enter the Property to inspect it, install usage reduction measures, and make such repairs and improvements at the Property (collectively the "Program Measures") as they deem appropriate, may examine any records relating to utility usage and charges with respect to the Property, and may release to their respective designees information about the Property and the Program Measures.

Owner, agrees to the following:

- a) if the tenant complies with ongoing obligations and responsibilities owed to the Owner:
  - (i) Owner shall not evict the tenant at the Property for at least twelve (12) months after the completion of the Program Measures, unless the eviction is due to tenant's violation of the applicable lease or is otherwise unrelated to the installation of the Program Measures; and
  - (ii) Owner shall not raise the tenant's rent unless the rent increase is related to matters other than the installation of the Program Measures.
- b) PGW may, for a period of five (5) years following the installation, inspect the Property or install equipment to monitor usage of any Program Measures.
- c) PGW may publicly use information about, and photographs of, the efficiency improvements at the Property. PGW may discuss and display copies of the photographs of any Efficiency Improvements to other customers who are considering participating in one of PGW's efficiency programs, or other persons.
- d) Any warranties for equipment and materials installed shall be assigned to the Owner. CMC will provide a one-year workmanship warranty on the work performed, and any defects in the work caused by improper installation shall be corrected by CMC for a period of one (1) year from the Effective Date.

Owner represents and warrants that the income composition of the Property listed in Exhibit A is correct as of the Effective Date. Owner must notify PGW if, on or before the installation of Program Measures, occupancy changes result in fewer than 75% of the Property's residents' having income at or below 150% of the Federal Poverty Limit. PGW may modify or discontinue the planned installation of Program Measures based on changes to the income composition listed in Exhibit A.

In consideration for the Program Measures to the Property, on behalf of myself, my estate, my executors and administrators and my heirs, Owner hereby (i) releases, waives, discharges, indemnifies and holds harmless PGW, Philadelphia Facilities Management Corporation, and the City of Philadelphia, and their respective owners, officers, directors, and employees from any and all known and unknown, foreseen and unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage or damage to tenant property), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof directly or indirectly arising out of or in any way associated

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with the Property, the Program Measures and/or the weatherization materials provided to the Property; and (ii) releases, waives, discharges, indemnifies and holds harmless CMC and its owners, officers, directors, and employees from any and all known and unknown, foreseen and

unforeseen bodily and personal injuries, death, illness, damage to property (including without limitation, environmental damage or damage to tenant property), and any and all other losses, claims, costs, liabilities and damages and any consequences thereof directly or indirectly arising out of or in any way associated with the Property, the Program Measures and/or the weatherization materials provided to the Property, except to the extent they arise from the negligence or willful misconduct of CMC, including its respective affiliates, employees and subcontractors.

I acknowledge that PGW, CMC, and their contractors disclaim all warranties, implied or express, including any warranties of merchantability with respect to the Program Measures and the weatherization materials provided to the Property and the results of their installation. Notwithstanding the above, any available manufacturer warranties for equipment and materials installed shall be assigned to the Property Owner.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



## **Appendix M: Low Income Multifamily Efficiency (LIME) Program Frequently Asked Questions**

### **➤ What is LIME?**

- ❖ LIME is PGW's Low Income Multifamily Efficiency program. LIME helps low-income customers living in multifamily buildings save energy, make their homes more comfortable, and lower their bills.

### **➤ What are the benefits of LIME?**

- ❖ LIME is a FREE program that offers building improvements including weatherization, heater repair/replacement, insulation, water conservation devices, thermostats, and more.
- ❖ Residents will experience improved comfort and lower energy bills.
- ❖ LIME includes energy conservation education for building owners and tenants.
- ❖ Not only does saving energy lower energy bills, it also helps contribute to a cleaner environment.

### **➤ Who is eligible?**

- ❖ For a property to be eligible, 75% of the building's residents must have household income at or below 150% of the Federal Poverty Level (FPL). See income eligibility tables below. PGW will also prioritize buildings with especially high gas usage.
- ❖ Properties must have active PGW accounts and 3 or more dwelling units.

### **➤ What can I expect from the LIME program?**

- ❖ PGW's approved contractor, CMC Energy Services, will obtain your authorization and verify the incomes of tenants. If your property qualifies, CMC will schedule an energy assessment of the building. PGW will review the results of the assessment and determine what opportunities for building improvements are present, if any.
- ❖ CMC will schedule all follow-up appointments to complete the approved work scope.
- ❖ PGW or a preapproved contractor will perform inspection and verification of installed measures. Any issues identified during the inspection may be corrected during additional contractor visits.

### **➤ Am I required to participate? Is there any cost to me or my tenants?**

- ❖ There is no requirement to participate in LIME.
- ❖ There is no required cost to you or your tenants to participate in LIME. You are only asked to allow contractors to perform work on your property. For approved projects, PGW pays for 100% of the costs for common areas and in-unit installations for eligible tenants. If there are income-ineligible tenants residing in the building, the owner may opt to pay 66% of the total cost for improvements in those units, but it is not required.

