

**PENNSYLVANIA.
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265**

Public Meeting held April 4, 2024

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair
Ralph V. Yanora
Kathryn L. Zerfuss
John F. Coleman, Jr.

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

ORDER

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BY THE COMMISSION:

On April 5, 2023, Columbia Gas of Pennsylvania, Inc. (Columbia), a jurisdictional natural gas distribution company (NGDC), filed its proposed 2024–2028 Universal Service and Energy Conservation Plan (Proposed 2024 USECP) at Docket No. M-2023-3039487.¹ On June 15, 2023, the Pennsylvania Public Utility Commission (Commission) entered an Order (June 2023 Order), requesting additional information and stakeholder comments regarding the Proposed 2024 USECP. The June 2023 Order indicated issues that required further attention on the record, directed Columbia to provide supplemental information, and established a timeline for stakeholder comments and reply comments. Columbia filed Supplemental Information in response to the June 2023 Order on July 17, 2023. The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE–PA), the Office of Consumer Advocate (OCA), and Columbia individually filed comments and/or reply comments. We have considered the supplemental information, comments, and reply comments filed by the parties and direct Columbia to submit a Revised 2024 USECP, consistent with this Order, for the reasons described herein. Columbia’s existing 2019–2021 USECP (2019 USECP) at Docket M–2018–2645401 will continue in operation in whole or in part until its 2024 USECP is fully implemented.²

¹ Columbia filed two Proposed 2024 USECPs with differing page numbers, one on March 31, 2023, and one on April 5, 2023. References herein are to the April 5, 2023 version and reflect the page numbers at the top of each page.

² Columbia 2019 USECP, Docket No. M–2018–2645401 (filed on November 25, 2019). The link to the 2019 USECP is <https://www.puc.pa.gov/pcdocs/1645337.pdf>.

I. BACKGROUND

As a jurisdictional NGDC with more than 100,000 customers, Columbia must administer universal service programs and submit a proposed USECP periodically to the Commission for approval.^{3, 4}

Policy Statement on Customer Assistance Programs (CAPs), 52 Pa. Code §§ 69.261–69.267 (CAP Policy Statement (2020)), Docket No. M–2019–3012599

The Commission’s CAP Policy Statement (2020) was amended effective March 21, 2020, pursuant to an order and annex entered on November 5, 2019, and published in the *Pennsylvania Bulletin* on March 21, 2020. *See 2019 Amendments to Policy Statement on Customer Assistance Program, 52 Pa. Code §§ 69.261–69.267, Final Policy Statement and Order, Docket No. M–2019–3012599 (November 2019 Order and November 2019 Annex). See also 50 Pa.B. 1652 (3/21/2020).*⁵ The November 2019 Order, *inter alia*, strongly urged electric distribution companies (EDCs), NGDCs, and City Natural Gas Distribution Operations to incorporate the CAP policy amendments into their USECPs to allow stakeholders to have a basis for meaningful input in a *Universal Service Rulemaking*. November 2019 Order at 2.

³ In 2022, Columbia served 409,611 residential accounts. *2022 Report on Universal Service and Collection Performance* at 7.

https://www.puc.pa.gov/media/2188/2021_universal_service_report_rev122722.pdf

⁴ NGDCs are subject to the universal service reporting regulations at 52 Pa. Code §§ 62.1–62.8 and the low-income usage reduction regulations at 52 Pa. Code §§ 58.1–58.18 and are guided by the recommendations in the CAP Policy Statement at 52 Pa. Code §§ 69.261–69.267 (2020).

⁵ Available at <https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/vol50/50-12/409.html>.

2019 Adjustment to USECP Filing Schedules, Docket No. M–2019–3012601

On October 3, 2019, the Commission entered its order (October 2019 Order) in *Universal Service and Energy Conservation Plan (USECP) Filing Schedule and Independent Evaluation Filing Schedule*, Docket No. M–2019–3012601, to extend the duration of USECPs from the then–prescribed three years to at least five years. The filing schedule for third–party independent evaluations was adjusted to coincide with the revised USECP duration and filing schedule. The Commission extended Columbia’s 2019 USECP through 2023 and directed Columbia to file its next five–year USECP (2024–2028) on April 1, 2023.

II. HISTORY

2019–2021 USECP (Docket No. M–2018–2645401)

Columbia’s currently effective USECP is its 2019 USECP, which was filed on November 25, 2019, and approved by the Commission at Docket No. M–2018–2645401 by order entered on January 16, 2020. On January 6, 2020, in response to the October 2019 Order at Docket No. M–2019–3012601, Columbia filed an Addendum (January 2020 Addendum) at its 2019 USECP docket. The January 2020 Addendum reflected the extended duration through 2023 for its 2019 USECP and included, *inter alia*, updated enrollment and budget projections for 2022 and 2023.

2021 Base Rate Case, Docket No. R–2021–3024296

On March 30, 2021, Columbia filed for a general rate increase at Docket No. R–2021–3024296. On September 7, 2021, a Joint Petition for Partial Settlement

(2021 Rate Case Settlement)⁶ was filed, which included, *inter alia*, provisions impacting Columbia's universal service programs. On October 12, 2022, Deputy Chief Administrative Law Judge (ALJ) Mark Hoyer issued a Recommended Decision recommending approval of the 2021 Rate Case Settlement. By Order entered on December 16, 2021, the Commission approved, *inter alia*, the 2021 Rate Case Settlement without modification. December 2021 Order at 50 OP #2.

As part of the universal service provisions in the 2021 Rate Case Settlement, Columbia agreed, *inter alia*, to do the following:

- Increase the annual budget for its Emergency Repair Program (ERP) in its low-income usage reduction program (LIURP) from \$600,000 to \$700,000 for the years 2022 and 2023. 2021 Rate Case Settlement at 9, ¶37.
- Develop policies to reduce the number of CAP customers who fail to recertify by continuing to allow CAP customers to remain enrolled in the program when they transfer service to another address within its service territory. Columbia agreed to report to the Commission's Bureau of Consumer Services (BCS) the affirmative steps it is taking to reduce the percentage of customers removed from CAP for failing to recertify.⁷ 2021 Rate Case Settlement at 10, ¶38.
- Develop an outreach campaign targeted for customers with income below 50% of the Federal Poverty Income Guidelines (FPIG) through TV, social media, and electronic and written materials to promote its universal service programs. The

⁶ The Joint Petitioners in the 2021 Rate Case Settlement were: Columbia, the Commission's Bureau of Investigation and Enforcement (BIE), OCA, the Office of Small Business Advocate (OSBA), the Pennsylvania State University (PSU), Columbia Industrial Intervenors (CII), CAUSE-PA, Shipley Energy Company, Retail Energy Supply Association, and Pennsylvania Weatherization Providers Task Force.

⁷ Columbia sent this document to the BCS Bureau Director on February 14, 2022, and copied all parties to the rate case.

recoverable cost of this outreach was limited to \$200,000 in 2022. 2021 Rate Case Settlement at 10, ¶39.

- Re-allocate LIURP dollars to increase the annual budget for its Health and Safety Pilot from \$200,000 to \$400,000 in 2022 and extend the pilot until the approval of its next USECP, with a maximum budget of \$600,000 per year if homes are available and modify the approved formula to include savings associated with reduced CAP credits and provide a biannual report of the number of homes completed, in progress and identified along with associated costs. 2021 Rate Case Settlement at 10–11, ¶40.
- Increase its annual LIURP budget by \$200,000 until the effective date of rates in its next base rate proceeding. 2021 Rate Case Settlement at 11, ¶41.
- Continue to partner with community-based organizations (CBOs) to determine if they can complete additional LIURP work and increase the LIURP allocations of the CBOs who are on track to meet their existing allocations. 2021 Rate Case Settlement at 11, ¶42.
- Update its tariff language to indicate that all confirmed low-income customers with income at or below 150% of the FPIG, as reported to the Commission as part of Columbia’s annual universal service and collections data, will not be charged a security deposit. 2021 Rate Case Settlement at 11, ¶43.
- Refund all security deposits being held for confirmed low-income customers within 60 days. 2021 Rate Case Settlement at 12, ¶44.

- 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. 2021 Rate Case Settlement at 11, ¶45.

2022 Base Rate Case, Docket No. R-2022-3031211

On March 18, 2022, Columbia filed for a general rate increase at Docket No. R-2022-3031211. On September 2, 2022, a Joint Petition for Partial Settlement (2022 Rate Case Settlement)⁸ was filed, which included, *inter alia*, provisions impacting Columbia's universal service programs. On September 30, 2022, Deputy Chief ALJ Christopher Pell and ALJ John Coogan issued a Recommended Decision recommending approval of the 2022 Rate Case Settlement, without modification. By Order entered on December 8, 2022, the Commission approved, *inter alia*, the 2022 Rate Case Settlement. December 2022 Order at 136 OP #5.

As articulated in the 2022 Rate Case Settlement, Columbia agreed, *inter alia*, to do the following:

- Increase the annual budget for its ERP from \$700,000 to \$1,000,000. 2022 Rate Case Settlement at 10, ¶42.
- Spread any unspent LIURP funds from 2022 evenly over the next three calendar years, 2023 through 2025. 2022 Rate Case Settlement at 10, ¶43.
- Increase its annual LIURP budget from \$5,075,000 to \$5,425,000 beginning in January 2024 or sooner if unspent LIURP funds carried over from 2022 do not

⁸ The Joint Petitioners in the 2022 Rate Case Settlement were: Columbia, BIE, OCA, OSBA, PSU, CII, CAUSE-PA, and Pennsylvania Weatherization Providers Task Force.

increase the annual LIURP budget to at least \$5,425,000. 2022 Rate Case Settlement at 10, ¶44.

- Make a one-time donation of \$75,000 to its Hardship Fund. 2022 Rate Case Settlement at 10, ¶45
- By December 31, 2023, automate process to conduct quarterly evaluations of CAP customer bills and adjust the customer's CAP payment plan to ensure that they are getting the lowest CAP price. Upon implementation of the automated process, Columbia will include all CAP customers in its quarterly CAP rate review. Columbia agreed to file progress reports at the 2022 Rate Case (No. R-2022-3031211) explaining its progress toward implementing the automated process.⁹ 2022 Rate Case Settlement at 10–11, ¶46.
- Continue to partner with CBOs including member agencies of Community Action Association of Pennsylvania and Pennsylvania Weatherization providers in the development, implementation, and administration of its LIURP program. 2022 Rate Case Settlement at 11, ¶47.

Proposed 2024 USECP (Docket No. M–2023–3039487)

In compliance with Commission regulations and orders, Columbia filed its Proposed 2024 USECP on April 5, 2023, which was docketed at M–2023–3039487. On May 10, 2023, Commission staff in BCS convened a telephonic meeting to allow stakeholders an opportunity to provide their informal comments and questions about the Proposed 2024 USECP prior to issuance of a Commission order. Representatives from

⁹ Columbia filed a quarterly progress report on July 25, 2023, at Docket No. R–2022–3031211.

Columbia, CAUSE-PA, OCA, OSBA, BIE, and the Pennsylvania Coalition of Local Energy Efficiency Contractors (PA-CLEEC) were invited to participate.

The June 2023 Order identified issues in the Proposed 2024 USECP requiring further clarification and supplemental information from Columbia and set a timeline for stakeholder comments and reply comments. On June 30, 2023, and July 12, 2023, OCA and CAUSE-PA filed Petitions to Intervene, respectively. On July 17, 2023, Columbia filed its Supplemental Information (Columbia Supplemental Information). On August 1, 2023, and August 2, 2023, the Commission issued Secretarial Letters granting OCA's and CAUSE-PA's Petitions to Intervene, respectively. CAUSE-PA and OCA individually filed comments on August 7, 2023. Columbia, CAUSE-PA, and OCA individually filed reply comments on August 22, 2023.

III. DISCUSSION

Columbia's 2024 USECP, as proposed, contains four major components that help low-income customers maintain utility service. The four programs are as follows: (1) a CAP which provides discounted bills and/or debt forgiveness for eligible low-income residential customers; (2) a LIURP which provides weatherization and usage reduction services to help low-income customers reduce their utility bills; (3) a Customer Assistance Referral Evaluation Services (CARES) program which provides referral services for low-income, special needs customers; and (4) a hardship fund which provides grants to eligible customers that require assistance to meet basic energy needs. We shall discuss each program in greater detail below.

A. Summary of Proposed Modifications to the Universal Service Programs in the Proposed 2024 USECP

1. Proposed CAP Modifications

- Update payment plan options, which includes the elimination of the Average Bill Payment Plan and updated Percentage of Income Payment (PIP) and Percent of Budget Bill (POBB) options.
- Adopt the maximum energy burdens recommended in the CAP Policy Statement (2020) at 52 Pa. Code § 69.265(2)(i)(B).
- Eliminate the requirement that income-eligible customers must be “payment troubled” to qualify for CAP.
- Adopt the standardized zero-income form approved in the November 2019 Order.
- Amend its recertification timeframes consistent with the maximum timeframes in the CAP Policy Statement at 52 Pa. Code § 69.265(8)(viii).
- Require identity verification for the ratepayer only.
- Eliminate process of aggregate shopping for natural gas supplied to all CAP customers, due to lack of interest by natural gas suppliers.
- Eliminate the Remedial Energy Efficiency Program.

Proposed 2024 USECP at 10–11, 24–25, 27, and 31.

2. Proposed LIURP Modifications

- Increase the maximum allowance for Health & Safety spending from \$650 to \$1,200 per job. Proposed 2024 USECP at 11, 20.
- Eliminate the Inoperable Heating Systems Pilot.

Proposed 2024 USECP at 11 and 20.

3. Proposed CARES Modifications

Columbia proposes no major changes to its CARES program in its Proposed 2024 USECP.

4. Proposed Hardship Fund Modifications

- Allow customers enrolled in CAP to apply for a Hardship Fund grant beginning mid–May if funding is available.

Proposed 2024 USECP at 23.

B. Program Descriptions as Proposed for 2024–2028

1. CAP v

Columbia’s CAP will continue to offer discounted pricing and waiver of security deposits to residential heating customers with household income at or below 150% of the FPIG. Proposed 2024 USECP at 24.

Columbia’s CAP helps customers maintain gas service through more affordable payments and the opportunity to eliminate utility debt through monthly pre-program arrearage (PPA) forgiveness over three years. Columbia applies 1/36 PPA forgiveness for each timely and full monthly payment, regardless of existing CAP in-program arrears, as well as retroactive PPA forgiveness if a customer makes up a missed CAP payment. Proposed 2024 USECP at 32.

To qualify for CAP, Columbia customers must meet all of the following requirements:

- Have an active residential heating account.
- Have gross household income at or below 150% of FPIG.
- Cannot live in a multi-unit dwelling served by one meter.
- Provide a Social Security number (SSN), driver’s license number, or other state identification number for the ratepayer.

Proposed 2024 USECP at 24.

CAP customers must comply with all CAP requirements to remain in the program, including:

- Submitting income verification as specified, including at initial application and during recertification periods.
- Paying monthly CAP payment amount by due date.
- Applying for LIURP.
- Applying for free weatherization services offered through the Department of Community and Economic Development’s (DCED).
- Not using non–essential gas appliances (*e.g.*, pool heater).

Proposed 2024 USECP at 27.

Columbia currently calculates a customer’s CAP bill using three separate payment options: (1) a PIP, (2) an average payment amount (based on payments received in the 12 months prior to enrolling in CAP), and (3) a POBB (adjusted annually). Columbia is proposing to eliminate the average payment option and modify the remaining payment options as follows:

Option 1. PIP based on FPIG. Columbia is proposing to reduce its PIP energy burdens as illustrated in Table 1.

Table 1
Current and Proposed CAP PIP

| Income | Current PIP | Proposed PIP |
|---------------|--------------------|---------------------|
| 0–110% FPIG | 7% | 4% |
| 110–150% FPIG | 9% | 6% |

Source: Proposed 2019 USECP at 23, Proposed 2024 USECP at 25.

Option 2. Columbia is proposing a new budget billing option based on the FPIG as illustrated in Table 2.

Table 2
Current and Proposed POBB

| Income | Current POBB | Proposed POBB |
|--------------|--------------|---------------|
| 0–50% FPIG | 50% | 50% |
| 51–150% FPIG | 50% | 75% |

Source: Proposed 2019 USECP at 23, Proposed 2024 USECP at 25.

Columbia selects the most affordable (lowest) payment plan for the customer. Regardless of the option, the minimum monthly CAP payment is \$25, and the CAP bill should never exceed the customer’s budget bill amount. Added to Columbia’s CAP payment options are two additional monthly charges: the \$5 monthly PPA co-payment¹⁰ (if applicable) and the CAP Plus charge.¹¹ If the customer’s CAP bill is found to be higher than the tariff budget bill amount, Columbia will review the account to determine whether the monthly CAP payment can be lowered or if the customer should be removed from CAP. Proposed 2024 USECP at 25.

Columbia reviews all new CAP customers and existing CAP customers with usage that exceeds the annual shortfall limit of \$1,000 for LIURP eligibility. Proposed 2024 USECP at 12, 21.

¹⁰ The \$5 monthly PPA co-pay is a payment toward the PPA balance. Proposed 2024 USECP at 23.

¹¹ CAP Plus is a monthly charge assessed to every CAP customer. CAP Plus is calculated by dividing the total LIHEAP dollars received on CAP accounts in the previous heating season by the number of current CAP customers. A customer’s monthly CAP Plus charge is 1/12 of this total. Proposed 2024 USECP at 24. Columbia recalculates the CAP Plus charge annually, beginning with the November billing cycle. In 2018, the monthly CAP Plus amount was \$3; in 2019–2020, it was \$2; for 2021, it was \$3; for 2022, it was \$10; and in 2023, it remains at \$10. Proposed 2024 USECP at 26, Columbia Supplemental Information at 5.

Columbia requires CAP applicants to provide proof of income for each adult household member for the last 30 days or 12 months and excludes earned income for any household member under the age of 19. If a household reports no income, the applicant must complete the zero-income form. Proposed 2024 USECP at 24.

Columbia proposes recertification timelines for CAP based on the customer's source of income and participation in the Low Income Energy Assistance Program (LIHEAP).

- CAP customers with zero income must recertify every six months.
- CAP customers that participate in LIHEAP annually recertify once every three years.
- CAP customers whose primary source of income is Social Security, Supplemental Security Income, or pensions will be required to recertify every three years.
- All other CAP customers must recertify every two years.

Proposed 2024 USECP at 27.

Columbia issues a recertification letter 30 days in advance of the customer's CAP recertification date. CAP customers must mail or fax their income verification to the specified CBO that will process their verification. There is also an online enrollment process. Customers may also recertify in person at a CBO if they prefer. If income eligibility is not recertified within 30 days after the enrollment anniversary date, the customer is removed from CAP. Proposed 2024 USECP at 24–25.

Columbia initiates termination procedures for CAP customers after two missed payments. If the customer does not make up the missed CAP payments within 10 days of the date of the termination notice, Columbia will attempt to terminate service but will

delay termination procedures for “extenuating” circumstances. CAP customers do not pay security deposits or reconnection fees for restoration of service. Proposed 2024 USECP at 28.

Based on our analysis of Columbia’s CAP in the Proposed 2024 USECP, we directed Columbia in the June 2023 Order to provide clarification and/or supplemental information regarding identified issues. The following discussion reflects resolution of those issues.

a. Implementation of PIP

As discussed above, Columbia proposes to modify its CAP payment options, including reducing the energy burdens for its PIP consistent with the CAP Policy Statement (2020) recommendations. In the June 2023 Order, the Commission directed Columbia to provide additional information related to this change, including its projected impact on average monthly bills, CAP expenditures, and collection costs. June 2023 Order at 19–20.

Comments

As reflected in Tables 3 and 4, Columbia provided average monthly CAP bills based on its current and proposed payment options with the current CAP Plus charge of \$10. These projections indicate that the proposed payment changes will decrease average CAP bills based on the PIP by approximately \$10 and \$20 for customers with incomes below 50% and between 101–150% of FPIG, respectively. CAP customers who are charged the POBB will see their CAP bills increase.

Table 3
2024–2028: Average Monthly Payment
Based on Current CAP Payment Options

| FPIG | 0–50% | 51–100% | 101–150% |
|--|--------------|----------------|-----------------|
| Percent of Income | \$60.00 | \$77.00 | \$132.00 |
| Average of Payments | \$55.00 | \$55.00 | \$62.00 |
| Percent of Bill | \$69.00 | \$75.00 | \$83.00 |
| Minimum Payment (including the \$10 CAP Plus amount) | \$35 | | |

Source: Columbia Supplemental Information at 2.

Table 4
2024–2028: Average Monthly Payment
Based on Proposed Payment Options

| FPIG | 0–50% | 51–100% | 101–150% |
|--|--------------|----------------|-----------------|
| Percent of Income | \$50.00 | \$81.00 | \$113.00 |
| Percent of Bill | \$70.00 | \$92.00 | \$105.00 |
| Minimum Payment (including the \$10 CAP Plus amount) | \$35 | | |

Source: Columbia Supplemental Information at 2.

