



August 7, 2023

VIA E-FILE

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

**Re: Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation
Plan for 2024-2028 Submitted in Compliance with 52 Pa. Code § 62.4
Docket No. M-2023-3039487**

Dear Secretary Chiavetta:

Attached for filing, please find the **Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)**.

Copies have been served as indicated on the enclosed Certificate of Service.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ria M. Pereira".

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Columbia Gas of Pennsylvania, Inc. Universal :
Service and Energy Conservation Plan for 2024- : Docket No. M-2023-3039487
2028 Submitted in Compliance with 52 Pa. Code § :
62.4 :

CERTIFICATE OF SERVICE

I hereby certify that I have, on this day, served copies of the **Petition to Intervene of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** in the above captioned matter upon the following persons and in accordance with the requirements of 52 Pa. Code § 1.54.

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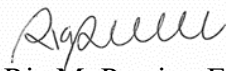
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Columbia Gas of Pennsylvania, Inc. Universal Service
and Energy Conservation Plan for 2024-2028
Submitted in Compliance with 52 Pa. Code § 62.4

M-2023-3039487

COMMENTS OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND
ENERGY EFFICIENCY IN PENNSYLVANIA

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I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA),¹ through its counsel at the Pennsylvania Utility Law Project, submits these Comments pursuant to the June 15, 2023 Order Directing Supplemental Information and Establishing Comment Period (hereinafter, June 2023 Order), which invited interested parties to submit comments and reply comments to the proposed Universal Service and Energy Conservation Plan (USECP) for 2024-2028 of Columbia Gas of Pennsylvania, Inc. (Columbia or the Company) (Proposed 2024 USECP or Plan).

CAUSE-PA has for many years been an active participant in Columbia's USECP proceedings, as well as other related proceedings that affect the ability of low income Pennsylvanians to access and maintain utility services to their home. CAUSE-PA thanks the Commission for this opportunity to submit Comments.

The Commission's June 2023 Order requests that Columbia clarify several aspects of its Proposed 2024 USECP and seeks comments from interested stakeholders. In response thereto, CAUSE-PA offers the following Comments. In brief, CAUSE-PA supports Columbia's proposal to modify its current Customer Assistance Program (CAP) percentage of income payment (PIP) plan, adopting the CAP energy burden standards included in the Commission's Final CAP Policy Statement and Order. This will help address unaffordability within Columbia's CAP improving

¹ CAUSE-PA is a statewide unincorporated association of low income individuals which advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable electric, water, heating, and telecommunication services. CAUSE-PA membership is open to moderate and low income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low income families maintain affordable access to utility services and achieve economic independence and family well-being. CAUSE-PA is therefore interested in and committed to achieving the creation, development, and implementation of effective universal service and energy efficiency programs which promote long term affordability of electricity, natural gas, water, wastewater, and communication services and, in turn, protect the health, safety, and welfare of economically vulnerable households across the state.

the ability of low income CAP participants to maintain affordable service in their homes – consistent with universal service obligations in the Public Utility Code and Commission policy.² While we recommend critical adjustments to certain aspects of Columbia’s proposed USECP, and submit that certain determinations require further review and consideration, we nevertheless urge the Commission to approve most aspects of Columbia’s Proposed 2024 USECP – including Columbia’s reduced energy burden standards – without delay.

II. BACKGROUND

Columbia’s Universal Service and Energy Conservation Plan for 2019-2021

On February 1, 2018, Columbia submitted its proposed 2019-2021 USECP at Docket No. M-2018-2645401, which was amended and approved by Commission Order entered August 8, 2019.³ On November 25, 2019, Columbia filed a revised 2019-2021 USECP. By Order entered October 3, 2019, the Commission extended the duration of all USECPs from three to five years and established a revised USECP filing schedule, which extended Columbia’s 2019 USECP through 2023.⁴

Final CAP Policy Statement and Order

On November 5, 2019, after extensive statewide inquiry and investigation through two separate proceedings,⁵ the Commission entered a Final Policy Statement and Order making several critical reforms to its Customer Assistance Program (CAP) Policy Statement at 52 Pa.

² 66 Pa. C.S. § 2802 (9)-(10), 2803, 2804(9); 52 Pa. Code § 69.265.

³ See Columbia Universal Service and Energy Conservation Plan for 2019-2021, Order, Docket No. M-2018-2645401 (Order entered August 8, 2019). Columbia filed a Petition for Reconsideration on August 23, 2019, and CAUSE-PA and the Office of Consumer Advocate (OCA) separately filed Answers to the Petition on September 3, 2019. The Commission entered an Order on November 14, 2019 denying Columbias request for reconsideration.

⁴ Universal Service and Energy Conservation Plan Filing Schedule, Order, Docket No. M-2019-3012601 (Order entered October 3, 2019).

⁵ Energy Affordability for Low-Income Customers, Docket No. M-2017-2587711; Review of Universal Service and Energy Conservation Programs, Docket No. M-2017-2596907.

Code §§ 69.261-.267 (hereinafter, CAP Policy Statement).⁶ In adopting critical reforms to the CAP Policy Statement, the Commission determined that the then-existing energy burden standards were unreasonable, unaffordable and did not fulfill the Commission’s statutory obligation to ensure universal service programming is appropriately funded and accessible to low income customers.⁷ The Commission concluded: “the current maximum energy burden ranges ... do not reflect reasonable or affordable payments for many low income customers.”⁸ The final revised CAP Policy Statement was published in the *Pennsylvania Bulletin* on March 21, 2020.⁹

To effectuate the Final CAP Policy Statement, utilities were directed to file and serve an addendum to their existing USECPs, indicating whether their existing or pending USECPs were consistent with the Final CAP Policy Statement and, if not, whether and how the utility planned to implement the Commission’s revised policies. Columbia filed a letter outlining its areas of compliance and non-compliance on February 20, 2020.

Columbia’s 2018, 2020, 2021, and 2022 Base Rate Proceedings

In August 2018, Columbia entered a comprehensive settlement in its then-pending base rate proceeding at docket R-2018-2647577, which included a requirement for Columbia to

⁶ 2019 Amendments to CAP Policy Statement, Final Policy Statement and Order, Docket No. M-2019-3012599 (Order entered Nov. 5, 2019) (hereafter, CAP Policy Statement).

⁷ CAP Policy Statement at 27. The Commission amended its CAP Policy Statement to reduce the maximum energy burden standards for customers enrolled in a utility-run CAP, setting a maximum *combined* energy burden of 10% for households with income between 51-150% of the Federal Poverty Level (FPL) and 6% for households with income between 0-50% FPL. *Id.* at 32-33. For electric baseload (non-heating) customers, the maximum energy burden was set at 4% for customers with income between 51-150% FPL and 2% for customers with income between 0-50% FPL. *Id.* In reducing the maximum energy burden standards, the Commission found that the existing maximum energy burden standards, originally established in 1992, “do not reflect reasonable or affordable payments for many low-income customers” - especially for those with income at or below 50% FPL. *Id.* at 27, 29-30.

⁸ CAP Policy Statement at 2-3.

⁹ 50 Pa.B. 1652.

pursue modifications to its USECP to adopt revisions to its energy burden standards pending resolution of the Commission's Energy Burden study:

Following release of the Commission's Energy Burden Study, Columbia will present information to its USAC about how Columbia's then-current payment selection options address the issues raised by the Energy Burden Study. By no later than its next Universal Service and Energy Conservation Plan ("USECP") filing following issuance of the Energy Burden Study or earlier date dictated by the Commission's Energy Burden Study (whichever is sooner), Columbia will make such filing as required by the Energy Burden Study to modify or change its CAP rate selection.¹⁰

In 2020, Columbia filed another base rate proceeding. CAUSE-PA intervened and recommended that, consistent with the 2018 rate case settlement, Columbia should be required to implement the Commission's reduced energy burden standards to remediate rate unaffordability exacerbated by Columbia's proposed rate increase. In a Recommended Decision, which was later affirmed the Commission, the ALJ declined to adjust Columbia's energy burden standards in that proceeding, but concluded that "Columbia Gas' behavior, *vis a vis*, the energy burden is disturbing."¹¹ The ALJ recommended that Columbia voluntarily comply with the Commission's revised energy burden standards pending its next USECP, and present evidence in its next USECP explaining why its energy burden exceeded the Commission's guidelines. Columbia did not make any adjustments to its USECP following the Commission's affirmation of the ALJ's Recommended Decision.

¹⁰ Pa. PUC v. Columbia Gas of Pa., Inc., Joint Pet. for Partial Settlement, Docket No. R-2018-2647577, at 15 para. 57 (filed Aug. 31, 2018). (emphasis added).

¹¹ Pa. PUC v. Columbia Gas of Pa., Inc., Recommended Decision, Docket No. R-2018-2647577, at 239 (Dec. 4, 2020).

In 2021 and 2022, Columbia filed two more requests to further increase its base rates, at dockets R-2021-3024296 and R-2022-3031211, respectively. The Commission approved comprehensive settlements in each case, adopting several modifications to Columbia’s universal service programs – though neither settlement adopted the Commission’s revised energy burden standards.

Columbia’s Proposed 2024 USECP

Columbia filed its Proposed 2024 USECP on April 5, 2023.¹² As described in its Proposed 2024 USECP, Columbia maintains a Customer Assistance Program (CAP), a Low Income Usage Reduction Program (LIURP), its Customer Assistance and Referral Evaluation Services (CARES) program, and its Hardship Fund. Columbia proposes to modify the following provisions in its Proposed 2024 USECP.

Customer Assistance Program

- (1) Adopt energy burdens recommended in the CAP Policy Statement
- (2) Eliminate “payment troubled” provision to qualify for CAP.
- (3) Eliminate provision that customer must direct LIHEAP to Columbia.
- (4) Online CAP applications in place; accept documentation electronically.
- (5) Adopt use of a standardized zero-income form and develop other industry-wide standardized forms.
- (6) Implement the recertification timeframes recommended in CAP Policy Statement.
- (7) Include a Customer Education and Outreach Plan (CEOP) that describes Columbia’s universal service education and outreach initiatives.
- (8) Update payment plan options.
- (9) Require identity verification for the ratepayer only.
- (10) Eliminate process of aggregate shopping for natural gas supplied to all CAP customers.
- (11) Eliminate the Remedial Energy Efficiency Program.

Proposed 2024 USECP at 10, 25, 27, 31, 50, 52-60

¹² Columbia Universal Service and Energy Conservation Plan for 2024-2028 (Proposed 2024 USECP), Docket No. M-2023-3039487, filed on April 5, 2023.

Low Income Usage Reduction Program (LIURP)

- (1) Increase maximum allowance for Health & Safety spending from \$650 to \$1,200.
- (2) Eliminate the Inoperable Heating Systems Pilot.

Proposed 2024 USECP at 11, 20.

Hardship Fund

- (1) Allow CAP Customers to receive a Hardship Fund grant beginning mid-May if funding is available.

Proposed 2024 USECP at 23.

On June 15, 2023, the Commission issued its June 2023 Order, which directed Columbia to provide supplemental information to gather detailed explanation, clarification, and data related to provisions included in the Company's Proposed 2024 USECP. The June 2023 Order additionally invited Comments and Reply Comments. On July 17, 2023, Columbia filed supplemental information in response to the Order (henceforth Supplemental Information).

Columbia has demonstrated, in both its filing of the Proposed 2024 USECP and in response to the Commission's request for supplemental information, that many of the core aspects of its Proposed 2024 USECP will advance the universal service program goals and objectives, are consistent with applicable laws and policies, are in the public interest, and should be approved. Nevertheless, as we discuss in detail throughout these Comments, numerous aspects of Columbia's proposed USECP require further consideration and revision to fulfill important policy goals and ensure low income customers residing within Columbia's service territory are able to connect and maintain affordable electric service to their home. These issues warrant further Commission review and/or clarification and amendment by Columbia.

III. COMMENTS

CAUSE-PA submits the following Comments to the Commission’s June 2023 Order for consideration regarding the various program amendments provided in Columbia’s Proposed 2024 USECP. For ease of review, CAUSE-PA’s Comments generally follow the structure of the Commission’s Order, Section III.B, and responds in turn to the issues and analysis included therein.