➤ **What building improvements are offered?**

- ❖ Energy efficiency improvements are approved according to what is cost-effective for your property. Cost effectiveness is based on information collected about your property during the energy assessment, including gas usage.
- ❖ Eligible measures include:
  - Attic and/or basement insulation
  - Air sealing and other building shell improvements
  - Repair or replacement of old heating and hot water equipment
  - Water conservation devices (ex. low-flow showerheads, faucet aerators)
  - Programmable and smart thermostats

➤ **Is there a warranty for the work?**

- ❖ CMC is required to provide a one-year warranty for all work performed. Please contact CMC with inquiries.

➤ **Who should I contact with questions?**

- ❖ Questions should be directed to Nick Skari, CMC Energy Services, at 888-749-5211 or [nskari@cmcenergy.com](mailto:nskari@cmcenergy.com).

➤ **2023 Federal Poverty Level Eligibility**

Annual Income	
Persons in family/household	150% Federal Poverty Limit
1	\$21,870
2	\$29,580
3	\$37,290
4	\$45,000
5	\$52,710

*For each additional household member, add \$7,710.*

Monthly Income	
Persons in family/household	150% Federal Poverty Limit
1	\$1,823
2	\$2,465
3	\$3,108
4	\$3,750
5	\$4,393

*For each additional household member, add \$643.*

## **Appendix N: Prior Settlement Stipulations Related to Low Income Customer Assistance Programs**

As directed by the Commission in its March 16, 2023 Reconsideration Order, below are the Commission approved settlement stipulations related to low income customer assistance programs from: (1) the November 19, 2020 Order at Docket No. R-2020-3017206 adjudicating PGW's rate case; and, (2) the October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's 2017 USECP. The stipulations are being implemented consistent with the agreements reached in those proceedings and listing them herein is not intended to expand or establish commitments beyond what has already been approved by the Commission. They are only being included herein per the direction of the Commission as an aid to provide information on past and present changes initiated outside of the 2023 USECP proceeding.

**From November 19, 2020 Opinion and Order at Docket No. R-2020-3017206 adjudicating PGW's Rate Case (as set forth on pp. 32-38)**

### **D. Low Income Customer Issues**

33. PGW shall make the following enhancements to its Universal Service Programs:
  - a. No later than March 31, 2021, PGW will provide an annual training to Community Based Organizations that are open on how to use the customer-facing online Customer Responsibility Program (CRP) application tool. The training will also include information about promoting CRP enrollment.
  - b. PGW will create a video explaining how to apply for CRP online and post the video on its website, in social media and will advertise the video in a Good Gas News. PGW will similarly publicize non-contact methods for CRP application (call for application, mail-in, online).
  - c. As part of its new CIS implementation, PGW shall review and adjust CRP asked to pay amounts quarterly, and increase/decrease the asked to pay amount if there has been a change in the average bill amount. If the average bill amount exceeds the household's energy burden, the customer shall be switched to a CRP Percentage of Income Bill at that time.
  - d. Unspent 2019 and 2020 LIURP funds shall roll over and be added to PGW's LIURP program budget through the end of the current Universal Service and Energy Conservation Plan

(USECP) (i.e. 2023), until expended. These funds shall be incremental to the existing LIURP budget.

- e. PGW will provide, to the tax mailing address available online or a contact address provided by a tenant, two landlord letters seeking to obtain landlord approval to perform LIURP services for a tenant. If a landlord telephone number is available, one of the letters will be replaced with a telephone call.

34. PGW agrees to track and maintain annual data as follows:

- a. For PGW's LIHEAP Crisis acceptance policy:
  - i. The number of customers who: receive a LIHEAP Crisis grant who had a balance due to PGW in an amount greater than the maximum Crisis grant amount; and
  - ii. the dollar value of LIHEAP Crisis grants received by PGW for customers with an account balance greater than the maximum Crisis grant amount.
  - iii. PGW will separately track this information for customers whose service is on and applicants or customers restoring service.
  - iv. PGW will provide the parties to this settlement with the collected data on or before September 30, 2021 for the 2020-2021 LIHEAP season.
- b. For properties where service has been terminated due to non-payment:
  - i. The total number of customers who did not have service restored in the full year following such termination.
  - ii. PGW will provide the data identified in subpart (b) to its Universal Service Advisory Group in 2022 for calendar year 2021.
- c. PGW will provide the parties to this settlement with the collected data identified in subparts a and b in an excel spreadsheet.