Columbia reports that due to the volatility of gas prices, it is unable to predict average monthly CAP bills for 2024 through 2028 and future PPA forgiveness levels. Columbia Supplemental Information at 2–3.

Tables 5 and 6 reflect the projected average annual shortfall amounts (*i.e.*, CAP credits) for 2024 through 2028 based on Columbia’s current and proposed CAP payment options. Columbia projects that CAP shortfall amounts would slightly decrease under the proposed payment options, from approximately \$25 million under its current payment options to approximately \$24 million under its proposed payment options.

Table 5
Projected Average Annual Shortfall
Based On Current Payment Options

| FPIG | 0–50% | 51–100% | 101–150%% |
|---------------------|--------------|-------------|-------------|
| Percent of Income | \$3,693,744 | \$3,047,616 | \$147,000 |
| Average of Payments | \$1,065,600 | \$2,936,736 | \$1,851,600 |
| Percent of Bill | \$752,328 | \$3,694,020 | \$3,141,360 |
| Minimum Payment | \$4,943,160 | | |
| Totals | \$10,454,832 | \$9,678,372 | \$5,139,960 |

Source: Columbia Supplemental Information at 3.

Table 6
Projected Average Annual Shortfall
Based on Proposed Payment Options

| FPIG | 0–50% | 51–100% | 101–150% |
|-------------------|-----------------|----------------|----------------|
| Percent of Income | \$4,179,708.00 | \$9,091,764.00 | \$2,572,752.00 |
| Percent of Bill | \$230,400.00 | \$531,828.00 | \$962,808.00 |
| Minimum Payment | \$6,773,040.00 | | |
| Totals | \$11,183,148.00 | \$9,623,592.00 | \$3,535,560.00 |

Source: Columbia Supplemental Information at 3.

Columbia notes there should be no cost impact related to CAP Plus or PPA forgiveness, as it is not proposing any changes to these CAP elements. Columbia Supplemental Comments at 3.

Columbia did not provide estimates of changes to collection costs based on the proposed changes to the CAP payment options. However, Columbia reports the proposed changes to CAP payments may affect annual collection costs as some CAP bills will increase and others will decrease under the new payment options. As shown in Table 7, Columbia identified the CAP non-payment default rate from 2017 through 2022. Columbia Supplemental Comments at 4.¹²

¹² Columbia also provided partial statistics for 2023, but it was unclear what time period was covered in the default percentages.

Table 7
CAP Non–Payment Default Rates
2017–2022

| Year | CAP Non–Payment Default Percentage |
|-------------|---|
| 2022 | 3.83% |
| 2021 | 3.8% |
| 2020 | 0% |
| 2019 | 4.52% |
| 2018 | 4.18% |
| 2017 | 4.02% |

Source: Columbia Supplemental Information at 4.

Columbia asserts that its low default rates illustrate the affordability of its current CAP for most customers. Columbia submits that concerns about rising non–payment rates for customers with higher asked–to–pay amounts can be resolved by obtaining LIHEAP grants for additional assistance. Columbia also reports that modifying its CAP payment options, as proposed, will require one–time implementation costs of approximately \$42,000. Columbia Supplemental Information at 4.

OCA suggests examining cost controls during the implementation of program changes. OCA submits that USECP costs should be monitored for the duration of the USECP and evaluated as the costs increase and that interested parties should not wait five years to evaluate significant changes. OCA recommends Columbia monitor the impact of the revised energy burdens on CAP costs and, if total annual USECP costs exceed the original budget by 20% or more, provide actual cost information to stakeholders and schedule meetings within 30 days to receive input on cost control measures. OCA further recommends that Columbia should consider adding additional cost control measures if total USECP costs exceed budgeted amounts by 20% or more, ensuring ongoing monitoring of costs and safeguarding against potential deviations from Columbia’s projections. OCA Comments at 11–13.

OCA notes that Columbia provided limited projections and information about the bill impacts for CAP customers due to energy burden reduction and did not provide projections about CAP bill costs beyond 2024. OCA and CAUSE-PA separately question why the percentage of income payments for households with income from 51-100% of the FPIG would increase by approximately \$4 per month under the revised plan, despite a proposed reduction in energy burdens for those customers. OCA Comments 6-8, CAUSE-PA Comments 8-9.

Columbia states that when payments were calculated for the 51-100% FPIG group using the proposed energy burdens and considering the change in the POBB plan from 50% to 75% of bill, many customers were moved from the POBB plan to the 6% of income PIP as the lowest payment plan available. Columbia reports that in many cases, these customers had higher incomes than the customers in the current 7% of income PIP that is proposed to be the 6% of income PIP in this USECP. Columbia explains that because these customers have a higher average income, the average PIP bill is projected to be higher as well. Columbia submits that its current USECP and energy burdens were designed to align with the CAP Policy Statement (2020) while being mindful of cost control. Columbia asserts that its payment option changes should be reviewed as a whole and not individually. Columbia Reply Comments at 4.

CAUSE-PA notes the average payment plan remains the second most affordable CAP payment option after the PIP. It questions Columbia's proposal to eliminate the average payment option and increase the POBB rate option, which is less affordable. CAUSE-PA avers Columbia has not provided any explanation or support for this decision and has not addressed whether the POBB rate may result in an energy burden below the household's PIP rate. CAUSE-PA notes that this could cause customers to remain at an unaffordable rate for several months before Columbia conducts its quarterly CAP bill review. CAUSE-PA Comments at 9-10.

CAUSE-PA suggests retaining Columbia's current average payment and POBB rate options without amendment or requiring justification for eliminating average payment and increasing the POBB rates, with additional time for responsive comments. CAUSE-PA Comments at 10.

OCA supports CAUSE-PA's recommendations. OCA also notes that it is concerning that Columbia proposes to eliminate an affordable payment option for low-income customers without a clear explanation. OCA Reply Comments at 3.

Columbia explains that maintaining the 50% POBB option for customers with incomes between 51% to 150% of the FPIG would reduce their energy burdens below the levels recommended in the CAP Policy Statement (2020), at a substantial cost to ratepayers. Columbia also reports that maintaining the average payment option along with the newly proposed energy burdens, would cause the annual CAP shortfall to increase by \$1,928,000. Columbia maintains that it is not appropriate to offer a payment plan that would reduce CAP bills well below what is considered affordable and that keeping these payment options would significantly increase CAP shortfall as well as negatively impact non-CAP ratepayers. Columbia Reply Comments at 4-5.

Resolution: Based on the data provided by Columbia on its proposed CAP payment options, average monthly CAP bills for customers at or below 100% of the FPIG level could be approximately \$10 lower, compared to its existing payment options. Monthly CAP bills may increase for customers at 101-150% of the FPIG, but within the maximum recommended energy burdens in the CAP Policy Statement (2020). 52 Pa. Code § 69.265(2)(i)(B). Given its anticipated impact on energy affordability for Columbia's lowest income customers, we find it reasonable and in the public interest to approve this change. Accordingly, we approve Columbia's revised payment options.

b. PIP Energy Burdens

As discussed above, Columbia proposes to revise its PIP maximum energy burdens consistent with the Commission's CAP Policy Statement (2020). In the June 2023 Order, the Commission directed Columbia to identify what safeguards or processes will be implemented to ensure that CAP customers' monthly bills, including any add-ons such as PPA co-payments or CAP Plus charges, will not exceed Columbia's PIP energy burdens. June 2023 Order at 21.

Comments

Columbia notes that it first proposed a monthly PPA co-pay of \$5 for 36 months in 1992 to share the burden of addressing PPA balances between CAP and non-CAP customers. Columbia states that it implemented CAP Plus in 2010 to offset the Department of Human Services (DHS) policy which prohibited LIHEAP grants from subsidizing CAP benefits (*i.e.*, applying the LIHEAP grant only to CAP asked-to-pay amount). Columbia reports that the monthly CAP Plus amount has since ranged from \$2.00 to \$18.00, currently it is \$10.00. Columbia Supplemental Information at 5.

Columbia reports that the annual change to the CAP Plus charge may at times cause customers' bills to exceed energy burdens set forth in its proposed USECP. Columbia notes that the minimum LIHEAP grant is more than the current annual CAP Plus and co-pays combined. Columbia notes that the Commission's CAP Policy Statement (2020) is guidance, not law. Columbia asserts that to ensure customers' CAP bills, including co-pay and CAP Plus, never exceed PIP energy burdens would require modifying the CAP payment plans at least once per year, when the new CAP Plus is calculated, and all co-pays have been paid. Columbia Supplemental Information at 5.

Columbia emphasizes that a continuous recalculation of CAP bills will result in increased programming and CAP shortfall costs, which will be paid for by non-CAP residential ratepayers. Columbia asserts that this would also increase the number of times a CAP bill could change, which could hinder the primary goal of promoting consistent monthly payments. Columbia Supplemental Information at 6.

OCA and CAUSE-PA both separately oppose including the CAP Plus charge and the PPA co-pay in the CAP bill, noting that these fees result in unaffordable rates that exceed established energy burdens. CAUSE-PA asserts that Columbia's \$5 monthly PPA co-pay is inconsistent with the CAP Policy Statement (2020), and Columbia failed to provide any safeguards to protect CAP customers from exceeding energy burden levels; noting that the monthly CAP Plus amount increased from \$3 in 2021 to \$10 in 2022. OCA asserts that Columbia can avoid costly and confusing system changes to account for CAP Plus and PPA co-payment variability by eliminating these charges. CAUSE-PA and OCA separately urge the Commission to require Columbia to eliminate both charges from its Proposed 2024 USECP. OCA Comments at 10-11,15; CAUSE-PA Comments at 11-13.

CAUSE-PA recommends that the Commission prohibit Columbia from collecting the CAP Plus fee as of the date it issues a final order. CAUSE-PA also recommends that the Commission should provide Columbia with a reasonable timeframe, not to exceed six months, to make necessary programming changes and issue a refund for the amount collected during the transition period for it to eliminate its PPA co-payment. CAUSE-PA Comments at 14.

OCA agrees that a refund is appropriate if the Commission eliminates CAP Plus and PPA co-payments. OCA notes that the Commission found it reasonable and in the public interest for Peoples Companies to issue reimbursements when it began transitioning to eliminate its PPA co-payment. OCA Reply Comments at 3-4.

Columbia opposes eliminating CAP Plus and co-pay, citing an increase to the annual CAP shortfall of \$2,943,840 if it eliminated the current \$10 CAP Plus amount and a \$420,000 annual shortfall increase if it eliminates the \$5 PPA co-payment. Columbia Reply Comments at 5.

Columbia reports that it refunded \$542,000 in unused LIHEAP funds to DHS from CAP accounts in July 2023. Columbia notes that these funds could have been used to address CAP shortfall amounts if the CAP energy burdens were higher than current levels. Columbia contends that if the CAP Plus charge is eliminated, the amount of LIHEAP grant money refunded to DHS will be even higher, and the CAP costs recovered from non-CAP residential ratepayers will increase as well. Columbia notes that any CAP customer that receives LIHEAP and assigns it to Columbia would see no impact from the elimination of these charges, as their LIHEAP grant would cover their CAP bill. Columbia Reply Comments at 5–6.

Columbia asserts that these refunds demonstrate that CAP customers receive more financial benefits than necessary to maintain gas service. Columbia asserts that the CAP Plus and PPA co-payment charges are crucial cost-control measures, providing a balance for low-income customers while keeping program costs low. Columbia states these elimination recommendations are unjust and the Commission should reject them. Columbia Reply Comments at 6.

Resolution: We do share OCA and CAUSE-PA's concerns that including the CAP Plus and PPA co-payment charges separate from the PIP bill may result in inconsistent levels of affordability. In the November 2019 Order, the Commission supported allowing NGDCs to choose their own CAP payment plans but stressed that payments should not exceed energy burden targets. The Commission explained that:

We agree with OCA, Columbia [Gas], and NFG that utilities should be permitted to maintain CAP payment structures that best meet the needs of their service territories. Therefore, we are not requiring that EDCs and NGDCs adopt PIPs. **However, each 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.** However, if the minimum CAP payment is higher than the energy burden threshold, the household may be charged the higher minimum CAP payment.

November 2019 Order at 31 (emphasis added).

Columbia’s approach of adding the CAP Plus charge and PPA co-payment charges to a CAP customer’s monthly bill without consideration of CAP energy burdens will clearly result in some households being charged more than the proposed energy burdens. We agree with OCA and CAUSE-PA that Columbia should ensure that customers’ bills do not exceed energy burden levels with the addition of the CAP Plus and PPA co-payment charge. Columbia has clarified that to ensure customers’ PIP payments, including co-pay and CAP Plus, never exceed target energy burdens, it would need to account for variable co-pay and CAP Plus requirements and assign a lower-than-designed payment plan at least once per year, when the new CAP Plus is calculated and when all co-pays have been paid. Establishing such a payment-recalculation process may be time-consuming, costly, and result in customer confusion about their CAP bill amount. Therefore, we find it reasonable to eliminate the PPA co-payment and CAP Plus charges to ensure CAP bills remain consistently within Columbia’s energy burden targets.¹³ Accordingly, we direct Columbia to remove PPA co-payment and CAP Plus charges from CAP bills upon implementation of its approved amended payment options. Columbia shall include this change in its Revised 2024 USECP.

¹³ We note this change will bring Columbia’s CAP into alignment with other public utilities who have eliminated PPA co-payment and CAP Plus charges to ensure customer bills did not exceed target energy burden levels. *See* Peoples Companies 2019–2024 USECP Order, Docket Nos. M–2018–3003177 and M–2020–3021343 (order entered on August 25, 2022) at 7–8 and PPLs 2023–2027 USECP Order, Docket No. M–2022–303–1727 (order entered February 9, 2023) at 24–25.

c. Refunds of Security Deposits

In its June 2023 Order, the Commission directed Columbia to describe how its security deposit practices reflect compliance with the relevant statutes and regulations. Columbia was also directed to clarify how it notifies customers when they are determined eligible for a security deposit refund and if they are given the choice to receive the refund directly rather than it being applied to preprogram arrears. June 2023 Order at 22.

Comments

Columbia states that when an account with a security deposit requests to enter CAP and provides the necessary documentation to do so, it deducts any outstanding balance from the deposit and returns or credits any difference plus any applicable interest to the customer within 60 days. Columbia submits that its process complies with Section 56.53 and is an integral cost control tool for CAP. It notes that customers with security deposit account credits who wish to receive a refund sent to them must contact Columbia and it will comply. Columbia Supplemental Information at 6–7.

OCA asserts that Columbia’s USECP should be amended to abide by the Commission’s policy which prohibits requiring a cash deposit from customers income-eligible for CAP. OCA notes that Columbia’s current policy only excludes customers enrolled in CAP from security deposits. OCA submits that confirmed low-income customers should not be charged security deposits, regardless of whether they are enrolled in CAP. OCA Comments at 22.

CAUSE–PA asserts that Columbia’s security deposit policies fail to meet statutory and regulatory requirements. CAUSE–PA recommends that the Commission direct Columbia to return all collected security deposits for all CAP–eligible customers,

including income-qualified applicants, LIHEAP Cash or Crisis grants, income-based low-income payment arrangements, and those who provide income documentation. Additionally, it suggests that Columbia should inform customers of the statutory prohibition on security deposits and how customers can submit income verification to qualify for this feature and should return the full security deposit collected from CAP-eligible customers without diverting funds. CAUSE-PA Comments at 17-19.

OCA and CAUSE-PA separately recommend the Commission direct Columbia to provide income-eligible CAP customers with a choice of whether to receive a direct refund of the security deposit or to apply the amount to their balance. OCA Comments at 22-23, CAUSE-PA Comments at 20.

Columbia claims that OCA's and CAUSE-PA's interpretation of Commission regulations is too narrow. Columbia notes that their arguments would require Columbia to refund entire security deposits to CAP-eligible households, allowing them to use the deposit as discretionary funds and obligate arrears to non-CAP residential ratepayers as part of arrearage forgiveness. Columbia submits that this interpretation creates an inappropriate benefit for CAP-eligible households with security deposits and increases pre-program arrears. Further, Columbia reports that the law prohibits utilities from making unreasonable preferences or advantages to CAP-eligible customers, violating Section 1304. Columbia Reply Comments at 7.

Resolution: Both the statute and Commission regulations prohibit requiring a cash deposit for public utility service from customers who are confirmed to be eligible for a CAP. *See*

66 Pa.C.S. § 1404(a.1)¹⁴ and 52 Pa. Code § 56.32(e).¹⁵ Commission regulations also 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....” *See* 52 Pa. Code § 56.53(f). The regulations do not permit the public utility to apply a deposit to a delinquent account balance if it is determined the customer was not responsible for paying the deposit prior to accruing the balance.

Accordingly, we direct Columbia to refund security deposits, with applicable interest, collected from customers who are income-eligible for CAP. Columbia may apply the security deposit to the account balance only with the customer’s informed consent. As part of obtaining this informed consent, Columbia must explain to the customer how applying the security deposit to the account balance would impact the customer’s monthly bill. Columbia is directed to include this provision in its Revised 2024 USECP.

d. LIHEAP

In the Proposed 2024 USECP, Columbia states that customers do not have to apply for LIHEAP as a condition of CAP eligibility. However, Columbia’s *CAP Customer Agreement Form* lists applying for LIHEAP and assigning the grant to Columbia as a program requirement. Proposed 2024 USECP at 5, 49.

¹⁴ 66 Pa.C.S. § 1404(a.1) provides that “no public utility may require a customer or applicant that is confirmed to be eligible for a customer assistance program to provide a cash deposit.”

¹⁵ 52 Pa. Code § 56.32(e) provides that “a public utility may not require a cash deposit from an applicant who is, based upon household income, confirmed to be eligible for a customer assistance program. An applicant is confirmed to be eligible for a customer assistance program by the 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 the public utility’s customer assistance programs.”

In its June 2023 Order, the Commission directed Columbia to clarify if it requires CAP customers to apply for LIHEAP annually and to assign the grant to Columbia. If not, the Commission directed Columbia to submit a revised *CAP Customer Agreement Form*. June 2023 Order at 23.

Comments

Columbia notes that it proposed removing applying for LIHEAP as a requirement for CAP eligibility in its 2019 USECP and that the Commission rejected this proposal. Columbia notes that it does not enforce this requirement. Columbia revised its *CAP Customer Agreement Form* with the LIHEAP requirement removed, submitted as *Attachment A*. Columbia Supplemental Information at 7–8, *Attachment A*, at 42.

CAUSE–PA supports not requiring CAP customers to apply for LIHEAP or assigning their LIHEAP grants to Columbia. CAUSE–PA also supports updating Columbia documents to remain consistent with this policy. CAUSE–PA Comments at 20.

OCA submits that the Commission should require Columbia to remove language inconsistent with its practices and that customers should not be told that applying for LIHEAP is a requirement. OCA Comments at 17.

Resolution: The Proposed 2024 USECP states that customers do not have to apply for LIHEAP as a condition of CAP eligibility. As we rejected Columbia’s proposal to remove applying for LIHEAP as a requirement for CAP eligibility relative to its 2019 USECP, we must now reconsider that proposal relative to the 2024 USECP. Prior to the 2020 changes to the CAP Policy Statement, the policy in Section 69.265(9)(ii) (2019) was effective as of May 8, 2010. 40 Pa.B. 2443 (May 8, 2010). Thus, the recommendations in effect when Columbia’s 2019 USECP was approved were that, *inter*

alia, a LIHEAP grant should be designated to the utility sponsoring the CAP (52 Pa. Code § 69.265(9)(i) (2019)); CAP customers should incur a penalty if they do not apply for LIHEAP (52 Pa. Code § Section 69.265(9)(ii) and (iv) (2019)).

The Commission’s November 2019 Order at 50-52 and November 2019 Annex removed these recommendations from the CAP Policy Statement (2020), effective March 21, 2020. 50 Pa.B. 1652 (March 21, 2020). The CAP Policy Statement now recommends that a utility “should inform a CAP participant of the participant’s responsibility to apply for LIHEAP grants annually, as well as other energy assistance programs, if eligible.” 52 Pa. Code § Section 69.265(8)(v). Accordingly, we conclude that Columbia’s current proposal for its 2024 USECP to remove the link between applying for LIHEAP as a requirement for CAP participation is unopposed and is consistent with our current CAP policy.

Further, Columbia has clarified that it is not currently requiring CAP customers to apply for LIHEAP and assign the grant to Columbia. As the commenters point out, there must be congruence between an approved USECP and the customer-facing literature describing the USECP. Accordingly, we approve of the amendment to the *CAP Customer Agreement Form* which removes the provision that customers must apply for LIHEAP and direct the grant to Columbia.

e. Household Income

In its June 2023 Order, the Commission directed Columbia to clarify how it will calculate household income for CAP. Specifically, the Commission asked whether Columbia would count all earned and unearned income for all adult household members (*i.e.*, age 18 and over) and whether it would exclude the earned and unearned income for minors (*i.e.*, under age 18). Further, the Commission directed Columbia to indicate the

effective date of any proposed changes to how it defines or calculates “household income.” June 2023 Order at 24.

