



June 25, 2025

*Via E-File*

Matthew L. Homsher, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17120

**Re: Petition of UGI Utilities, Inc. – Gas Division for Approval of Phase II of its Energy Efficiency and Conservation Plan, Docket M-2024-3048418**

Dear Secretary Homsher,

Consistent with 52 Pa. Code Section 5.412a of the Commission’s regulations, which requires the electronic submission of pre-served testimony, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) hereby files the following preserved testimony in the above-referenced proceeding.

- CAUSE-PA Statement 1, The Direct Testimony of Mitchell Miller. Consisting of 38 pages of testimony, along with Appendix A: Resume of Mitchell Miller and Appendix B: Cited Interrogatory Responses.
- CAUSE-PA Statement 1-SR, The Surrebuttal Testimony of Mitchell Miller. Consisting of 19 pages of testimony.
- Signed Verification of Mitchell Miller to CAUSE-PA St. 1 and CAUSE-PA St. 1-SR.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only.

Respectfully submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



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John W. Sweet, Esq.

CC: *Honorable Steven K. Haas* ([sthaas@pa.gov](mailto:sthaas@pa.gov))  
*Office of Special Assistants* ([ra-OSA@pa.gov](mailto:ra-OSA@pa.gov))  
*Certificate of Service*

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. – Gas :  
Division for Approval of Phase II of its : Docket M-2024-3048418  
Energy Efficiency and Conservation Plan :

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**Certificate of Service**

I hereby certify that I have this day served copies of the **CAUSE-PA Preserved Testimony** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54 in the manner and upon the persons listed below.

**VIA Email only**

Michael S. Swerling, Esq.  
Lindsay A. Berkstresser, Esq.  
UGI Corporation  
500 North Gulph Road  
King of Prussia, PA 19406  
[swerlingm@ugicorp.com](mailto:swerlingm@ugicorp.com)  
[berkstresserl@ugicorp.com](mailto:berkstresserl@ugicorp.com)

Devin T. Ryan, Esq.  
Megan E. Rulli, Esq.  
Post & Schell, PC  
17 North Second Street, 12<sup>th</sup> Fl  
Harrisburg, PA 17101  
[dryan@postschell.com](mailto:dryan@postschell.com)  
[mrulli@postschell.com](mailto:mrulli@postschell.com)

Steven C. Gray, Esq.  
Office of Small Business Advocate  
555 Walnut Street, 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
[sgray@pa.gov](mailto:sgray@pa.gov)

Melanie Joy El Atieh, Esq.  
Ryan Morden, Esq.  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor Forum Place  
Harrisburg, PA 17101-1923  
[OCAUGIGASEEC2024@paoca.org](mailto:OCAUGIGASEEC2024@paoca.org)

Scott B. Granger, Esq.  
Bureau of Investigation & Enforcement  
400 North Street  
Commonwealth Keystone Building  
Harrisburg, PA 17120  
[Sgranger@pa.gov](mailto:Sgranger@pa.gov)

Respectfully Submitted,  
**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*



John W. Sweet, Esq., PA ID: 320182  
118 Locust Street, Harrisburg, PA 17101  
[jsweet@pautilitylawproject.org](mailto:jsweet@pautilitylawproject.org)

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**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. – Gas :  
Division for Approval of Phase II of its : Docket M-2024-3048418  
Energy Efficiency and Conservation Plan :

DIRECT TESTIMONY OF MITCHELL MILLER

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

February 11, 2025

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1                   **PREPARED DIRECT TESTIMONY OF MITCHELL MILLER**

2   **Q:     Please state your name, occupation, and business address.**

3   A:     Mitchell Miller. I provide consulting services regarding utility programs that promote the  
4   public interest with a focus on low income households. My address is 60 Geisel Road,  
5   Harrisburg, PA 17112.

6   **Q:     Briefly outline your education and professional background.**

7   A:     As my attached resume shows, I received a B.S. in Community Development from  
8   Pennsylvania State University, where I graduated *cum laude* in 1974, and an M.A. in Public  
9   Administration from Shippensburg University in 1984. I have over 35 years of experience in the  
10   development, implementation, and evaluation of program design for residential utility consumers.  
11   The focus of my work has concerned education, energy efficiency, credit and collections, and  
12   customer assistance programs.

13           After serving as a research analyst at both the Pennsylvania Governors Action Center and  
14   the Pennsylvania Public Utility Commission (PUC or Commission), I was appointed Chief of the  
15   Commission’s Division of Research and Planning in 1978 and, in 1992, I was designated as the  
16   Director of the Bureau of Consumer Services, where I served until my retirement from the  
17   Commission in 2009.

18           Following my retirement from the Commission, I served for over three years as a consultant  
19   to the Pennsylvania Department of Community and Economic Development (“DCED”) on  
20   weatherization and energy efficiency for the Pennsylvania Weatherization Assistance Program  
21   (WAP). My resume is attached as Appendix A.

22

1 **Q: Please describe the focus of your work over the past thirty-five years.**

2 A: During my tenure at the Commission, I was primarily engaged in activities relating to  
3 regulatory policy involving residential customer service, complaint handling, credit and  
4 collections, and universal service - including customer assistance programs and low income energy  
5 efficiency and conservation programs. The Bureau of Consumer Services has regulatory authority  
6 and responsibility for policy development for all areas of consumer services, including resolving  
7 consumer complaints and problems; enforcing consumer regulations; developing, implementing,  
8 and evaluating programs involving complaint handling, complaint analysis, and collections;  
9 enforcement of consumer regulations; and design and implementation of customer assistance and  
10 conservation programs. My focus at DCED was the creation of a performance-based  
11 Weatherization Assistance Program system, dedicated to a high standard of quality, compliance,  
12 and production.

