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January 31, 2025

Via Electronic Filing

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

Re: Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2023-2027
Submitted in Compliance with 52 Pa. Code § 62.4, Docket No. M-2021-3029323; and
Petition for Emergency or Expedited Order Approving Temporary Modifications to the
Universal Service and Energy Conservation Plan for 2023-2027, Docket No. P-2024-3048856

Dear Secretary Chiavetta:

Enclosed for electronic filing please find a Petition of Philadelphia Gas Works for Modifications to the Hardship Funds Program in Compliance with the Commission's January 23, 2025 Order, with regard to the above-referenced matters. Copies to be served in accordance with the attached Certificate of Service.

Sincerely,

/s/ *Lauren M. Burge*

Lauren M. Burge

Enclosure

cc: Certificate of Service (Email Only)

CERTIFICATE OF SERVICE

I hereby certify that this day I served a copy of PGW's Petition for Modifications to the Hardship Funds Program upon the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

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/s/ *Lauren M. Burge*

Lauren M. Burge, Esq.

Dated: January 31, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2023-2027 Submitted in Compliance with 52 Pa. Code § 62.4	:	Docket No. M-2021-3029323
	:	
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	:	
Petition for Emergency or Expedited Order Approving Temporary Modifications to the Universal Service and Energy Conservation Plan for 2023-2027	:	Docket No. P-2024-3048856
	:	
	:	

**PETITION OF PHILADELPHIA GAS WORKS
FOR MODIFICATIONS TO THE HARDSHIP FUNDS PROGRAM IN ITS
UNIVERSAL SERVICE AND ENERGY CONSERVATION PLAN FOR 2023-2027
IN COMPLIANCE WITH THE COMMISSION’S JANUARY 23, 2025 ORDER**

I. INTRODUCTION

Pursuant to the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) Order entered January 23, 2025 and Section 5.41 of the Commission’s regulations,¹ Philadelphia Gas Works (“PGW” or “Company”) hereby submits this Petition regarding the Hardship Fund Program approved as part of its Universal Service and Energy Conservation Plan (“USECP”) for 2023-2027. In its January 23, 2025 Order (“January 2025 Order”), the Commission approved PGW’s request to modify its Hardship Fund provisions to reflect changes to the program administrator. The January 2025 Order required that:

Philadelphia Gas Works shall file and serve a petition to amend its 2023 USECP to reflect the new Hardship Fund administrator once PGW has selected a long-term administrator for the program within 30 days of the effective date of any agreement with the new administrator. The updated USECP must include updated

¹ 52 Pa. Code § 5.41.

budget amounts and projected enrollment numbers for the Hardship Fund program for 2025-2027.²

PGW has now selected the Energy Coordinating Agency (“ECA”) as the new long-term administrator of its Hardship Fund program, effective January 1, 2025. Consistent with Ordering Paragraph 3 of the January 2025 Order, PGW now submits this Petition notifying the Commission of its selection of ECA and providing budget and projected enrollment amounts for the years 2025-2027. PGW respectfully requests that the Commission approve the modifications to its USECP as provided in the attached Further Revised Appendix O.

II. BACKGROUND AND PROCEDURAL HISTORY

1. On October 29, 2021, PGW filed its proposed 2023-2027 USECP. After receiving additional information and stakeholder comments, the Commission entered an Order adjudicating the USECP on January 12, 2023 (“*January 12 Order*”).

2. On January 27, 2023, PGW filed a Petition for Reconsideration of the *January 12 Order*.

3. On March 16, 2023, the Commission entered its Order on Reconsideration, in which PGW’s Petition for Reconsideration was granted in part and denied in part (“*March 16 Order*”).

4. On July 11, 2023, PGW filed its Further Revised USECP for 2023-2027 which incorporated the required changes pursuant to the *January 12 Order* and the *March 16 Order*.

5. PGW’s USECP provides that Hardship Funds are to be distributed to qualifying customers with income at or below 175% of the Federal Poverty Level (“FPL”) through grants

² January 2025 Order at Ordering ¶ 3.

paid by the Utility Emergency Service Fund (“UESF”), with matching funds provided by PGW.