Comments

Columbia states that it excludes earned income for household members under the age of 19 when calculating household income, because many 18-year-olds are still in high school. Columbia acknowledges the intent of “adults” in the CAP Policy Statement (2020) and agrees to use the exact definition as written in 66 Pa. C.S. § 1403. However, it asserts the recent interpretation of minor income that excludes child support and social security benefits provided in the name of an adult of the household is a deviation from the original intent and an obstacle in CAP enrollment and reverification processes. Columbia Supplemental Information at 8.

Columbia submits that all DHS programs, including LIHEAP, count child support and social security benefits, towards household income. Columbia suggests using the same meaning of household income for CAP eligibility and other state programs, which will promote coordination between LIHEAP and CAPs and reduce confusion for customers. Columbia Comments at 9.

Columbia asserts that many CAP households’ only source of income is child support or social security income and that if this income were excluded, the household would be considered a “zero-income” household, which would require the household to recertify for CAP every six months. Columbia submits that the reason for this shortened timeframe is because no household can sustain with zero income for an ongoing time. Columbia states that households receiving child support and social security income are using that income to cover all their expenses and should not be considered a zero-income household. Columbia Supplemental Information at 9–10.

Columbia reports that 61% of CAP households that receive child support receive a minimum payment bill. Columbia submits counting this unearned income helps accurately identify household income, facilitate referrals to other resources, reduce customer confusion, and alleviate renewal burdens for households receiving only child support or social security income for minors. Columbia Supplemental Information at 10.

CAUSE-PA strongly opposes Columbia's proposal to continue including unearned income for minors as part of the household income. CAUSE-PA notes that children with disabilities face unique challenges and that even if the child resides in the CAP applicant's household, the applicant may not be the parent receiving the benefits. CAUSE-PA argues that excluding child income ensures that all LIHEAP customers are eligible for CAP. CAUSE-PA notes that data sharing between DHS and public utilities will disclose income amount and source for each household member, allowing public utilities to perform their own household income calculations. CAUSE-PA asserts that Columbia's inclusion of child unearned income in CAP eligibility contradicts Chapter 14 and the Commission's CAP Policy Statement (2020). CAUSE-PA recommends that Columbia be directed to revise its Proposed 2024 USECP to exclude all earned and unearned child income. CAUSE-PA Comments at 21-23.

OCA notes that, in its Supplemental Information, Columbia reports that "it is agreeable to using the exact definition as written in 66 PA C.S. § 1403, as [it] recognizes the intent of the language to exclude earned income of a minor as household income." OCA Comments at 17, *citing* Columbia Supplemental Information at 8.

OCA, notes however, that Columbia does not explain why it believes that its interpretation of the definition of household income as defined by the statute is correct even though it is inconsistent with the statute's plain language, which excludes earned and unearned income of minors and counts income for household members 18 and over. OCA asserts that Section 1403 excludes all income from minors, and that the

Commission should direct Columbia to comply with Chapter 14 requirements and exclude all minor income, whether earned or unearned, in its calculation of household income for CAP eligibility. OCA notes that the Commission addressed a similar issue in Philadelphia Gas Works' (PGW) most recent USECP proceeding and directed PGW to exclude minor income from its household income calculation. OCA Comments at 17–20, *citing* PGW 2023–2027 USECP Order, Docket No. M–2021–3029323 (Order entered on January 12, 2023) at 34.

OCA submits that the Commission should reject Columbia's exclusion of household income for 18–year–old household members. OCA notes that Columbia's practice is not consistent with the definition of household income in Section 1403, which applies to all adults aged 18 and above. OCA submits that Columbia should be directed to amend its USECP to count all earned and unearned income for all adults aged 18 and over when determining CAP eligibility. OCA Comments at 20.

Columbia notes that its interpretation of household income aligns with LIHEAP. Columbia requests that if the Commission requires public utilities to exclude unearned income for minors when calculating household income, that it be given a waiver from this requirement. Columbia Reply Comments at 8–9.

Resolution: We find that Columbia's definition of household income, which includes unearned income of minors in the household, is not consistent with the definition of household income in Section 1403 of the Public Utility Code, 66 Pa.C.S. § 1403. Further, while the statutory language is controlling, Section 69.262 of the CAP Policy Statement (2020) provides additional guidance that the unearned income of minors should be excluded from the household income calculation, 52 Pa. Code § 69.262. Further, we find Columbia's policy of excluding earned income for 18–year–old adults not consistent with the Chapter 14 definition of household income. Accordingly, Columbia is directed to exclude earned and unearned income for minors (*i.e.*, under age

18) and to count earned and unearned income for all adults (*i.e.*, age 18 and over) when determining household income for CAP eligibility. Columbia shall include this clarification in its Revised 2024 USECP.

f. Income Documentation

Columbia states on page 27 of the Proposed 2024 USECP that a customer can apply for CAP by submitting a completed application and providing documentation of household income. However, the Proposed 2024 USECP does not specify what types of documentation Columbia accepts when verifying a household's income eligibility for CAP. In its June 2023 Order, the Commission directed Columbia to clarify what types of documentation it will accept as verification of earned and unearned income. June 2023 Order at 24.

Comments

In its Supplemental Information, Columbia provided a list of acceptable documentation for various types of earned and unearned income. Columbia Supplemental Comments at 10, *Attachment B*, at 43–44.

Resolution: We have no questions or issues related to the income documentation clarification provided by Columbia. Accordingly, we direct Columbia to include its income documentation list as an attachment in its Revised 2024 USECP.

g. Identification Documentation

Columbia states on page 24 of the Proposed 2024 USECP that it will accept an SSN, driver's license number, or another state identification number for verification of the ratepayer's identity when applying for CAP. In its June 2023 Order, the Commission

directed Columbia to clarify (1) if only the customer/ratepayer or all household members must provide verification of identity when applying for CAP and, if so, how it will verify the ratepayer's reported household composition; (2) what forms of state identification numbers, beyond a driver's license, it will accept as proof of identity; and (3) what other forms of non-state identification it will accept, if any. June 2023 Order at 25.

Comments

Columbia states that it proposes to require proof of identity for the ratepayer only. Columbia notes that it requests names and ages of all occupants and will accept verbal verification for the identity of the other household members. Columbia reports that it will accept a state-issued driver's license or non-driver state ID card for the ratepayer. Columbia states that it will also accept passports, temporary Social Security cards, and alien ID numbers provided by a state refugee and immigration agency for the ratepayer. Columbia Supplemental Information at 11.

CAUSE-PA opposes Columbia's identification requirements for universal service programs, arguing that it is duplicative since customers already verify their identity when they establish service and only serves to hinder program enrollments. CAUSE-PA asserts that Columbia should be directed to amend its Proposed 2024 USECP to eliminate identification requirements for universal service and energy conservation programs. CAUSE-PA Comments at 23.

Alternatively, CAUSE-PA recommends that the Commission direct Columbia to expand its list of acceptable documentation for identification, as it is restrictive. CAUSE-PA notes that many foreign-born individuals are not eligible for a SSN and that non-US citizens must provide certain immigration status documentation for a driver's license or state identification card. CAUSE-PA asserts that this poses problems for immigrants with pending applications, including victims of human trafficking, domestic

violence, and asylum seekers. CAUSE-PA submits that restrictions on certain immigrants receiving driver's licenses may escalate as Pennsylvania adopts REAL ID requirements in 2025. CAUSE-PA Comments at 25.

CAUSE-PA submits that Columbia's Proposed 2024 USECP lacks specificity on whether both U.S. and foreign passports are sufficient for identification requirements. CAUSE-PA recommends that Columbia be directed to expand the types of identification documentation accepted to include photo identification issued by foreign governments, United States Citizenship and Immigration Services or Immigration and Customs Enforcement-issued visas, military identification cards, homeland-issued refugee travel documentation, and Individual Tax Identification Numbers (ITINs). CAUSE-PA contends that if an alternative form of identification is provided which verifies the ratepayer's identity and age, Columbia should accept it. CAUSE-PA Comments at 24-25.

OCA supports requiring identification for only the CAP applicant. OCA Comments at 24.

In its reply comments, Columbia notes that it remains open to working with customers with regards to identification verification but that it opposes removing the requirement for CAP enrollment. Columbia submits that identification verification is an important tool to ensure that the correct customer is being enrolled in CAP. Columbia Reply Comments at 9.

Resolution: Section 69.265(8)(ii)(A) of the CAP Policy Statement (2020) recommends that public utilities request identification for the applicant and each household member during CAP intake, either through SSNs or alternative forms of identification. 52 Pa. Code § 69.265(8)(ii)(A). Currently, Columbia verifies the identity for all household members age 18 or over when a customer applies for CAP. 2019 USECP at 23. Other

public utilities require households to provide SSNs or acceptable identification for all household members, regardless of age.¹⁶ Columbia is proposing to only require applicants/ratepayers to verify their identity when applying for CAP and to accept names and date of births as proof of the identity for all other household members. The Commission has never approved allowing a public utility to eliminate the CAP identification requirements in a USECP proceeding.

We recognize that verifying the identity of each household member can pose a burden for some households, particularly those who do not have – or choose not to provide – SSNs for each member and may not have government or school identification for children. Nevertheless, we have concerns that eliminating identification requirements puts these programs at greater risk of fraud at the expense of other ratepayers. Eligibility for universal service programs and the monthly amount of CAP bills subsidized by ratepayers are based on household income and the number of persons who live at the dwelling.

We note that stakeholders have recommended eliminating or limiting identification requirements in the Commission’s ongoing Review of Universal Service Programs proceeding at Docket No. M–2023–3039044.¹⁷ As these and other universal service recommendations are currently under review, we do not find it appropriate to approve eliminating or modifying Columbia’s CAP identification requirements at this time. A more appropriate forum to consider modifying CAP verification requirements

¹⁶ For example, *see* PGW’s 2023–2027 USECP, Docket No. M–2021–3029323, at 12 (filed on July 11, 2023).

¹⁷ CAUSE–PA, Pittsburgh United, and the Tenant Union Representative Network (collectively, the Utility Justice Advocates) have jointly recommended that the Commission eliminate identification requirements for CAP. Alternatively, they recommended that the Commission amend the CAP Policy Statement and regulations to prohibit public utilities from requiring identification documents for minors and standardize identification documentation required for adults through a working group. *See 2023 Review of All Jurisdictional Fixed Utilities’ Universal Service Programs*, Docket No. M–2023–3038944, Utility Justice Advocates Comments at 51.

would be in a universal service rulemaking, where the impact of these changes on all public utility CAP customers and ratepayers could be considered.

Otherwise, Columbia has addressed our other concerns by providing a list of the additional alternative identification forms it will accept for CAP enrollment and by identifying that it is willing to work with customers regarding identification verification. We note that DHS has announced that it will share, with customer consent, LIHEAP household information with participating public utilities beginning in the 2024–2025 LIHEAP season. This process will, *inter alia*, share information on each household member. The Commission encourages Columbia to participate in this process and accept these data as verification of household member identities.

Accordingly, we deny Columbia’s proposal to modify its identification requirements when determining CAP eligibility. Columbia must maintain its current CAP identification requirements for the duration of its 2024 USECP or until further alternate direction from the Commission. We also direct Columbia to include in its Revised 2024 USECP the alternative forms of identification it has identified that it will accept if the customer is unable or unwilling to provide an SSN for adults in the household, including the upcoming LIHEAP data sharing process, if applicable.

h. Budget Billing True-Up Charge

In its June 2023 Order, the Commission directed Columbia to clarify if it charges CAP customers a true-up charge if it calculates their CAP bills based on budget billing. If so, the Commission directed Columbia to explain how and when this charge is determined and how CAP customers are notified that this charge will be added to their monthly CAP bill. June 2023 Order at 25–26.

Comments

In its Supplemental Information, Columbia clarifies that it does not add a true-up or retroactive charge if a customer is on a POBB plan. Columbia reports that once a year, it recalculates the household's budget bill for the next year and that a CAP customer on the POBB plan may see a change at that time. Columbia Supplemental Information at 11.

CAUSE-PA strongly supports Columbia's exclusion of a true-up charge from its POBB CAP rate option. CAUSE-PA Comments at 26.

Resolution: Columbia has addressed our concerns by clarifying that it does not charge CAP customers a true-up charge. Accordingly, we direct Columbia to include this clarification in its Revised 2024 USECP.

i. CAP Final Billing

The Commission issued the *Staff Review of Customer Assistance Program Final Billing Methods Order* (CAP Final Billing Order) on March 12, 2020, at Docket No. M-2019-3010190. The CAP Final Billing Order details how electric and natural gas public utilities calculate final CAP bills, summarizes stakeholder input on the issues, and calls attention to existing statutory and regulatory provisions relating to billing.

In the CAP Final Billing proceeding, Columbia reported that it does not issue final bills to its CAP customers unless the customer's balance includes remaining PPA, and in that situation, the final bill reflects only the CAP customer's PPA balance. Additionally, Columbia explained that since the CAP final bill reflects only the customer's PPA balance, this increases CAP write-offs by the total amount of the customer's usage and customer charges for the final billing cycle. CAP Final Billing Order at 8,11.

In its June 2023 Order, the Commission directed Columbia to describe its CAP final billing policy and explain whether this policy has changed since the Commission's CAP Final Billing proceeding. The Commission also directed Columbia to address how its final CAP billing practices reflect compliance with the relevant statutes and regulations as discussed in the CAP Final Billing Order. June 2023 Order at 27.

Comments

Columbia reports that its CAP final billing policy has not changed since the Commission's CAP Final Billing Order and that it only issues a final bill to a CAP customer if the customer has a PPA balance. As an alternative, Columbia proposes calculating the final CAP bill based on pro-rated usage plus the customer charge, with the bill capped at the customer's maximum CAP payment. Columbia estimates that this could reduce the annual CAP shortfall by as much as \$150,000 and would cost approximately \$115,000 to implement. Columbia Supplemental Information at 12.

CAUSE-PA supports Columbia's existing final bill methodology, charging CAP customers only their remaining PPA balance, which minimizes uncollectible expenses and makes it easier for low-income families to obtain service reconnections. If the Commission orders Columbia to modify its final bill calculation, CAUSE-PA recommends prorating CAP bills for active days and not for actual usage at full tariff rates. CAUSE-PA Comments at 27-28.

OCA shares CAUSE-PA's concerns regarding Columbia's proposed alternative final bill calculation. OCA supports maintaining Columbia's existing final billing practice. OCA Reply Comments at 4-5.

Resolution: Neither the CAP Policy Statement (1999) nor the CAP Policy Statement (2020) specifically recommend how NGDCs calculate a CAP customer’s final billing period bill. However, 66 Pa.C.S. § 1303 provides that public utilities are to compute bills under the “rate” most beneficial to the customer. As described in the CAP Final Billing Order:

Section 1303, 66 Pa.C.S. § 1303, provides that public utilities must bill their customers for service rendered. Section 56.11(a) of Commission regulations, 52 Pa. Code § 56.11(a), require that a public utility render bills every billing period. Utilities are henceforth on notice that these statutory and regulatory provisions will be applied to the facts in all matters wherein we are called upon to review specific final CAP bills or recovery of universal service costs. Further, Section 1303 provides that public utilities are to compute bills under the rate most beneficial to the customer. **Generally speaking, it would appear that the starting point for any specific inquiry regarding the bill for usage in a partial final billing period as a CAP participant should be a comparison between a residential tariff rate calculation for energy consumed and the CAP price prorated for the number of days of service in the billing period. The other items on a bill such as true-ups, arrears, arrearage forgiveness, third-party assistance such as LIHEAP, and CAP credits and limits are separate considerations dependent on the customer’s payment history and the utility’s CAP provisions.**

CAP Final Billing Order at 22 (emphasis added).

The Commission also noted that “[f]ailing to bill a customer for usage could render an unreasonable preference to that customer and an unreasonable disadvantage to other customers who would bear the cost of the service not billed.” CAP Final Billing Order at 19.

Columbia’s current policy of charging only the PPA balance, if any remains, as a final bill means that any natural gas usage charges incurred during a final billing period are treated as CAP shortfall and fully recovered from non-CAP ratepayers. We are not

aware of any other public utility that waives usage charges for CAP customers during a final billing period, and Columbia has not provided a justification for why it should continue to do so. We find that this practice is not consistent with either 66 Pa.C.S. § 1303 or 52 Pa. Code § 56.11(a) and is not an appropriate use of ratepayer funds.

Alternatively, Columbia has proposed charging CAP customers their pro-rated usage during the final billing period plus the customer charge, with the bill capped at the customer's maximum CAP payment. We have concerns about this proposal as well, as it may result in a customer paying more than the prorated CAP price for the number of days of service provided in a final billing period. Accordingly, the Commission directs Columbia to charge CAP customers no more than their prorated CAP billing amount for usage incurred during their final billing period. Columbia shall include this provision in its Revised 2024 USECP. This directive applies regardless of whether the CAP customer's final bill is based on voluntary or involuntary termination of service.

j. CAP Vs. Budget Billing

On page 25 of its Proposed 2024 USECP, Columbia states that if a CAP customer's monthly payment exceeds the tariff budget (*i.e.*, budget bill), it will review the account to determine if the CAP bill should be reduced or if the customer should be removed from the program. In the June 2023 Order, the Commission directed Columbia to explain in what circumstances a customer's CAP bill could exceed the customer's budget bill. The Commission also directed Columbia to explain how it determines if CAP is beneficial to a customer in situations when the CAP bill exceeds the customer's budget bill but the customer has a remaining PPA balance. June 2023 Order at 28.

Comments

Columbia reports that it automatically transfers a customer's CAP payment when moving from one address to another within its service territory. Columbia clarifies that if the budget bill at the new location is lower than the budget bill at the previous location, the CAP bill may exceed the new budget amount. Columbia states that when this happens it evaluates lowering the customer's CAP payment, if possible. Columbia explains that if it is not possible, a letter is sent to the customer explaining that the budget bill is lower than the CAP payment and directing the customer to contact Columbia to be moved from CAP to the budget plan. Columbia states that the customer then decides whether to remain in the CAP after the different options are explained. Columbia Supplemental Information at 12.

CAUSE-PA notes that Columbia did not explain how CAP customers with remaining PPA could leave CAP with reduced bills or how in-program arrearages would be addressed. CAUSE-PA questions how Columbia calculates a budget bill for relocating CAP customers before obtaining 12 months of usage history. CAUSE-PA submits that a relocating CAP customers should not face removal from CAP because the new home does not have an accurate usage history. CAUSE-PA Comments at 29-30.

CAUSE-PA warns that Columbia's quarterly review of CAP bills may result in CAP customers receiving higher bills for up to three months before their bills are adjusted. CAUSE-PA urges the Commission to direct Columbia to adjust CAP bills monthly to ensure the bills are affordable for CAP customers. CAUSE-PA also recommends that the Commission ensure that a CAP customer with PPA remain eligible for CAP to retain access to debt forgiveness, even though the participant may not receive a reduced payment. CAUSE-PA submits this is necessary to help these customers avoid service termination. CAUSE-PA Comments at 30.

Resolution: Columbia has clarified that a customer's CAP bill may exceed the household's budget bill only in instances when the customer transfers service to a new location where the budget billing amount may be lower. In these circumstances, charging the customer a CAP price that exceeds the new budget bill amount would not be consistent with the CAP payment options approved in this Order. The CAP bill must be based on the PIP or POBB, whichever is lower, subject to the minimum bill. Columbia shall modify the customer's CAP payment based on the new budget bill amount, if appropriate, immediately after transferring service to the new residence. Accordingly, when a CAP household transfers service to a new residence, Columbia is directed to modify their CAP payment, if necessary, to ensure they are paying the lesser of the PIP or POBB, subject to CAP minimum bill. Columbia shall also include this new provision in its Revised 2024 USECP.

k. CAP Customer Responsibilities

As discussed above, Columbia's Proposed 2024 USECP includes requirements for customers enrolled in its CAP. However, Columbia's *CAP Customer Agreement Form*, which is included as an attachment, lists additional customer requirements not listed in, or inconsistent with, the Proposed USECP. Proposed 2024 USECP at 27, 50.

The *CAP Agreement Form* also states that CAP customers must:

Agree to release Columbia Gas of Pennsylvania, Inc. and Dollar Energy Fund, Inc. [(DEF)] from any liability while a participant in the CAP program. In addition, I authorize Columbia Gas of Pennsylvania, Inc., to publish, disseminate, reproduce, use and dispose of any data including account information furnished by or regarding eligible CAP customers in such a manner as Columbia deem appropriate.

Proposed 2024 USECP at 50.

The language cited above is inconsistent with previous Commission directives relative to Columbia’s 2015–2018 USECP (2015 USECP).¹⁸ In Columbia’s 2015 USECP proceeding, the Commission directed Columbia to (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. July 8, 2015 Order at 31. Columbia has yet to remove these provisions from its *CAP Agreement Form*.