1. Customer Assistance Program (CAP)

a. CAUSE-PA supports Columbia’s proposal to reduce energy burdens for its percentage of income (PIP) payment option, but opposes Columbia’s proposal to retain additional CAP fees and recommends retaining the alternative average payment and percent of budget billing CAP rate options.

i. CAUSE-PA strongly supports Columbia’s adoption of the Commission’s maximum energy burden standards of 4 and 6%.

In its Proposed 2024 USECP, Columbia proposes to amend its Percentage of Income (PIP) rate structure to revise its income tiers and reduce the applicable maximum energy burden standards, consistent with the energy burdens included in the Commission’s Final CAP Policy Statement. (Proposed 2024 USECP at 25; 2019-2021 USECP at 23).

Current PIP		Proposed PIP	
Income Tier	Energy Burden	Income Tier	Energy Burden
0-110% FPL	7%	0-50% FPL	4%
110-150% FPL	9%	51-150% FPL	6%

To assess the impact on participant bills, the overall CAP program, and collection costs, in comparison to the current energy burden threshold, the Commission directed Columbia to provide projected average monthly CAP bills, based on both existing and proposed CAP payment options; projected cost impact data broken down by income tiers; and projected impact on annual collection costs. (June 2023 Order at 20).

In response, Columbia provided data indicating that adjusting the income tiers and decreasing the maximum energy burden standards for its PIP rate plan to align with the Commission's CAP Policy Statement will result in decreased utility bills for most CAP customers who subscribe to the PIP plan – with the exception of customers whose income falls within 51-100% FPL. According to Columbia's projections, participants on the PIP rate at this income tier are projected to see an increase in their average PIP rate from \$77.00 to \$81.00. (Supplemental Information at 2).

CAUSE-PA questions the accuracy of Columbia's projections for PIP rate customers with income between 51-100% FPL. CAP participants on the PIP rate with income between 51-100% FPL are currently charged 7% of income under Columbia's currently applicable USECP. If Columbia's proposal to reduce PIP rate energy burdens is approved, customers with income between 51-100% FPL should experience a 1% decrease in their applicable energy burden (from 7% to 6%). Indeed, as the chart above shows, even with the adjustments to Columbia's applicable income tiers, CAP PIP rate customers at every income tier should see a reduction in their average monthly energy bill.

CAUSE-PA strongly supports Columbia's proposal to reduce its PIP rate energy burden standards and income tiers as proposed. Columbia's proposal to decrease energy burdens will improve affordability and help to address longstanding rate unaffordability; will more precisely target affordability based on a household's ability to pay; will more equitably distribute CAP benefits to low income households at various income tiers; and will ensure all CAP customers – including those with the lowest household income (at or below 50% FPL) – will realize improvement to affordability, helping to ensure households with the greatest need are able to reasonably afford to maintain service to their home.

Consistent with the Public Utility Code and the Commission's CAP Policy Statement, CAUSE-PA urges the Commission to approve Columbia's proposal to adjust its applicable income tiers and reduce the energy burden standards for its PIP CAP rate.

- ii. *CAUSE-PA recommends Columbia maintain its current alternative Percent of Budget Bill and Average of Payments CAP rate options.*

In addition to its PIP CAP rate, Columbia currently offers three alternative payment options, including a minimum payment option, average of payments, and percent of budget bill (POBB). (2019-2021 USECP at 23). Columbia's average of payments plan charges participants an amount consistent with the average payment made over the last 12 months prior to entering CAP, and the POBB charges 50% of the participant's budget bill (adjusted annually).

In its Proposed 2024 USECP, Columbia is proposing to eliminate the average of payments option and amend the POBB to charge households with income between 51-150% FPL 75% of the budget bill (instead of the current 50% of budget bill). (June 2023 Order at 17, 2019 USECP at 23, Proposed 2024 USECP at 25). Columbia's data indicates that, currently, the average of payments CAP payment plan is more affordable than the percent of bill payment plan. (Supplemental Information at 2). Given Columbia's proposal to also reduce the discount available to POBB participants with income between 51-150% FPL, it is reasonable to assume the average of payments plan would remain the second most affordable CAP payment option, after the PIP.

CAUSE-PA questions why Columbia is proposing to eliminate its second most affordable CAP payment plan, the average of payments plan, and choosing to keep (and increase) the less affordable POBB rate option. To date, Columbia has not offered any explanation or support to justify its decision, nor has it explained whether its POBB rate, as amended, will result in an energy burden standard that is at or below the household's applicable

PIP rate. (Supplemental Information at 2). We note our heightened concern with Columbia's proposal to eliminate its average of payment rate and increase its current POBB rate, given Columbia projects that the average POBB rate *exceeds* the average PIP rate for households with income between 0-100% FPL. (Supplemental Information at 2). Depending on when a customer enters CAP, they could remain on an unaffordable rate – in excess of their applicable energy burden – for several months before Columbia performs its quarterly CAP rate review. (See Proposed 2024 USECP at 25).

CAUSE-PA recommends that the Commission direct Columbia to retain its current average of payments and POBB rate options, without amendment. Alternatively, we assert that the Commission should direct Columbia to provide justification for its proposal to eliminate its average of payment and increase its POBB rate and allow additional time for interested parties to file responsive comments.

iii. CAUSE- PA opposes continuation of Columbia's CAP Plus and pre-program arrearage forgiveness co-payment charges, as these charges categorically exceed the Commission's maximum energy burden thresholds.

Columbia currently charges all CAP customers a CAP Plus charge. CAP customers who have pre-program arrears (PPA) are also charged a \$5 PPA co-payment and a CAP Plus charge. Both charges are treated as add-ons to a CAP customers' bill and are not included in the calculation of the participant's energy burden.

In its June 2023 Order, the Commission directed Columbia to identify safeguards or processes they have in place to ensure that CAP customers monthly bills will not exceed PIP energy burdens with the application of these two charges. (June 2023 Order at 20-21). In response, Columbia did not identify safeguards or processes that would ensure energy burdens were not exceeded. Rather, Columbia argued that the monthly \$5 PPA co-payment is imposed to

“share the responsibility of pre-CAP arrearage collections.” (Supplemental Information at 5). Columbia argued that removing the PPA co-pay would cause costs to increase for non-CAP residential ratepayers – though it failed to provide data to quantify this claim. (Supplemental Information at 6). Indeed, Columbia provided very limited data in response to the Commission’s directives, citing the volatility of gas pricing as prohibitive to the Company’s ability to provide projected data beyond 2024. Columbia asserted that, because the Company is not proposing changes to CAP Plus or PPA forgiveness, there should be no cost impact. In other words, the Company chose not to isolate the costs associated with its CAP Plus and PPA co-payment fees and, in doing so, ignored the Commission’s directive to provide data necessary to analyze the cost of these two program components. (Supplemental Information at 2 – 4).

CAUSE-PA strongly opposes continued application of both the CAP Plus charge and the PPA co-pay, as these fees – as applied – result in categorically unaffordable rates that exceed the Commission’s established energy burden standards, and undercut affordability achieved through the program. Such a result is both unjust and unreasonable. Indeed, elimination of these fees is critical to ensure CAP is producing a consistent and predictable level of affordability for CAP participants each and every month. As such, we urge the Commission to direct Columbia to eliminate both charges from their Proposed 2024 USECP.

First, Columbia’s continued assessment of a \$5 monthly PPA co-pay is inconsistent with the Commission’s CAP Policy Statement, as well as other utilities’ CAPs. Imposing a PPA co-pay will increase many CAP customers’ total monthly bills past levels determined to be affordable by the Commission in its CAP Policy Statement – resulting in categorically unjust and unreasonable rates. In response to the Commission’s inquiry about how its CAP customers will be protected from these repercussions, Columbia fails to provide any safeguards to protect CAP

customers from receiving categorically unaffordable bills that exceed the Commission’s maximum energy burden standards.

CAUSE-PA likewise maintains our long-standing opposition to CAP Plus charges, and strongly opposes imposition of CAP Plus charges on Columbia’s low income CAP customers. CAP Plus is a rate mechanism that emerged following a policy clarification from the Department of Human Services requiring public utilities to apply LIHEAP grants only to a consumer’s “asked to pay” amount. This policy effectively prohibited utilities from using a LIHEAP grant to reduce the cost of CAP to other ratepayers (the CAP shortfall), rather than reducing the customer’s bill.¹³ CAP Plus rate mechanisms were developed to circumvent this policy, and are typically calculated using the utility’s total LIHEAP grants received in the prior year divided by the number of CAP customers. The resulting fee is then applied to all CAP customer accounts to help pay for CAP.

The CAP Plus rate mechanism inequitably leverages LIHEAP assistance to reduce the cost of CAP – while at the same time undermining affordability achieved through the program. In very plain terms, the CAP Plus mechanism applies LIHEAP funds to a CAP customers’ bill – and then claws back those funds through a monthly fee charged on the CAP bill. It is akin to putting money in one pocket, while taking it out of the other. Adding fees to CAP customer bills blunts, if not negates, the effects of reducing energy burdens to improve affordability, and must be eliminated.

We note that the inequity laden in Columbia’s CAP Plus fee mechanism was particularly pronounced this past year, having increased from \$3.00/month in 2021 to \$10.00/month in 2022.

¹³ 2023 LIHEAP State Plan §601.45 Application of Benefits; see also Final CAP Policy Statement & Order at 47.

(Proposed 2024 USECP at 26). CAUSE-PA submits that this substantial increase was a direct result of the extraordinary level of LIHEAP funds appropriated to the states to help offset high inflation – especially in the cost of energy – and to address other ongoing economic repercussions stemming from the COVID-19 pandemic, which uniquely impacted low income families. While Columbia informed legal counsel for CAUSE-PA in November 2022 that it did not factor in the increased LIHEAP funds in calculation of its current CAP Plus fee, Columbia did not explain how it extrapolated the supplemental LIHEAP funding in performing its calculation. While some of the increased LIHEAP funding was issued through supplemental grants and was therefore capable of being isolated and excluded from the calculation, much of the increased LIHEAP funding was included in the overall LIHEAP budget and distributed through the provision of higher Cash and Crisis grant amounts. The extraordinary federal relief distributed to low income families through LIHEAP was intended to help remediate broad economic harm associated with the pandemic for Pennsylvania’s most economically vulnerable households – not to help finance Columbia’s CAP.

The Commission has on multiple occasions rejected the continued imposition of CAP Plus fees and PPA co-pay amounts on CAP customers. The Commission’s Final CAP Policy Statement provides “[E]ach utility CAP payment plan should be designed to ensure a household’s total CAP bill – including any add-ons such as PPA co-payments or CAP Plus charges – will not exceed the Commission’s energy burden threshold.”¹⁴ More recently, the Commission approved Peoples Gas’ proposal to eliminate the \$5 PPA fee and CAP Plus in

¹⁴ CAP Policy Statement at 31.

Peoples' 2019-2024 USECP.¹⁵ We call for the Commission to similarly reject Columbia's inequitable and unreasonable proposals to continue imposing CAP Plus fees and PPA co-payments on CAP customers in the context of its 2024-2028 USECP.

It is unclear based on Columbia's responses to the Commission's June 2023 Order whether certain programming changes would be necessary to eliminate these additional fees. (See Supplemental Information at 6). Nevertheless, given the CAP Plus charge is adjusted annually based on the total LIHEAP grants received in the prior program year, Columbia should be able to set the CAP Plus fee at \$0.00 immediately – effectively eliminating the CAP Plus fee without further IT costs or delays. Thus, we urge the Commission to prohibit Columbia from collecting the CAP Plus fee as of the date it issues a final order in this proceeding. We recognize, however, that elimination of Columbia's co-payment may require further programming.¹⁶ We therefore recommend the Commission provide Columbia with a reasonable timeframe – not to exceed six months – to make the necessary programming changes to eliminate the monthly copayment. Consistent with its recent decision regarding elimination of Peoples' co-payment, we submit that the Commission should require Columbia to issue a refund for the amount collected during this transition period.

¹⁵ Peoples Universal Service and Energy Conservation Plan for 2019-2024, Petition for Reconsideration of Staff Action, Docket Nos. M-2018-3003177, M-2020-3021343, P-2020-3017641, M-2014-2432515, at 5-6 (filed July 20, 2022).

¹⁶ Peoples Universal Service and Energy Conservation Plan for 2019-2024, Petition for Reconsideration of Staff Action, Docket Nos. M-2018-3003177, M-2020-3021343, P-2020-3017641, M-2014-2432515, at 5-6 (filed July 20, 2022).

b. CAUSE-PA recommends Columbia modify their security deposit refund processes to comply with applicable law.