13 **Q: What is your relevant experience on issues of energy efficiency programing and low**  
14 **income utility affordability?**

15 A: During my tenure, the Commission emerged as a national leader in research, development,  
16 and oversight of programs addressing credit and collection issues affecting low income utility  
17 consumers. I was responsible for evaluating utility and Commission customer service programs,  
18 identifying problems, and making recommendations for change. These activities led to the  
19 recognition of the need to develop integrated programs for low income consumers. As director of  
20 BCS, I was responsible for the development, oversight, and monitoring of the initial universal  
21 service pilot programs, which were later enshrined in statute. Each of these programs is structured  
22 to provide a different form of interconnected assistance to enable low income and other vulnerable  
23 households to afford and maintain basic service. The Customer Assistance Program (CAP)

1 provides bill assistance and debt management tools which create an alternative path to collections  
2 for low income, payment troubled utility customers, while the Low Income Usage Reduction  
3 Program (LIURP) is a targeted weatherization program designed to assist low income households  
4 with high consumption, payment problems, and arrearages. Hardship Funds provide a third source  
5 of assistance, helping to address acute financial hardship which may threaten the ability of a  
6 household to maintain service in the short term. These programs, together with several others that  
7 have since been developed, work in tandem to assist low income and other uniquely vulnerable  
8 households to access stable and affordable utility services and safe living environments while  
9 reducing utility collections costs carried by other ratepayers.

10 From the inception of these programs and through my retirement in 2009, the Bureau of  
11 Consumer Services – under my direction – was responsible for Commission oversight of universal  
12 service programs. This oversight responsibility was codified and formalized after the passage of  
13 the Electricity Generation and the Natural Gas Customer Choice and Competition Acts, which  
14 explicitly require that the Commission ensure universal service and energy conservation services  
15 are appropriately funded and available in each utility distribution territory.

16 In addition to overseeing the creation, implementation, and evaluation of universal service  
17 programs, I also supervised the review and determination of thousands of low income consumer  
18 complaints and inquiries, as well as the reviews of utility performance at handling these complaints  
19 and inquires. In this role, I saw the direct link between high energy usage and high uncollectible  
20 expenses, and the tremendous need for targeted efficiency programs.

21 Upon my retirement from the Commission, I served as a consultant on weatherization and  
22 energy efficiency for the Pennsylvania Weatherization Assistance Program (WAP), which is  
23 administered by the Department of Community and Economic Development (DCED). I helped

1 transform WAP by creating a performance-based system, dedicated to a high standard of quality,  
2 compliance, and production. Innovations included introducing performance standards for  
3 production, quality, and compliance, as well as implementation of independent state certification  
4 and training for all state WAP workers. I was also responsible for coordinating DCED's WAP  
5 program with the Commission's LIURP and Act 129 low income programs. In addition to  
6 consulting on WAP, I also served as a policy consultant for the Philadelphia Water Department  
7 from 2013 to 2016. In this role, I assisted the Department to improve the informal dispute and  
8 hearing process, and to develop deferred payment agreements.

9 I have participated at the National Association of Regulatory Utility Commissioners  
10 (NARUC), the National Low Income Energy Consortium and the National Energy Utility  
11 Affordability Conference meetings, and have presented numerous sessions related to low income  
12 utility affordability and efficiency programs. I also previously served on the board of directors of  
13 the Keystone Energy Efficiency Alliance (KEEA) and as co-chair of the KEEA annual  
14 conferences, and I am currently a member of the WAP Policy Advisory Council.

15 **Q: Have you testified in any proceeding before the Pennsylvania PUC?**

16 A: Yes. I have presented testimony in many proceedings before the PUC. A complete list is  
17 included in my resume, which is attached as Appendix A.

18 **Q: For whom are you testifying in this proceeding?**

19 A: I am testifying on behalf of the Coalition for Affordable Utility Services and Energy  
20 Efficiency in Pennsylvania (CAUSE-PA).

1 **Q: What is the purpose of your testimony?**

2 A: The purpose of my testimony is to offer analysis and observations related to the proposed  
3 portfolio of energy efficiency programs that UGI Utilities, Inc. – Gas (UGI) seeks to offer to help  
4 inform the Commission’s consideration of UGI’s Petition for Approval of Phase II of its Energy  
5 Efficiency and Conservation Plan (Plan). Specifically, I will discuss the lack of dedicated low  
6 income programming in UGI’s proposed Plan and will offer recommendations designed to ensure  
7 that UGI’s programs equitably serve lower income customers who are not eligible for other  
8 income-based efficiency programs. As I will discuss, UGI’s reliance on gas equipment rebates  
9 forecloses many low and moderate income households from participation and does nothing to  
10 ensure overall energy reduction capable of producing meaningful bill savings. I will also discuss  
11 the impropriety of the use of UGI’s proposed gas combustion equipment rebates to subsidize the  
12 conversion of electric heating customers to gas fired equipment. Ultimately, I conclude that UGI’s  
13 proposed Plan is not in the public interest, as designed, and that the Commission should reject  
14 UGI’s proposed Plan absent substantial amendment to ensure the equitable delivery of program  
15 services to help reduce home energy usage and, in turn, help to meaningfully control high energy  
16 costs.