In the June 2023 Order, the Commission directed Columbia to clarify all CAP customer requirements and to submit a revised *CAP Customer Agreement Form* consistent with its Proposed 2024 USECP and directives from the July 2015 Order. June 2023 Order at 29.

Comments

Columbia submitted an updated *CAP Customer Agreement Form* with the language identified above modified as follows:

Authorize Columbia Gas to share and use data including, but not limited to, income, and household member information furnished by me or on my behalf regarding me or members of my household concerning any application for, or participation in, the Program, with the Public Utilities Commission and entities on which Columbia relies for Program eligibility verification. Such sharing and use of the information shall be consistent with applicable law.

Columbia Supplemental Information at 13, *Attachment A* at 42.

¹⁸ Columbia 2015–2018 USECP Final Order, Docket No. M–2014–2424462 (Order entered on July 8, 2015) (July 8, 2015 Order).

CAUSE-PA agrees with the Commission that Columbia's Proposed 2024 USECP language and requirements must align with the USECP's forms, ensuring consistency. CAUSE-PA recommends that any requirement listed in the form be added to the Proposed 2024 USECP. CAUSE-PA Comments at 30.

CAUSE-PA recommends that Columbia be directed to fully comply with the Commission's directives for editing the form, specifically, the "but not limited to" should be deleted and to acknowledge in the form that information will only be used for the purposes of verifying program eligibility. Further, CAUSE-PA submits that if Columbia needs to collect other data to verify program eligibility, each data point should be stated, without the use of catch-all phrases. CAUSE-PA urges the Commission to incorporate these recommended edits regarding Columbia's Proposed 2024 USECP and CAP form. CAUSE-PA Comments at 30-31.

OCA submits that the sharing of customer data should be restricted to the Commission, State or Federal agencies, or Columbia's vendors acting on behalf of Columbia. OCA Comments at 44.

Resolution: Columbia's proposed revised *CAP Customer Agreement Form* appears to address the compliance issues with the Commission's July 2015 Order and shall commence using that revised form within 5 days of entry of this Order. Further, we share CAUSE-PA's concerns that the revised language is not specific enough when describing what information will be shared, with whom Columbia will share it with, and how it will be used. Columbia should work with CAUSE-PA, OCA, and other stakeholders on its Universal Service Advisory Committee (USAC) to modify the language on this and other provisions of its CAP Customer Agreement Form. Accordingly, we direct Columbia to work with its USAC on updating its revised *CAP Customer Agreement Form* to, *inter alia*, specify what information will be shared, with whom it will be shared, and that it will

be only used for the purpose of enrolling the customer into universal service programs. Columbia shall file and serve the further updated *CAP Customer Agreement Form* at this docket within six months from the entry date of this Order.

l. Applying for Weatherization Services

In its Proposed 2024 USECP, Columbia states that it requires CAP customers to apply for any free weatherization services offered through DCED. Proposed 2024 USECP at 27. In the June 2023 Order, the Commission directed Columbia to clarify how it enforces this requirement. June 2023 Order at 30.

Comments

Columbia reports that it does not require CAP customers to apply for DCED programs, but does require customers to participate in LIURP, which is sometimes leveraged with DCED funds. Columbia Supplemental Information at 13.

CAUSE-PA recommends the Commission direct Columbia to remove this CAP requirement from the USECP, as it is not enforced, and instead to note that such participation is encouraged. CAUSE-PA Comments at 31.

Resolution: As Columbia has clarified that it is not currently enforcing the program requirement that CAP customers must apply for DCED programs, we agree with CAUSE-PA that this CAP requirement should be removed. Accordingly, Columbia is directed to remove this CAP requirement from its Revised 2024 USECP.

m. Coordination with CAP and LIURP

Columbia states that it prioritizes CAP customers for LIURP and that only one application is needed to apply for both programs. It screens CAP customers for LIURP if they are newly enrolled or have more than \$1,000 in annual shortfall at the beginning of each year. Columbia also reports that CAP customers who refuse weatherization without a “legitimate exemption” are reviewed by a coordinator and that customers who do not respond to “multiple attempts for weatherization” will be removed from CAP. Proposed 2024 USECP at 11–12, 29.

In the June 2023 Order, the Commission directed Columbia to (1) clarify whether CAP customers who exceed the \$1,000 shortfall threshold are automatically enrolled in LIURP, if eligible; (2) describe what Columbia will accept as a “legitimate exemption” for a CAP customer to refuse LIURP services and how customers are made aware of these exemptions; and (3) explain the process and methods used to contact a CAP customer about participating in LIURP and how the customer is notified that the household may or will be removed from CAP. The Commission also directed Columbia to include any letters and call scripts related to this communication. June 2023 Order at 30–31.

Comments

Columbia clarifies that it does not enroll customers into LIURP through a separate application process; instead, it reviews its referrals and internal lists for eligible customers. Columbia explains that these lists are compiled annually and include CAP customers that have exceeded the \$1,000 shortfall threshold and all income-eligible customers that meet usage thresholds. Columbia explains that if customers are determined eligible for LIURP, they are sent a letter with a LIURP contractor’s number

and instructions on how to schedule an audit. Columbia provides the customers information to the contractor as well. Columbia Supplemental Information at 14.

Columbia clarifies that the letter encourages the customer to contact the contractor, but the contractor also reaches out to the customer. Columbia explains that after two failed telephone call attempts at different times and days, and one other attempt by email, phone, post card or in person, a letter is sent to the customer stating that the household is at risk of removal from CAP for not participating in LIURP. Columbia reports that a final letter is sent to the customer if no further contact occurs stating that the household has been removed from CAP and identifying the remaining options.¹⁹ Columbia notes that if at any time a customer refuses LIURP services, Columbia will determine if an exemption applies. Columbia Supplemental Information at 14–15, Attachment C at 45–47.

Columbia explains that exemptions to LIURP participation include sickness in the household, including those with chronic conditions and those fearing outsiders entering their homes. Columbia's Outreach & Education (O&E) Coordinator contacts customers who refuse weatherization to determine if barriers can be eliminated, if they need to be exempted, or if the customer is refusing weatherization to avoid inconvenience. In some cases, a Columbia Manager or LIURP specialist may cancel a LIURP job without the O&E Coordinator's intervention, such as when a customer is in a nursing home or hospital and contact is not possible. In these instances, Columbia will not remove the customer from CAP. Columbia Supplemental Information at 14.

CAUSE-PA submits that Columbia does not auto-enroll customers in LIURP; instead, Columbia sends a letter with the contractor's phone number for audit scheduling. CAUSE-PA notes, however, that the letter does not encourage customers to set up audits

¹⁹ Columbia submitted example letters with its Supplemental Information. *See* Columbia Supplemental Information at 14–15, Attachment C at 45–47.

and that the discrepancy between Columbia’s policies and the instructions provided in the letter may cause CAP customers with high usage to forgo LIURP services. CAUSE–PA recommends Columbia amend their letter to reflect accurate instructions. CAUSE–PA Comments at 32–33.

CAUSE–PA notes that the letter requires customers to provide proof of income for all household members, raising concerns about the need for CAP customers to re–verify household income information. CAUSE–PA recommends that Columbia be directed to eliminate this requirement. Further, CAUSE–PA suggests that Columbia be directed to clarify outreach strategies for LIURP–eligible CAP customers, including details on tenant outreach and overcoming landlord approval and other barriers. CAUSE–PA Comments at 33.

Further, CAUSE–PA states that it is not opposed to Columbia’s list of legitimate exemptions to LIURP but expresses concern with the O&E Coordinator making the final determination on whether a CAP customer’s exemption claim is legitimate. CAUSE–PA asserts that if a CAP customer’s reason for declining LIURP falls into Columbia’s list of legitimate exceptions, it should be accepted without further evaluation by the O&E Coordinator. CAUSE–PA Comments at 33–34.

Resolution: Columbia has addressed our initial concerns regarding its process for enrolling CAP customers into LIURP. We agree with CAUSE–PA that the letter sent to LIURP–eligible CAP customers does not provide sufficient or accurate instructions. If it is Columbia’s intention for customers to contact the LIURP Contractor to receive LIURP services, these instructions should be included in the letter. CAP customers should not be required to provide proof of household income to receive a LIURP audit, as this income has already been verified. Further, we are concerned that Columbia’s letter only refers to its LIURP as the “Warm Wise Program.” We recognize that Columbia’s LIURP is part of its Warm Wise portfolio of energy efficiency programs, but the failure to identify the

program as “LIURP” in these letters may cause unnecessary confusion about the program offered. Accordingly, Columbia is directed to include its process for contacting CAP customers to enroll them into LIURP in its Revised 2024 USECP. Columbia is also directed to work with its USAC to amend the letter sent to LIURP–eligible customers to, *inter alia*, address the issues noted above. Columbia shall file and serve a copy of the revised letter at this docket within six months from the entry date of this Order.

n. Coordination with Electric Utilities for CAP Recertification

Columbia states on page 54 of its Proposed 2024 USECP that it coordinates with EDCs “to solicit CAP customers for [recertification].” In the June 2023 Order, the Commission directed Columbia to explain how it works with EDCs to recertify CAP customers and to identify the EDCs that it works with. June 2023 Order at 31.

Comments

Columbia reports that DEF currently administers its CAP as well as the CAP of the FirstEnergy Pennsylvania Electric Company (FirstEnergy PA).²⁰ Columbia notes that DEF will use income received for a FirstEnergy PA CAP application to verify eligibility for Columbia’s CAP, with customer approval. Columbia states that it is not standard practice to automatically use the income information received by DEF for recertification. Columbia states that it has begun a discussion with DEF to expand the process to verify customer income using information in DEF’s system to streamline CAP enrollment and recertification. Columbia Supplemental Information at 15.

CAUSE–PA supports Columbia’s efforts to streamline CAP recertification and enrollment with local EDCs and recommends extending coordination with water and

²⁰ FirstEnergy PA’s CAP is called the Pennsylvania Customer Assistance Program (PCAP).

wastewater utilities which operate CAPs. CAUSE-PA recommends Columbia also utilize LIHEAP participant data to facilitate auto-enrollment and recertification. CAUSE-PA Comments at 37. OCA recommends cross-enrollment between water and energy programs. OCA Comments at 40.

Resolution: Columbia has clarified DEF will use household income already verified for FirstEnergy PA's CAP to enroll customers into Columbia's CAP, with customer approval. We support this process as it reduces the verification burden on eligible households. Accordingly, we direct Columbia to include the clarifications provided regarding its coordination with DEF and FirstEnergy PA in its Revised 2024 USECP.

o. Outreach and Education Plan

In its June 2023 Order, the Commission directed Columbia to provide clarifications and information related to its proposed Customer Education and Outreach Plan (CEOP). June 2023 Order at 32-33. The requested information and Columbia's responses are described below.

Indicate which CEOP initiatives are new (i.e., implemented in 2019 or later) and which initiatives represent existing, ongoing practices to help its most vulnerable customers (e.g., at or below 50% of the FPIG, LEP, impacted by COVID-19).

Columbia reports that it updates its CEOP annually to reflect the current year's goals with categories broad enough to include new opportunities that emerge after the Plan is already developed. For example, Columbia notes that it lists sponsorships at senior fairs and legislative events as CEOP initiatives and has done so previously but that the specific events can change based on legislator choices and new agency participation. Columbia submits that leaving the categories broad allows it to incorporate these events as ongoing. Columbia reports that engagement with food banks is not a new initiative

and that it has increased its participation in 2023. Similarly, it notes that activities within school districts are not new initiatives and that it has expanded this initiative beginning in 2020. Columbia submits new areas of focus or increased focus have been highlighted in the selection of the CEOP initiatives. Columbia Supplemental Information at 16. *Attachment D* at 48–51.

Columbia states that its CEOP provides a breakdown of activities targeting specific populations, noting that activities often overlap and serve more than one targeted community, with most events promoted to all residents, and that events targeting limited English–speaking populations do not target a specific demographic beyond that. Columbia states that most events targeted to low–income populations do not specifically target 50% FPIG or less. Columbia reports that it performs some analysis to determine where customers with the lowest incomes live to ensure it attends multiple events in those areas. Columbia Supplemental Information at 16–17.

Explain how Columbia educates customers on how to determine their own “household energy burden” to help encourage interest and participation in CRP and stimulate actions for energy conservation in the household.

Columbia reports that it provides tips to encourage customers to participate in reducing their energy burdens through bill inserts and its website. Columbia states that it also promotes Warm Wise Audits and Rebates, LIURP, and CAP to help customers reduce their energy burdens. Columbia reports that it has not begun to educate low-income customers on how to calculate or compare their energy burdens. Columbia also engages with its USAC in the development of materials and messaging regarding energy burden education. Columbia Supplemental Information at 17.

Explain whether and how the components of its CEOP are provided to each community within its service territory.

Columbia reports that it reviews census data annually of where its low-income customers reside by county. It also analyzes data provided by the Pennsylvania Department of Education that identifies where low-income household students attend school. Columbia submits that these sources provide a framework for where to prioritize outreach activities. Columbia asserts that it strives to reach all customers in all portions of its service territory through multiple channels including recommendations received through its USAC. Columbia Supplemental Information at 17–18.

Explain whether its targeted outreach to landlords is tracked and if it has resulted in increased participation of rental properties in LIURP.

Columbia reports that its most recent targeted outreach to landlords was completed in 2019. Columbia states that a list of twelve landlords that had multiple eligible properties was created and that an O&E Coordinator was able to obtain consent to perform LIURP from two of the landlords. Columbia states that it intends to complete another similar outreach in 2024. Columbia reports that it has had slightly more success in the last year with getting landlord approval for LIURP, although it has not made any major changes to its landlord outreach processes. Columbia Supplemental Information at 18.

Provide copies of its CAP brochures and customer bill inserts that outline the program guidelines and customer responsibilities.

Columbia provided its outreach materials with its Supplemental Information. Columbia Supplemental Information at 18, Attachment E at 52–79.

Identify what languages Columbia provides for program applications, brochures, and consumer education materials. Also explain how Columbia determines what languages are needed for its service territories.

Columbia identified Adams, Allegheny, Centre, Franklin, Indiana, and York Counties as counties whose residents communicate in Spanish if not English. Columbia reports that in these counties, it provides some written materials in Spanish and letters that provide instructions in Spanish on how to receive translation assistance. Columbia reports that it provides multiple channels of translation services including through its website, customer care center, and field employees to ensure that customers receive information in their preferred language. For its website, Columbia reports that customers can have content translated to Spanish, Portuguese, Korean, Japanese, German, French, and Simplified Chinese. Columbia reports that its Customer Care Center offers a third-party Language Line, which offers translations for 240 languages. Columbia also notes that its field employees have access to the Language Line translation service through their mobile phones. Columbia Supplemental Information at 19–22.

Comments

CAUSE–PA generally supports Columbia’s CEOP but offers several recommendations to enhance it. CAUSE–PA recommends that Columbia be directed to expand its community engagement efforts to include both landlords and tenants including through multiple annual events, and collaboration with local landlord associations, housing providers, and authorities. CAUSE–PA recommends that targeted outreach to tenants include information about universal service programs and eligibility. CAUSE-PA also suggests that Columbia be directed to track outreach event enrollments, landlord consent, and universal service program enrollments and to report to its USAC on these statistics quarterly. CAUSE–PA Comments at 39.

Finally, CAUSE-PA recommends that Columbia be directed to review its CEOP, CAP brochures, and bill inserts with its USAC to improve consumer outreach and education efforts. CAUSE-PA submits that the review should consider feedback and recommendations from the USAC and incorporate changes within six months and should also include recommendations regarding Columbia's current offering for customers with limited English proficiency. CAUSE-PA Comments at 40.

OCA reports that in previous Columbia rate cases, OCA witness Roger Colton has recommended that Columbia conduct certain outreach efforts to improve participation rates with customers within 0-50% of the FPIG. OCA submits that outreach measures are important because improving participation in CAP can improve payment patterns for participating low-income customers and ensure that fewer are disconnected for non-payment, which will help decrease public utility expenses and improve revenues. OCA Comments at 27-28.

OCA supports Columbia's outreach events and suggests permanent quarterly and monthly events hosted by Columbia and community partners. OCA also requests the Commission require Columbia to provide information on its compliance with the outreach and education plan, including the lessons learned, metrics to evaluate the CEOP, and how the findings were incorporated to improve its outreach efforts. OCA also suggests that Columbia be directed to focus on geo-targeting areas with high penetrations of customers at or below 50% of the FPIG, using mailing, e-mailing, and grassroots organizations for door-to-door outreach, to enroll these customers. OCA Comments at 28 - 30.

Additionally, OCA recommends that Columbia be directed to use technology to improve identification of confirmed low-income customers and enroll them in CAP, while reducing defaults due to failure to recertify. Specifically, OCA recommends that Columbia be directed to (1) review how it can incorporate technology tools for

identifying low-income customers, enrolling them in appropriate programs, and maintaining enrollment during recertification or reverification and report its findings to its USAC; and (2) include a section for technology tools in its next-filed USECP for identifying, enrolling, and maintaining low-income customers for recertification or reverification. Overall, OCA recommends that Columbia be directed to undertake a more concentrated effort to incorporate technology to address the issues they face regarding identifying its low-income customers, enrolling those low-income customers into CAP, and maintaining that enrollment. OCA Comments at 31.

OCA supports Columbia's effort to increase its ability to communicate and educate its Spanish speaking customers and members of the community and suggests that it be directed to begin offering these services in other languages throughout its territory. OCA also recommends that Columbia be directed to explore offering its universal service program materials in additional languages. OCA recommends that the Commission direct Columbia to discuss language access and opportunities to expand it with its USAC. OCA Comments at 32.

OCA submits that Columbia's CEOP does not discuss its efforts to coordinate with other utilities, in particular, water and wastewater utilities. OCA recommends that Columbia should incorporate into its CEOP the coordination with water and wastewater utility assistance programs in its service territory to improve enrollment in its CAP and to help promote the other utility low-income assistance programs. OCA Comments at 33.

Columbia notes that it reports CEOP efforts at every USAC meeting and requests stakeholder feedback and suggestions. Columbia states that it also engages in other specific outreach, as mentioned in the OCA and CAUSE-PA comments, to low-income and payment-troubled customers. Columbia reports that partnering with community partners and utilities can be more efficient and effective. Additionally, Columbia notes that larger events, like food bank distributions, legislative events, and senior fairs, can

rationalize higher sponsorship costs. Columbia reports that its sponsored events require a minimum of \$2,000 per event and would also require promotion and advertising costs. However, Columbia notes that some smaller grass-roots events may have less than 30 attendees, and the same is expected for the events recommended by CAUSE-PA and OCA. Columbia claims that it is more efficient and cost-effective to support multi-vendor events like food bank distributions and Commission Be Utility Wise events.²¹ Columbia reports that it spends more than \$7,000 on coordinated Be Utility Wise events and that any separate events would be duplicative and costly. Columbia Reply Comments at 10-11.

Resolution: While noting some concerns and areas for follow-up, the Commission accepts Columbia's CEOP as a starting point. Accordingly, Columbia's proposed CEOP is approved. We direct Columbia to note in its Revised 2024 USECP that its CEOP reflects an evolving process that will be modified and enhanced as needed within the duration of the 2024 USECP. Also, beginning in 2025 and for the duration of its 2024 USECP, Columbia shall file and serve, by March 1st at Docket No. M-2023-3039487, annual updates to its CEOP and include outreach and education actions taken.

As part of the process of enhancing its CEOP, we direct Columbia to work with its USAC, including the Commission's Office of Communications, to develop ways to incentivize customers to embrace household conservation efforts and ways to increase enrollment in universal service programs. Specifically, as part of the first annual filing, we direct Columbia to:

- Include more educational training webinars and workshops using virtual or hybrid and in-person events to keep community partners and interested

²¹ Be Utility Wise is a signature Commission Consumer Education program with the goal to educate those in the front line of Health and Human Services.

stakeholders informed and updated about Columbia's universal service programs.

- Continue expanding its outreach efforts for households with incomes at or below 50% of the FPIG.
- Add an additional education component to inform customers about the importance of understanding their energy burden to foster customer awareness of how much their household is spending on energy.
- Continue to share its tools, outline approaches, and activities for the energy burden education components in future CEOP's and include Commission Communication staff at these events as needed.

Consistent with the recommendations of CAUSE-PA and OCA, we also direct Columbia to work with its USAC on ways to improve its education and outreach, including:

- Explore developing written materials in languages other than English and Spanish.
- Explore expanding its community engagement efforts to include both landlords and tenants.
- Track outreach event enrollments, landlord consent, and universal service program enrollments, and report these statistics quarterly.