35. PGW shall make the following policy changes:
- a. For PGW's LIHEAP Crisis acceptance policy:
    - i. PGW shall perform an analysis of the results of its Crisis threshold amount for that LIHEAP season at the conclusion of the LIHEAP 2020-2021 season.
    - ii. PGW shall provide this analysis to the parties to the settlement at the conclusion of the LIHEAP 2020-2021 season.
    - iii. For the 2021 LIHEAP season, PGW shall expand its "LIHEAP Crisis Policy" to permit customers to restore PGW service if their balance with PGW is at or below \$1200, even if the grant is not enough to pay PGW's restoration requirement in full. Unauthorized usage debt is not eligible for such consideration.
  
  - b. Domestic Violence: PGW shall draft a written policy that details how PGW handles cases for victims of domestic violence in compliance with Chapter 14 of the Public Utility Code and Chapter 56 of the Commission's Regulations. This written policy will include how a call is referred to a CARES representative when a customer discloses that they are a victim of domestic violence, and designate a specific team within PGW to handle those calls and inquiries. PGW will provide a copy of this policy to all signatories to this settlement within 90 days of approval of this settlement agreement. PGW agrees to consider input from the rate case parties on the drafted policy for domestic violence victims, and while the decision is within PGW's discretion, will provide an explanation for any input from the rate case parties that is not adopted and integrated into the policy.
    - i. PGW shall ensure that the team that works with these calls will be specifically trained on the unique statutory and

- regulatory protections, as well as the vulnerabilities and need for privacy protections of victims.
    - ii. PGW shall provide all customer service representatives with annual training addressing handling of customers with a PFA, or court order issued by a court of competent jurisdiction in Pennsylvania providing clear evidence of domestic violence. This training shall include the rights associated with the domestic violence protections, the procedures used to process documentation, and how to refer customers to the designated team at PGW. PGW will provide the training materials created to the rate case parties.
    - iii. A PGW trainer will work with a domestic violence agency (willing to do so) to obtain input and suggestions on soft skills in working with domestic violence victims protected under a PFA or similar order. Training materials created from that input will be updated and provided to the rate case parties.
- 36. Within 90 days of the approval of this settlement agreement, PGW shall create website content regarding:
  - a. The protections available for victims of domestic violence. The website shall identify the rights associated with the domestic violence protections and the required documentation, and explain specifically how a customer can self-identify and provide information to PGW. PGW agrees to consider input from rate case parties on this created content.
- 37. PGW shall agree to the following:
  - a. PGW shall provide availability to spoken language translation services, regardless of whether customers speaking that language comprise less than 5% of the PGW customer base, for service center communications.

- b. PGW shall provide customer service representatives with annual training on how to utilize language assistance services, and provide written hand-held reference on how to utilize spoken translation services.
- c. PGW shall work with the Universal Services Advisory Group (USAG) over the next year to identify no more than ten (10) key universal service, safety, and customer service documents that will be made available in up to five (5) languages (other than English and Spanish) that will be made available on PGW's website.

38. With respect to liens and arrearage forgiveness cost recovery:

- a. For 12 months, PGW shall report the number of liens perfected which include dollars subject to forgiveness pursuant to CRP and the dollars of pre-existing arrears covered by such liens.
- b. For 12 months, PGW shall report the number of liens paid off which include dollars of pre-existing arrears subject to forgiveness pursuant to CRP.
- c. For 12 months, PGW shall report the dollars of pre-existing arrears subject to forgiveness that were paid off as a result of a lien payoff.

39. PGW will work with its Universal Services Advisory Committee to refine its Consumer Education and Outreach Plan that was included with its Second Amended Universal Services and Energy Conservation Plan 2017-2022 at Docket Nos. P-2020-3018867, M-2016-2542415. The group will specifically address outreach to low-income customers at or below 0-50% of the Federal Poverty Level.

40. If, after the Commission's current termination moratorium expires or is otherwise terminated, the Commission issues a similar order reinstating a termination moratorium due to the COVID-19 pandemic, while not delaying the Company's response to any cessation order, the Company will initiate discussions with the parties to this Settlement within thirty (30) days of the order to discuss a possible extension of customer benefits provided. PGW reserves the right to petition the Commission to take action

or modify (i) the current termination moratorium order if the order remains in place beyond December 1, 2020, or (ii) any such similar order. The parties reserve their respective rights to respond to any Commission Order or any Company Petition or response to a Commission Order.

41. The continuation of a bad debt offset will satisfy the concerns identified by OCA witness Roger Colton at pages 61-65 regarding the double recovery of arrears collected through the CRP. PGW shall implement a 5.75% Bad Debt Offset which will offset CRP credit amounts (i.e., reported as "CRP Discount" in PGW's quarterly filings) related to average annual CRP participants exceeding 80,000 customers. The offset will be calculated as follows: (1) average annual CRP credit amount; multiplied by (2) average annual number of CRP participants exceeding 80,000 customers; multiplied by (3) 5.75%. The offset will only be effective during the effective period of the distribution base rates established in this proceeding and, unless extended by a subsequent PUC order, shall terminate upon new base rates becoming effective. In the next base rate case, all parties reserve their rights to argue their positions as to the offset.