17 **Q: How is your testimony organized?**

18 A: My testimony is divided into six sections. In section I, I will summarize UGI’s proposed  
19 Phase II Plan, including its reliance on Act 129 to justify approval of the program and its lack of  
20 dedicated low income programming. In section II, I will discuss the need for additional low income  
21 EE&C programming in UGI’s service territory. In section III, I will discuss specific programs in  
22 UGI’s proposed Phase II EE&C Plan and the apparent inability of these programs, as designed, to  
23 provide equitable assistance to low and moderate income homeowners, renters, and low income

1 housing providers. In section IV, I will discuss the apparent lack of effective coordination of UGI's  
2 EE&C Plan with other weatherization, efficiency, and home repair programs available across  
3 UGI's service territory. In Section V, I will discuss UGI's inappropriate use of EE&C rebates to  
4 switch electric heating customers onto UGI gas heating service, without any assessment of the cost  
5 effectiveness of such a switch. Finally, in section VI, I summarize the recommendations and  
6 proposals provided throughout my direct testimony.

7 **I. SUMMARY OF UGI'S PROPOSED PHASE II EE&C PLAN**

8 **Q: Please summarize UGI's proposed Plan.**

9 A: On April 16, 2024, UGI Utilities, Inc. – Gas Division (“UGI” or “Company”) filed a  
10 Petition for Approval of Phase II of its Energy Efficiency and Conservation Plan (Petition) at the  
11 above referenced docket. In its Petition, the Company indicated that the proposed Phase II Plan  
12 builds upon the Company's Phase I EE&C Plan or Phase I Plan, which was approved in UGI Gas's  
13 2019 base rate proceeding.<sup>1</sup>

14 UGI's indicates that it plans to spend \$69.5 million of ratepayer funds over five years for  
15 its Phase II Plan. The Plan contains four energy efficiency programs and one Combined Heat and  
16 Power (CHP) program. I will discuss each of the proposed EE&C programs, in turn, later in my  
17 testimony. However, from the outset I will note the glaring lack of dedicated low income  
18 programming in UGI's proposed Phase II EE&C Plan.

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<sup>1</sup> See *Pa. PUC v. UGI Utilities, Inc.*, Docket No. R-2018-3006814 (Order entered Oct. 4, 2019) (“2019 Rate Case Order”).

1 **Q: What is your overall view of UGI’s proposed Phase II Plan?**

2 A: I recommend that the Commission reject UGI’s proposed Phase II Plan, unless the Plan is  
3 amended to include dedicated low income efficiency programming specifically designed to  
4 produce meaningful energy savings and corresponding bill reductions for low income households.  
5 It is unjust and unreasonable to use ratepayer funds to pay for an EE&C program that does not  
6 include specific energy efficiency programming directed at low income customers.<sup>2</sup> Low income  
7 customers pay for programs through rates, yet most often lack the financial resources to manage  
8 the cost-sharing requirements for participation in general residential efficiency programs. Even  
9 where these customers are able to produce the upfront cost to participate in such programs, their  
10 budgetary constraints and lack of discretionary income necessarily demand that those funds come  
11 at the cost of foregoing other necessary expenses.

12 As discussed at greater length below, low income households already face  
13 disproportionately high energy burdens,<sup>3</sup> and often struggle profoundly to afford and maintain  
14 energy service to their home – regularly foregoing food, medicine, and other basic needs just to  
15 afford energy services to their home. These disparities in energy burden for low income families  
16 are exacerbated by deferred maintenance and other home inefficiencies. It is fundamentally  
17 unreasonable for low income households to pay for programs that benefit higher income  
18 households and that don’t provide specific, proportionate low income measures. UGI includes only  
19 one single measure in its proposed Plan specifically dedicated to supporting low income  
20 households ability to adopt energy efficiency measures in their home: a Residential Retrofit (RR)

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<sup>2</sup> See Act 129 Energy Efficiency and Conservation Programs, 66 Pa.C.S. § 2806.1(b)(1)(i)(G).

<sup>3</sup>Energy burden is defined by the percent of gross monthly household income allocated towards home energy costs. High energy-burdened households spend between 6-10% of their gross income on energy bills, while severely burdened households spend greater than 10% of their gross income. See, e.g., *American Council for an Energy-Efficient Economy (ACEEE), Energy Burden Report*, available at: <https://www.aceee.org/energy-burden>.

1 assessment fee waiver. This single measure has only been utilized on a very limited basis in Phase  
2 I of its EE&C,<sup>4</sup> and UGI has not indicated any intention of improving the reach of this measure in  
3 Phase II. Further, UGI does not track the energy savings attributable to low income customers, nor  
4 does it track any actual energy savings from its measures to ensure that the programs are helping  
5 to meaningfully reduce customers' energy usage.<sup>5</sup> The ability to achieve equitable and verifiable  
6 energy and bill savings should be at the center of rate-supported efficiency programming, but  
7 UGI's programming falls short of achieving these just and reasonable program goals. For these  
8 reasons, and as explained in greater detail below, I believe UGI's proposed Phase II Plan is not in  
9 the public interest and, absent substantial reform, should be rejected.