- Review its CEOP, CAP brochures, and bill inserts to improve consumer outreach and education efforts.
- Provide and review information on its compliance with the outreach and education plan, including the lessons learned, metrics to evaluate the CEOP, and how the findings were incorporated to improve its outreach efforts.
- Explore using technology to improve the identification of confirmed low-income customers and enroll them in CAP and reduce defaults due to failure to recertify.
- Explore the opportunity to coordinate with water and wastewater utility assistance programs in its service territory to improve enrollment in its CAP.

Additionally, Columbia is encouraged to continue participating with the Commission, other state agencies, consumer advocates, and other stakeholders in the Commission's Be Utility Wise conferences and other private and public partnership outreach opportunities annually.

2. LIURP

Columbia's LIURP provides weatherization and conservation services to low-income customers. The primary objectives for LIURP include reducing customer energy usage, bill amounts, arrearages, and CAP shortfalls. To be eligible for LIURP, a

residential heating customer must be low-income²² and have an average winter consumption greater than 170 therms. Further, the dwelling must not have received weatherization services within the past seven years. Services provided through Columbia's LIURP include home energy audits, energy education, heating system inspections, gas furnace/boiler upgrades, and other weatherization measures, as needed (e.g., sidewall/attic insulation, sealing, caulking, and window stripping). Proposed 2024 USECP at 19–20.

Based on our analysis of Columbia's LIURP in the Proposed 2024 USECP, we directed Columbia in the June 2023 Order to provide clarification and/or supplemental information regarding identified issues. The following discussion reflects resolution of those issues.

a. Health and Safety Pilot Program

Columbia proposes to continue its Health and Safety Pilot Program (H&S Pilot), which began in 2021. The H&S Pilot assists CAP customers whose dwelling cannot be weatherized without first correcting existing health and safety issues. Such issues include, but are not limited to, knob-and-tube wiring, moisture in the basement, and other minor structural issues. Proposed 2024 USECP at 20–21.

To qualify for the H&S Pilot, customers must:

- Be enrolled in CAP with average annual shortfall (*i.e.*, CAP credits) exceeding \$1,000.
- Have owned and resided in the dwelling for a minimum of six months.

²² 52 Pa. Code § 58.2 (relating to definitions) including non-CAP, low-income customers who otherwise meet the LIURP eligibility requirements. Proposed 2024 USECP at 19.

- Have prior annual usage exceeding 1600 therms or averaging 250 therms during winter months.
- Have a present health and safety issue that is preventing weatherization.

Additionally, the elimination of the health and safety issue must allow for comprehensive weatherization and the expected usage reductions must exceed 18%. Proposed 2024 USECP at 20–21.

Columbia indicates that it expanded the H&S Pilot on January 1, 2022, to increase the eligible pool of customers. In the Proposed 2024 USECP, Columbia proposes to set the H&S Pilot’s annual budget at \$400,000 and estimates serving 30 dwellings per year. Proposed 2024 USECP at 9, 21–22. In the June 2023 Order, the Commission directed Columbia to clarify if the H&S Pilot cost formula includes projected savings associated with reduced CAP credits. If so, Columbia was directed to provide those projections and how they are factored into the cost formula. The Commission also directed Columbia to clarify how it increased the eligible pool of customers for its H&S Pilot beginning in January 2022. Further, Columbia was directed to identify how it measures success and cost–effectiveness for the H&S Pilot and provide results based on 2021 and 2022 data. June 2023 Order at 35.

Comments

Columbia reports that it has updated the H&S Pilot budget formula to project savings associated with reduced CAP credits. Columbia explains that it has adjusted the maximum spending calculation by adding the anticipated reduction in CAP credits for the lifetime of the measures completed. Columbia also reports that the eligible pool of customers increased in January 2022 as a direct result of increasing the cost formula to allow for higher expenditures per customer. Specifically, it reports that in 2021, the work required to resolve the issue was more than the allotment allowed by the formula.

Columbia states that it will review results and request feedback from its USAC. Columbia clarifies that the success of the H&S Pilot will be measured similarly to LIURP by reviewing actual usage savings and comparing it to the cost sustained. Columbia explains that it will also measure cost effectiveness by comparing the original calculation to the actual savings to ensure the job meets the expected payback. Columbia reports it has completed H&S Pilot work on two homes in 2021, which achieved weather normalized annual usage savings of 33.28% and 24.36%. Columbia states it will not have actual weather normalized savings for H&S pilot customers served in 2022 until April 2024. Columbia Supplemental Information at 23–25.

CAUSE–PA and OCA separately support continuing the H&S Pilot and recommend that Columbia set the annual budget at the maximum allowable amount of \$600,000. OCA and CAUSE–PA also encourage Columbia to propose to make the H&S Pilot a permanent program. CAUSE–PA Comments at 41, OCA Comments at 34.

Columbia submits that the H&S Pilot budget is adequate at \$400,000 and sufficient to meet customer needs. Columbia states that CAUSE–PA and OCA’s recommendation to increase the H&S Pilot budget from \$400,000 to \$600,000 is not appropriate. Columbia Reply Comments at 11, FN 7.

Resolution: Columbia has addressed our questions by clarifying how the H&S Pilot’s cost formula is calculated, how it increased the eligible pool of customers, and how it measures the success and cost–effectiveness of the H&S Pilot.

Further, we have considered the comments of CAUSE–PA, OCA, and Columbia regarding the adequacy of the H&S Pilot’s annual budget for the duration of the 2024 USECP. We find it appropriate to allow Columbia to maintain the H&S Pilot’s current level of funding at \$400,000 with the goal being that all of the budget is expended on work required to resolve health and safety issues for CAP customers. However, we will

continue to monitor Columbia's H&S Pilot spending and production and may revisit this issue during or before Columbia's next USECP proceeding.

Accordingly, Columbia is directed to report H&S Pilot program data each calendar year, including the number of H&S Pilot jobs completed, actual weather normalized savings, and the total dollars spent during the previous calendar year. Beginning in 2025, Columbia shall file and serve this information at this docket by or before April 1st each year through the duration of its USECP. Additionally, at or before its next USECP filing, we direct Columbia to either propose incorporating the H&S Pilot as a permanent component of its LIURP or propose to discontinue the pilot program, with justifications for either proposal.

b. Termination of Inoperable Heating Systems Pilot (IHS Pilot)

In the August 2019 Order, the Commission approved Columbia's proposal to implement an IHS Pilot for the duration of its 2019 USECP. August 2019 Order at 30–31. This IHS Pilot serves low-income homeowners that do not meet LIURP usage requirements because of an inoperable heating system needing repair or replacement. The IHS Pilot serves up to 10 dwellings per year that are in proper condition for LIURP and have pre-usage lower than 170 therms if the gas heating system has not been operating for the full pre usage period. 2019 USECP at 19.

In the Proposed 2024 USECP, Columbia proposes to terminate the IHS Pilot due to lack of use. Proposed 2024 USECP at 11. In the June 2023 Order, the Commission directed Columbia to clarify the reason why the IHS Pilot was not used. The Commission also directed Columbia to provide IHS Pilot data results for 2019, 2020, and 2021, including the number of dwellings that received heating system repairs or replacement and the estimated savings impact post-treatment. June 2023 Order at 26.

Comments

Columbia reports that no customers received weatherization via the IHS Pilot from 2019 through 2021. Columbia notes that it received final approval to implement the IHS Pilot in January 2020 and that the COVID-19 pandemic had an impact on all LIURP services in 2020, including the IHS Pilot. Columbia also notes that the ERP budget was increased in 2021. Columbia clarifies that the IHS Pilot was intended to serve customers without options for heat using LIURP funds when ERP funds were exhausted but that situation did not occur. Columbia prefers using ERP funds for income-eligible customers with no usage history, then using LIURP funds the following year to weatherize the home if the customer qualifies based on usage. Columbia submits that with the increased ERP budget, there is no longer a need for the IHS Pilot. Columbia Supplemental Information at 25.

CAUSE-PA notes that the IHS Pilot focuses on inoperable heating systems, while ERP funds are prioritized for emergency repairs. CAUSE-PA submits that Columbia may exhaust ERP funds quickly with the loss of supplemental funds to support furnace repairs, increasing the need for alternative programs like the IHS Pilot. CAUSE-PA recommends Columbia retain the IHS Pilot, increase outreach and to establish a tracking mechanism for ERP rejected applicants. CAUSE-PA Comments at 42-43.

Resolution: Columbia has addressed our questions by clarifying its reasons for proposing to eliminate the IHS Pilot. We find Columbia's justification for discontinuing the IHS Pilot reasonable, noting that Columbia's ERP provides similar benefits to customers who have inoperable heating systems. Accordingly, we approve Columbia's proposal to discontinue the IHS Pilot. We will monitor Columbia's ERP spending and production and may revisit this issue during or before Columbia's next USECP proceeding.

c. Termination of Remedial Energy Efficiency Program (REEP)

REEP currently provides energy efficiency education, usage monitoring, and feedback to CAP customers who have received LIURP services but whose annual usage continues to exceed Columbia's annual shortfall limit of \$1,000. CAP customers who continue to exceed the shortfall limit after receiving REEP may be removed from CAP or receive an increase in their payment option, based on the recommendation of the contractor. 2019 USECP at 26.

In the Proposed 2024 USECP, Columbia proposes to eliminate REEP and address high usage in CAP by providing CAP customers whose annual shortfall exceeds \$1,500 after receiving LIURP with energy efficiency tips and a survey to determine the reason for the high usage. Proposed 2024 USECP at 11.

In the June 2023 Order, the Commission directed Columbia to clarify what steps, if any, are taken when CAP customers fail to reduce energy usage after energy efficiency tips are provided and a survey is completed. Further, the Commission directed Columbia to clarify what steps, if any, are taken for all customers who fail to reduce energy usage after LIURP measures are installed and what energy usage threshold determines the need for follow up steps. June 2023 Order at 37.

Comments

Columbia reports that it does not take any additional steps when a CAP customer fails to reduce energy usage after receiving tips and/or completing a survey. Columbia notes it conducted a pilot program in 2011 and 2012 for all CAP customers that exceeded \$1,000 in shortfall. Columbia states that most of these customers received a survey and follow-up telephone calls. Columbia explains that the goal of the pilot program was to identify customers that meet a usage exemption and to increase CAP payment amounts

for those that did not. Columbia determined that most of the customers exceeding \$1,000 in shortfall annually met a usage exemption. Columbia states that the costs to verify exemptions were excessive and that the pilot program resulted in minimal CAP shortfall reductions. Columbia Supplemental Information at 26.

Columbia reports that it conducted a LIURP “non-savers survey” from 2015–2019, where a third party was used to research accounts and make contact attempts via letter, telephone call, and email to discuss why usage increased post-treatment. The following was determined:

- Customers changed their behaviors, which may have increased household usage;
- Customers replaced a broken, unused system during the twelve months prior to weatherization;
- Customers had gas or hot water leaks during the twelve months after weatherization (post-period); and
- Customers moved or had inactive service for some time during the post period.

Columbia Supplemental Information at 26–27.

Columbia reports that it did not conduct a survey for the years 2020 or 2021; however, it continues to identify non-savers to share with LIURP contractors for follow up education. Columbia Supplemental Information at 27.

CAUSE-PA supports the elimination of REEP and Columbia’s process to address CAP customers who remain high users after receiving LIURP. CAUSE-PA Comments at 44.

Resolution: Based on the additional information provided by Columbia, we find Columbia’s proposed process of providing energy savings tips and a survey for CAP

customers who remain high users after receiving LIURP a reasonable alternative to REEP. Accordingly, we approve Columbia's proposal to discontinue REEP. We also direct Columbia to include its process for sharing information regarding LIURP non-savers with its contractors for follow up energy education in its Revised 2024 USECP.

d. Emergency Repair Program (ERP)

In the June 2023 Order, the Commission directed Columbia to provide more details about ERP, including: (1) program description; (2) application process; (3) eligibility criteria; and (4) projected budget and enrollment levels for 2024 through 2028. June 2023 Order at 37–38.

Comments

Columbia reports that it voluntarily proposed ERP in 1995 and has changed the program to meet the needs of its customers in several rate case proceedings. Columbia asserts that ERP complements its universal service programs but is not subject to its current USECP. Columbia provides the current descriptions and guidelines of the ERP, noting it had an increase to the budget in the most recent rate case proceeding. Columbia Supplemental Information at 27.

The comments regarding Columbia's ERP addressed several distinct elements requested in the June 2023 Order. We shall recap the comments and supplemental information as they relate to each distinct element.

Program Description

Columbia reports that its ERP provides services for income-eligible property owners who are without heat due to a gas line leak, water tank issue, or an inoperable heating system. It states that eligible customers will receive repair or replacement of faulty heating equipment, hot water tanks, and/or gas lines. Columbia reports that ERP is for emergencies only and not meant to help new homeowners with existing, known faulty equipment. Columbia Supplemental Information at 27–28.

Application Process

Columbia reports that its Customer Contact Center (CCC) screens income eligible homeowners for ERP. Columbia states that its Operations and Construction Departments and CBOs refer customers to ERP. Columbia clarifies that eligible homeowners are referred to a third-party administrator, currently Rebuilding Together Pittsburgh, for follow-up within two hours of the initial request. Columbia reports that in most cases, it verifies income-eligibility by confirming receipt of LIHEAP, CAP, or other programs. Columbia states that it verifies household ownership through county property search websites. Columbia notes that once eligibility is verified, the administrator contacts one of ERP's partnering contractors depending on the request. Columbia states that emergencies are resolved within 24 hours during the winter months and initiated no later than the next business day in non-winter months. Columbia Supplemental Information at 28.

Eligibility Criteria

Columbia identifies the following eligibility criteria:

- Request must be initiated by the property owner;

- Income must be at or below 150% of the FPIG;
- Up to 10% of the ERP budget can be used to assist customers between 151% and 200% of FPIG; and
- Must be an emergency and have not received ERP services for the same equipment within the last three years unless there is an issue with the previous installation or equipment.

Columbia Supplemental Information at 28.

Projected Budget and Enrollment

Columbia reports an annual budget of \$1,000,000 for 2024 through 2028 was approved for ERP in its 2022 base rate case. Based on an average ERP expenditure of \$3,370 per home, Columbia projects this budget will serve 296 customers annually. It notes, however, that this job estimate may change as equipment and installation costs continue to increase. Columbia Supplemental Information a 29.

Comments

CAUSE-PA disagrees with Columbia's assertion that ERP is not a universal service program, noting that the discontinuation of the IHS Pilot based on increased funding for ERP implies that Columbia considers it a universal service program. CAUSE-PA notes that other public utilities, such as Peoples Companies, include an Emergency Furnace and Service Line Repair Program as part of their universal service offerings. CAUSE-PA asserts Columbia's ERP is crucial for low-income residential gas customers and should be included as a universal service program. CAUSE-PA Comments at 45.

OCA supports CAUSE-PA's recommendations. Additionally, OCA notes that PGW and UGI Utilities (UGI) have similar emergency repair programs included in their USECPs. OCA Reply Comments at 7-8, *citing* the PGW 2023-2027 USECP Order, Docket No. M-2021-3029323 (order entered on January 12, 2023) at 54-58 and UGI 2019 Base Rate Case Order, Docket No. R-2019-3015162 *et al.* (order entered on October 8, 2020) at 4.

Resolution: We recognize that Columbia's ERP was established in a rate case over 15 years ago and has previously not been subject to review in a USECP proceeding. However, this does not mean that the ERP is not a universal service program. The Natural Gas Choice and Competition Act (Natural Gas Competition Act), 66 Pa.C.S. §§ 2201-2212, defines universal service and energy conservation as "[p]olicies, 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." 66 Pa. C.S. § 2202 (relating to definitions). The goals of ERP meet this definition. It is also the responsibility of the Commission to ensure that universal service and energy conservation programs (*i.e.*, CAP, LIURP, CARES, Hardship Funds, *and other approved programs*) are appropriately funded and available to low-income customers. 66 Pa. C.S. § 2203(8) (relating to standards for restructuring of natural gas utility industry). The Commission is also required to determine if NGDCs are meeting the general goals of universal service and energy conservation programs. 52 Pa. Code § 62.3.²³

²³ 52 Pa. Code § 62.3 (relating to universal service and energy conservation program goals):

(a) The Commission will determine if the NGDC meets the goals of universal service and energy conservation programs.

(b) The general goals of universal service and energy conservation programs include the following:

(1) To protect consumers' health and safety by helping low-income customers maintain affordable natural gas service.

(2) To provide for affordable natural gas service by making available payment assistance to low-income customers.

(3) To help low-income customers conserve energy and reduce residential utility bills.

(4) To ensure universal service and energy conservation programs are operated in a cost-effective and efficient manner.

Columbia’s ERP and LIURP operate under separate budgets and prioritize and allocate services differently.²⁴ While ERP and LIURP have different eligibility criteria, the purpose of ERP is to provide LIURP measures (*i.e.*, repair or replacement of faulty heating equipment, hot water tanks, and/or gas lines) to income–eligible property owners in heating–emergency situations. Additionally, both ERP and LIURP costs are recovered by ratepayers through Columbia’s universal service rider.²⁵ As noted by CAUSE–PA and OCA, the Commission has previously approved or directed establishing other repair and replacement programs within public utility LIURPs.²⁶

We find that Columbia’s ERP meets the general goals of universal service and energy conservation programs as established at 52 Pa. Code § 62.3. Accordingly, we direct Columbia to include ERP information (*i.e.*, program description, application process, eligibility criteria, projected budget and enrollment) in its Revised 2024 USECP. ERP shall be subject to the universal service reporting requirements at 52 Pa. Code § 62.5(ii)(II) (relating to the actual number of completed jobs and spending data). We direct Columbia to file and serve ERP program data by April 1 annually at this docket, beginning in 2025. The ERP program data must include the following:

²⁴ For example, LIURP prioritizes income–eligible customers based on their energy usage and the greatest opportunity for bill reduction consistent with 52 Pa. Code § 58.10, whereas ERP is designed to provide emergency services to property owners in immediate need, upon their request. LIURP serves eligible homeowners and renters without preference consistent with 52 Pa. Code § 58.8, while ERP only assists property owners with income at or below 150% of the FPIG, allowing up to 10% of the ERP budget to assist property owners with income between 151% and 200% of FPIG.

²⁵ We also note that Columbia’s tariff indicates that all program costs are recovered from the USP, including those related to ERP, are from universal service programs: “This Rider has been established to recover costs related to the Company’s Universal Service and Conservation Programs.” *See* Columbia’s Tariff (Universal Service Rider), effective October 1, 2023, at 146: https://www.columbiagaspa.com/docs/librariesprovider14/rates-and-tariffs/pennsylvania_tariff.pdf?sfvrsn=40df51_6.

²⁶ *See* Peoples Companies 2019–2024 USECP Order, Docket Nos. M–2018–3003177 and M-2020-3021343 (order entered on November 9, 2023) at 12–13.

- Program spending for the recently completed program year, separated into amounts spent for ERP jobs and administration costs.
- Projected program spending for the current program year.
- Total number of ERP jobs completed for the recently completed program year.
- Number of ERP jobs projected to be completed for the current program year.
- Average cost per ERP job for the recently completed program year.

e. LIURP Eligibility: Special Needs Customers

In the Proposed 2024 USECP, Columbia states that its LIURP is available to customers as defined in 52 Pa. Code § 58.2 (relating to definitions), including non-CAP customers who otherwise meet the LIURP eligibility requirements. Proposed 2024 USECP at 19. It is not clear if special needs customers with incomes between 151%–200% of the FPIG are eligible for Columbia’s LIURP or how the public utility defines “special needs.”

In the June 2023 Order, the Commission directed Columbia to provide its guidelines, if any, for using up to 20% of the LIURP budget on special needs customers with incomes between 151%–200% of the FPIG and clarify its definition for the term “special needs” regarding LIURP eligibility. June 2023 Order at 38.

Comments

Columbia clarifies that it uses up to 20% of the annual LIURP budget on eligible customers with incomes between 151% and 200% of the FPIG. Columbia reports that between its 2015 USECP and its 2019 USECP proposed plans, the following LIURP eligibility guidelines were mistakenly removed:

- Customer must be at or below 150% of federal poverty guidelines.
- Up to 20% of annual budget eligible for special needs customers as defined in 52 Pa. Code Section 58.2 (relating to definitions), including non-CAP customers who otherwise meet the LIURP eligibility requirements.

Columbia proposes to include the above bulleted language for its LIURP eligibility guidelines in its 2024 USECP. Columbia's Supplemental Information at 29.

CAUSE-PA supports Columbia's broad definition of special needs customers and recommends that the Commission direct Columbia to keep its current eligibility criteria, which allows using up to 20% of the LIURP budget to serve special needs households with incomes between 151-200% of the FPIG. CAUSE-PA Comments at 46-47.

Resolution: Columbia has addressed our concerns by clarifying that it spends up to 20% of the LIURP budget on special needs customers consistent with LIURP regulations at 52 Pa. Code § 58.10(c). Accordingly, we approve Columbia's proposal to add language which clarifies its LIURP eligibility criteria. We direct Columbia to include this clarification in its Revised 2024 USECP.

f. Landlord Permission

In the Proposed 2024 USECP, Columbia states that renters must have landlord permission to receive LIURP. Proposed 2024 USECP at 19. In the June 2023 Order, the Commission directed Columbia to clarify the method by which it receives landlord permission and to provide a copy of the form used to verify permission. June 2023 Order at 39.

