



**September 9, 2024**

To: All Parties of Record at Docket Nos. M-2018-3005795 and M-2023-3038944

**RE: PECO Energy Company – Notification of Participation in LIHEAP Data Sharing**

*Overview*

On June 13, 2024, the Pennsylvania Public Utility Commission (Commission) entered an Order (June 2024 Order) in *2023 Review of All Jurisdictional Fixed Utilities' Universal Service Programs*, Docket No. M-2023-3038944, (*2023 Review of Universal Service Programs*), establishing terms and conditions under which an energy public utility may document its election to participate in the Department of Human Services' (DHS) Low Income Home Energy Assistance Program (LIHEAP) data sharing.<sup>1</sup> The terms and conditions articulated in the June 2024 Order included a temporary and partial waiver of limited provisions in approved universal service and energy conservation plans (USECPs) for energy public utilities to facilitate their use of LIHEAP household data shared with them by DHS. The PUC encouraged but did not require an energy public utility to participate in the DHS LIHEAP data sharing. The PUC required energy public utilities to file and serve a letter at its USECP docket(s) indicating its plans and timelines if it chose to participate in the DHS LIHEAP data sharing. June 2024 Order at 2, OP #3.

On July 31, 2024, PECO Energy Company (PECO) filed a letter (PECO Letter) at its 2019-2028 USECP (2019 USECP) docket, Docket No. M-2021-3029323, responding to the June 2024 Order. The PECO Letter included a red-lined version of its 2019 USECP (Exhibit A), reflecting proposed changes related to the LIHEAP data sharing. The PECO Letter confirms that PECO will participate in DHS' LIHEAP data sharing and identifies the public utility's planned compliance with the terms and conditions in the June 2024 Order, as summarized below:

*Use the LIHEAP data to conduct individualized universal service outreach as soon as possible (ideally monthly) after receiving the household's data from DHS. June 2024 Order at 3.*

**Response:** PECO confirms that it will use the LIHEAP household data to conduct individualized universal service outreach and will begin this outreach within a month after first receiving this data. PECO Letter at 1.

*Use a simplified/streamlined process for households to enroll in universal service programs and recertify in the customer assistance program (CAP) if the income and household data was received by DHS in the prior 12 months and/or the current or prior*

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<sup>1</sup> The Commission established these terms and conditions based on its review of the recommendations of the Universal Service Working Group (USWG). See [USWG Final Report](#), Docket No. M-2023-3038944, at 73-83.

*LIHEAP program year, without requiring additional applications or documentation.*  
June 2024 Order at 3.

**Response:** PECO confirms that it will use a simplified/streamlined process for households to enroll in its universal service programs and recertify in CAP using LIHEAP household data, without requiring additional applications or documentation. PECO Letter at 1.

*Discuss its plans for individualized outreach and simplified/streamlined enrollment with its respective Universal Service Advisory Group/Committee (USAG or USAC).*  
June 2024 Order at 3.

**Response:** PECO confirms that it will discuss its plans for using LIHEAP household data for individualized outreach and streamlined enrollment with its USAC. PECO Letter at 1.

*Send a communication to each auto-recertified CAP participant based on LIHEAP data with their updated CAP bill amount (if applicable) and instructions on how to contact the energy public utility to provide additional updates on household income/size if the household information has changed since completing the LIHEAP application.* June 2024 Order at 3-4.

**Response:** PECO confirms that it will send a communication to each CAP participant auto-recertified based on LIHEAP household data with the household's updated CAP bill amount (if applicable) and instructions on how to contact PECO to provide additional updates on household income/size if the household information has changed since completing the LIHEAP application. PECO Letter at 1.

*Provide educational materials<sup>[2]</sup> to inform customers about the purpose and effect of the checkbox on the 2024-2025 LIHEAP application which will grant permission for DHS to share this information with energy public utilities. Include a timeline for when the materials will be provided to customers.* June 2024 Order at 4.

**Response:** PECO confirms that it will provide educational materials to inform customers about the purpose and effect of the checkbox on the 2024-2025 LIHEAP application. Specifically, PECO reports that it will create flyers to inform customers about the purpose and effect of the checkbox on the LIHEAP application and distribute the flyers no later than October of each year to CAP and Hardship Fund<sup>3</sup> enrollment sites and at outreach events and presentations to both customers and service providers. PECO Letter at 1-2, Exhibit A at 27.

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<sup>2</sup> The educational language template was designed by the USWG. See USWG Final Report at 84 85.

<sup>3</sup> PECO's Hardship Fund is called the Matching Energy Assistance Fund (MEAF).

*Identify any provisions in the energy public utility's current and proposed USECP that need to be waived or added to incorporate the data sharing conditions. June 2024 Order at 4.*

**Response:** PECO provided a red-lined version of its 2019 USECP, reflecting proposed changes to incorporate the terms and conditions described above. The proposed changes consist of:

- Updating its CAP enrollment and recertification processes to reflect that documentation of household information may be verified through LIHEAP household data if the information was received by DHS within prior two LIHEAP program years. Households recertified for CAP using LIHEAP household data will be scheduled to recertify again in 2 years (or six months, if the data indicates the household has no income). PECO Letter, Exhibit A at 5-8.
- Updating the CAP credit limits with current maximums.<sup>4</sup> PECO Letter, Exhibit A at 5.
- Adding language to its Hardship Fund provisions to reflect that (1) LIHEAP household data received for households without service or who have received a termination notice will be contacted by a Hardship Fund agency; and (2) households applying for a Hardship Fund grant will be asked if they assigned a LIHEAP grant to PECO and authorized DHS to share their information. If the household confirms they did share their LIHEAP data with PECO, the Hardship Fund agency will verify their income-eligibility through PECO. PECO Letter, Exhibit A at 20-21.
- Adding language to its LIHEAP section to reflect PECO's distribution of educational flyers about the purpose and effect of the checkbox on the LIHEAP application. PECO Letter, Exhibit A at 27.
- Updating its CAP application by instructing applicants to list income for all household members over 18 years old and to not include income verification if they issued a LIHEAP grant to PECO in the last 12 months and agreed to share their household information with PECO. PECO Letter, Exhibit A at 66.