10 **Q: Are electric distribution companies (EDCs) required to include low income programs**  
11 **within their mandatory Act 129 EE&C Plans?**

12 A: Yes. While I am not a lawyer, I am advised by counsel for CAUSE-PA that Act 129  
13 requires EDCs to include dedicated low income programming within their mandatory EE&C Plans  
14 to equitably serve their respective low income customer base. Specifically, Act 129 provides that  
15 EDC EE&C Plans "shall include specific energy efficiency measures for households at or below  
16 150% of the Federal poverty income guidelines."<sup>6</sup> The Act further provides: "The number of  
17 measures shall be proportionate to those households' share of the total energy usage in the service  
18 territory."<sup>7</sup>

19 In all phases of Act 129, the Commission has required each EE&C Plan to include **specific**  
20 **measures** for households at or below 150% FPL, in proportion to the low income sector's share

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<sup>4</sup> CAUSE-PA I-13.

<sup>5</sup> CAUSE-PA II-14.

<sup>6</sup> 66 Pa. C.S § 2806.1(b)(1)(i)(G) (emphasis added).

<sup>7</sup> *Id.*

1 of energy usage.<sup>8</sup> In Phases II through IV, the Commission has required that the EDCs obtain  
2 minimum percentages of consumption reductions from the low income sector.<sup>9</sup> For reference, in  
3 Phase IV, the Commission required EDCs to obtain ***a minimum*** of 5.8% of total energy savings  
4 for customers whose income is equal to or less than 150% FPL.<sup>10</sup> The Commission explained that  
5 these savings must be derived from, “programs solely directed at low income customers or low  
6 income-verified participants in multifamily housing programs.”<sup>11</sup> The Commission further  
7 explained: “Savings from non-low income programs, such as general residential programs, would  
8 not be counted toward these targets.”<sup>12</sup>

9 **Q: Does UGI’s proposed Plan provide a proportional number of low income measures?**

10 A: While UGI has not provided any information about the proportional share of energy usage,  
11 its Plan only contains one, single dedicated low income measure within its Residential Retrofit  
12 (RR) program. Specifically, UGI will waive the \$50 fee for low income participants to receive a  
13 home energy assessment. In Phase I of UGI’s EE&C, the budget for this fee waiver – in addition  
14 to any follow-up measures identified in the assessment – was set at \$250,000. Despite the  
15 availability of funding to support this programming, the low income assessment fee waiver was  
16 only provided to 115 low income participants. Further, despite the availability of up to \$250,000  
17 in funding to support the low income assessment fee waiver ***and*** direct install follow up measures,  
18 UGI elected to spend only \$5,750 to provide a \$50 fee waiver to this limited set of customers and  
19 failed to provide any direct install follow up measures.<sup>13</sup>

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<sup>8</sup> *Implementation of Act 129 of 2008—Phase IV Energy Efficiency and Conservation Plan Template*, Docket No. M-2020-3015228 Docket No. M-2020-3015228 Final Implementation Order, 24-27 (Entered June 18, 2020).

<sup>9</sup> *Id.*

<sup>10</sup> *Id.* Table 11, p.35 (Note the exception of Duquesne, which is only required to achieve 5.3%).

<sup>11</sup> *Id.* at 28

<sup>12</sup> *Id.* (emphasis added).

<sup>13</sup> CAUSE-PA III-9.

1 **Q: Does UGI's proposed Plan provide a proportionate level of low income savings?**

2 A: I have not seen any evidence that UGI's current programs are achieving a proportionate  
3 level of energy savings from its low income customers, and UGI has not proposed any changes to  
4 its EE&C portfolio that would indicate an improvement in Phase II. However, the relative success  
5 of UGI's programs at generating energy or bill savings for any customer class is not clear from the  
6 information that UGI has provided. In response to discovery, UGI admitted that it "does not budget  
7 spending or energy savings by customer class" – nor does it budget or monitor actual bill savings  
8 for customers."<sup>14</sup> Indeed, UGI has apparently made no efforts to study the share of energy used by  
9 low income customers, nor has it made any effort to design or implement efficiency programming  
10 capable provide a proportionate level of measures or savings to its low income customers.

11 **Q. Is the Phase IV Act 129 low income savings requirement a replacement for the EDCs'**  
12 **Low income Usage Reduction Program ("LIURP") requirements?**

13 A. No. EDCs implement both LIURP programs and Act 129 low income programs, which  
14 makes sense given that the eligibility criteria are different for the Act 129 low income programs  
15 and LIURP.

16 Indeed, LIURP is only available to higher usage low income customers – often excluding  
17 low income consumers who reside in smaller homes and apartments. UGI imposes a LIURP  
18 minimum usage requirement of at least 877 ccf annual usage.<sup>15</sup> According to UGI's current  
19 Universal Service and Energy Conservation Plan (USECP) only approximately 17% of UGI's low  
20 income customers qualified for LIURP.<sup>16</sup> This means that 83% of UGI's confirmed low income

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<sup>14</sup> CAUSE-PA II-14.

<sup>15</sup> UGI USECP 2020-2025, at 35.

<sup>16</sup> *Id.*, Append. B at p. B-1.. I note here that I am using projections from UGI's USECP due to inconsistencies in UGI's discovery responses. Specifically, CAUSE-PA III-2. III-3 only reflected a total of 9,572 confirmed low

1 customers do not qualify for LIURP, even if they would benefit from home efficiency upgrades  
2 and/or their usage is disproportionately high compared to similarly sized homes.<sup>17</sup> Given UGI's  
3 estimated low income population is significantly higher than its confirmed low income population,  
4 the number of low income households ineligible for assistance through LIURP is likely even  
5 higher. I will discuss this in greater detail below.