Comments

Columbia states that landlord information is updated through county property search databases. Columbia sends a letter and a landlord agreement form along with a LIURP brochure to identified landlords of the eligible residences. Columbia states that if no follow up is received from the landlord, it notifies the household it has been denied for LIURP. Columbia notes that if an updated address or email for the landlord is provided, it will send the letter and landlord agreement form to the updated address or email. Columbia reports that it accepts U.S. mail, faxed or scanned copies of the completed landlord agreement form. Columbia included a copy of its letter to the landlord and the landlord agreement form. Columbia Supplemental Information at 30, Attachment F at 80–81.

CAUSE–PA recommends that the Commission direct Columbia to add regulatory language to its landlord agreement form, as per 52 Pa. Code § 58.8(a),²⁷ to preserve energy–efficient affordable housing options. CAUSE–PA also suggests that the Commission require Columbia to amend its brochure and letter, ensuring tenants and landlords understand their rights and obligations. Further, CAUSE–PA suggests that Columbia enhance outreach to landlords by working with its USAC to develop additional resources. CAUSE–PA Comments at 47–48.

OCA supports initiatives to help customers obtain landlord approval for LIURP. OCA requests clarification on Columbia’s steps to make it easier to obtain approvals and how they educate landlords when they face issues. Specifically, OCA questions what

²⁷ 52 Pa. Code § 58.8(a): Program measures. An eligible customer who is a tenant shall have an equal opportunity to secure program services if the landlord has granted written permission to the tenant for the installation of program measures, and the landlord agrees, in writing, that rents will not be raised unless the increase is related to matters other than the installation of the usage reduction measures, and the tenant not evicted for a stated period of time at least 12 months after the installation of the program measures, if the tenant complies with ongoing obligations and responsibilities owed the landlord.

steps Columbia takes to educate and persuade the landlord to cooperate. OCA also questions what assistance Columbia provides to tenants who cannot convince their landlords to cooperate. Additionally, OCA recommends that Columbia implement additional options to accept landlord approval – such as by text, email, and e-signatures – to improve response rates. OCA Comments at 39.

Columbia opposes CAUSE-PA’s recommendation to add language to its landlord agreement form, tenant brochure, and letter prohibiting a rent increase or eviction for at least 12 months after the installation of LIURP measures, consistent with 52 Pa. Code § 58.8(a). Columbia notes that the Commission is proposing to revise Section 58.8(a) and make these requirements optional in the pending LIURP rulemaking proceeding.²⁸ Columbia claims that these requirements may hinder landlord participation and that it would have no way to monitor or enforce it. Columbia Reply Comments at 12–13.

Resolution: Columbia has addressed our initial questions by clarifying that it obtains written consent from the landlord to perform LIURP services and has provided a copy of the landlord letter and landlord agreement form used to verify consent. We find that the landlord agreement form is inconsistent with the current LIURP Regulations at Section 58.8(a), 52 Pa. Code § 58.8(a), which requires that the landlord must agree that: (1) rents will not be raised unless the increase is related to matters other than the installation of the usage reduction measures; and (2) the tenant will not be evicted for a stated period of time at least 12 months after the installation of the program measures if the tenant complies with ongoing obligations and responsibilities owed the landlord. While the Commission is exploring modifying these provisions in the ongoing LIURP rulemaking, these modifications have not been approved, and current regulations remain in effect. Therefore, we agree with CAUSE-PA that Columbia’s landlord agreement

²⁸ Columbia Reply Comments at 12–13, *citing* the Commission’s *Initiative to Review and Revise the Existing LIURP Regulations at 52 Pa. Code §§ 58.1–58.18 Notice of Proposed Rulemaking (NOPR) Order*, Docket No. L–2016–2557886 (order entered on May 18, 2023), at 54.

form must comply with the provisions in Section 58.8(a). The Commission has previously directed public utilities in USECP proceedings to include these provisions in landlord consent forms and to provide a copy of the signed consent forms to tenants.²⁹ Accordingly, we direct Columbia to modify its landlord agreement form consistent with the provisions in 52 Pa. Code § 58.8(a).

Furthermore, it appears that Columbia’s landlord agreement form and letter refer to LIURP as “Warm Wise Program.” Not including “LIURP” in the landlord agreement form and letter may cause unnecessary confusion about the program offered.

Accordingly, we direct Columbia to amend its landlord agreement form and letter to clarify that Columbia’s LIURP is a component of “Warm Wise.” Columbia shall file and serve a copy of the revised landlord agreement form and letter within 30 days from the date of this Order. We also direct Columbia to provide a copy of the signed landlord agreement form to the tenant and include this new process in its Revised 2024 USECP.

Additionally, we acknowledge the concerns raised by CAUSE-PA and OCA regarding the need to enhance landlord outreach and education to increase LIURP participation rates. Accordingly, we direct Columbia to consult with its USAC to determine if there are additional opportunities to enhance outreach to landlords and improve landlord participation in LIURP.

g. Contractor Training and Certification Requirements

Columbia reports in its Proposed 2024 USECP that it contracts with 11 weatherization contractors to provide LIURP services. Proposed 2024 USECP at 14.

²⁹ See PPL 2023–2027 USECP Order, Docket No. M–2022–3031727 (order entered on February 9, 2023) at 81–84. See also PECO 2019–2024 USECP Order, Docket No. M–2018–3005795 (order entered on June 16, 2022) at 80–82.

However, the Proposed 2024 USECP does not include any details regarding LIURP contractor training and certification requirements. In the June 2023 Order, the Commission directed Columbia to provide details of its contractor training and certification requirements. June 2023 Order at 40.

Comments

Columbia reports that it contracts with current DCED county weatherization providers and some for-profit companies to provide LIURP services. Columbia states that it requires LIURP contractors to have DCED county weatherization provider training or Building Performance Institute qualifications. Columbia notes that prior to COVID it held an annual training meeting with all LIURP contractors to review procedures and training on a new technology or to address specific problems experienced by multiple contractors. Columbia Supplemental Information at 30.

Columbia notes that the Commission has proposed adding a Section 58.14c(d) in the pending LIURP rulemaking proceeding which would allow a public utility to use up to 1% of its total annual LIURP budget on costs associated with inter-utility trainings, coordinated trainings or outreach, or a combination of these efforts.³⁰ Columbia supports this proposal and proposes to include this provision in its 2024 USECP. Columbia Supplemental Information at 30–31.

CAUSE-PA supports LIURP funding to cover contractor training but opposes establishing new program policies based on proposed draft regulatory language in the LIURP rulemaking. CAUSE-PA suggests instead that if Columbia wants to spend a portion of its LIURP budget for contractor training, it should be directed to provide a

³⁰ Columbia Supplemental Information at 30–31, *citing* the Commission’s *Initiative to Review and Revise the Existing LIURP Regulations at 52 Pa. Code §§ 58.1–58.18 NOPR Order* at 84–85, Annex A at § 58.14c(d).

projected spending amount and to identify what LIURP programs would see reduced funding, demonstrating that it is supported by evidence and in the public interest. CAUSE-PA submits that further justification is needed to support Columbia's proposal. CAUSE-PA Comments at 49.

Resolution: Based on the additional information provided by Columbia, we find its contractor training and certification requirements satisfactory. While the Commission is exploring modifying the LIURP regulations to allow public utilities to use program funding for coordinated trainings, these proposed provisions are still under review and have not been approved. We are not inclined to allow Columbia or any other public utility to adopt proposed revisions to the LIURP regulations until the rulemaking proceeding is completed. If Columbia wishes to spend a portion of its LIURP budget on costs associated with coordinated trainings or outreach with other public utilities, it should file and serve a petition with the Commission indicating why it contends that a waiver of existing regulations should be granted.

Accordingly, we direct Columbia to include its contractor training and certification requirements in its Revised 2024 USECP. We deny, without prejudice, Columbia's proposal to adopt the provisions of the proposed Section 58.14c(d) in its 2024 USECP.

h. Re-Weatherization Eligibility

In the Proposed 2024 USECP, Columbia states that LIURP is available to eligible customers that have not received "full" weatherization services in the past seven years at their current dwellings. Proposed 2024 USECP at 19. In the June 2023 Order, the Commission directed Columbia to clarify what encompasses "full" weatherization services and if it allows for any exceptions, if warranted, to its seven-year limit between LIURP services on a dwelling. June 2023 Order at 40.

Comments

Columbia explains that full weatherization services is defined as the installation of weatherization measures, excluding the replacement or repair of heating systems, that would result in a minimum of 15% savings from the installed measures. Columbia states that if a customer's usage is still over the minimum usage requirements after it received weatherization in the last seven years, it can be reviewed by the Quality Assurance (QA) Coordinator and/or the installation contractor to receive additional treatment. Columbia states an exception will not be granted in circumstances when a larger home meets the minimum usage eligibility guidelines, but all weatherization work has been done and no additional measures would result in savings. Columbia Supplemental Information at 31.

CAUSE-PA supports Columbia's exceptions for re-weatherization and encourages evaluation of usage reduction over time. CAUSE-PA recommends that if Columbia frequently grants exceptions to its seven-year limit, it should reevaluate the time allotted between re-weatherization of dwellings. CAUSE-PA Comments at 50.

Resolution: Columbia has addressed our initial questions by clarifying what encompasses "full" weatherization services and identifying exceptions to its seven-year limit between LIURP services on a dwelling. Accordingly, we direct Columbia to include its clarification for "full" weatherization services and re-weatherization exceptions in its Revised 2024 USECP.

i. Health and Safety Measures and Incidental Repairs

Columbia proposes to increase the maximum health and safety spending amount per dwelling from \$650 to \$1,200 due to higher costs of materials and labor. Proposed 2024 USECP at 20.

In the June 2023 Order, the Commission directed Columbia to explain its parameters for performing routine health and safety measures, including examples of the health and safety measures that may be installed by weatherization providers. The Commission also directed Columbia to explain if there are circumstances where a LIURP contractor would be permitted to exceed the health and safety spending limit, with or without prior approval. Further, the Commission directed Columbia to indicate whether it performs incidental repairs prior to the installation of LIURP measures and, if so, to explain its parameters and allowance threshold for performing those repairs. June 2023 Order at 41.

Comments

Columbia states that any work that needs to be completed to make the heating system safe and operable is considered a health and safety issue. Columbia reports that its contractors have the authority to spend up to \$650 on incidental repairs without approval; for jobs over that amount, the contractor must receive approval from Columbia's QA Coordinator. Columbia Supplemental Information at 32.

Columbia explains that weatherization contractors are provided a spending limit for every job. It calculates the spending limit for each job based on usage, current gas costs, and contractor performance. Columbia states that a contractor only needs approval from the QA Coordinator if the job costs exceed the spending limit. Columbia reports that when the spending limit is exceeded, it is typically due to health and safety issues and that these cases are reviewed with the QA Coordinator. Columbia Supplemental Information at 32.

Columbia lists the following examples of health and safety measures provided through LIURP: carbon monoxide detectors, roof repairs, knob and tube repairs, bath fan

repairs, vermiculite testing, gutter repair, repairs to eliminate moisture in the basement, dryer venting corrections, replacement of a broken window or broken lock on a door, repair of a step leading to the basement or attic, and removal of mold if the moisture source has been resolved. Columbia notes that its health and safety measures are not limited to the list above and that each situation is reviewed by the QA Coordinator. Columbia Supplemental Information at 32–33.

CAUSE–PA supports Columbia’s proposed increase in health and safety spending. It also supports Columbia’s policy to allow LIURP contractors to conduct additional remediation without prescriptive measures. CAUSE–PA questions if contractors are using this flexibility to perform health and safety remediations for efficiency measures. CAUSE–PA Comments at 51.

CAUSE–PA notes that Columbia defers health and safety decisions to the contractor and that contractors have risk thresholds. CAUSE–PA asserts that a LIURP participant should receive comprehensive health and safety remediation for weatherization and efficiency services regardless of the assigned contractor. CAUSE–PA submits that if a contractor cannot address all health and safety issues, Columbia should consult with them to determine viable remediation paths. Additionally, CAUSE–PA maintains that if one contractor cannot take a job due to liability concerns, Columbia should re–assign the job. CAUSE–PA Comments at 51–52.

Resolution: Columbia has addressed our initial questions by clarifying its parameters for performing health and safety measures; its parameters and allowance threshold for performing incidental repairs; and explaining the circumstances when a LIURP contractor may exceed the health and safety spending limit. Based on Columbia’s clarifications we find its policies for performing health and safety measures and incidental repairs reasonable. Accordingly, we approve Columbia’s proposal to increase the maximum health and safety spending amount per dwelling from \$650 to \$1,200.

Columbia shall reflect this change in its Revised 2024 USECP. Further, we direct Columbia to include the clarifications provided regarding its parameters for performing health and safety measures; its parameters and allowance threshold for incidental repairs; and the circumstances when a LIURP contractor may exceed the LIURP spending limit in its Revised 2024 USECP due to addressing health and safety issues.

j. Deferral Tracking

Columbia states that a dwelling may be disqualified for LIURP if it determines that providing weatherization services would not be cost-effective. It further states that eligible customers receive an energy audit to determine if their dwellings are in proper condition for weatherization and, if so, what measures are recommended. Referrals are made to other housing development agencies for repair work and public utility weatherization programs, as necessary. Proposed 2024 USECP at 20.

In the June 2023 Order, the Commission directed Columbia to clarify its process for determining whether weatherizing a dwelling would be cost-effective. Columbia was also directed to identify: (1) its process for disqualifying dwellings for LIURP; (2) how customers are notified of the reasons for disqualification; (3) the number of dwellings disqualified per year for the last three years, including the reasons for disqualification; (4) what housing development agencies and public utility weatherization programs it refers deferred dwellings to; and (5) how long it maintains the list of LIURP deferrals. June 2023 Order at 42.

Comments

Columbia reports that recommended weatherization measures must meet a seven-to-twelve-year payback to be deemed cost-effective. However, Columbia notes that each job is assigned a maximum cost that can be spent for twelve-year payback

based on standard savings. Columbia requires the QA Coordinator to approve work exceeding the maximum cost. Columbia states that the QA Coordinator assesses the job with contractors to determine if the additional costs will contribute to greater than average savings; if not, the job would be screened for health and safety pilot program or be deferred. Columbia Supplemental Information at 33.

Columbia reports that it has not deferred any jobs for not being cost-effective since January 2020, but there have been deferrals for other reasons. Columbia states that customers are notified verbally if a job is being deferred as well as the reason for the deferral. Columbia will refer customers, when possible, to local agencies, other public utilities, and state and federal programs. Columbia provided the below statistics for deferred jobs for 2020, 2021, and 2022 for customers who completed a LIURP audit. Columbia Supplemental Information at 33–34.

**Table 8
LIURP Deferrals
2020–2022**

| | 2020 | 2021 | 2022 |
|------------------------------------|-------------|-------------|-------------|
| Customer Moved | 1 | 2 | 1 |
| Customer Request | 4 | 8 | 5 |
| Health Reasons | 1 | 1 | 0 |
| Knob & Tube Wiring | 0 | 3 | 1 |
| Moisture in Basement | 3 | 6 | 0 |
| No Landlord Agreement | 0 | 2 | 1 |
| No Show | 1 | 1 | 4 |
| No Work to be Done | 3 | 1 | 1 |
| Other | 13 | 5 | 2 |
| Over Income | 2 | 4 | 0 |
| Property for Sale | 0 | 2 | 0 |
| Property Not Weatherizable | 4 | 5 | 7 |
| Repairs Not Completed by Homeowner | 2 | 0 | 1 |
| Repairs Not Completed by Landlord | 1 | 2 | 2 |
| Roof Leaks | 3 | 0 | 0 |
| Total | 38 | 42 | 25 |

Source: Columbia Supplemental Information at 34.

CAUSE-PA supports discontinuing cost-effectiveness as a deferral reason, as no home has been disqualified for this reason over the past three years. CAUSE-PA Comments at 53.

Resolution: Columbia has addressed our initial questions by clarifying its process for determining whether weatherizing a dwelling would be cost-effective and its process for disqualifying a dwelling from receiving LIURP services, including providing deferral data for the past three years. We find merit in tracking the number of deferrals, the reason for those deferrals and ensuring that the customer understands the reason for deferral, and that the customer is provided a referral to address the health and safety issue.

Although we acknowledge CAUSE-PA's recommendation for Columbia to discontinue its provision of deferring homes that are not cost-effective to weatherize, we recognize that there may be times when Columbia may need to defer a home when the maximum assigned costs to install measures would be significantly greater than the potential savings. It appears that in circumstances when a home is determined to need work that is outside the scope of Columbia's LIURP requirements, it will be screened for the health and safety pilot before it is deferred, including providing measures that are not cost-effective to weatherize under LIURP. Therefore, we are not persuaded to direct Columbia to discontinue this provision.

Accordingly, we direct Columbia to clarify its process for determining whether weatherizing a dwelling would be cost-effective and its process for deferring a dwelling, including informing the customer of the reason for disqualification in its Revised 2024 USECP.

k. Post-Installation Inspection

Columbia states that it will conduct a post-installation quality and safety inspection for 25% of dwellings weatherized each year. Proposed 2024 USECP at 20. In the June 2023 Order, the Commission directed Columbia to explain its quality control guidelines and procedures and the methodology it uses to select weatherized dwellings to receive a post-installation inspection each year. June 2023 Order at 43.

Comments

Columbia explains that its QA Coordinator oversees its quality control program. Columbia reports it requires 25% of each contractor's work to receive a post-completion inspection. It states that the QA Coordinator sends a list of all jobs completed for the prior month to the post-completion inspectors. Columbia clarifies that exceptions for this include jobs that the QA Coordinator visited after work completion, those with safety concerns (*e.g.*, aggressive dog), or HVAC only jobs (*e.g.*, new furnace). Columbia reports that the post-completion inspectors are given the number of inspections needed for each contractor and sends letters to all customers selected for a post-completion inspection. Columbia notes that post-completion inspectors also make outbound calls to these customers to encourage cooperation and that although cooperation can be difficult, the inspectors meet the post-completion inspection quota. Columbia Supplemental Information at 34–35.

CAUSE-PA asserts that Columbia's response lacks data on post-installation inspections. CAUSE-PA recommends that Columbia collect, and track data based on separate comprehensive weatherization measures or partial and low-cost energy saving measures, and ensure that all types of projects are represented through the findings. CAUSE-PA Comments at 53–54.

Resolution: Columbia has addressed our initial questions by clarifying its quality control guidelines and post-installation inspection procedures. The Commission's LIURP regulations at 52 Pa. Code § 58.14(b) require public utilities to conduct a post-installation inspection of LIURP jobs when a contractor is used.³¹ The regulations do not limit post-installation inspections to a specific type of LIURP job or price-point threshold. It appears that Columbia's current process of conducting a post-installation inspection of 25% of each contractor's work is an effective quality control process across all jobs. Accordingly, we direct Columbia to include in its Revised 2024 USECP the LIURP quality control guidelines and post-installation inspection procedures, including the methodology used to select 25% of weatherized dwellings to receive a post-installation inspection each year.

3. CARES

Columbia's CARES program provides temporary assistance to first-time payment-troubled residential heating customers who are experiencing a temporary financial hardship, regardless of household income. The program also serves customers who meet any of the following criteria:

- Special needs (*e.g.*, sudden loss of income, divorce, death of wage earner, life-threatening illness),
- Vulnerable (*e.g.*, have a mental or physical disability or chronic financial mismanagement),
- Victims of domestic abuse, and
- Age 62 or older without natural gas service.

³¹ 52 Pa. Code § 58.14(b). *Quality control.* A covered utility shall establish effective quality control guidelines and procedures for the installation of program measures. When a contractor is utilized, the covered utility shall schedule post-installation inspections and require a warranty covering workmanship.

Proposed 2024 USECP at 17–18.

Columbia temporarily protects CARES customers from service termination while customer service representatives at Columbia’s CCC use a case management approach to resolve payment problems and try to find financial assistance or establish customer payment arrangements. CARES Coordinators will also attempt to contact customers aged 62 and over who are known to be without heat to offer assistance during the heating season. Columbia representatives assist these customers by making referrals to other social service agencies and providing information regarding available programs.

Proposed 2024 USECP at 17–19.

a. CARES Program Costs

In the June 2023 Order, Columbia was directed by the Commission to clarify how it funds its CARES program. June 2023 Order at 44.

Comments

Columbia clarifies that its CARES program is funded and recovered through base rates. Columbia Supplemental Information at 35.