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<sup>4</sup> PECO is not proposing to change its maximum CAP credit amounts. It is only proposing to update its USECP with its maximum CAP credit amounts. See [PECO Maximum CAP Credit Update Letter](#), Docket No. M-2018-3005795 (filed on November 13, 2023), at 1.

### *Discussion*

To date, no protests or other responsive pleadings have been filed relative to the PECO Letter. The PUC directed staff in the Bureau of Consumer Services and the Law Bureau to review the letters filed in response to the June 2024 Order. Having reviewed the PECO Letter, staff finds that PECO's responses are generally consistent with the June 2024 Order, with the following exceptions.

First, the PECO Letter asserts that it will develop a simplified/streamlined process to enroll households into its universal service programs using the LIHEAP data received from DHS “without requiring additional applications or documentation.” PECO Letter at 1. This policy is consistent with the PUC's recommendations in the June 2024 Order. However, PECO's proposed revisions to the CAP enrollment process in its 2019 USECP would still require the customer to complete a CAP application, whether or not the customer's household information is verified by DHS. PECO Letter, Exhibit A at 5. PECO is encouraged to eliminate the requirement for customers to complete a separate CAP application if the household's information is already verified through the LIHEAP household data provided by DHS. Households whose information is shared by DHS should be permitted to enroll in CAP with informed consent, without completing an application or providing additional documentation after giving the public utility informed consent.

Second, PECO affirms in its Letter that it will accept income and household data provided by DHS “in the prior 12 months and/or the current or prior LIHEAP program year” to enroll households into its universal service programs or recertify for CAP. PECO Letter at 1. This practice is consistent with the temporary and partial waiver of household information timeframes granted in the June 2024 Order. However, the proposed amendments to PECO's 2019 USECP state that PECO will use LIHEAP income data from the “prior two LIHEAP program years” to determine CAP eligibility is not consistent with the June 2024 Order. PECO Letter, Exhibit A at 5. The proposed language could be interpreted to mean either (1) that PECO will not count household data collected by DHS in the current program year, only the two prior LIHEAP seasons; or (2) that PECO will count household data collected by DHS over three LIHEAP program years, including the current LIHEAP season and the two prior seasons. Either interpretation would not be consistent with the practice affirmed in the PECO Letter or the timeframe approved in the June 2024 Order.

Third, PECO's proposed amendments to its CAP application would instruct applicants to list only income for household members “over 18 years old.” Excluding income for adults who are 18 years of age when determining eligibility for PECO's CAP is

inconsistent with its 2019 USECP<sup>5</sup> and Chapter 14 of the Public Utility Code.<sup>6</sup> PECO should revise this proposed language to request the income information for all household members “age 18 and over.”

Additionally, although there are no compliance issues with PECO’s planned educational outreach related to the June 2024 Order, the public utility is encouraged to do more to make its customers aware of the purpose and effect of the information-sharing checkbox on the 2024-2025 LIHEAP application. PECO’s proposal to distribute educational flyers at CAP enrollment sites and outreach events is a good start. Consistent with PUC recommendations in the June 2024 Order, PECO is encouraged to also provide this educational information through its bill inserts, on-bill messaging, and website using the educational language proposed by the USWG. *See USWG Final Report* at 84-85.

### *Conclusion*

PUC staff finds PECO to be substantially compliant with the June 2024 Order, with the exceptions noted above. PECO is encouraged to discuss its proposed USECP changes with its USAC. No further action by PECO in regard to the terms and conditions established by the June 2024 Order is required at this time.

The determinations in this Secretarial Letter have been made by PUC staff under authority delegated by the Commission. Parties have the right to seek reconsideration of this staff action. Parties may seek reconsideration of these directives by petitioning the Commission within 20 days after service of this Secretarial Letter. *See* 52 Pa. Code § 5.44 (relating to petitions for appeal from actions of the staff).

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<sup>5</sup> “PECO considers income verified when the customer provides proof of income for all adult household members (18 years of age or older) or submits a no-income form for the entire household.” PECO 2019 USECP (filed on October 30, 2023) at 6.

<sup>6</sup> Chapter 14 defines “household income” as “[t]he combined gross income of all adults in a residential household who benefit from the public utility service.” 66 Pa. C.S. §1403 (relating to definitions)

If you have any questions, please contact BCS Energy Policy Manager Joseph Magee at [jmagee@pa.gov](mailto:jmagee@pa.gov).

Sincerely,

A handwritten signature in black ink that reads "Rosemary Chiavetta". The signature is fluid and cursive, with the first name being larger and more prominent than the last name.

Rosemary Chiavetta  
Secretary

cc: Stephen M DeFrank, Chairman  
Kimberly Barrow, Vice Chair  
Ralph V. Yanora, Commissioner  
Kathryn L. Zerfuss, Commissioner  
John F. Coleman, Commissioner  
Joseph Magee, BCS, [jmagee@pa.gov](mailto:jmagee@pa.gov)  
Louise Fink Smith, Law Bureau, [finksmith@pa.gov](mailto:finksmith@pa.gov)  
Stephanie Wilson, Law Bureau, [stepwilson@pa.gov](mailto:stepwilson@pa.gov)