6 In contrast, the EDCs' Act 129 EE&C low income programs are intended to be broadly  
7 available to all income-eligible customers. This is an important distinction, because even low  
8 income customers with average energy bills face enormous challenges with energy affordability  
9 and often face disproportionately high energy burdens compared to similarly sized homes due to  
10 inefficiencies in their homes. In the absence of the Act 129 low income programs those customers  
11 would be unable to access any efficiency program support from the EDCs. Similarly, UGI's EE&C  
12 program proposal should provide access to efficiency support to low income customers who are  
13 ineligible for its LIURP program.

14 Without explicit low income efficiency programming through Act 129, most low income  
15 households are unable to access assistance with adoption of efficiency measures in their home.  
16 Failure to include dedicated low income efficiency programming is neither just nor reasonable,  
17 and further drives inequity in relative home energy burdens for low income families.

18 It is not only just and reasonable to provide equitable efficiency programming for low  
19 income customers, I am advised by CAUSE-PA's counsel that it is an explicit statutory  
20 requirement within Act 129, which provides that low income Act 129 programming "shall be in

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income customers. However, in response to CAUSE-PA II-1, the Company indicates confirmed low income customer counts of 41,495 in 2023 and 40,634 in 2024. In the 2023 Universal Service Report at p.7, UGI indicated it served 89,923 confirmed low income gas customers in 2023. I understand that CAUSE-PA's counsel has reached out to the Company to clarify these discrepancies and reserve the right to update my testimony based on the Company's response.

<sup>17</sup> *Id.* at 32.

1 addition to expenditures made under 52 Pa. Code Ch. 58 (relating to residential low income usage  
2 programs).”<sup>18</sup>

3 **Q: Are you saying that UGI’s EE&C Program must comply with these Act 129**  
4 **requirements?**

5 A: As I said, I am not a lawyer. The focus of my testimony is on outlining the best practices  
6 for EE&C program design and implementation, though I understand counsel for CAUSE-PA will  
7 further address the applicability of Act 129 through the briefing process. In discussing the Act 129  
8 requirements, as they pertain to low income customers, I am not making any legal conclusions  
9 regarding the applicability of Act 129’s statutory requirements on UGI. However, I believe that  
10 Act 129 requirements provide a critical policy touchstone for evaluating the justness and  
11 reasonableness of the design and implementation for any ratepayer supported efficiency  
12 programming – whether for electric, gas, or water.

13 To the extent that UGI seeks to utilize ratepayer funds to offer a voluntary EE&C program,  
14 it must demonstrate that the program is a just and reasonable expenditure of ratepayer funds and  
15 that the program will be implemented in a just, reasonable, and equitable manner.<sup>19</sup> In my view,  
16 all EE&C programs should be required to squarely address the needs of low income households.  
17 Ignoring the needs of low income households, while requiring them to pay for the program through  
18 rates, is not a just and reasonable expenditure of ratepayer funds.

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<sup>18</sup> See 66 Pa. C.S. § 2806.1(b)(1)(i)(G) (“The plan shall include specific energy efficiency measures for households at or below 150% of the Federal poverty income guidelines. The number of measures shall be proportionate to the households’ share of the total energy usage in the service territory. The electric distribution company shall coordinate measures under this clause with other programs administered by the commission or another Federal or State agency. The expenditures of an electric distribution company under this clause shall be in addition to expenditures made under 52 Pa. Code Ch. 58 (relating to residential low income usage reduction programs).”).

<sup>19</sup> See 66 Pa. C.S. §§ 1301, 1501.

1 **Q: Does UGI reference Act 129 in its Petition and proposed Phase II Plan?**

2 A: Yes. In its Petition, UGI asserts that it is not required to offer an EE&C program under Act  
3 129.<sup>20</sup> However, the Company seeks to justify approval of its voluntary Plan by asserting that its  
4 Plan was “developed using the guiding principles of the Commission’s Act 129 Phase IV  
5 Implementation Order.”<sup>21</sup> UGI also asserts that its Plan employs the Total Resource Cost (TRC)  
6 Test, as defined in Act 129 and applied by the Commission, to determine whether a certain  
7 proposed EE&C measure is cost-effective.<sup>22</sup> UGI also asserts that it relied on Act 129 to establish  
8 its proposed annual EE&C spending cap and its proposed cost allocation.<sup>23</sup>

9 **Q: Aside from the lack of dedicated low income programming, are there other ways that**  
10 **UGI’s plan deviates from Act 129 plans?**

11 A: Yes. In the Act 129 Phase V TRC, the statewide evaluator (SWE) conducted a study to  
12 quantify financial savings through an analysis of EDC data on customer arrearages, shutoffs, and  
13 collections actions for low income program participants.<sup>24</sup> The Commission adopted the SWE’s  
14 recommended financial savings from reduced customer arrearages, shutoffs, and collections  
15 actions attributable to low income programs.<sup>25</sup> The Commission explained that utilities can realize  
16 financial savings from their low income EE programs because the measures offered by EE  
17 programs often result in reduced energy bills for participants, which can “decrease the likelihood  
18 that customers will experience difficulties paying their utility bills.”<sup>26</sup> The Commission explained  
19 that “utilities may realize reduced costs associated with arrearages and late payments, uncollectible

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<sup>20</sup> Petition at ¶ 18; Plan at p. 1.

<sup>21</sup> *Id.* at ¶ 19.