6. Specifically, regarding Hardship Funds, PGW’s USECP provides that:

PGW provides Hardship Funds by matching grants paid by the Utility Emergency Service Fund (“UESF”) to customers whose service is terminated or in danger of being terminated. PGW funds are provided in the form of a matching bill credit of up to approximately \$750. Also, PGW receives customer contributions to UESF through the Dollar Plus program throughout the year; PGW expects to do outreach to customers for contributions to Dollar Plus. Contributions received are forwarded to UESF so that it can provide additional grants.³

7. As explained in the USECP, since “hardship funds are matching bill credits, the actual number of grants and the amount of credits provided will depend upon the number of grants and level of funding provided by UESF.”⁴

8. PGW became aware that UESF had not awarded Hardship Funds to a number of customers that it had determined were eligible for grants in 2023, meaning that likewise, PGW had not distributed matching bill credits (i.e., write-offs) to these customers. Further, PGW discovered that UESF was no longer accepting Hardship Grant applications from PGW customers. Because UESF was not distributing grants that were promised to certain customers and was no longer accepting applications, qualifying customers did not have access to Hardship Grant funds as described under PGW’s USECP to assist them in avoiding termination or having service restored.

9. On May 3, 2024, PGW filed a Petition for Emergency or Expedited Order Approving Temporary Modifications to Hardship Fund Program in Universal Service and Energy Conservation Plan for 2023-2027 to address the fact that UESF was not distributing

³ PGW’s 2023-2027 USECP at 29.

⁴ *Id.*

grants that were promised to certain customers in 2023 and was no longer accepting applications from PGW customers (“May 3rd Petition”).

10. PGW’s May 3rd Petition included a proposed Appendix O, which provided Temporary Additions to address specific portions of pages 29-34 in its USECP, on an interim basis. The provisions in Appendix O proposed to: (i) allow a non-UESF administrator of PGW’s Hardship’ Funds Program; (ii) replace UESF as the entity paying Hardship Grants to customers whose service is terminated or in danger of being terminated; (iii) designate PGW (or its assignee) as the interim administrator and payor of the Hardship Funds Program, effective immediately; (iv) redeploy unpaid matching grants to customers whose Hardship Grants were already approved by USEF in 2023, such that both the amounts promised by USEF and PGW’s matching bill credits are provided to these customers; and (v) modify the total program budget to remove UESF grant amounts. PGW submitted that these temporary changes would allow its customers to continue receiving Hardship Funds as intended under the USECP.

11. On May 7, 2024, the Commission issued a Secretarial Letter denying PGW’s request for an emergency order, finding that the criteria for issuance of an emergency order had not been met.

12. On May 9, 2024, the Commission issued a Tentative Order tentatively granting PGW’s May 3rd Petition, recognizing the “urgent need to address this situation,” and finding that it was “reasonable and in the public interest to tentatively approve PGW’s temporary modifications to the Hardship Fund provisions in its 2023 USECP for the duration of the calendar year.”⁵ No party filed an objection to the Tentative Order, and it became effective

⁵ Tentative Order at 8.

through December 31, 2024.⁶

13. The Tentative Order approved temporary modifications to PGW’s USECP as outlined in the proposed Appendix O. Further, the Commission directed PGW to: (1) file and serve a status report when it has selected a new administrator for its Hardship Fund program, identifying the name and contact information of the vendor; (2) file and serve a petition to rescind, retain or modify its Hardship Fund provisions by October 1, 2024; (3) file and serve monthly status reports on the 2023 Hardship Fund grants to the 344 eligible customers who did not receive their approved grants; (4) file and serve monthly status reports identifying the number of Hardship Fund applications received, approved, and paid during calendar year 2024, beginning with January 2024; and (5) file and serve monthly status reports identifying the number of Hardship Fund applications pending over 30 days to ensure that applications are being timely processed.⁷

14. From May through August 2024, PGW filed and served monthly status reports as required by the Tentative Order. As detailed in those reports, PGW selected ECA the short-term administrator of its Hardship Fund program, effective August 19, 2024. Additionally, the 344 eligible customers that UESF had approved for Hardship Fund grants in 2023 but who did not receive their approved grants, had their grants paid in full by PGW.⁸

15. On September 27, 2024, PGW filed a Petition for Modifications to the Hardship Funds Program in its USECP for 2023-2027 in compliance with the Commission’s May 9, 2024 Tentative Order (“September 2024 Petition”). The September 2024 Petition requested that the

⁶ See *Id.* at 11, Ordering Para. 2 and 6.

⁷ Tentative Order at 9.

⁸ See PGW’s August 2024 Hardship Fund Status Report, filed Aug. 29, 2024.

Commission approve modifications to the USECP to reflect that that UESF was no longer the program administrator and that ECA was serving as the short-term program administrator. Further, PGW indicated that it would be issuing an RFP seeking a new long-term program administrator, and proposed to notify the Commission within 30 days of the effective date of any agreement with a new long-term administrator. The September 2024 Petition included a Revised Appendix O reflecting the proposed changes to its USECP.

16. On October 17, 2024, Tenant Union Representative Network (“TURN”) and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (“CAUSE-PA”) filed a Joint Answer to the September 2024 Petition.