In its 2023 Order, the Commission directed Columbia to describe how its security deposit refund policy complies with relevant statutes and regulations. (June 2023 Order at 22). Columbia’s policy, as stated in its Proposed 2024 USECP, explains that CAP customers are not charged security deposits and that any deposits paid to Columbia on an account with an approved CAP application would be applied to the pre-program arrears prior to CAP enrollment. (Proposed 2024 USECP at 30).

In response, Columbia incorrectly interprets Commission regulations to allow the Company to deduct any outstanding balances from a collected security deposit and then return the difference.¹⁷ Columbia maintains that this policy is compliant with applicable legal requirements and claims deducting any outstanding balance from security deposits collected from CAP customers before returning any remaining funds to the customer “is an integral cost control tool for CAP.” (Supplemental Information at 7).

Contrary to Columbia’s assertions, the Company’s current policies and procedures related to security deposits for CAP-eligible customers fails to comport with applicable statutory and regulatory requirements – and contradicts recent Commission order approving a comprehensive settlement regarding Columbia’s security deposit practices.

Chapter 14 of the Public Utility Code clearly and unambiguously prohibits utilities from imposing a security deposit on customers “confirmed to be eligible for a customer assistance program.”¹⁸ Commission regulations further explain that actual enrollment in a customer

¹⁷ Columbia cites to 52 Pa. Code § 56.53(c)(d)(e).

¹⁸ 66 Pa. C.S. § 1404(a.1).

assistance program is not necessary for the statutory prohibition on low income security deposits to apply:

An applicant is confirmed to be eligible for a customer assistance program by a public utility if the applicant provides income documents or other information attesting to his or her eligibility for state benefits based on household income eligibility requirements that are consistent with those of a public utility's customer assistance programs.¹⁹

Section 56.53(f) of the Commission's regulations in turn provides that public utilities must "refund a deposit, along with any applicable interest, within 60 days upon determining that the customer or applicant from whom a deposit was collected is not subject to a deposit."²⁰ There is no provision allowing Columbia to deduct funds from a security deposit that was collected from a customer later determined to be CAP-eligible (meaning, their household income is at or below 150% FPL), and therefore protected by the statutory prohibition on low income security deposits.

Further, as part of a comprehensive settlement in Columbia's 2021 base rate proceeding, which was approved by the Commission without modification, the Company was required to:

- Update tariff language to indicate that all confirmed low-income customers with income at or below 150% of the federal poverty level, as reported to the Commission as part of Columbia's annual universal service and collections data, will not be charged a security deposit.
- Refund all security deposits being held for confirmed low-income customers within 60 days.
- Review currently held security deposits on a semi-annual basis and issue a bill credit or refund for any deposit previously collected from a confirmed low-income customer.²¹

¹⁹ 52 Pa. Code § 56.32(e).

²⁰ 52 Pa. Code § 56.53(f).

²¹ June 2023 Order at 8, 21-22; see also Pa. PUC v. Columbia Gas of Pa., Inc., Opinion and Order, Docket R-2021-3024296, at 18, 53 (order entered Dec. 16, 2021) (approving the terms of the Settlement without modification).

The terms of this settlement clearly and unambiguously require Columbia to return all security deposits held for a confirmed low income customer. *Indeed, nothing in the Commission-approved settlement agreement authorizes or approves Columbia to divert or deduct funds for any purpose before returning security deposits collected from a confirmed low income customer who is actively enrolled in CAP.*

Columbia's security deposit policies squarely fail to meet these statutory and regulatory requirements. First, Columbia's policy for release of security deposits only applies when a customer has an approved CAP application – rather than releasing deposits in all instances, as required, where Columbia receives other information indicating that the household is eligible for CAP - such as receipt of a LIHEAP Cash or Crisis grant, a Hardship Fund grant, or an income-based payment arrangement.

We note further that it remains unclear how or whether Columbia informs applicants and customers of the statutory prohibition on low income customers at the time a security deposit is initially assessed – or how they inform customers when a security deposit is later refunded (in whole or in part). Columbia states that “customers with account credits related to a security deposit must request to have it refunded to them directly. At that time, the Company will comply with their request.” (Supplemental Information at 7). This explanation is wholly insufficient and fails to provide important details about whether customers eligible for refunds are being adequately informed of their right to request that a security deposit be refunded in full – instead of being applied to the customer's outstanding balance or future charges.

To comply with the statutory and regulatory prohibition on assessing low income security deposits, as well as the plain terms of the Commission-approved settlement, the Commission should direct Columbia to expand its security deposit policy to return – *in full* – all previously

collected security deposits for all *CAP-eligible* customers. This includes, but should not be limited to, all income-qualified customers who apply for any universal service program; all customers who receive a LIHEAP Cash or Crisis grant; all customers who receive an income-based low income payment arrangement; and other applicants and customers who agree to provide income documentation – even if they do not also seek enrollment in CAP. In turn, at the time a security deposit is assessed, Columbia should be required to inform customers of the statutory prohibition on security deposits and how the customer can submit income documentation to qualify for the prohibition. While all low income applicants and customers should be *encouraged* to apply for available assistance programs, including CAP, application of the statutory prohibition on security deposits must not rely on whether that customer ultimately decides to enroll in the program.

Columbia should be further directed to return the *full* security deposit collected from all CAP-eligible customers, without diverting the funds in whole or in part. As noted above, Commission regulations state that a public utility must “*refund* a deposit, along with any applicable interest, within 60 days upon determining that the customer or applicant from whom a deposit was collected is not subject to a deposit [...]”²² Nothing in this provision authorizes Columbia to divert the deposit to cover other charges or arrears. Columbia’s current policy to deduct any outstanding balance from the security deposit and refund whatever amount, if any, is left is squarely contradictory to these regulations. Columbia should be directed to amend its policies and procedures so that CAP-eligible customers and applicants are given a choice of how their funds are returned – including the option to receive the payment directly *or* have it applied

²² See 52 Pa. Code § 56.53(f) (emphasis added).

to their current charges – not their PPA balance. These funds belong to the customer, not Columbia, and it should be at the customer’s discretion how they are returned.

Finally, we recommend the Commission further investigate whether Columbia has unlawfully held security deposits in contravention with the law – and the Commission-approved settlement agreement ordering the return of all deposits collected from a CAP-eligible household. If Columbia is determined to have unlawfully held security deposits – or otherwise issued only partial refunds – it should be ordered to immediately issue full refunds to all effected low income consumers, with interest.

c. CAUSE-PA supports eliminating the requirement to assign LIHEAP grants to Columbia from all documentation.

In its Proposed 2024 USECP, Columbia specifies that customers are not required to apply for LIHEAP and assign the grant amount to Columbia to qualify for enrollment in Columbia’s CAP. However, the requirement to assign the grant to Columbia remains on the CAP Customer Agreement Form. (Proposed 2024 USECP at 5 and 49). The Commission directed Columbia to clarify its LIHEAP requirements and to revise the CAP Customer Agreement Form as necessary. (June 2023 Order at 23). Columbia responded that they had removed the requirement from the Form (Supplemental Information at 8 and Attachment A). CAUSE-PA is supportive of Columbia’s policy that customers are not required to apply for LIHEAP or assign their LIHEAP grants to Columbia to qualify for CAP. Further, we support amendment of the Agreement Form to ensure consistency in the Proposed 2024 USECP and associated forms and documents.

d. CAUSE-PA opposes Columbia’s continued inclusion of unearned income of a minor in the CAP household income calculation.

Columbia’s Proposed 2024 USECP maintains its existing policy to include unearned child income (such as SSI or SSDI) as household income, in opposition to Section 69.262 of the

Commission’s CAP Policy Statement and Section 1403 of the Public Utility Code,²³ which excludes income of a minor from the definition of household income. (June 2023 Order at 23-24).

In its June 2023 Order, the Commission requested that Columbia explain how it will calculate household income for CAP, and if the Company will exclude earned and unearned income for household members under the age of 18. (Id. at 24). Columbia responded that the Company intends to continue to include the unearned income of a minor because they disagree with the Commission’s statutory interpretation that *unearned* child income is also to be excluded from the household income calculation. (Supplemental Information at 8). Columbia further claims, that excluding unearned income of a minor child presents a barrier to streamlining eligibility determinations, due to LIHEAP’s inclusion of unearned child income (Id. at 9)²⁴.

CAUSE-PA strongly opposes Columbia’s proposal to continue including unearned child income as household income, in opposition to the Public Utility Code and the Commission’s formal CAP Policy Statement. Section 69.262 of the CAP Policy Statement clearly states household income is defined as the “combined gross income of all adults in a residential household who benefit from the public utility service, as defined in 66 Pa. C.S. § 1403 (relating to definitions).”²⁵ Including unearned income of a child for the purposes of CAP eligibility

²³ See 66 Pa. C.S. § 1403 (definition of “household income”).

²⁴ Columbia asserts that DHS includes child support as a source of income for determining LIHEAP eligibility. *This is inaccurate.* DHS only includes a portion of child support actually received by a custodial parent in its calculation of income for the purpose of determining LIHEAP benefits. LIHEAP State Plan at § 601.84(15). More to the point, however, is the fact that DHS’s LIHEAP policies are not subject to the definitions contained in the Public Utility Code – including the definition of household income, which only includes adult household members.

²⁵ 52 Pa. Code § 69.262; 66 Pa. C.S. § 1403. Section 1403 defines household income as “the combined gross income of all adults in a residential household who benefit from the public utility service.” 66 Pa. C.S. § 1403.

determinations artificially inflates household income, making it more difficult for families with children who receive disability benefits to qualify for needed assistance.

To receive disability benefits, currently categorized as “unearned” child income, a child must be blind or suffer from a medically determinable physical or mental impairment that causes “marked and severe functional limitations” and which will last for at least 12 months or result in death.²⁶ Households with disabled children face unique challenges – economic and otherwise – and policy should assist families facing these hardships to enroll in assistance programs, rather than making it more difficult to qualify for needed assistance. Further, it is important to note that unearned child income is not necessarily available to help assist the parent who applies for CAP assistance – even if the child resides in the CAP applicant’s household. In cases where child custody is shared, even where parents equally share custody of the children, a child’s SSI/SSDI benefits will only go to one parent.²⁷

Regarding Columbia’s assertion that excluding child income would undermine attempts to coordinate among LIHEAP and CAP, CAUSE-PA notes that the opposite is true. Excluding child income will help to ensure that all LIHEAP customers are categorically eligible for CAP – allowing utilities to trust that all households deemed eligible for LIHEAP are necessarily eligible for CAP. It is noteworthy that current discussions regarding plans for data sharing between DHS and the utilities would ensure disclosure of household income and income type – ensuring

²⁶ Social Security Administration: Understanding Supplemental Security Income SSI for Children, <https://www.ssa.gov/ssi/text-child-ussi.htm>.

²⁷ In cases of shared child custody, the same is true for other types of unearned child income, such as child support - which very often goes unpaid. US Census Bureau, Custodial Mothers and Fathers and their Child Support: 2017 (May 2020), <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-269.pdf>. In 2017, only one-half of all custodial parents had a parent with a child support agreement, and less than one half of those parents received full support payments. *Id.* Importantly, 30.1% of single parent households live in poverty, about three times the poverty rate of two parent households. *Id.*

utilities can perform their own income calculations based on approved income inclusions and exclusions that may vary from DHS's definition of household income.

Inclusion of child unearned income in calculating CAP eligibility plainly contradicts the requirements of Chapter 14 and the Commission's CAP Policy Statement. Columbia's continued insistence of counting unearned minor income also undermines the important public policy goals of ensuring access to stable electricity service for families with children. CAUSE-PA recommends that the Commission direct Columbia to revise its Proposed 2024 USECP to exclude all earned and unearned child income from the calculation of household income included in the Proposed 2024 USECP, in accordance with the definition of household income included in Chapter 14 and with the Commission's revised CAP Policy.

e. CAUSE-PA recommends inclusion of Columbia's acceptable income documentation list as an attachment to its Proposed 2024 USECP.

In its June 2023 Order, the Commission directed Columbia to clarify what forms of income documentation will be accepted. (June 2023 Order at 24). In response, Columbia provided a listing of accepted income documentation, including a category for "Other Income" that includes cash contributions. (Supplemental Information, Attachment B). The list references Columbia's "Other Income Form" as an acceptable form of documentation for various sources of income, but Columbia does not provide a copy of that form for review.