<sup>22</sup> *Id.* at ¶ 20.

<sup>23</sup> *Id.* at ¶ 34, 44.

<sup>24</sup> *2026 Total Resource Cost (TRC) Test*, M-2024-3048998, Final Order at 52 (Entered Nov. 7, 2024).

<sup>25</sup> *Id.* at 55.

<sup>26</sup> *Id.* at 52.

1 bills and bad debt write-offs, service terminations and reconnections, bill-related customer calls,  
2 and the bill collections process.”<sup>27</sup>

3 While UGI asserts that its Plan employs the Commission’s TRC test, the Company did not  
4 include the avoided collections and terminations costs attributable to low income participation.<sup>28</sup>  
5 UGI asserts that it did not adopt this part of the TRC because its program does not have dedicated  
6 low income programming and the SWE study was focused on EDCs.<sup>29</sup>

7 **Q: What types of specific low income measures are offered by Act 129 programs?**

8 A: All EDCs offer specific low income programming in line with the Commission’s Phase IV  
9 requirements. The EDCs with the most overlapping territory with UGI are PPL Electric (PPL) and  
10 FirstEnergy Pennsylvania (FE PA). PPL’s Act 129 low income offerings include, among other  
11 things, enhanced equipment rebates, low income assessments, and a range of free direct install  
12 energy efficiency measures for customers whose income is at or below 150% FPL.<sup>30</sup> PPL also  
13 offers free direct install energy efficiency measures for tenant units of low income residents living  
14 in master-metered multifamily buildings.<sup>31</sup> Similarly, FE PA’s low income Act 129 offerings  
15 include enhanced equipment incentives, expanded weatherization services, EE kits, a behavioral  
16 program, school education program, and direct installation targeting low income tenants in  
17 multifamily buildings.<sup>32</sup>

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<sup>27</sup> *Id.*

<sup>28</sup> CAUSE-PA I-2.

<sup>29</sup> *Id.*

<sup>30</sup> *PPL Ph. IV EE&C Plan*, M-2020-3020824, Revised Ph. IV Plan (submitted May 24, 2021).

<sup>31</sup> *Id.*

<sup>32</sup> *First Energy Ph. IV EE&C Plans*, M-2020-3020820, M-2020-3020821, M-2020-3020822, M-2020-3020823, Revised Ph. IV Plans (submitted Mar. 1, 2024).

1 **Q: Do other voluntary gas EE&C plans in Pennsylvania provide specific low income**  
2 **measures?**

3 A: Yes. Philadelphia Gas Works’ (PGW) Demand Side Management (DSM) Plan provides  
4 enhanced equipment rebates for low income households, no-cost installation of smart thermostats,  
5 and enhanced rebates for roof insulation and air sealing.<sup>33</sup>

6 **II. THE NEED FOR DEDICATED LOW INCOME EE&C PROGRAMING**

7 **Q: What level of income qualifies a household as a “low income”?**

8 A: The Commission defines the term “low income customer” to include “a residential utility  
9 customer with household income at or below 150% of the Federal poverty guidelines.”<sup>34</sup> With  
10 some exceptions, most utility-run universal service programs require households to have income  
11 that is not greater than 150% of the federal poverty level (FPL) to qualify.

12 The FPL is a measure of poverty based exclusively on the size of the household, but not  
13 the composition of the household (i.e., whether the household consists of adults or children) or the  
14 relative cost of living. As a baseline, a household of four at 150% FPL has a maximum gross  
15 annual income of just \$48,225.<sup>35</sup> This is insufficient income to support a family of this size and is  
16 substantially less than a household this size needs to meet their basic expenses in any of the  
17 counties in UGI’s service territory.<sup>36</sup> For reference, in 2024, the average Self Sufficiency Standard  
18 for a family of four with two adults and two school age children in the Pennsylvania counties

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<sup>33</sup> See *PGW DSM IV Implementation Plan, P-2014-2459362, Further Revised Plan* (submitted, July 24, 2024).

<sup>34</sup> See 52 Pa. Code § 58.2.

<sup>35</sup> U.S. Dept. of Health and Human Services, 2025 U.S. Federal Poverty Guidelines, available at <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

<sup>36</sup> Self Sufficiency Standard, <http://www.selfsufficiencystandard.org/Pennsylvania>.

1 served by UGI ranged from a high of \$104,761 in Bucks County to a low of \$69,076 in Bedford  
2 County – substantially more than a household with income at 150% FPL makes in a given year.<sup>37</sup>

3 **Q: How many low income consumers reside in UGI’s service territory?**

4 A: UGI tracks its low income customer population two ways. First, an “estimated low income  
5 customer” count, which uses census data and UGI’s residential customer count to estimate the  
6 likely number of customers in UGI’s service territory with low income. Second, a “confirmed low  
7 income customer” count, which includes only those customers from whom UGI has obtained  
8 information documenting low income or who UGI has identified as receiving LIHEAP.<sup>38</sup>

9 According to the Commission’s 2023 Universal Service and Collections Performance  
10 Report (USR), UGI reported having an estimated low income customer count of 166,336  
11 (approximately 26.6% of residential customers).<sup>39</sup> With regard to UGI’s confirmed low income  
12 customers, the picture become a bit murkier. In the USR, UGI has a confirmed low income  
13 customer count of 89,923 (approximately 14.4% of residential customers).<sup>40</sup> However, in response  
14 to discovery, UGI provided multiple different confirmed low income counts. In response to  
15 questions about the number of low income customers who meet the LIURP threshold, UGI  
16 provided responses totaling only 9,572 confirmed low income customers (6,337 who met the  
17 threshold and 3,235 who did not).<sup>41</sup> Whereas, in response to questions regarding the total customer  
18 count, the Company indicated confirmed low income customer counts of 41,495 in 2023 and

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<sup>37</sup> Average Self Sufficiency Standard of all counties served by UGI for all four-person household types. See Sufficiency Standard – 2024 Pennsylvania Dataset, available at: <http://www.selfsufficiencystandard.org/Pennsylvania;>

<sup>38</sup> CAUSE-PA II-2.