17. On November 6, 2024, PGW filed Preliminary Objections to the Joint Answer of TURN and CAUSE-PA.

18. On November 18, 2024, TURN and CAUSE-PA filed an Answer to PGW’s Preliminary Objections.

19. On January 23, 2025, the Commission issued an Order granting PGW’s September 2024 Petition.

20. On January 27, 2025, PGW filed and served a Status Report consistent with Ordering Paragraph 2 of the January 2025 Order, notifying the Commission and the parties that it had selected ECA as the long-term program administrator.

21. PGW now submits this Petition consistent with Ordering Paragraph 3 of the January 2025 Order.

III. PROGRAM ADMINISTRATOR, BUDGET AND ENROLLMENT

22. After issuing an RFP seeking a long-term program administrator, PGW selected ECA to replace UESF and serve as the long-term program administrator effective January 1,

2025. ECA previously served as the short-term administrator since August 19, 2024. As a result, PGW submits that its USECP for 2023-2027 should be modified to reflect that ECA is now administering the program, and to reflect the current budget and projected enrollment.

23. Specifically, PGW proposes to include a Further Revised Appendix O (attached) with its USECP to reflect these changes. The Further Revised Appendix O provides for the following:

- a. A non-UESF administrator may administer PGW’s Hardship Funds Program.
- b. The Energy Coordinating Agency (“ECA”) shall be the administrator and payor of the Hardship Funds Program, effective January 1, 2025.
- c. The total annual program budget for 2025-2027 is as follows:

Budgeted Description	Budgeted Amount
Administrator Operating Budget	\$260,149
PGW Contribution	\$695,500
Pilot Program	\$100,000
Customer/employee contributions (PGW)	\$2,000
Total Calendar Year Budget	\$1,057,649
Average annual participation***	725

***Annual participation was calculated by taking the previous expected customer count of 1,184 and dividing by half as the total grant is now \$750, and then adding in the expected 133 customers for the Pilot program.

24. PGW notes that the budget and average participation provided in the table above for 2025-2027 are the same as was proposed in the Company’s September 2024 Petition. Under this budget, PGW will continue the issuance of matching bill credits of up to \$750 per customer.

25. PGW submits that these modifications are in the public interest and will ensure that Hardship Funds remain available to customers in significant need, whose income is at or below 175% of the FPL and whose service has been terminated or is in danger of being

terminated.⁹ PGW’s proposed amendments will allow qualifying customers to once again have consistent access to these grants to help maintain or restore service.

26. For the reasons discussed above, PGW submits that granting this Petition is consistent with the January 2025 Order, and is in the public interest as it will ensure continued access to Hardship Funds and provide the benefits intended by the current USECP.

IV. CONCLUSION

For the foregoing reasons, PGW respectfully requests that the Commission grant this Petition and approve the modifications to PGW’s USECP for 2023-2027 as provided in the Further Revised Appendix O.

Respectfully Submitted,

/s/ Lauren M. Burge

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Dated: January 31, 2025

Counsel for Philadelphia Gas Works

⁹ See PGW’s USECP for 2023-2027 at 29-31.

**Further Revised Appendix O:
Modifications to Hardship Funds Program**

Further Revised Universal Service and Energy Conservation Plan 2023-2027
Philadelphia Gas Works
Effective: [TBD], 2025

**Further Revised Appendix O:
Modifications to Hardship Funds Program (USECP pages 29-34)**

1. A non-UESF administrator may administer PGW’s Hardship Funds Program.
2. The Energy Coordinating Agency (“ECA”) shall be the administrator and payor of the Hardship Funds Program effective January 1, 2025.
3. The total annual program budget for 2025-2027 is as follows:

Budgeted Description	Budgeted Amount
Administrator Operating Budget	\$260,149
PGW Contribution	\$695,500
Pilot Program	\$100,000
Customer/employee contributions (PGW)	\$2,000
Total Calendar Year Budget	\$1,057,649
Average annual participation***	725

***Annual participation was calculated by taking the previous expected customer count of 1,184 and dividing by half as the total grant is now \$750, and then adding in the expected 133 customers for the Pilot program.

VERIFICATION

I, Denise Adamucci, hereby state that: (1) I am the Senior Vice President for Customer Service & Regulatory Affairs for Philadelphia Gas Works (“PGW”); (2) I have reviewed the statements set forth in the foregoing Petition as to their accuracy; and (3) the facts set forth therein are true and correct to the best of my knowledge, information and belief. I understand that statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: January 31, 2025

/s/ Denise Adamucci

Denise Adamucci

Senior Vice President for Customer & Regulatory Affairs

Philadelphia Gas Works