CAUSE-PA recommends the Commission direct Columbia to include its list of accepted income documentation as an attachment to its Proposed 2024 USECP. In turn, we recommend the Commission require Columbia to provide a copy of its "Other Income Form" to its USAC, and gather input from stakeholders regarding the form to ensure the requirement is not creating an undue burden on households with alternative forms of income.

f. CAUSE-PA recommends Columbia eliminate its unnecessary identification requirements or, in the alternative, expand the list of accepted identification documentation.

In its June 2023 Order, the Commission identified that Columbia's Proposed 2024 USECP lists acceptable identification documents as SSN, driver's license number or another state identification number, and identification is only required of the ratepayer. (Proposed 2024 USECP at 11, 25). The Commission directed Columbia to clarify whether the identification requirement applied only to the ratepayer – and not all household members. If so, the Commission questioned how the Company verifies household composition, and what other forms of state and non-state identification Columbia will accept outside of those listed in the proposed Plan. (June 2023 Order at 25). In response, Columbia confirmed that the Company only requires identification from the ratepayer and will request the names and ages of other occupants in the household. Verbal confirmation is sufficient when collecting this information. For identification for the ratepayer, Columbia only accepts a driver's license, state identification card, passport, temporary social security card, and A-numbers. (Supplemental Information at 11).

CAUSE-PA is opposed to Columbia's imposition of identification requirements for customers to enroll in its universal service programs. Residential customers have to verify their identity when they establish service. Requiring low income customers to again provide proof of identify is unnecessarily duplicative, and acts as a barrier to many low income customers enrolling in needed assistance programs. Low income immigrant customers will have a particularly difficult time meeting these duplicative requirements, and may not be able to readily produce documentation required for Program entry. CAUSE-PA submits that Columbia should be directed to amend its Proposed 2024 Plan – and attendant policies and procedures – to indicate that no additional proof of identification is required for entry into universal service and energy conservation programs.

In the event that the Commission determines that it is acceptable for Columbia to continue imposing these unnecessary and restrictive identification requirements, it is imperative that the Commission direct Columbia to expand the list of documents which constitute sufficient proof of identification. As it stands, Columbia’s list of acceptable documentation is restrictive and may bar uniquely vulnerable low income immigrants from successfully enrolling in Columbia’s universal service programming. Many foreign-borne individuals are not eligible for an SSN. Additionally, to qualify for a driver’s license or state identification card, non-US citizens must be able to provide certain required documentation of their immigration status.²⁸ This can pose significant problems for immigrants who may have pending applications for status and, in the interim, may be unable to produce required documentation required to get a driver’s license or state identification card. Those with pending immigration status include a wide array of immigrants and refugees, including those who are seeking protections as a victim of human trafficking, domestic violence, and other victims of crime – as well as those awaiting to renew a work or student visa, or who are seeking asylum as a result of persecution in their home country. Restrictions on certain immigrants receiving driver’s licenses will likely also escalate in coming years as Pennsylvania adopts REAL ID requirements in 2025, which require proof of social security number, as well as a valid U.S. passport, to procure a REAL ID.²⁹

We are similarly concerned that Columbia’s Proposed 2024 USECP does not specify whether both U.S. and foreign passports are sufficient to meet identification requirements. This is also extremely restrictive for immigrant applicants without a U.S. passport.

²⁸ PennDOT, Identification Requirements for Non-US Citizens, available at: <https://www.dot.state.pa.us/Public/DVSPubsForms/BDL/BDL%20Publications/pub%20195nc.pdf>.

²⁹ PennDOT, REAL ID, available at: <https://www.dmv.pa.gov/REALID/pages/default.aspx>.

To the extent that Columbia is permitted to continue requiring its existing customers to produce additional proof of identification for universal service enrollment, Columbia should be directed to broaden its list of acceptable identification to include documentation issued by a foreign government – as well as other forms of documentation more readily accessible to immigrant populations. Specifically, we recommend the list of acceptable documentation should include photo identification issued by a foreign government, USCIS or ICE-issued documentation including visas, military identification cards, homeland issued refugee travel documentation, and Individual Tax Identification Numbers (ITINs). The list should not preclude other possible forms of identification issued by either the U.S. government or a foreign government. Instead, if a customer seeking universal service enrollment has an alternative form of identification, Columbia should be required to work with the customer to determine whether the provided identification verifies both identify and age of the customer. If so, this documentation should be accepted.

g. CAUSE-PA supports Columbia’s exclusion of a true-up charge for budget billing.

The Commission noted in its June 2023 Order that it is not clear if CAP customers have a “true-up” charge added to their bills if they are on the POBB CAP rate option and use more energy than budgeted for the year. (June 2023 Order at 25). Columbia clarified that they do not add a true-up charge if a customer is on a percent of budget plan. Once annually the budget is recalculated for the next twelve months, but there is no true up or retroactive charge. (Supplemental Information at 11). CAUSE-PA strongly supports Columbia’s exclusion of a true-up charge from its POBB CAP rate option and urges the Commission’s approval of this provision.

h. CAUSE-PA supports Columbia's current CAP final bill policy; however, if Columbia is required to revise its CAP final billing policy, it should be required to prorate the customers' applicable CAP rate – not their full tariff rate bill.

In its June 2023 Order, the Commission described Columbia's final billing policy as provided in the CAP Final Billing Proceeding. (June 2023 Order at 26). In that proceeding, Columbia explained that the Company does not issue final bills to CAP customers unless the balance includes any remaining pre-program arrears.³⁰ Thus, when a final bill is produced for a Columbia CAP participant, it will only include the customer's PPA balance.³¹ At the time, the Commission expressed concern that Columbia's final billing policy may disadvantage non-CAP customers who would ultimately cover the cost of unbilled usage. (June 2023 Order at 27).

The Commission noted in its June 2023 Order that Columbia did not describe its final billing practice in the Proposed 2024 USECP and directed the Company to describe this process and to explain if it has changed since the previously noted proceeding. (June 2023 Order at 26 and 27). Columbia responded that its policy has not changed since the Commission's CAP Final Billing Policy. As an alternative to the policy, however, Columbia proposed that the final CAP bill be calculated based on pro-rated usage plus the customer charge – capped at the customer's maximum CAP payment. (Supplemental Information at 12).

CAUSE-PA supports Columbia's existing final bill methodology, which charges CAP customers only their remaining PPA balance at the time a final bill is issued. This policy helps minimize resulting uncollectible expenses and alleviates the barriers low income families face in later reconnecting service. Nevertheless, should the Commission order Columbia to revise this

³⁰ Staff Review of Customer Assistance Program (CAP) Final Billing Methods, Order, Docket No. M-2019-3010190, at 8, 11 (order entered March 12, 2020).

³¹ Id.

policy, CAUSE-PA submits that Columbia should be required to prorate the CAP customers' CAP rate for the number of days service was active – not their actual usage at full tariff rates.

Pursuant to the Commission's Staff Review of CAP Final Billing Methods, CAUSE-PA – together with other low income advocates – set forth the following overarching principles which we believe should guide decisions regarding CAP final bill policies:

1. Affordability must be the primary goal of any CAP final bill policy solution.
2. Charges on a final CAP bill should not exceed actual usage.
3. CAP customers should remain in CAP after service is terminated or discontinued.
4. CAP final bills should not include a budget bill true-up amount.
5. CAP final bills should clearly indicate the amount needed to restore service.³²

Columbia's proposed alternative final billing policy would impose full tariff rates for the partial month of service. When service to a CAP customer is involuntarily terminated or voluntarily disconnected, resulting in the issuance of a final bill, their status as a low income household does not change – and neither should their rates. While Columbia proposes to cap the rate charged at the customer's applicable CAP rate, such a policy would result in many CAP customers paying for a full month of service even if their service was terminated or disconnected much earlier in the billing cycle. CAUSE-PA submits that, in the event the Commission requires Columbia to revise its current CAP final bill policy, the Commission should order Columbia to prorate the participants' applicable CAP rate, not the full tariff rate.

³² Staff Review of Customer Assistance Program (CAP) Final Billing Methods, Order, Docket No. M-2019-3010190, (order entered March 12, 2020).

i. CAUSE-PA shares the Commission’s concern regarding CAP payments and budget billing, and urges monthly CAP rate review.

Columbia’s Proposed 2024 USECP states that, “[I]f at any time a customer’s CAP payment exceeds the tariff budget, the account is reviewed by an Energy Assistance Specialist to determine if the customer’s payment should be lowered or if the customer should be removed from the CAP program.” (Proposed 2024 USECP at 25).

In its June 2023 Order, the Commission notes that it is unclear how a CAP customer’s bill would exceed a budget bill if the customer’s payment amount were based on the lower of the applicable PIP or POBB – which is, by definition, lower than the applicable budget bill. (June 2023 Order at 27-28). Columbia was directed to explain under what circumstances a customer’s CAP bill could exceed their budget bill and explain how the Company determines if CAP is beneficial to a customer with a PPA balance whose CAP bill exceeds the budget billing amount. (Id.)

In response, Columbia explained that this circumstance arises when a CAP customer is relocating within the Company’s service territory. Columbia will automatically transfer the CAP service, but a new address will typically result in different usage patterns. If the new budget bill at this new address is lower than the prior budget, the CAP bill may be the more expensive option. Should this occur, Columbia will review to see if the CAP payment could be reduced. If not, the customer is contacted, options are explained, and the customer may decide to be removed from CAP to receive the lower bill. (Supplemental Information at 12).

Columbia did not address how CAP customers with remaining PPA could benefit from leaving CAP, even with a reduced bill, or how the remaining arrears would be addressed once removed from the program. It also remains unclear how Columbia calculates a budget bill – or

applicable POBB CAP rate – for someone who relocates to a new residence without 12 months of usage history. CAUSE-PA submits that a relocating CAP participant should not face removal from CAP because the residence they move to does not have an accurate usage history.

CAUSE-PA notes that, given Columbia’s proposal to review and adjust applicable CAP rates on a quarterly basis – as opposed to a monthly basis – CAP participants will not always receive the best available CAP rate. CAP participants on the PIP rate may receive a rate higher than their applicable budget bill (or POBB) rate for up to three months before their rates are ultimately adjusted through Columbia’s proposed quarterly review process.

CAUSE-PA shares the Commission’s concerns regarding CAP bills exceeding budget billing, and recommends the Commission require Columbia to adjust the applicable CAP rate monthly to ensure CAP participants are always receiving the most affordable CAP rate available. Further, the Commission should ensure that CAP customers with pre-program arrearages are able to remain in CAP for the purposes of retiring their remaining arrears. While a participant may not receive a discounted rate, it is critical that they retain access to debt forgiveness. Otherwise, they could be required to immediately repay the full amount of any remaining arrears accrued before entering CAP – an eventuality that could cause the CAP-eligible household to face termination of service.

j. CAUSE-PA recommends further edits to the CAP customer responsibility list in the Proposed 2024 USECP and on the Form.

In its Order, the Commission identifies that Columbia’s CAP Customer Agreement Form (Form) is inconsistent with its Proposed 2024 USECP and does not reflect directives included in Columbia’s prior 2015-2018 USECP. Inconsistent provisions included “(1) limit disclosure of customer information only to those entities on which Columbia relies for eligibility verification; (2) disclose only that information which is necessary to verify program eligibility; and (3)

remove the language “publish, ... ,-in-any [sic] manner as Columbia deems appropriate” and “release-from-any-liability [sic]” from its customer release forms.” (June 2023 Order at 29). The Commission thus directed Columbia to clarify its CAP customer requirements and to submit a revised Form that is consistent with its proposed Plan as well as directives included in the 2015 USECP proceeding. (Id.)

In response, Columbia submitted a revised Form, but failed to commit to adding the requirements included therein to the Proposed 2024 USECP. (Supplemental Information at 13 and Attachment A).

CAUSE-PA agrees with the Commission that the language and requirements included in the Proposed 2024 USECP must be consistent with the forms that are used for implementation and administration of the Plan. Since forms are produced as corollary implementation tools, any requirements included therein must exist in the Proposed 2024 USECP to ensure consistent Commission approval of Plan requirements. CAUSE-PA therefore recommends that any requirement listed in the Form be added to the Proposed 2024 USECP.