<sup>39</sup> 2023 Universal Service Report (USR) at 8. <https://www.puc.pa.gov/media/3195/2023-universal-service-report-final.pdf>

<sup>40</sup> *Id* at 7.

<sup>41</sup> CAUSE-PA III-2. III-3.

1 40,634 in 2024.<sup>42</sup> Thus, UGI's discovery responses included inconsistent numbers that were  
2 substantially lower than the number of confirmed low income customers it reported to the  
3 Commission.

4 Notwithstanding the inconsistencies in UGI's confirmed low income reporting, the actual  
5 number of UGI's low income customers is likely closer to the 166,336 estimated low income  
6 customer count that it reported to the Commission in the 2023 Universal Service Report. The  
7 estimated low income customer count is a more reliable tool for assessing the number of low  
8 income households in UGI's service territory and the relative need for efficiency programs in  
9 relation to the residential customer class. In addition to the discrepancy in UGI's confirmed low  
10 income customer counts, the BCS census-based estimated low income count, which is collected  
11 and published by the federal government, provides a more accurate tool for estimating the number  
12 of eligible customers and assessing the effectiveness of UGI's low income programming. Thus,  
13 for the purpose of evaluating the percentage of gas usage attributable to low income customers,  
14 and the appropriate level of proportionate low income programming for inclusion in its EE&C  
15 Plan, I recommend that the Company develop an estimate based on the number of estimated low  
16 income customers in its service territory.

17 **Q: How many of UGI's low income customers qualify for LIURP?**

18 A: As I explained above, UGI was asked in discovery how many confirmed low income  
19 customers qualified for LIURP and responded that 3,235 confirmed low income customers  
20 qualified for LIURP and 6,337 did not.<sup>43</sup> However these 9,572 confirmed low income customers  
21 only amount to less than once quarter of the low income customers they reported to the

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<sup>42</sup> CAUSE-PA II-1.

<sup>43</sup> CAUSE-PA III-2, III-3. 2023 Universal Service Report at 8.

1 Commission in the USR. Considering these inconsistencies, I believe that the estimate provided  
2 in UGI's USECP is a more accurate estimate of the number of LIURP eligible households.

3 According to its current Universal Service and Energy Conservation Plan (USECP), UGI  
4 reported 57,330 identified low income customers, of which 10,007 (17%) were eligible for  
5 LIURP.<sup>44</sup> In other words, according to UGI's figures, less than one quarter of its confirmed low  
6 income customers meet the eligibility criteria for LIURP – further underscoring the importance of  
7 ensuring its EE&C Plan includes dedicated low income programs capable of serving the needs of  
8 tens of thousands of low income households across its service territory.

9 **Q: Is there evidence that UGI's low income customers struggle to afford and maintain**  
10 **gas service?**

11 A: Yes. There are strong indicators that UGI's service is unaffordable for low income  
12 customers, which makes it even more important that ratepayer supported efficiency programs are  
13 reaching low income customers to help control high costs.

14 UGI's universal service reporting shows that the Company's low income customers are  
15 disproportionately payment troubled and carry a disproportionate amount of residential consumer  
16 debt to the Company. According to the 2023 Universal Service Report, 94.5% of UGI's payment  
17 troubled customers are confirmed low income customers, which is substantially higher than the  
18 industry average 74%.<sup>45</sup> The fact that nearly all of UGI's payment troubled customers are  
19 confirmed low income customers is particularly troubling because only approximately 14.4% of  
20 UGI's residential customers are confirmed low income, which is below the industry average.<sup>46</sup>

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<sup>44</sup> UGI USECP 2020-2025, Append. B at p. B-1.

<sup>45</sup> 2023 USR at 11.

<sup>46</sup> *Id.* at 7.

1 UGI's confirmed low income customers are not only disproportionately payment troubled,  
2 but they also carry a disproportionate percentage of customer debt compared to residential  
3 customers as a group. Even though confirmed low income customers only represent approximately  
4 14.4% of UGI's residential ratepayers, 89.2% of UGI's residential payment arrangements were  
5 with confirmed low income customers.<sup>47</sup> Further, 32.0% of UGI residential customer that were in  
6 debt were confirmed low income compared to just 10.6% of general residential customers.<sup>48</sup> This  
7 was the highest percentage of confirmed low income customers in debt of any reporting NGDC,  
8 nearly double the industry average of 17.2%.<sup>49</sup> Confirmed low income customers represent 43.2%  
9 of dollars in residential debt owed to UGI<sup>50</sup> and carry a large majority (71.0%) of total dollars  
10 owed.<sup>51</sup>

11 **Q: Are UGI's low income customers required to pay for UGI's EE&C programs?**

12 A: Yes. UGI's EE&C Plan costs will be recovered through its proposed Phase II EEC Rider,  
13 which is recovered from all customers.<sup>52</sup> Neither Customer Assistance Program (CAP) participants  
14 nor confirmed low income customers are exempt from UGI's EE&C charge.<sup>53</sup> UGI asserts that this  
15 practice is "consistent with Act 129 surcharge mechanisms."<sup>54</sup> While UGI asserts that this practice  
16 is "consistent with Act 129 surcharge mechanisms," the Company, once again, fails to recognize  
17 that Act 129 programs are required to provide dedicated low income programming that is  
18 accessible to low income households. UGI lacks such programming. In the absence of such

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<sup>47</sup> 2023 USR at 12.