Resolution: Columbia has clarified how its CARES program is funded. We have no further questions and have received no comments regarding this issue. Accordingly, Columbia is directed to include this clarification in its Revised 2024 USECP.

b. Domestic Abuse

In its Proposed 2024 USECP, Columbia states that a customer reporting domestic abuse must have an active protection from abuse (PFA) court order to be eligible for

CARES. Proposed 2024 USECP at 18. In the June 2023 Order, the Commission directed Columbia to clarify if it accepts any other verification from a customer reporting domestic abuse and, if so, identify all forms of verification it accepts. Columbia was also directed to explain what steps it takes to protect the customer's information when domestic violence is reported. June 2023 Order at 45.

Comments

Columbia clarifies that it accepts a PFA order, or a court order issued by “a court of competent jurisdiction” in Pennsylvania that provides evidence of domestic violence. Columbia states that it has a fax number and an email address that is only accessible by five of its employees for customers to submit PFAs or such court orders. Columbia reports when it receives a PFA or court order, the document is uploaded to a secure, password protected file on its server. Columbia emphasizes that only the five employees, along with its two outreach and education coordinators, and one manager, have access to this file. Once a PFA or court order is received via the above process, the O&E Coordinator is notified that a new file has been uploaded to the secure server; the O&E Coordinator then follows up with the customer if additional information is needed, determines assistance, and monitors the customer's account until the order expires. Columbia Supplemental Information at 35.

CAUSE-PA recommends that Columbia be directed to collaborate with its USAC and the Pennsylvania Coalition Against Domestic Violence (PCADV) to increase CARES engagement and reach vulnerable customers. CAUSE-PA Comments at 56-57.

Additionally, CAUSE-PA recommends that Columbia be directed to explicitly state in its Proposed 2024 USECP that it accepts court orders as evidence of domestic violence. CAUSE-PA supports establishing customer protection processes, restricting access to data, and ensuring specialized training for survivor engagement and monitoring.

CAUSE-PA recommends the Commission direct Columbia to provide specialized training for survivor engagement and monitoring. CAUSE-PA Comments at 57-58.

Resolution: Columbia has clarified what additional documentation it accepts to verify a customer reporting domestic abuse and the steps it takes to protect these customers' information. Accordingly, we direct Columbia to include these clarifications and list the additional documentation it accepts when a customer is reporting domestic abuse, as well as the steps it takes to protect these customers' information, in its Revised 2024 USECP. Additionally, we direct Columbia to review its CARES domestic violence procedures and protections with its USAC to determine opportunities for enhancements, employee training, and coordination with PCADV.

4. Hardship Fund

DEF administers Columbia's Hardship Fund. The Hardship Fund provides financial help to residential heating customers who need temporary help in paying a gas bill. Company shareholders, employees, and customers are the primary contributors to the fund. Customer contributions are voluntary, and Columbia contributes a dollar-for-dollar match for any customer contributions. Columbia also conducts fundraising activities to increase ratepayer contributions up to \$150,000.

A customer may receive one Hardship Fund grant, up to \$500, per program year. To be eligible, Columbia proposes a customer must meet the following criteria:

- Have a residential gas heating account;
- Total gross household income must be at or below 200% of the FPIG;
- Minimum arrearage balance, as required by DEF;
- Demonstrated sincere payment effort, as required by DEF;
- Must provide income verification; and

- Must first apply for all other available energy assistance resources.

Columbia reports it may make exceptions to the above eligibility criteria based on a customer's special circumstances. Proposed 2024 USECP at 22.

Hardship Fund grants will not be issued to current or former CAP customers, unless one of the following applies:

- The account is without natural gas service for non-payment during the months of October, November, or December.
- The customer has been out of CAP for more than one year.
- The program has sufficient funding to issue grants by mid-May.

Proposed 2024 USECP at 23.

a. Hardship Fund Eligibility

In the 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. June 2023 Order at 47.

Comments

Columbia clarifies that its hardship fund guidelines vary depending on the time of year, aiming to provide the greatest number of benefits to all customers below 200% of the FPIG. Columbia proposed the following criteria:

- Columbia residential heating customer;

- Household income at or below 200% of the FPIG;
- Must have exhausted all other available energy assistance resources;
- Minimum arrearage balance as required by Dollar Energy Fund;
- Demonstrated sincere payment effort as required by Dollar Energy Fund; and
- Exceptions to eligibility criteria may be granted under special circumstances, which may include not requiring a sincere effort of payment, minimum arrearage balance, or CAP status.

Columbia Supplemental Information at 36.

Columbia reports that annually, in October, November, and February, the Hardship Fund only assists customers without service or who are in danger of termination. Columbia reports that annually, in December, the Hardship Fund is only open to those without service. Columbia states for all remaining months, the program is open to all non-CAP customers while funds remain. Columbia clarifies that a “sincere effort of payment” of \$150 is required for all customers up to 61 years of age and that a “sincere effort of payment” of \$100 is required for customers age 62 and over.³²

Columbia Supplemental Information at 36.

OCA shares the Commission’s concerns and submits that all the eligibility guidelines need to be set by Columbia and approved by the Commission. OCA asserts that DEF is only the administrator of Columbia’s Hardship Fund, and that administration should be guided by policy established by the Commission and implemented by Columbia. OCA Comments at 41.

³² On page 36 of its Supplemental Information, Columbia notes that “[s]incere effort of payment of \$150 is required for all customers up to 61 years of age. Customers over 62 require a sincere effort of payment of \$100.” We have verified on the DEF website that customers 62 and over must have paid at least \$100 and that all other customers must have paid at least \$150. Therefore, we have listed the correct information in this Order. Available at <https://www.dollarenergy.org/program/columbia-gas-pennsylvania-hardship-program/> (accessed on March 6, 2024).

Columbia states that these requirements are reviewed annually and that with flexibility, it can adjust guidelines to address the needs of its customers at the time. Columbia reports that it explains guidelines to its USAC and its customers annually. Columbia submits that requiring rigid criteria for the hardship fund in its USECP will limit its ability to be flexible and to assist customers under special circumstances. Columbia Supplemental Information at 36–37.

CAUSE–PA notes that Columbia’s Proposed 2024 USECP lacks core eligibility criteria for its Hardship Fund, causing confusion and ambiguity for consumers, advocates, and stakeholders. Columbia submits that the Commission should direct Columbia to include all eligibility criteria, including sincere effort to pay requirements. CAUSE–PA also is concerned that Columbia defers critical policy decisions to DEF, requiring eligibility criteria for Hardship Fund grant recipients to meet minimum arrearage balance and sincere payment effort. CAUSE–PA submits that Columbia should be directed to ensure that DEF does not impose additional requirements beyond the provisions approved for the 2024 USECP. CAUSE–PA Comments at 59–60.

Finally, CAUSE–PA recommends that the Commission direct Columbia to remove the eligibility criteria which require customers to exhaust all available energy assistance resources before receiving a Hardship Fund grant. CAUSE–PA submits that this requirement raises concerns about unclear criteria and high standards for hardship funding, especially for customers facing imminent terminations or acute issues. CAUSE–PA Comments at 60.

Resolution: We have previously addressed the issue of allowing DEF or another contracted CBO to establish the eligibility criteria for a universal service program. For example, in Duquesne’s 2017 USECP proceeding, the Commission concluded that deferring to DEF’s policies when establishing Hardship Fund requirements was

inconsistent with the public utility’s responsibilities under the Electricity Generation Customer Choice and Competition Act (Electric Competition Act):

Section 2804(9) of Title 66^[33] encourages the use of CBOs “that have the necessary technical and administrative experience to be the *direct providers of services or programs*” (emphasis added). While contracted CBOs may be used to administer universal service programs, the utilities are responsible for setting eligibility requirements, establishing program parameters, and drafting a triennial USECP for Commission approval. A contracted CBO should not dictate the eligibility requirements of a utility’s universal service program.

Duquesne Light Company 2017–2019 USECP Order, Docket No. M–2016–2534323 (Order entered on March 23, 2017), at 46.

We have also made similar conclusions in USECP proceedings for Peoples Companies and the FirstEnergy PA EDCs. *See* Peoples Companies 2019–2024 USECP Order, Docket Nos. M–2018–3003177 and M–2020–3021343 (Order entered on May 12, 2022) at 70–75, and Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company Joint 2019–2021 USECP Order, Docket Nos. M–2017–2636969, M–2017–2636973, M–2017–2636976, and M–2017–2636978 (Order entered on May 23, 2019), at 41–43.

Similarly, Columbia is responsible for establishing the eligibility criteria for its Hardship Fund and must list those provisions in its USECP. Hardship Fund eligibility criteria and practices cannot be changed unless approved by the Commission in a universal service proceeding. Columbia is responsible for establishing and implementing the provisions of its Hardship Fund regardless of who administers it. Any addition or change to their provisions, practices, or procedures in their USECP must be reviewed and approved by the Commission, with an opportunity for stakeholder input, prior to

³³ The corresponding provision is 66 Pa.C.S. § 2203(8) for natural gas public utilities.

implementation. This includes instances where DEF may seek to introduce new Hardship Fund eligibility requirements or restrictions, including modifying minimum arrearage balance amounts or what constitutes a “sincere payment effort.” Until the Commission approves changes to Columbia’s universal service programs, Columbia must continue to adhere to the practices and procedures in its most recently approved USECP. Public utilities may pursue changes to their USECPs in conjunction with the periodic USECP review process, or they may petition for changes in the interval between periodic reviews.

Columbia has clarified that it currently requires Hardship Fund applicants to pay \$150 (or \$100 if age 62 and over) to demonstrate a sincere effort of payment. Columbia did not identify its current required minimum arrearage amount, but the DEF website³⁴ reflects this amount is \$100 for customers under the age of 62 and \$0 for customers age 62 and over, as long as there is no credit on the account. Columbia shall maintain these provisions at these levels unless the Commission approves an amendment in a USECP proceeding.

Columbia shall not impose – or allow DEF to impose – any further requirements or restrictions on Hardship Fund eligibility beyond those specified in its Proposed 2024 USECP, its Supplemental Information, or this Order without Commission approval. We agree with Columbia, however, that public utilities should have flexibility to waive Hardship Fund provisions to assist customers with special circumstances. Therefore, we approve maintaining the provision that Columbia may grant exceptions to its Hardship Fund eligibility criteria under special circumstances, which may include not requiring a sincere effort of payment, minimum arrearage balance or CAP status. Proposed 2024 USECP at 22–23. This may also include waiving eligibility restrictions based on the calendar month if funding permits.

³⁴ <https://www.dollarenergy.org/program/columbia-gas-pennsylvania-hardship-program/> (accessed January 4, 2024).

Accordingly, Columbia is directed to include the following clarifications regarding its Hardship Fund eligibility in its Revised 2024 USECP:

- Applicants must have a minimum arrearage balance of \$100 (or \$0 for customers if age 62 and over, as long as there is no credit on the account);
- Applicants must pay \$150 or \$100 if age 62 and over to demonstrate a sincere payment effort.
- In October, November and February, the hardship fund is limited to eligible customers without service or who are in danger of termination. In December, the hardship fund is only open to eligible customers without service. For all remaining months, the program is open to all non-CAP customers while funds remain.³⁵

b. Applying for a Hardship Grant

In the 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 to what extent, Columbia accommodates customers who may have difficulty applying. June 2023 Order at 48.

Comments

Columbia clarifies that its customers can apply for a Hardship Fund grant in person, through the telephone, or online. Columbia states that if a customer reports difficulty applying, a referral is made to the O&E Coordinator who will provide

³⁵ We note that Columbia has a separate timeline and treatment of CAP customers seeking hardship fund grants detailed on page 23 of the Proposed 2024 USECP.

specialized assistance to complete the application over the phone. Columbia Supplemental Information at 37.

CAUSE–PA recommends that Columbia make Hardship Fund application methods available in English and Spanish for customers if it is not already doing so. CAUSE–PA Comments at 61.

Resolution: We are satisfied with the clarification provided by Columbia regarding its application process. We agree with CAUSE–PA that the Hardship Fund application methods should be available in both English and Spanish as Columbia has acknowledged that households in many counties that it serves communicate in Spanish. Accordingly, we direct Columbia to make its Hardship Fund application methods available in Spanish and include this clarification in its Revised 2024 USECP. We also direct Columbia to clarify in its Revised 2024 USECP that (1) customers can apply for a Hardship Fund grant in person, through the telephone, or online; and (2) an O&E Coordinator who will provide specialized assistance to complete an application over the phone if a customer reports difficulty applying.

C. Projected Needs Assessments

In compliance with 52 Pa. Code § 62.4(b)(3), the Proposed 2024 USECP includes a needs assessment for Columbia’s universal service programs, which is depicted in Table 9 below.

**Table 9
Needs Assessment**

| | |
|---|---------------|
| 1. Estimated number of low-income customers | 91,849 |
| 2. Identified number of low-income customers | 70,084 |
| 3. Estimated number of potentially payment-troubled, low-income customers | 57,686 |
| 4. Identified number of payment-troubled, low-income customers | 9,320 |
| 5. Estimated number of potential LIURP participants | 24,933 |
| 6. Cost to serve customers needing LIURP | \$286,455,237 |

Source: Proposed 2024 USECP at 33–35.

LIURP Needs Assessment

In the June 2023 Order, the Commission directed Columbia to provide the following additional information related to its LIURP needs assessment:

- The number of known customers with household income between 151% and 200% of the FPIG.
- The number of income-eligible customers who have consumption greater than 170 therms.
- The number of customers who are both income and usage eligible who have not received LIURP within the past seven years.
- Of those customers, the number who are ineligible for LIURP due to other reasons (*e.g.*, deferred due to health and safety issues). Identify each issue and the number of customers that issue applies to.

The Commission also directed Columbia to explain the congruence between the LIURP needs assessment and the determination of its proposed annual LIURP budget. June 2023 Order at 49–50.

Comments

Columbia reports that it currently has 16,944 active customers who report (*i.e.*, self-declare) having income between 151% and 200% FPIG. Columbia states that out of that number, 3,568 have usage greater than 170 therms during the winter months. Columbia states that 17,239 current customers meet LIURP income and usage eligibility guidelines and have not received LIURP within the past seven years. Columbia states that this includes customers whose LIURP services were deferred previously. Columbia Supplemental Information at 37–38.

CAUSE-PA has concerns with the discrepancy between Columbia's estimated and identified customer counts and the number of low-income and payment troubled customers. CAUSE-PA states that without accurate counts, it is difficult to analyze whether Columbia's universal service programs are addressing the needs of its low-income customers. CAUSE-PA notes that Columbia projects to serve a smaller number of customers in its universal service programs than the number of households identified in need of such services.

CAUSE-PA notes that the Commission's 2022 Universal Service and Collections Performance Report showed that 59.6% of Columbia's payment-troubled customers were confirmed to be low-income but that only 16.7% of the residential customer class were. CAUSE-PA notes that Columbia's confirmed low-income customers reconnection rate was 54.6% in 2022, indicating a significant unmet need in Columbia's service territory for universal service program assistance. CAUSE-PA Comments at 54–55, *citing* the *2022 Report on Universal Service and Collections Performance* at 11.

CAUSE-PA submits that Columbia should be directed to increase its efforts to identify and track its low-income customer population and recommends that Columbia include customers that self-identify or who have been identified as having incomes at or

below 150% of the FPIG in the low-income count. CAUSE-PA also recommends Columbia adopt additional screening and referral procedures, including asking customers with financial difficulties to disclose their household incomes and provide appropriate referrals. Additionally, CAUSE-PA submits that Columbia screen all residential customers identified as payment troubled for low-income status and help enroll them in universal service programs, if appropriate. CAUSE-PA also recommends Columbia collaborate with its USAC on ways to improve the accuracy of its low-income customer count and needs assessment. CAUSE-PA Comments at 55-56.

OCA is concerned about Columbia's LIURP budget, which is constant until 2025 and then decreases. OCA asserts that significant questions remain about whether Columbia's LIURP budget is sufficient to meet the demonstrated need. OCA asserts the proposed budget lacks a direct link to addressing need and may serve fewer customers if not increased over time. OCA Comments at 36-37. OCA recommends that the Commission direct Columbia to determine a budget appropriate for its service territory, revisiting it throughout the duration of the USECP to account for increased needs and costs. OCA recommends developing a process for Columbia and all public utilities to provide information at least every two years demonstrating that the LIURP budget is sufficient and accounts for changes. OCA proposes that stakeholders be allowed to comment on and propose adjustments to the LIURP budget during these interim filings, as waiting until 2028 may not allow for necessary approvals of increased LIURP budgets based on increased need or costs.

OCA notes that based on the estimated number of low-income customers who could receive weatherization through LIURP, it would take nearly 60 years for Columbia to treat everyone at current budget levels. OCA submits that there should be a greater congruence between the needs assessment, the LIURP budget, and the number of units treated each year. OCA Comments at 38.

Columbia opposes OCA’s recommendation that the Commission require all EDCs and NGDCs to inform stakeholders at least every two years of the sufficiency of the LIURP budgets and to allow comments from stakeholders. Columbia submits that recommendations to make industry-wide changes should be addressed in the LIURP rulemaking proceeding at Docket No. L–2016–2557886 rather than in individual USECP proceedings. Columbia further submits that its proposed LIURP budget is adequate to meet the needs of its service territory. Columbia notes that it is not the only entity that customers have for weatherization assistance and that customers can also get assistance from other State and Federally funded weatherization entities. Columbia asserts that the concerns regarding whether it can serve all LIURP-eligible households in a reasonable amount of time is misplaced and should be rejected. Columbia Reply Comments at 11–12, FN 6.

Resolution: Columbia has addressed our initial questions by providing a breakdown of the factors, relative to the needs assessment, used to determine its proposed annual LIURP budget. The LIURP Regulations at Section 58.4(c), 52 Pa. Code § 58.4(c), address the factors to be considered when revising a LIURP budget.³⁶ We have considered the concerns raised by CAUSE-PA and OCA regarding the accuracy of Columbia’s LIURP needs assessment and the adequacy of maintaining the current LIURP funding levels for the duration of the 2024 USECP in conjunction with the factors

³⁶ Section 58.4(c) Guidelines for revising program funding. A revision to a covered utility’s program funding level is to be computed based upon factors listed in this section. These factors [include but are not limited to] the following:

- (1) The number of eligible customers that could be provided cost-effective usage reduction services. The calculation shall take into consideration the number of customer dwellings that have already received, or are not otherwise in need of, usage reduction services.
 - (2) Expected customer participation rates for eligible customers. Expected participation rates shall be based on historical participation rates when customers have been solicited through approved personal contact methods.
 - (3) The total expense of providing usage reduction services, including costs of program measures, conservation education expenses and prorated expenses for program administration.
 - (4) A plan for providing program services within a reasonable period of time, with consideration given to the contractor capacity necessary for provision of services and the impact on utility rates.
- 52 Pa. Code § 58.4(c).

in Section 58.4(c). In addition to the factors in Section 58.4(c), we have also considered the availability of other programs and funding to help address weatherization needs within Columbia’s service territory. In particular, we note that DCED has received approximately \$186 million³⁷ to spend over a five-year period in additional funding received through the Bipartisan Infrastructure Law (BIL)³⁸ to provide weatherization services to eligible Pennsylvania households through WAP.

With these factors in mind, we are not requiring Columbia to make changes to its proposed LIURP funding level. However, we agree with CAUSE-PA that Columbia should work with its USAC to explore additional opportunities to improve the accuracy of its low-income count. Further, the Commission has previously directed public utilities to file and serve an updated LIURP needs assessment approximately two years after their five-year USECP is approved to determine, *inter alia*, whether their annual LIURP budget should be adjusted.³⁹ We also find it reasonable to require Columbia to provide an updated LIURP needs assessment before its next USECP to determine whether its LIURP budget continues to be appropriately funded.

Accordingly, we direct Columbia to work with its USAC to identify opportunities to improve the accuracy of its low-income count. We also direct Columbia to file and serve an updated LIURP needs assessment on April 30, 2026. Columbia shall include the following information in the updated LIURP needs assessment:

- The number of estimated low-income customers, including a reference to the source of this information and a copy of the methodology used.

³⁷ DCED Final 2022–2027 BIL DOE State Plan. [22–27 DOE BIL – Budget – FINAL \(pa.gov\)](#) (last accessed January 4, 2024).

³⁸ Infrastructure Investment and Jobs Act, U.S. Public Law 117–58, signed November 15, 2021. <https://www.congress.gov/117/plaws/publ58/PLAW–117publ58.pdf> (last accessed January 4, 2024).

³⁹ See PGW 2023–2027 USECP Order, Docket No. M–2021–3029323 (order entered on January 12, 2023), at 91–92 and PPL 2023–2027 USECP Order, Docket No. M–2022–3031727 (order entered on February 9, 2023), at 114–116.

- The number of Columbia customers who heat with natural gas.
- The number of Confirmed Low–Income (CLI) customers, including customers who self–identify or who have been identified as having incomes at or below 150% of the FPIG.
- The number of CLI customers who have consumption greater than 170 therms.
 - Number of these customers that:
 - Received LIURP within the past seven years.
 - Ineligible for LIURP due to other reasons (e.g., deferred due to health and safety issues). Each issue and the number of customers it applies to should be identified individually.
 - Renters.
- The number of known customers with household income between 151% and 200% of the FPIG.
 - Number of these customers that:
 - Received LIURP within the past seven years.
 - Ineligible for LIURP due to other reasons (e.g., deferred due to health and safety issues). Each issue and the number of customers it applies to should be identified individually.
 - Renters.