42. Within 12 months of PUC approval of this Settlement, PGW will review the reasons why customers were denied enrollment or recertification into CRP for inability to verify income, including whether a customer provided income and was rejected because it was unacceptable. Based on that review, PGW will determine whether PGW's list of acceptable verification documents should be expanded. Within 15 months of PUC approval of this Settlement, PGW will convene a meeting of interested Rate Case Parties to present and discuss their findings. The final results of its review will be communicated to the Rate Case Parties.

**B. October 27, 2022 Order at Docket No. P-2020-3018867 addressing PGW's 2017 USECP (as set forth in the September 19, 2022 Recommended Decision at pp. 12-15)**

30. With respect to the Customer Responsibility Program (CRP), PGW's current amended USECP for 2017-2022 will remain in place for the duration of the Plan's term (until the USECP for 2023-2027 goes into effect), subject to the modifications identified herein. Any CRP modifications will be implemented on a going forward basis only. Modifications to non-CRP programs will occur only as ordered by the PUC in PGW's subsequent USECP

(a) No party will seek refunds or any other method to recover costs, in this proceeding or otherwise, related to PGW's energy burden Pilot Program or other Plan modifications implemented in compliance with the Commission's March 26, 2020, Order.

(b) This settlement resolves all open issues related to PGW's USECP for 2017-2022. For clarity, issues of over- or under-recovery and issues regarding application of USECP charges to particular customer classes or customers are not included in this proceeding

31. Within 90 days after a final PUC order is entered in this proceeding, PGW will disseminate and publish on its website a fax number by which customers can submit CRP applications and associated supporting documentation.

32. The parties agree to support or not oppose the continuation of the energy burdens in PGW's USECP for 2023-2027. 33. PGW provided the current projected USECP budget for calendar year 2022 in its Further Revised 2017-2022 USECP filed on April 10, 2020. If PGW's actual annual CRP costs<sup>[41]</sup> exceed the originally projected budget by greater than 20%, PGW will take the following steps:

(a) PGW will provide this information to all parties in this proceeding.

(b) PGW will provide actual cost information in March and will schedule a meeting with the parties to this proceeding within 30 days after providing the data to discuss the costs and receive the parties' input on cost controls.

(c) Any party to this proceeding may petition the

Commission before or after those meetings to address their cost control concerns.

(d) Parties to this proceeding retain the right to propose or oppose in any subsequent USECP proceeding or base rate proceeding going forward cost control measures that seek to protect nonparticipants.

(e) PGW will propose going forward cost control measures if CRP costs exceed budgeted amounts by 20% or more, or will justify why, despite this increase, no cost control measures are needed.

(f) If the Commission approves the continued use of the energy burdens approved here in PGW's currently pending USECP proceeding for the period from 2023-2027, PGW agrees to continue the requirements of this paragraph for the 2023-2027 period, with the comparison for that period being the final projected costs for the 2023-2027 period as approved by the PUC in PGW's USECP 2023-2027.

34. Within eighteen (18) months after a final PUC order is entered in this proceeding, PGW will complete a review of CRP for minimum bill, average bill, and Percentage of Income Payment Program (PIPP) customers, broken down for each by the following income tiers at a point in time: 0-50% of FPL; 51-100% of FPL; and 101-150% of FPL. The purpose of this evaluation will be to respond to the below five (5) questions. PGW will then meet with the parties to this proceeding to discuss the results of its evaluation.

(a) Did pilot program participants pay their CRP bills?

(b) How much arrearage forgiveness did pilot program participants earn?

(c) What was the average annual usage of pilot program participants?

(d) Did pilot program participants receive LIHEAP grants and what was the average grant amount?

(e) How many pilot program participants were removed from CRP due to termination for nonpayment?

35. As part of its next USECP Impact Evaluation, PGW will include the following information regarding its CRP:

(a) Payment frequency and bill coverage rates, by CRP type (i.e. average; minimum; 4% and 6%).

- (b) Non-payment shut off frequency, by CRP type.
- (c) Average CRP credit by CRP type.
- (d) Effectiveness of LIURP to reduce gas usage by high-consumption CRP participants.
- (e) Changes in weather-normalized usage for new participants in the CRP compared to their consumption levels as non-participants.
- (f) Trends in CRP participant weather-normalized usage levels during the past two years, compared to non-participants.

<b>Summary report:</b>	
<b>Litera Compare for Word 11.0.0.61 Document comparison done on 7/11/2023 12:57:36 PM</b>	
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<b>Intelligent Table Comparison:</b> Active	
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<u>Table Insert</u>	0
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<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
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