CAUSE-PA additionally recommends further edits to the Form for consistency, customer readability, and for data protection. First, the Form should be updated to explain that the Dollar Energy Fund (DEF) is Columbia’s CAP administrator. That is not clear on the current Form. Customers may rightly have misgivings about signing a form that will allow a third-party to access their information. CAUSE-PA additionally recommends that Columbia fully comply with the Commission’s directives for editing the Form. Columbia was directed to ensure that the Company “disclose only that information which is necessary to verify program eligibility.” Columbia added to the Form that the Company is authorized “to share and use data including, but not limited to, income, and household member information.” (Supplemental Information,

Attachment A). The “but not limited to” should be deleted, and the Form should explicitly acknowledge that information will only be used for the purposes of verifying program eligibility. If Columbia needs to collect other data to verify program eligibility, beyond income and household member information, each data point should be stated explicitly, without the use of catch-all phrases. CAUSE-PA thus urges the Commission to incorporate these recommended edits to ensure Columbia’s Proposed 2024 USECP and the accompanying Form are consistent and compliant with Commission directives.

k. CAUSE-PA supports policies encouraging participants to pursue free weatherization but does not support inclusion of a mandate for CAP customers to apply.

In its Proposed 2024 USECP, Columbia lists applying for *any* free weatherization services offered through DCED as a requirement for CAP customers but does not specify whether or how this requirement is enforced. (Proposed 2024 USECP at 27). The Commission directed Columbia to clarify how this requirement is enforced. (June 2023 Order, at 30). Columbia responded that it does not enforce this requirement. (Supplemental Information at 13). CAUSE-PA recommends the Commission direct Columbia to remove this language from the Plan, as it is not a requirement and should not be listed as such. While CAUSE-PA strongly supports policies that encourage and assist CAP participants to pursue free weatherization services, we do not support policies that mandate participation. Funding for free weatherization and efficiency services is not adequate to support the overwhelming need for services, and the rules governing eligibility for such programs can be complex. CAP participants should never be penalized for not pursuing application in other programs. As such, we submit that the Commission should direct Columbia to amend its plan to indicate that it will encourage and support CAP participants to pursue free weatherization services, not require them to do so.

1. CAUSE-PA supports expanded coordination with CAP and LIURP.

In its Proposed 2024 USECP, Columbia explains that it uses one application for customers to apply for both the Company's CAP and LIURP. Existing CAP customers are screened and prioritized for LIURP if their annual shortfall exceeded more than \$1,000, and all new CAP customers are screened as well. Columbia notes that CAP customers refusing LIURP measures lacking a "legitimate exemption" will be reviewed by an outreach coordinator. If they do not respond to several attempts to install LIURP measures, they may be removed from CAP. (Proposed 2024 USECP at 11-12, 29).

The Commission directed Columbia to clarify if customers who exceed the \$1,000 shortfall are automatically enrolled for LIURP and to explain what constitutes a "legitimate exemption." The Commission further directed Columbia to explain how customers are notified if they are exempt and explain outreach processes for contacting CAP customers regarding participation in LIURP and how they could be removed from CAP. (June 2023 Order at 31).

We address each area of concern identified by the Commission in turn, including auto-enrollment / outreach; LIURP exemptions; and CAP removal / bill reduction.

LIURP Auto-Enrollment / Outreach

Columbia explained that they do not auto-enroll customers in LIURP. Rather, Columbia explains that it sends a letter to customers with the LIURP contractor's phone number to schedule an audit and forward the customer's contact information to its LIURP contractor. (Supplemental Information at 14). The sample letters Columbia provided clearly state that a contractor will reach out to the CAP customer. The top of the welcome letter includes the following language:

A Warm Wise contractor, NONE ENTERED, will contact you to schedule a pre-weatherization inspection. At the time of the inspection, please be prepared to provide NONE ENTERED with proof of the following.

Language at the bottom of the letter reads that if a customer has questions, they can reach out to the contractor at the number provided. However, the letter in no way encourages the customer to affirmatively reach out to set up the audit. We are concerned that the discrepancy between Columbia's stated policies and the instructions provided to customers through the provided letter will mean that many high usage CAP customers will not follow up for LIURP service because they assume that they will be contacted by LIURP contractors. If Columbia's policy is that CAP customers must affirmatively reach out to receive LIURP services, they should be required to amend their customer letters to reflect accurate instructions to customers.

The letter additionally tells customers they will need to provide the contractor with proof of income for all household members. (Supplemental Information, Attachment C). We question why customers are required to provide proof of income information if CAP customers already provide household income information to enroll in and/or recertify for CAP. To address this concern, the requirement to verify household income information for CAP customers should be eliminated, and the Proposed 2024 USECP should be revised to reflect the same.

Further, Columbia provides no detail regarding tenant outreach for LIURP programs. This is particularly concerning as tenants often greatly benefit from LIURP services, but can be difficult to reach and serve due to the requirement that tenants obtain landlord approval for participation. CAUSE-PA recommends that, in its Proposed 2024 USECP, Columbia clarify outreach strategies to CAP customers who are LIURP-eligible. These outreach strategies should include specific details for how LIURP outreach to tenants will be conducted, along with information and strategies to overcome issues related to landlord approval and other barriers that tenants face to receiving LIURP services.

CAP/LIURP Exemptions

Columbia's list of "legitimate exemptions" from the requirement to participate in LIURP include, but are not limited to, CAP customers with a sick household member, a household member with condition that could be exacerbated by having work crews in the home, or having someone who is fearful of having outsiders in home. Columbia explains that each CAP customer who refuses LIURP services will be contacted by Columbia's Outreach and Education (O&E) Coordinator who will determine if barriers may be eliminated or if the job should be deferred. The O&E Coordinator "determines if the customer should not be removed from CAP or if the customer is creating barriers to weatherization just to avoid the inconvenience and needs the added incentive to cooperate with the LIURP process." (Supplemental Information at 14).

CAUSE-PA is not necessarily opposed to Columbia's exemptions, as described above, but we are concerned with the subjective nature of how the determination is made. Columbia's O&E Coordinator should not act as the final arbiter of whether a CAP participant has legitimate concerns related to the delivery of LIURP services – including whether the CAP participant has legitimate health and safety concerns, or whether the participant is fearful of having outsiders in their home. Based on Columbia's stated procedure, the O&E Coordinator would essentially be able to arbitrate whether customers stated mental or physical vulnerabilities are legitimate grounds for exemption. A CAP participant's assertion of any provision listed as a "legitimate exemption" should be accepted without further evaluation by the O&E Coordinator.

CAP Removal or Bill Adjustment

Prior to CAP removal for failing to engage in LIURP services, Columbia explains that CAP customers receive two telephone attempts at different times on different days. If there is no response, Columbia attempts one more outreach by email, phone, postcard, or in person by the

contractor. (Notably, Columbia does not indicate how often this third outreach is completed via email or in-person, though CAUSE-PA submits that this distinction matters.) The CAP customer would then receive a letter notifying them that they are at risk of CAP removal for failing to engage conversation about LIURP service installation. If the customer still does not contact Columbia, a final letter is sent letting the CAP customer know they will be removed from CAP and how to stay in the program. If the customer does reach out to Columbia at any point during this process and refuses service, the O&E Coordinator will conduct an assessment, as described above, to determine whether there is a “legitimate exemption.” (Supplemental Information at 14-15).

CAUSE-PA asserts that all income eligible households should be able to remain in CAP, whether or not they receive LIURP services, and we question the justness and reasonableness of imposing punitive consequences if a household fails to respond to two calls, an email, and a letter. Given the proliferation of energy-related telemarketing, LIURP outreach is often confused for a solicitation – especially in light of the fact that Columbia’s LIURP outreach is conducted by its contractor. It is reasonable for CAP participants to dismiss the calls and email as a scam – resulting in grave consequences to the household.

We note that it is unclear how many participants are removed from CAP and/or penalized with higher CAP rates as a result of their failure to respond to outreach from Columbia’s LIURP contractor. Further, Columbia does not address how much a CAP rate could increase, how these increases are determined, who makes that determination, how the CAP participant is notified, or if the resulting higher bill payment would exceed energy burden thresholds. CAUSE-PA submits that it is both unjust and unreasonable and contrary to well established principles in the Public Utility Code to permit Columbia to increase a CAP participants’ CAP

rate without clear, objective parameters for how that adjustment will be made and/or how the participant will be notified of the adjustment and provided an opportunity to dispute the adjustment.

For these reasons, CAUSE-PA submits that Columbia should no longer require participation in LIURP and should eliminate the harsh penalties for CAP customers that do not participate— regardless of whether they affirmatively decline or do not respond to solicitations. Consistent with our earlier comments, CAUSE-PA supports policies that *encourage and support* participation in free weatherization services – but not policies that mandate participation and/or impose harsh penalties on those who do not or cannot participate.

Nevertheless, should the Commission conclude that some level of penalties for non-participation are appropriate, we submit that further investigation is necessary. Given the lack of explanation or detail in the proposed Plan, and with no option for discovery beyond this stakeholder comment period, CAUSE-PA recommends the Commission require Columbia to provide further relevant data and information – and in turn allow parties the opportunity to respond.

m. CAUSE-PA supports coordination with other local utilities for CAP enrollment and recertification, and submits that Columbia should be required to utilize LIHEAP data – once available – to enroll and recertify households for CAP.

On page 54 of its Proposed 2024 USECP, Columbia notes that it coordinates with EDCs to recertify CAP customers. However, the Company does not explain how this coordination process works.

In its Order, the Commission directed Columbia to list which EDCs the Company works with for recertification and how the process is coordinated. Columbia responded that since both the Company and FirstEnergy Companies contract with DEF to administer their respective CAP

programs, with customer approval, DEF staff will use income information received from FirstEnergy's CAP to verify eligibility for Columbia's CAP. Columbia noted that, while it is not yet common practice to use income information for recertification processes, the Company has initiated discussions with DEF staff to expand capabilities to verify customer income using *any* information that DEF has on file for streamlining CAP enrollment *and* recertification. (Supplemental Information at 15).

CAUSE-PA supports Columbia's efforts to streamline CAP recertification and enrollment with local EDCs and recommends that Columbia extend this common-sense coordination with local water and wastewater utilities that operate CAPs – including the Pittsburgh Water and Sewer Authority, Aqua Pennsylvania, and Pennsylvania American Water Company. In turn, Columbia should be required to utilize LIHEAP participant data, once available, to facilitate auto-enrollment and recertification of LIHEAP participants into CAP. As the Commission is aware, DHS is in the final stages of developing a data sharing policy and protocol, and intends to start sharing data for LIHEAP recipients at the start of the 2024-2025 LIHEAP program year.³³ Given Columbia's pending USECP will not be reviewed again until 2028, it is imperative that the Commission act in this proceeding to ensure that Columbia takes steps to utilize LIHEAP enrollment data to further streamline and coordinate enrollment and recertification across LIHEAP and CAP.

³³ See 2023 Review of All Jurisdictional Fixed Utilities' Universal Service Programs, Joint Comments of CAUSE-PA, Pittsburgh United, and Tenant Union Representative Network, Docket No. M-2023-3038944, at 21-23 (filed June 7, 2023) (discussing plans of DHS to share detailed LIHEAP participant data, including the name and date of birth of the account holder and all household members; the verified income for all household members, including the source; the date income as verified; the service address, account number, and contact information for the account holder.)

CAUSE-PA strongly supports implementation of streamlined processes to make it easier for customers to enroll in CAP across utilities, so long as the applicant provides explicit, knowing, and narrowly tailored consent. CAUSE-PA recommends Columbia add specific language to both its Proposed 2024 USECP and its *CAP Customer Agreement Form* unambiguously describing the data sharing process in the former and including specific language obtaining consent in the latter. The language in the form must be explicit, detailed, and narrowly tailored to ensure that the customer's data is only used for purposes of cross-enrollment or recertification in a utility-run universal service program, and will not be used, shared, or sold to a third party for any other purpose. Columbia should look to the draft consent language DHS plans to utilize to obtain applicant consent to share data with the utilities, as this language was drafted with advice and input from a range of diverse stakeholders. Finally, CAUSE-PA urges the Commission to afford interested parties the opportunity to provide supplemental comments in response Columbia's to draft consent language and data sharing policies for inclusion in its Proposed 2024 USECP.

n. CAUSE-PA supports Columbia's Consumer Outreach and Education Plan and encourages more targeted outreach.