D. Projected Enrollment Levels

Columbia’s projected enrollment levels from 2024 through 2028 are shown in Table 10 below.

Table 10
Projected Enrollment Levels

| Program | 2024 | 2025 | 2026 | 2027 | 2028 |
|----------------|-------------|-------------|-------------|-------------|-------------|
| CAP | 25,725 | 27,011 | 28,362 | 29,780 | 31,000 |
| LIURP | 455 | 455 | 425 | 425 | 425 |
| CARES | 400 | 400 | 400 | 400 | 400 |
| Hardship Fund | 1,300 | 800 | 800 | 800 | 800 |

Source: Proposed 2024 USECP at 36.

Projected LIURP Enrollments

In the June 2023 Order, the Commission directed Columbia to explain how its LIURP enrollment projections are calculated and the reason for a projected decline in LIURP enrollments beginning in 2026. June 2023 Order at 50.

Comments

Columbia clarifies that its LIURP enrollment projections are based on the rounded average per home divided by the projected budget. Columbia reports that the budget for 2024 and 2025 includes carryover funding from 2020 through 2023 and that the budget decreases in 2026 to reflect full spend of the carryover. Columbia submits that with less annual LIURP funding, fewer homes are expected to be completed each year. Columbia Supplemental Information at 39.

Resolution: Columbia has clarified the reason for the projected decrease in annual LIURP jobs. Accordingly, we have no further questions regarding this aspect of Columbia’s Proposed 2024 USECP.

E. Program Budgets

Table 11 below shows the proposed program budget levels for 2024–2028.

**Table 11
Projected Budgets and Spending**

| Universal Service Component | 2024 | 2025 | 2026 | 2027 | 2028 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| CAP | \$31,069,394 | \$32,682,309 | \$34,387,488 | \$35,821,225 | \$36,940,092 |
| LIURP | \$5,893,673 | \$5,893,673 | \$5,425,000 | \$5,425,000 | \$5,425,000 |
| CARES | \$465,000 | \$465,000 | \$475,000 | \$480,000 | \$490,000 |
| Hardship Fund | \$675,000 | \$300,000 | \$300,000 | \$300,000 | \$300,000 |
| Hardship Fund Administration Costs | \$74,250 | \$31,000 | \$31,000 | \$31,000 | \$31,000 |
| Total | \$38,177,307 | \$39,371,982 | \$40,618,488 | \$42,057,225 | \$43,186,092 |
| Costs Recovered from Ratepayers* | \$37,428,067 | \$39,040,982 | \$40,287,488 | \$41,726,225 | \$42,855,092 |
| Average Monthly Spending per Non-CAP Residential Customer** | \$8.09 | \$8.44 | \$8.71 | \$9.01 | \$9.26 |

Source: Proposed 2024 USECP at 16.

* No funds for the Hardship Fund are recovered through base rates, and therefore this budgeted amount is not counted as part of the “Costs Recovered from Ratepayer” and “Average Monthly Spending per Residential Customers.”

**Based on 385,629 non-CAP residential customers, as reported by Columbia as of December 31, 2022. *2022 Report on Universal Service Programs & Collections Performance* at 88.

Resolution: Consistent with the June 2023 Order, we are not currently requiring any changes to this aspect of the Proposed 2024 USECP.

F. Use of Community-Based Organizations

The Natural Gas Competition Act directs the Commission to “encourage the use of [CBOs] that have the necessary technical and administrative experience to be the direct

providers of services or programs which reduce energy consumption or otherwise assist low-income retail gas customers to afford natural gas service.” 66 Pa. C.S. § 2203(8). Columbia uses community-based organizations for the delivery of its CAP, LIURP, CARES, and Hardship Fund programs and for feedback on program practices and policies. Proposed 2024 USECP at 14–15.

Loss of Participating CBOs

In Columbia’s current USECP, it states that 124 CBOs take applications for Columbia’s Hardship Fund program. 2019 USECP at 20. However, Columbia reports in its Proposed 2024 USECP that only 31 CBOs currently will accept Hardship Fund applications within Columbia’s service territory. Proposed 2024 USECP at 22.

In the June 2023 Order, the Commission directed Columbia to explain the reason for the significant reduction in CBOs and whether the loss of these CBOs has impacted the ability of its customers to access Hardship Fund grants. June 2023 Order at 52.

Comments

Columbia clarifies that it inaccurately reported the number of screening agencies for Hardship Funds in its Proposed 2024 USECP; the correct number is 92. Additionally, Columbia reports that 31 agencies accept CAP applications. Columbia notes that these numbers still reflect a drop in CBO participation. Columbia reports that some CBOs stopped taking applications during COVID and have not returned. Columbia also states that a directive from its 2018 USECP proceeding to eliminate the requirement for a customer to apply in-person for Hardship Funds and CAP jointly, or to establish service reconnections, may have had an impact on the loss of participating CBOs. Columbia notes that because of those required changes, some agencies may not be able to serve enough customers to cover their training and other costs. Columbia Supplemental

Information at 40, *citing Columbia 2019 USECP Order*, Docket No. M-2018-2645401 (Order entered August 8, 2019) at 20-21.

CAUSE-PA and OCA separately expressed concern about the significant reduction in CBOs serving Columbia's low-income customers. CAUSE-PA Comments at 62; OCA Comments at 9. CAUSE-PA suggests investigating the reason for the loss and exploring engagement with CBOs for outreach and education. It recommends that Columbia be directed to conduct a survey of former CBOs and to file a report with the Commission within one year. CAUSE-PA Comments at 62.

Resolution: While Columbia has clarified that the actual number of CBOs which accept Hardship Fund applications is 92, not 31, we are still concerned that the reduction in participating agencies may impact the ability of Columbia customers to access CAP and Hardship Fund grants. We find merit in CAUSE-PA's recommendation that Columbia survey agencies who no longer process universal service applications to determine the reason and whether future participation would be possible. Accordingly, we direct Columbia to survey agencies that previously screened for CAP and Hardship Fund eligibility to determine the reason why they no longer participate. Columbia shall file and serve these findings at this docket by July 1, 2024, and discuss these findings with its USAC. We also direct Columbia to include the corrected number of screening agencies for its CAP and Hardship Fund in its Revised 2024 USECP.

G. Organizational Structure

The internal organizational structure for Columbia's universal service programs includes one Director of Rates and Regulatory Affairs, one Manager of Universal Service, and two Coordinators of Customer and Community Outreach and Education. The universal service programs also include its CCC, one Energy Assistance Team

Leader, three Energy Assistance Specialists, one Quality Control Coordinator, and one Weatherization Specialist. Proposed 2024 USECP at 13.

Customer Contact Center

In the June 2023 Order, the Commission directed Columbia to identify where its CCC is located, the key functions of the CCC, how many and what employees work at the CCC, as well as the responsibilities of those employees.

Comments

Columbia clarifies in its Supplemental Information that its CCC is located at 100 Laurel View Drive, Smithfield, PA 15478. Columbia reports that its CCC is dedicated to delivering services for Columbia Gas Companies.⁴⁰ Columbia reports that its Pennsylvania team is comprised of 84 Customer Service Representatives (CSR), with 60 supporting its universal service programs. Columbia states that 81 of the 84 CSRs work from home as remote CSRs. Columbia Supplemental Information at 40.

Columbia clarifies that its universal service program CSRs specialize in assisting low-income or current and previous CAP customers with billing and payment inquiries. Columbia explains that these representatives, *inter alia*, verify service status, check CAP enrollment, review financial information, conduct pre-screening for CAP, refer customers to energy assistance programs, and provide options for payment arrangements. Columbia Supplemental Information at 41.

⁴⁰ The Columbia Gas Companies are subsidiaries of NiSource utilities Company with locations that include Ohio, Virginia, Massachusetts, and Kentucky.

Resolution: The clarifications provided by Columbia address our questions regarding its CCC. We have no further questions about Columbia's CCC or organizational structure. Accordingly, this aspect of Columbia's Proposed 2024 USECP is approved.

IV.CONCLUSION

Consistent with the ordering paragraphs below, we shall direct Columbia to file a Revised 2024 USECP reflecting the changes directed herein within 30 days of the date of entry of this Order. We invite Columbia to submit its Revised 2024 USECP to BCS for a compliance review prior to filing. Contingent upon these changes, Columbia's 2024 USECP is approved. Changes approved or directed shall take effect, unless otherwise indicated, within six months from the entry date of this Order. The Commission's approval of the 2024 USECP does not limit the Commission's authority to order future changes to the 2024 USECP based on evaluation findings, universal service data, or ratemaking considerations.

Columbia's existing 2019 USECP will continue in operation in whole or in part until replacement provisions of the Revised 2024 USECP are implemented. A third-party independent evaluation of Columbia's universal service programs shall be due on April 1, 2029.

Columbia's 2024 USECP shall be in effect, in whole or in part, until its next USECP is approved, in whole or in part. Columbia's next proposed USECP shall be due on or before April 1, 2030, and shall include enrollment and budget projections for five years starting January 1, 2031 (*i.e.*, 2031–2035).

Having addressed Columbia's Proposed 2024 USECP and the comments and reply comments in the record, we note that any issue, comment, or reply comment requesting a further deviation from the Proposed 2024 USECP, but which we may not have

specifically delineated herein, shall be deemed to have been duly considered and denied without further discussion. The Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. Pub. Util. Comm'n*, 625 A.2d 741 (Pa. Cmwlth. 1993); *see also*, generally, *U. of PA v. Pa. Pub. Util. Comm'n*, 485 A.2d 1217 (Pa. Cmwlth. 1984); **THEREFORE,**

IT IS ORDERED:

1. That the Columbia Gas of Pennsylvania, Inc., Universal Service and Energy Conservation Plan for 2024–2028 is approved, subject to the conditions established in this Order, as consistent with Title 66 of the Pennsylvania Consolidated Statutes, Title 52 of the Pennsylvania Code, and Commission practice.

2. That Columbia Gas of Pennsylvania, Inc., shall file a Revised 2024–2028 Universal Service and Energy Conservation Plan conforming to the conditions established in this Order within 30 days from the entry date of this Order.

3. That the Revised 2024–2028 Universal Service and Energy Conservation Plan must be filed in both clean and redline copies and served on the parties to this docket.

4. That the Revised 2024–2028 Universal Service and Energy Conservation Plan must be provided electronically in Word[®]-compatible format to Norma Bowman, Bureau of Consumer Services, nobowman@pa.gov; Christina Chase–Pettis, Office of Communications, cchasepett@pa.gov; Stephanie Wilson, Law Bureau, stepwilson@pa.gov; and Louise Fink Smith, Law Bureau, finksmith@pa.gov.

5. That Columbia Gas of Pennsylvania, Inc., shall incorporate the changes, as directed or identified herein, to its Revised 2024–2028 Universal Service and Energy Conservation Plan, including:

- a. Remove PPA co–payment and CAP Plus charges from CAP bills upon implementation of its approved amended payment options.
- b. Refund security deposits, with applicable interest, collected from customers who are income–eligible for CAP.
- c. Exclude earned and unearned income for minors (*i.e.*, under age 18) and count earned and unearned income for all adults (*i.e.*, age 18 and over) when determining household income for CAP eligibility.
- d. Include its list of acceptable documentation for various types of earned and unearned income as an attachment.
- e. Maintain the CAP identification requirements identified in its 2019-2023 Universal Service and Energy Conservation Plan.
- f. Clarify the alternative forms of identification it has identified that it will accept if the customer is unable or unwilling to provide a SSN for adults in the household.
- g. Clarify that it does not charge CAP customers a true–up charge.
- h. Charge CAP customers no more than their prorated CAP billing amount for usage incurred during their final billing period.
- i. Amend the CAP payment when a CAP household transfers service to a new residence, if necessary, to ensure they are paying the lesser of the percent of income or percent of budget billing, subject to CAP minimum bill.
- j. Remove the provision requiring CAP customers to apply for any free weatherization services offered through the Department of Community and Economic Development.
- k. Clarify its process for contacting CAP customers to enroll them into LIURP.

- l. Provide the clarifications regarding its coordination with Dollar Energy Fund and FirstEnergy Pennsylvania Electric Company to verify household income.
- m. Clarify its process for sharing information regarding LIURP non-savers with its contractors for follow up energy education.
- n. Provide the clarifications regarding the Emergency Repair Program (*i.e.*, program description, application process, eligibility criteria, projected budget and enrollment).
- o. Clarify the LIURP eligibility criteria.
- p. Clarify that a copy of the signed landlord agreement form will be provided to the tenant.
- q. Clarify its contractor training and certification requirements.
- r. Identify “full” weatherization services provided by LIURP and re-weatherization exceptions.
- s. Clarify the maximum health and safety spending amount is \$1,200.
- t. Include the clarifications provided regarding its parameters for performing health and safety measures; its parameters and allowance threshold for incidental repairs; and the circumstances when a LIURP contractor may exceed the LIURP spending limit.
- u. Clarify its process for determining whether weatherizing a dwelling would be cost-effective and its process for deferring a dwelling, including informing the customer of the reason for disqualification.
- v. Clarify the LIURP quality control guidelines and post-installation inspection procedures, including the methodology used to select 25% of weatherized dwellings to receive a post-installation inspection.
- w. Clarify how CARES is funded.
- x. Clarify what documentation is accepted when customers report domestic abuse and the steps taken to protect their information.
- y. Provide clarifications regarding Hardship Fund eligibility.

- z. Clarify that its Hardship Fund application methods are available in Spanish.
 - aa. Clarify that (1) customers can apply for a Hardship Fund grant in person, through the telephone, or online; and (2) an Outreach & Education Coordinator who will provide specialized assistance to complete an application over the phone if a customer reports difficulty applying.
 - bb. Clarify the number of screening agencies for its CAP and Hardship Fund programs.
6. That Columbia Gas of Pennsylvania, Inc., shall consult with its Universal Service Advisory Committee on the following issues:
- a. Identifying opportunities to improve its *CAP Customer Agreement Form*.
 - b. Identifying opportunities to improve the letter sent to LIURP-eligible customers.
 - c. Developing written materials in languages other than English and Spanish.
 - d. Review expanding its community engagement efforts to include both landlords and tenants and improve landlord participation in LIURP.
 - e. Identifying opportunities to enhance the Consumer Education and Outreach Plan, consistent with this Order.
 - f. Identifying opportunities to enhance its CARES domestic violence procedures.
 - g. Identifying opportunities to improve low-income customer count accuracy.
7. That Columbia Gas of Pennsylvania, Inc. shall use its revised *CAP Customer Agreement Form* within five days from the entry date of this Order.
8. That Columbia Gas of Pennsylvania, Inc. shall work with its universal service advisory committee on updating its revised *CAP Customer Agreement Form* to, *inter alia*, specify what customer information will be shared, with whom it will be shared,

and that it will be only used for the purpose of enrolling the customer into universal service programs. Columbia shall file and serve the further revised *CAP Customer Agreement Form* at this docket within six months from the entry date of this Order.

9. That Columbia Gas of Pennsylvania, Inc. shall file and serve annual updates to its Consumer Education and Outreach Plan, including outreach and education actions taken, by March 1 each year at Docket No. M-2023-3039487, beginning in 2025, for the duration of its 2024-2028 Universal Service and Energy Conservation Plan. The March 1, 2025, CEOP update must include the following enhancements:

- a. More educational training webinars and workshops using virtual or hybrid and in-person events to keep community partners and interested stakeholders informed and updated about Columbia's universal service programs.
- b. Continue expanding its outreach efforts for households with incomes at or below 50% of the FPIG.
- c. Add an education component to inform customers about the importance of understanding their energy burden to foster customer awareness of how much their household is spending on energy.
- d. Continue to share its tools, outline approaches, and activities for the energy burden education components in future CEOPs and include the Commission educators as needed.

10. That Columbia Gas of Pennsylvania, Inc., shall file and serve its revised LIURP Eligible letter at Docket No. M-2023-3039487, within six months from the entry date of this Order.

11. That Columbia Gas of Pennsylvania, Inc., shall file and serve a report on the Health and Safety Pilot Program data each calendar year, including the number of

Health and Safety Pilot Program jobs completed, actual weather normalized savings, and the total dollars spent during the previous calendar year. This report must be filed on April 1 each year at Docket No. M–2023–3039487, beginning in 2025, for the duration of its 2024–2028 Universal Service and Energy Conservation Plan.

12. That Columbia Gas of Pennsylvania, Inc. shall, by or before its next universal service and energy conservation plan filing, either propose incorporating the Health and Safety Pilot Program as a permanent component of its LIURP or propose to discontinue the pilot program, with justifications for either proposal.

13. That Columbia Gas of Pennsylvania, Inc. shall file and serve at Docket No. M–2023–3039487, a report on its Emergency Repair Program data each calendar year on April 1 at Docket No. M–2023–3039487, beginning in 2025, for the duration of its 2024–2028 Universal Service and Energy Conservation plan. This report must include the following elements:

- a. Program spending for the recently completed program year, separated into amounts spent for ERP jobs and administration costs.
- b. Projected program spending for the current program year.
- c. Total number of ERP jobs completed for the recently completed program year.
- d. Number of ERP jobs projected to be completed for the current program year.
- e. Average cost per ERP job for the recently completed program year.

14. That Columbia Gas of Pennsylvania, Inc. shall amend its landlord agreement form consistent with the provisions in 52 Pa. Code § 58.8(a); clarify that LIURP is a component of “Warm Wise” in its landlord agreement form and letter; and

file and serve the amended landlord agreement form and letter at Docket No. M-2023-3039487 within 30 days from the entry date of this Order.

15. That Columbia Gas of Pennsylvania, Inc. shall file and serve at Docket No. M-2023-3039487, an updated Low-Income Usage Reduction Program needs assessment on April 30, 2026, consistent with this Order.

16. That Columbia Gas of Pennsylvania, Inc shall survey agencies that previously screened for CAP and Hardship Fund eligibility to determine the reason why they no longer participate and file and serve these findings at Docket No. M-2023-3039487, by or before July 1, 2024.

17. That exceptions to the Revised 2024–2028 Universal Service and Energy Conservation Plan may be filed within ten days from the date of its filing and service. Reply exceptions may be filed within five days from the due date for the filing of exceptions.

18. That exceptions and reply exceptions must be served on the parties of record and provided electronically in Word[®]-compatible format to Norma Bowman, Bureau of Consumer Services, nobowman@pa.gov; Christina Chase-Pettis, Office of Communications, cchasepett@pa.gov; Stephanie Wilson, Law Bureau, stepwilson@pa.gov; and Louise Fink Smith, Law Bureau, finksmith@pa.gov.

19. That the Commission's Bureau of Consumer Services, with the assistance of the Commission's Law Bureau, will evaluate the Columbia Gas of Pennsylvania, Inc., Revised 2024–2028 Universal Service and Energy Conservation Plan as filed and served pursuant to this Order and will prepare a Secretarial Letter confirming whether the changes in the filing comply with this Order.

20. That changes approved or directed in the Columbia Gas of Pennsylvania, Inc., 2024–2028 Universal Service and Energy Conservation Plan must take effect, unless otherwise indicated, within six months from the entry date of this Order.

21. That Columbia Gas of Pennsylvania, Inc. shall file and serve status updates at Docket No. M–2023–3039487 when changes approved or directed in this Order are implemented.

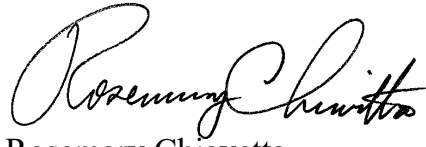
22. That Columbia Gas of Pennsylvania, Inc., shall file its next third–party independent evaluation of its universal service programs on April 1, 2029. This filing must also be served on the parties to Docket No. M–2023–3039487.

23. That Columbia Gas of Pennsylvania, Inc., shall file its next Universal Service and Energy Conservation Plan on or before April 1, 2030, which must include enrollment and budget projections for five years starting January 1, 2031. This filing must also be served on the parties to Docket No. M–2023–3039487.

24. That the Columbia Gas of Pennsylvania, Inc. 2019–2021 Universal Service and Energy Conservation Plan shall remain in operation in whole or in part until replacement provisions of its 2024–2028 Universal Service and Energy Conservation Plan are implemented.

25. That the Columbia Gas of Pennsylvania, Inc. 2024–2028 Universal Service and Energy Conservation Plan shall remain in effect, in whole or in part, until a new Universal Service and Energy Conservation Plan is approved and fully implemented.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Rosemary Chiavetta". The signature is written in a cursive style with a large initial "R".

Rosemary Chiavetta

Secretary

(SEAL)

ORDER ADOPTED: April 4, 2024

ORDER ENTERED: April 4, 2024