On pages 51-59 of its Proposed 2024 USECP, Columbia sets forth its Proposed Consumer Outreach and Education Plan (CEOP). In its June 2023 Order, the Commission directed Columbia to (1) explain whether targeted outreach to landlords is tracked and if it has resulted in increased LIURP participation for rental properties; and (2) provide copies of Columbia's CAP brochure.

In response, Columbia indicates that its last targeted outreach to landlords was completed in 2019. (Supplemental Information at 18). As a result of this outreach, Columbia received two

landlord consent forms. (Id.) Columbia indicates that they intend to conduct another landlord outreach in 2024. (Id.) The Company indicates that they do not track landlord LIURP approval as a result of outreaches and has not made major changes to its landlord outreach process in the last year. (Id.)

After reviewing Columbia's proposed CEOP, we are generally supportive of the details and approaches for outreach set forth therein. However, we recommend that Columbia is required to make several important enhancements to its CEOP strategies. First, Columbia should be required to expand engagement to landlords and tenants. For landlords, we recommend that Columbia expand its community engagement efforts beyond a periodic outreach event every several years. Columbia should be required to engage in multiple outreach events targeting both tenants and landlords throughout the course of each year. This outreach and education should include engagement with local landlord associations, housing providers, and public housing authorities related to LIURP and weatherization services. We also recommend targeted outreach to tenants related to the host of universal service programs for which they are eligible. This could be accomplished through community trainings and targeted outreach materials. This is particularly important as tenants are often unaware that they may be eligible for universal service programs, including CAP and LIURP, even though they are not homeowners.

Second, we recommend that Columbia start to track and report on the number of successful enrollments achieved because of outreach events, including how many landlord consent forms were executed and the number of customers enrolled in universal service programs as a result of these efforts. We recommend that this data is reported to Columbia's USAC on a quarterly basis.

Finally, we recommend that Columbia undertake a review of additional measures that may be implemented to augment their consumer outreach and education efforts with its USAC. USAC engagement should include a review of Columbia's CEOP, as well as its CAP brochures and bill inserts provided to the Commission at Attachment E of Columbia's Supplemental Information. Columbia should be required to consider feedback and recommendations of USAC members in good faith, and to incorporate any changes from this review process within six months of the final order in this proceeding. We further recommend that this review include a detailed discussion of what Columbia's current offering for customers with Limited English Proficiency (LEP).

2. Low Income Usage Reduction Program (LIURP)

a. CAUSE-PA supports continuation of the Health and Safety Pilot.

Columbia proposes to maintain its Health and Safety Pilot Program (H&S Pilot) for CAP customers whose residences are not eligible for weatherization services without first repairing or remediating existing health and safety issues. (Proposed 2024 USECP at 20-21). The Pilot began in 2021 with a budget of \$200,000 that, through Columbia's 2021 rate proceeding, and was subsequently increased to \$400,000 in 2022 – with a maximum annual budget of \$600,000 if enough residences are available and in need of services. (Id. at 6) Columbia further agreed in the context of the rate proceeding to modify the funding formula for the H&S Pilot to include savings associated with CAP credits. (Id.) Columbia's Proposed 2024 USECP sets the budget for the H&S Pilot at \$400,000 annually, estimating serving 30 homes per year, with the note that the cost-effectiveness of the Pilot is to be measured similar to how LIURP services are measured. (Id. at 20-21.)

In its June 2023 Order, the Commission directed Columbia to clarify its cost formula, if it includes projected savings associated with reduced CAP credits and, if so, how projections are factored into the cost formula. Columbia was also directed to clarify *how* the Company increased the pool of customers beginning in January of 2022 and how it measures success and cost-effectiveness, providing results based on 2021 and 2022 data. (June 2023 Order at 35).

Columbia confirmed that the cost formula was adjusted to project cost savings associated with reduced CAP credits. The maximum spending calculation was adjusted by anticipating reduction in CAP credits for lifetime of completed measures. Columbia indicated that the pool of eligible customers was expanded due to the adjustment to the cost calculation, allowing for increased spending per customer. However, Columbia did not identify the number of customers in the expanded eligibility pool. Further, Columbia indicates that H&S Pilot success will be measured by determining if savings outweighed costs by reviewing the original calculation and comparing to actual savings to establish if the job met the expected payback. Columbia indicated that two homes were completed by the end of 2021, and realized 33.28% and 24.36% weather normalized savings, respectively. (Supplemental Information at 23-24).

CAUSE-PA strongly supports the continuation of the H&S Pilot and recommends Columbia set the budget for the program at the maximum allowable expenditure of \$600,000 to allow for an increased number of dwellings to be served. CAUSE-PA further encourages Columbia to consider enshrining the H&S Pilot as a permanent program in future USECPs.

b. CAUSE-PA opposes Columbia's proposal to eliminate its Inoperable Heating Systems Pilot.

Columbia's Inoperable Heating Systems Pilot program (IHS Pilot) was created to serve low income homeowners who do not meet LIURP usage requirements due to an inoperable heating system. Columbia proposed to cut the IHS Pilot in its Proposed 2024 USECP because

no customers utilized the IHS Pilot. (Proposed 2024 USECP at 11; Supplemental Information at 35).

The Commission directed Columbia to clarify why the IHS Pilot was not used and to provide data for 2019, 2020, and 2021. (June 2023 Order at 36). Columbia stated that the timing of the implementation of the IHS Pilot was unfortunate as it was approved in January 2020, immediately prior to the onset of the COVID-19 pandemic. Then, during the pandemic, Columbia's Emergency Repair Program (ERP) Funds were increased. Columbia stated that the IHS Pilot was to be used when ERP funds were exhausted and customers were left with no other options for repair or replacement of a heating system. From the time of approval through 2021, ERP funds were not exhausted, so Columbia argues the IHS Pilot is not needed. (Supplemental Information at 25).

CAUSE-PA is opposed to ending the IHS Pilot, as we believe such a move is premature. As noted earlier in these comments, the federal government appropriated an unprecedented level of funding to supplement the availability of home energy assistance through LIHEAP. As a result, there was an unprecedented level of LIHEAP Crisis Interface funding available for emergency furnace repair. These extraordinary funds were available – to varying degrees – through the 2020-2021, 2021-2022, and 2022-2023 LIHEAP program years, but will no longer be available to supplement the need for furnace repair through the 2023-2024 LIHEAP program year.

The intended application of the IHS Pilot is for households to fix known inoperable systems, whereas the ERP funds are prioritized for emergency repairs. With the expiration of supplemental LIHEAP funds available to support furnace repairs over the last few years, we believe it is likely that Columbia's ERP funds will be exhausted more quickly – increasing the

need to draw from alternative programs such as the IHS Pilot to repair inoperable heating systems. Columbia also does not indicate if or how the IHS Pilot was advertised. Given the timing of its approval in relation to the pandemic, advertising may not have reached eligible customers. CAUSE-PA therefore recommends Columbia retain this IHS Pilot, develop or increase an outreach strategy so eligible customers are made aware of it, and create a tracking mechanism coordinated with the ERP so that applicants rejected for ERP are referred to the IHS Pilot.

c. CAUSE-PA supports elimination of the Remedial Energy Efficiency Program.

Columbia proposed to terminate its Remedial Energy Efficiency Program (REEP), removing it from inclusion in its Proposed 2024 USECP. REEP was created to provide energy efficiency education, usage monitoring and feedback to CAP customers who had LIURP measures installed but have not realized energy savings and continually exceed \$1,000 in CAP shortfall. In its Proposed 2024 USECP, Columbia proposes replacing REEP by providing high usage CAP/LIURP customers with energy efficiency tips and a customer survey so that Columbia can determine why usage remains high in surveyed households. The Commission directed Columbia to provide what steps are taken when CAP customers still do not reduce energy usage after receiving these tips and what happens after the survey is completed. Columbia was additionally directed to clarify what steps are taken for all customers who fail to reduce usage after LIURP measures are installed – even if they do not exceed the \$1,000 CAP shortfall. (June 2023 Order at 36 and 37).

In response, Columbia indicated that it does not take any additional steps after a CAP/LIURP customer completes a survey and receives energy efficiency tips and still does not reduce energy usage. Columbia expanded on its reasoning for this inaction. In 2011/12 the Company conducted a pilot project that ultimately determined the majority of customers

exceeding the \$1,000 shortfall annually met exemption criteria. The Company thus determined that it is cost prohibitive to contact customers to see if they meet an exemption since most do and little reduction is seen to the shortfall. In 2015-19, the Company conducted a non-savers survey to have a better idea for reasons for customers not saving energy. There was no penalty for customers surveyed, rather it was for Columbia to have a better understanding of why they had higher usage. Columbia continues to identify specific non-savers and will share usage information and contact information with LIURP contractors for follow up education and development. (Supplemental Information at 25-27)

Based on Columbia's Supplemental Information, CAUSE-PA supports the approach Columbia is taking for high-usage CAP customers. We are supportive that Columbia does not assign a penalty to those CAP customers who received LIURP services but nevertheless maintain high energy usage. We believe that this approach recognizes, as Columbia indicates, that most customers in exceedance of the \$1,000 shortfall meet the explicit exemptions to the shortfall limits. We therefore support approval of this provision.

d. CAUSE-PA supports classification of Columbia's Emergency Repair Program as a universal service program.

The Commission identified in its June 2023 Order that Columbia does not include its Emergency Repair Program (ERP) in its suite of universal service programs in its Proposed 2024 USECP, despite its similarities to other utilities' LIURP pilot programs or the fact that Columbia identified the program as a universal service and conservation component in its 2021 rate case settlement agreement and recovers the costs of the program through its universal services rider. The Commission directed Columbia to provide the ERP program description, application process, eligibility criteria, projected budget and enrollment levels. (June 2023 Order at 37).

In response, Columbia claims that the ERP *complements* Columbia’s universal service programs but is not subject to inclusion in the Proposed 2024 USECP. (Supplemental Information at 27-29). Columbia additionally described the program application process, eligibility criteria, projected budget and enrollment levels, all of which mirror other LIURP programs or pilots.

CAUSE-PA disagrees with Columbia’s assessment that ERP is not a universal service program. Columbia argument to discontinue the IHS Pilot due to the ERP’s increased funding could be taken as implicit acknowledgment that Columbia considers ERP to be a universal service program. Other utilities offer similar programs and include them in their USECPs. As an example, Peoples Gas includes an Emergency Furnace and Service Line Repair Program as part of its universal service offerings.³⁴

Section 2203 of the Public Utility Code defines the term “universal service and energy conservation” broadly, to include:

Policies, practices and services that help residential low-income retail gas customers and other residential retail gas customers experiencing temporary emergencies, as defined by the commission, to maintain natural gas supply and distribution services. The term includes retail gas customer assistance programs, termination of service protections and consumer protection policies and services that help low-income customers and other customers experiencing temporary emergencies to reduce or manage energy consumption in a cost-effective manner, such as the low-income usage reduction programs and consumer education.³⁵

Columbia’s ERP serves a critical universal service function, ensuring low income residential gas customers can “maintain natural gas supply and distribution services” – and should be included as an available program within its USECP portfolio.

³⁴ Peoples Universal Service and Energy Conservation Plan for 2019-2024; Docket Nos. M-2018-3003177, M-2020-3021343, P-2020-3017641, M-2014-2432515, at 4, 6, 23, 24-26 (filed July 20, 2022).

³⁵ 66 Pa. C.S. § 2202.

Consistent with the statutory definition of universal service and energy conservation, and in light of the fact that Columbia recovers the costs of ERP through its universal service rider, CAUSE-PA urges its inclusion in the Proposed 2024 USECP – complete with the program application process, eligibility criteria, projected budget, and enrollment levels. CAUSE-PA submits that the Commission should allow interested parties the opportunity to file supplemental comments in response to this information.

e. CAUSE-PA supports the provision of LIURP services to customers with income between 151-200% FPL.

In its Order, the Commission identified that Columbia voluntarily makes LIURP available to customers with special needs who met LIURP eligibility requirements but not necessarily CAP requirements, though it notes that Columbia’s Proposed USECP does not provide adequate detail regarding this provision. (June 2023 Order at 38). The Commission directed Columbia to clarify whether it is proposing to use 20% of its LIURP budget on special needs customers between 151-200% FPL and to clarify the Company’s definition of special needs.

In response, Columbia confirmed that the Company does plan to use up to 20% of its LIURP budget for special needs customers (as defined in Section 58.2) who fall between 151-200% of the FPL.³⁶ Columbia claims that these eligibility guidelines were inadvertently removed from its Proposed 2024 USECP, and that the Company supports adding them back in.

CAUSE-PA recommends the Commission direct Columbia to restore its current eligibility criteria, allowing up to 20% of LIURP funds to be used to serve special needs

³⁶ See 52 Pa Code § 58.2 (*Special needs customer*—A customer having an arrearage with the covered utility and whose household income is at or below 200% of the Federal poverty guidelines).

households with income between 151-200% FPL. We additionally support Columbia's broad application of the term special needs customers for wider reach of beneficial programs for those customers who have trouble paying their utility bills but are just over income and so do not qualify for CAP.

f. CAUSE-PA urges the inclusion of consumer protection language in landlord permission form.

In its June 2023 Order, the Commission directs Columbia to clarify the method by which it receives the permission to install LIURP measures for a tenant and to provide a copy of its landlord consent form. (June 2023 Order at 39). The Commission seeks to determine if language was included in Columbia's landlord consent form, per the LIURP regulations (52 Pa. Code § 58.8(a)), explicitly stating that the landlord agrees not to raise rent unless the increase is not related to the installation of program measures and that the tenant will not be evicted for at least 12 months after installation as long as the tenant is in compliance with other ongoing obligations and responsibilities.

In response, Columbia indicates that the Company mails a brochure and letter to property owners. The Company did not specify if this brochure is transmitted by postal mail or email. The landlord permission form Columbia provided does not include the required regulatory tenant protection language. (Supplemental Information at 30-31).

CAUSE-PA recommends that the Commission direct Columbia to add the regulatory language to the landlord consent form, as set forth in 52 Pa. Code 58.8(a). This is an important tenant protection, and helps preserve the availability of quality, energy efficient affordable housing options following investment of universal service program dollars. We note that similar

provisions are found in the federal Weatherization Assistance Program and the newly launched Whole Homes Repair Program.³⁷ These requirements should be explicitly detailed in Columbia's landlord consent form. We additionally recommend that the Commission direct Columbia to amend the brochure and letter that Columbia provided in its Supplemental Information. It is important that information about these tenant protections is communicated in multiple forms, so that both tenants and landlords who engage with LIURP are apprised of and fully understand their rights and obligations. Additionally, we recommend Columbia enhance outreach to landlords beyond a brochure and a letter by working with its Universal Service Advisory Committee to determine additional means of outreach to tenants and landlords related to receiving LIURP services.

g. CAUSE-PA supports contractor training and certification requirements.

In its Order, the Commission directs Columbia to provide details for contractor training and certification requirements for its eleven weatherization contractors. (June 2023 Order at 39-40). In response, Columbia explained that it contracts with the Department of Community and Economic Development (DCED) Weatherization Assistance Program (WAP) providers, and the Company accepts all DCED county weatherization provider training and requires BPI qualifications for other companies. Columbia further notes that, consistent with draft provisions included in the Commission's pending LIURP rulemaking, it supports allowing a public utility to use up to 1% of its total annual LIURP budget on costs associated with inter-utility training,

³⁷ Pa. Dept. of Community and Economic Development (Pa. DCED), Whole-Homes Repairs Program Guidelines, available at <https://dced.pa.gov/download/whole-home-repairs-program-guidelines/?wpdmdl=117114>; see also 2023 Weatherization Assistance Program State Plan, <https://dced.pa.gov/library/> (Programs and Funding, WAP).

coordinated trainings or outreach, or a combination of these efforts. (Supplemental Information at 30-31).

CAUSE-PA recognizes the need for robust workforce development programs to support the critical expansion of low income energy efficiency programs. In turn, we support the use of LIURP funding to support contractor training programs. Nevertheless, CAUSE-PA submits that it is inappropriate to set program policy based on draft regulatory language in a proposed rulemaking. If Columbia wishes to spend a portion of its LIURP budget to fund training, it should provide the projected spending amount in its LIURP budget and show what program measures/provisions would receive reduced funding as a result – demonstrating clearly that the proposal is supported by substantial evidence and in furtherance of the public interest. We note that 1% of Columbia’s 2024 LIURP budget would be approximately \$54,250. It is not clear whether this level of funding is adequate to support training needs, or how those funds would be allocated or otherwise prioritized to ensure equitable support for Columbia’s LIURP contractors. Thus, while we are very supportive of the concept, and recognize the need, we cannot support Columbia’s proposal without further information. Consistent with our recommendations in other sections, we recommend that the Commission require Columbia to clarify its proposal and allow interested parties the opportunity to file supplemental comments in response thereto.

h. CAUSE-PA recommends considering a shorter timeframe for LIURP re-weatherization.

In its Proposed 2024 USECP, Columbia imposes a seven-year limit between the time LIURP eligible customers may receive LIURP services again if they already received “full” weatherization services. (Proposed 2024 USECP at 19) The Commission directed Columbia to define what qualifies as “full” weatherization services and to identify exceptions. (June 2023 Order at 40).

In response, Columbia explained that full weatherization occurs when the measures installed (excluding replacement/repair of heating) result in at least 15% energy savings. Columbia claims to regularly allow exceptions. For example, if usage is still over the minimum usage requirements, a household could receive further treatment if it is determined that meaningful additional savings could be achieved. (Supplemental Information at 31).

CAUSE-PA supports Columbia regularly allowing for exceptions to allow re-weatherization and we encourage further evaluation of usage reduction over time. If Columbia finds that exceptions are regularly or frequently applied, it may be time to reevaluate the time allotted between re-weatherization.

i. CAUSE-PA supports Columbia's proposed increase in the health and safety spending limit.

In its Proposed 2024 USECP, Columbia proposed to increase the maximum health and safety (H&S) spending amount, per residence, from the current \$650 to \$1,200, to account for increased materials and labor costs. In the Commission's June 2023 Order, Columbia was directed to explain the Company's parameters for routine H&S measures, including measures that may be installed by weatherization providers. Columbia was additionally directed to explain if there are situations where a LIURP contractor would be permitted to *exceed* the H&S spending limit with, or without, approval. The Commission also inquired as to the parameters and allowance thresholds if Columbia performs incidental repairs prior to installation of LIURP measures. (June 2023 Order at 41).

Columbia explained that the Company does not provide specific parameters to contractors for what should be considered H&S measures. For HVAC, any work that must be completed to make the heating system safe and operable is considered H&S, and HVAC contractors may not spend beyond H&S allowance for incidental repairs without first reaching

out to Columbia's Quality Assurance Coordinator. Weatherization providers have a soft spending cap calculated per job based on usage, current gas costs, and contractor performance. If all the work can be completed and remains under this soft cap, no additional approval would be required. If contractors determine they need to spend more than the soft cap, they will contact Columbia. (Supplemental Information at 32-33).

CAUSE-PA supports Columbia's proposed increase to its H&S spending cap. We additionally support Columbia's policy of allowing LIURP contractors to make determinations in the field to conduct additional H&S remediation, to a soft cap, to complete the LIURP work without having to adhere to a prescriptive list of measures. We believe this allows for necessary flexibility to address unique situations that arise in the field and will help to improve the cost-effectiveness of the program by reducing the need for LIURP deferrals.

CAUSE-PA nevertheless questions whether contractors are utilizing this flexibility to perform all necessary H&S remediations to maximize the installation of all efficiency measures.³⁸ Columbia notes in its Proposed 2024 USECP that "Contractors have various risk thresholds. Some will do any repairs that Columbia Gas permits so that they can proceed with the job, and some will not address the home if there is any water in the basement, for example." (Proposed 2024 USECP at 39). Columbia further explains that it defers decisions to the contractor "because the contractor has the responsibility for the liability." (*Id.*) Columbia notes that it "could potentially re-assign a job to another contractor who is willing to do the health and safety remediation work." (*Id.*)

³⁸ Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation Plan 2019-2021, Docket No. M-2018-2645401, at 5. An evaluation conducted for Columbia's USECP for 2019-2023 concluded that, depending on the characteristics of the job, Columbia may spend significant capital remediating health and safety issues but still achieve savings, given the capacity for savings that exist within the homes that are most in need of remediation.

Whether and to what extent a LIURP participant receives comprehensive H&S remediation to facilitate the delivery of full weatherization and efficiency services should not vary based on the assigned contractor. Such a result is inequitable. Where a LIURP contractor is unable to address all H&S measures required to install LIURP measures, the contractor should be directed to coordinate with Columbia to determine if there are any viable paths to remediation. Further, if one LIURP contractor will not take a job due to liability concerns related to H&S, Columbia should be required to re-assign the job to a contractor who will do the job.³⁹

j. CAUSE-PA recommends dropping disqualification for cost-effectiveness from reasons for deferral.

The Commission, seeking clarification related to Columbia's policy for disqualifying homes for LIURP services if weatherization is deemed not cost effective, directed Columbia to explain the Company's processes for both determining if weatherizing a home would be cost-effective and for disqualifying homes for LIURP. Columbia was directed to include in its explanation: how customers are notified they were disqualified, the number of homes disqualified annually for the last three years (including reasons), to what agencies deferred homes are referred, and how long deferrals are maintained. (June 2023 Order at 42).

In response, Columbia explained that all installed measures must meet a seven to 12 year payback period, with each job being assigned a maximum amount to meet the 12-year payback period that would cover the total cost of the measures, based on typical savings. If a job could exceed that maximum amount, the job will require approval by the Company's Quality

³⁹ Proposed 2024 USECP at 39 states "Columbia Gas leaves it up to the contractor to decide what issues to address because the contractor has the responsibility for the liability. Columbia Gas could potentially re-assign a job to another contractor who is willing to do the health and safety remediation work if the originally assigned contractor would not do so."

Assurance Coordinator who will determine if additional cost would contribute greater savings -- essentially maintaining the payback period. If the cost would be greater than the savings, the job would be screened for the H&S Pilot or deferred. If jobs are to be deferred for any reason, Columbia will reach out to the customer to verbally explain that the job is being deferred and the reason for the deferral. Columbia will refer jobs to local agencies and to other state and federal programs, when possible. Columbia began tracking deferrals in 2016 and still maintains all data tracked. Columbia notes that, since January 2020, no jobs were deferred due to not being cost effective. (Supplemental Information at 33-34).

Given that no home has been disqualified for over three years for costs that could exceed savings, this provision appears unnecessary. As such, CAUSE-PA supports discontinuing cost effectiveness as a reason for deferral.

k. CAUSE-PA questions Columbia's methodology for post-installation inspection for LIURP jobs.

The Commission, noting this provision was included in the Proposed 2024 USECP without sufficient detail, directed Columbia to explain its quality control guidelines and procedures and the methodology it uses to select 25% of weatherized homes to receive a post-installation inspection. (June 2023 Order at 42-43). Columbia explained that its QA Coordinator oversees its quality control program. In addition, the Company's guidelines require 25% of each contractor's work to receive a post-completion inspection, and inspectors will reach out to customers until they reach their 25% quota. (Supplemental Information at 34-35).

Columbia's response does not provide enough information or data to fully assess how their post-installation inspections are conducted or measured. Based on the available information, we recommend Columbia collect and track, then disaggregate inspection data based on whether the household received comprehensive weatherization treatment measures or

partial/low-cost energy saving measures to ensure that the findings are representative of all types of projects and gives a true indication of how effectively Columbia is accomplishing energy usage reduction and improving bill affordability.

1. CAUSE-PA recommends improvements to Columbia's low income customer tracking and screening to better analyze the unmet needs of its low income customers.

In its Proposed 2024 USECP, Columbia provides its Universal Service Projected Needs Assessment. (Proposed 2024 USECP at 34). In its Needs Assessment, Columbia indicates that it has an identified low income customer count of, on average, 70,084 who have self-declared income, or have income verified through LIHEAP or CAP. (Id.) Columbia provides an estimated low income customer count of 91,849 based on an evaluation of census data compared to its customer base. (Id.) Columbia further indicates that it has identified 9,320 low income payment troubled customers, and identifies that its confirmed low income customer count is approximately 21,000 lower than its actual low income customer count. However, it does not project the actual number of payment troubled low income customers in its service territory. (Id. at 35-36).

CAUSE-PA is concerned about the wide discrepancies that Columbia has reported between its estimated and identified customers counts and associated low income payment troubled rates. Without an accurate count of the number of low income customers that Columbia services, it is difficult to meaningfully analyze the success of Columbia's universal service programs and the continued needs of Columbia's low income customers.

Nevertheless, it is clear from all available data that the need for comprehensive bill assistance and usage reduction services remains far greater than the number of households Columbia is projecting to serve through its universal service programs. In the Commission's last Universal Service and Collections Performance Report, Columbia reported that 59.6% of its

payment troubled customers in 2021 were confirmed to be low income – yet confirmed low income customers made up just 16.7% of its residential customer class in the same year.⁴⁰ In turn, half of all residential customer debt is held by Columbia’s confirmed low income customers.⁴¹ Notably, this figure excludes CAP participants’ preprogram arrears. Likewise, Columbia’s confirmed low income customers were terminated at a rate of 8% - compared to just 2.4% for Columbia’s residential customer class as a whole.⁴² Columbia’s confirmed low income reconnection rate stands at just 54.6%, and is substantially lower than all other NGDCs and EDCs.⁴³ These are significant disparities in the collections outcomes for confirmed low income customers compared to residential consumers, and indicate a substantial unmet need for universal service program assistance.

Columbia should be directed to expand its efforts to identify and track its low income customer population. First, customers who self-identify or who are identified as having household incomes at or below 150% of the FPL through application and/or enrollment in any universal service and energy conservation programming, or through a payment arrangement, should be included in Columbia’s identified low income count. We also urge Columbia to adopt additional screening and referral procedures to improve identification of low income customers, consistent with our earlier discussion. This screening should include asking customers identifying they are having financial difficulties to disclose their household incomes for the purpose of determining whether they are low income and providing appropriate referrals and

⁴⁰ Pa. PUC, BCS, 2021 Report on Universal Service and Collections Performance, at 11 (Dec. 2022), https://www.puc.pa.gov/media/2188/2021_universal_service_report_rev122722.pdf

⁴¹ *Id.* at 19, 23, 24.

⁴² *Id.* at 16.

⁴³ *Id.* at 18.

assistance thereafter. Additionally, *all* residential customers who are identified as payment troubled should be screened for low income status and provided assistance to enroll in universal service programming. We recommend that Columbia coordinate with its USAC to discuss potential additional means of improving the accuracy of the their low income count and corresponding needs assessment.

3. Customer Assistance Referral & Evaluation Services (CARES)

a. CAUSE-PA supports expanded customer engagement through CARES, but shares concerns related to CARES outcomes and associated program costs.

In its Proposed 2024 USECP, Columbia indicates that CARES staff will be engaged in several areas of targeted population outreach, including to Spanish-speaking populations, survivors of domestic violence, and landlords. (Proposed 2024 USECP at 54). Despite these plans to integrate CARES services into other consumer engagement, the CARES enrollment projections for 2024-2028 remain consistent at 400 for the duration of the Plan. (*Id.* at 37). In its June 2023 Order, the Commission directs Columbia to clarify how it funds its CARES program. In response, Columbia indicates that CARES is funded through base rates. (Supplemental Information at 35).

We appreciate Columbia's clarification related to the funding of the CARES program, and their inclusion of CARES in other areas of consumer outreach and engagement. We recommend that Columbia work with its USAC to find additional avenues for CARES engagement, so that Columbia can increase the number of customers that are served through this important Program. We also recommend that Columbia partner with other organizations, including the Pennsylvania Coalition Against Domestic Violence (PCADV), to provide targeted training and additional opportunities for engagement for the CARES staff. This will further increase the knowledge base and ability of the CARES staff to engage with vulnerable

populations, and it will provide additional avenues for reaching potentially vulnerable customers who may benefit from CARES services.

b. CAUSE-PA supports additional privacy protections for survivors of domestic violence.

In Columbia's Proposed 2024 USECP, the Company lists a "domestic abuse customer" as an individual who would qualify for CARES assistance, notes that a domestic abuse customer is someone with a valid and active Protection from Abuse (PFA) court order. (Proposed 2024 USECP at 18 and 19). Customers who are survivors of domestic abuse are protected by Section 1417 of the Public Utility Code which applies to customers with PFAs *or other court orders that contains clear evidence of domestic violence*. In its June 2023 Order, the Commission directed Columbia to clarify what verification the Company accepts beyond a PFA and what steps it takes to protect a customer's information when domestic violence is reported. (June 2023 Order at 43-44).

Columbia responded that the Company accepts a PFA or a court order issued by a court in the Commonwealth that provides clear evidence of domestic violence. To protect customer information, the Company provides a fax number or email address that is accessible by only five Columbia employees who are permitted to submit orders. PFA or other Orders are uploaded to a specific user-ID protected file on the Company's server, and this file is only accessible by the five noted approved employees, two outreach and education (O&E) coordinators and one manager. One O&E coordinator follows up with each customer to ensure their needs are met and will monitor the customer's account until the protective order expires. (Supplemental Information at 35).

CAUSE-PA recommends that the Commission direct Columbia to explicitly state in its Proposed 2024 USECP that the Company accepts PFAs *and* other court orders issued in the

Commonwealth that provides clear evidence of domestic violence. CAUSE-PA supports Columbia's customer protection processes, limiting access to this customer data to a small and specific number of staff. We further support clear processes related to retention of PFAs and other orders, outreach to survivors, and monitoring of survivor accounts. We recommend that the Commission direct Columbia to ensure that the employees who are responsible for survivor engagement and monitoring receive specialized training related to survivor's particular rights and needs. We recommend that the Commission direct Columbia to coordinate with PCADV to design and set up an appropriate training for its staff.

4. Hardship Fund

a. CAUSE-PA urges improved transparency regarding Columbia's Hardship Fund eligibility requirements.

In its Proposed USECP, Columbia sets forth several criteria for eligibility for its Hardship Fund. In its June 2023 Order, the Commission directed Columbia to provide "a full description of its Hardship Fund eligibility criteria, including its specific payment and balance requirements, especially if its practices differ or expand on the criteria on page 22 of the Proposed 2024 USECP." (Proposed 2024 USECP at 22).

In response, Columbia indicates that its guidelines vary depending on the time of year to stretch funding and leverage other programs. (Supplemental Information at 36). In addition to the stated criteria in the Proposed 2024 Plan, each year in October, November, and February, the Hardship Fund only assists customers without gas service or who are in threat of termination. (Id.) Annually in December, the Hardship Fund is only open to customers whose service is off. (Id.) In the remaining months, the Hardship Fund is open to all non-CAP customers while funds are available. (Id.)

Columbia indicates that customers must additionally have made a sincere effort payment of \$150 for customers up to 61 years of age – or \$100 for customers aged 62 or older. (Id.) Finally, Columbia indicates that they review these requirements on an annual basis so that they can adjust these needs over time. Columbia argues that providing these additional criteria in the USECP will limit the Company’s flexibility. (Id. at 37).

We appreciate that Columbia is attempting to retain flexibility so that it can better adjust criteria to meet the needs of its low income customers, and we recognize the need for Columbia to retain flexibility to adjust certain program rules based on the availability of funds. However, Columbia’s Proposed 2024 USECP fails to identify core eligibility criteria for its Hardship Fund. Including some eligibility criteria, but not others, can lead to confusion and ambiguity for consumers, advocates, and stakeholders – and make it difficult or impossible for the Commission to review the full scope and application of Columbia’s Hardship Fund eligibility rules. We recommend that the Commission direct Columbia to include all eligibility criteria for its Hardship Fund in its Proposed 2024 USECP, including sincere effort to pay requirements. If the Hardship Fund is only accessible to customers with certain service statuses, that information should also be explicitly stated in the Plan. For criteria that Columbia may wish to vary through a program year, we recommend that Columbia indicate in its Proposed 2024 USECP that these criteria may be waived and the circumstances under which Columbia may waive them. Including explicit eligibility criteria will ensure the Commission and the public are able to appropriately assess the parameters of Columbia’s Hardship Fund program, and whether the program is appropriately funded to serve the needs of Columbia’s low income customers.

We are also concerned, based on the provided eligibility criteria on page 22 of the Proposed 2024 USECP, that Columbia defers critical policy decisions to its administrator, DEF.

For example, the list of eligibility criteria indicates that Hardship Fund grant recipients must have a minimum arrearage balance, *as required by Dollar Energy Fund*. Additionally, Columbia's list of Hardship Fund eligibility criteria requires a demonstrated sincere payment effort, *as required by DEF*. Columbia should be directed to ensure that DEF is not imposing additional eligibility requirements or criteria, above the requirements set forth in the Proposed 2024 USECP.

Finally, we are concerned about the continued inclusion of the eligibility criteria that Hardship Fund recipients must have exhausted all available energy assistance resources. We are initially concerned that it is unclear how Columbia determines whether a customer has exhausted all available energy assistance resources. We are also concerned that this requirement sets a high bar for customers in need of hardship funding and requires them to expend considerable time and resources to apply and face rejection for multiple sources of assistance. Customers who are facing imminent terminations or other acute issues that require Hardship Fund assistance may not have the time to meet these steep requirements. As such, we recommend that the Commission direct Columbia to remove this eligibility requirements for the Hardship Fund.

b. CAUSE-PA supports allowing multiple avenues for a customer to apply for a Hardship Fund grant.

In its June 2023 Order, the Commission directed Columbia to clarify all the ways that a customer may apply for a Hardship Fund grant, and whether and what extent Columbia accommodates customers who have difficulty applying for its Hardship Fund. In response, Columbia indicates that customers can apply for its Hardship Fund in person, over the telephone, or online. (Supplemental Information at 37). If a customer has difficulty with these methods, Columbia indicates that the customer is referred to the Company's O&E Coordinator. (Id.) The

Coordinator can provide certain tailored assistance and help complete applications over the phone. (Id.)

CAUSE-PA appreciates the clarification that Columbia provided in their Supplemental Information related to how customers can apply for its Hardship Fund. We support Columbia continuing to offer multiple ways to apply for Hardship Fund grant assistance. We are also supportive that Columbia provides a way for customers to access personalized assistance to complete their application. We recommend that, if not already doing so, Columbia ensure that each of its described methods for applying for its Hardship Fund are made available to customers, at minimum, in English and Spanish.

c. CAUSE-PA recommends that Columbia further examine the decline in CBO participation and seek to identify other ways to reengage with local providers.

In its June 2023 Order, the Commission directs Columbia to explain the reason for the significant reduction in CBOs that accept Hardship Fund Applications. The Commission further directed Columbia to explain whether the loss of 91 CBOs has impacted the ability of consumers to access Hardship Fund grant in its service territory.

In response, Columbia indicates that it initially erroneously reported the number of screening agencies, and that the correct number of screening agencies that currently take CAP applications in Columbia's service territory is 31. Columbia further indicates that the number of agencies that take Hardship Fund applications in Columbia's service territory is 92. (Supplemental Information at 40). Columbia indicates that these numbers reflect a significant drop in agency participation, though they have not surveyed agencies that no longer take applications to determine the reason thereto. (Id.) Columbia infers that, because the Company was directed in its last USECP to eliminate in-person intake requirements for joint CAP and

Hardship Fund applications, as well as service reconnections, agencies may not have enough customers to justify overhead costs. (Id.)

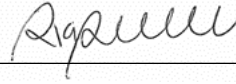
CAUSE-PA shares the Commission's concerns regarding the significant reduction in CBOs available to assist Columbia's low income customers in accessing universal service programming – including CAP. CBOs represent important points of contact for low income customers, and may serve as the sole way many customers may learn about and apply for Columbia's universal service programming. As such, we believe that it is important that the reason behind this loss is further investigated to determine if more can be done to increase CBO retention and participation. If the decline in CBOs was due to elimination of required in-person visits, CAUSE-PA submits that Columbia should examine whether CBOs could be engaged to provide other critical services – such as outreach and education. We recommend that Columbia be directed to conduct a survey of its former CBOs to determine what issues exist currently or existed in the past to preclude continued CBO involvement. Columbia should be required to file a report with the Commission no later than one year after the entering of the final Order in this proceeding that details the results of the survey and what actions Columbia is taking to engage CBOs in the administration of its universal service programs.

IV. CONCLUSION

CAUSE-PA thanks the Commission for its thoughtful consideration of the issues raised above and for the opportunity to submit comments concerning the June 2023 Order regarding Columbia's Proposed 2024 USECP. We urge the Commission to act in accordance with these Comments to ensure that all customers – regardless of income – are able to access safe and affordable services within Columbia's service territory.

Respectfully Submitted,

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