<sup>48</sup> *Id.* at 19-20.

<sup>49</sup> *Id.*

<sup>50</sup> *Id.*

<sup>51</sup> *Id.* at 23-24.

<sup>52</sup> UGI St. 2 at 2.

<sup>53</sup> CAUSE-PA II-4, II-5.

<sup>54</sup> *Id.*

1 dedicated programming, it is unjust and unreasonable to require low income customers to pay for  
2 the programs.

3 **Q: Do you have recommendations about the lack of specific low income programming in**  
4 **UGI’s proposed plan?**

5 A: Yes. As stated above, it is unjust and unreasonable to use ratepayer funds to pay for an  
6 EE&C program that does not include specific energy efficiency programming for low income  
7 customers.<sup>55</sup> Thus, I recommend that the Commission reject UGI’s proposed Phase II Plan, and  
8 order the Company to submit a revised plan that includes dedicated and proportionate  
9 programming designed to effectively reach its low income customer base.

10 I will provide additional recommendations for specific low income measures which should be  
11 included in each of UGI’s programs later in my testimony.

12 **III. UGI’s PROPOSED PHASE II EE&C PROGRAMS**

13 **a. Residential Retrofit (RR) Program**

14 **Q: Please summarize UGI’s proposed RR program.**

15 A: UGI describes the RR program as “designed to overcome market barriers to energy  
16 efficiency in the existing residential sector through rebates offered either to customers undergoing  
17 a retrofit project or to their installation contractor(s).”<sup>56</sup> UGI asserts that the program “encourages  
18 improvements to the thermal envelope of the structure, particularly reductions in building air  
19 leakage and increases in insulation levels.”<sup>57</sup> UGI’s plan states that the Company anticipates an

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<sup>55</sup> See Act 129 Energy Efficiency and Conservation Programs, 66 Pa.C.S. § 2806.1(b)(1)(i)(G).

<sup>56</sup> Plan at 38.

<sup>57</sup> *Id.*

1 incentive of approximately 25% of the project cost with an incentive cap of \$3,000.<sup>58</sup> UGI states,  
2 “This incentive is designed to provide a significant contribution to the cost of qualifying thermal  
3 envelope improvements.”<sup>59</sup> The projected budget for the RR program is \$4,388,403.<sup>60</sup>

4 **Q: Does UGI’s proposed RR program contain specific low income programming?**

5 A: The RR program provides the only low income specific benefit offered through UGI’s  
6 EE&C Plan, which is the RR assessment fee waiver. In its rate case, UGI agreed that, beginning  
7 with the effective date of new rates in that proceeding, customers who contact the UGI LIURP  
8 Team and who are determined by the UGI LIURP Team to have income at or below two hundred  
9 (200) percent of the Federal Poverty Level, but who do not meet LIURP high energy usage  
10 thresholds, would be referred to the RR Program to receive a free home energy assessment.<sup>61</sup> In  
11 addition to waiving the energy assessment fee, UGI agreed to perform direct install measures -  
12 with budget of up to \$250,000.<sup>62</sup> Direct install measures were to include, but not be limited to,  
13 smart thermostats, low flow devices, and water heater tank temperature setback.<sup>63</sup>

14 **Q: Have UGI’s low income customers been able to access the RR program?**

15 A: There were 211 low income customers that participated in the Residential Retrofit  
16 Programming Phase I.<sup>64</sup>

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<sup>58</sup> Plan at 42.

<sup>59</sup> *Id.*

<sup>60</sup> *Id.*

<sup>61</sup> *Pa. PUC v. UGI*, R-2018-3006814, Joint Pet. for Settlement ¶ 36 (submitted July 22, 2019).

<sup>62</sup> *Id.*

<sup>63</sup> *Id.*

<sup>64</sup> CAUSE-PA I-11.

1 **Q: Did those low income customers receive specific low income measures?**

2 A: Of the 211 low income customers who participated in the RR program, just 115 received  
3 the low income assessment fee waiver, meaning the other 94 low income participants were  
4 required to pay the assessment fee.<sup>65</sup> Only 45 low income customers completed follow up  
5 weatherization work.<sup>66</sup> Notably, however, none of the 115 customers who received the assessment  
6 fee waiver were able to afford additional efficiency measures recommended in the initial  
7 assessment, nor were they provided any direct install measures through the RR low income waiver  
8 program.<sup>67</sup> Of the \$250,000 that UGI agreed to set aside for the assessment fee waiver and follow  
9 up direct installation costs, the Company only spent approximately \$5,750 - and none of the direct  
10 installation measures received by low income participants were funded through the assessment fee  
11 waiver program.<sup>68</sup>

12 **Q: Did low income customers who participated in the RR program achieve proportional**  
13 **energy savings, relative to the amount of energy consumed by UGI's low income customer**  
14 **base?**

15 A: As I explained above, UGI has not endeavored to measure the share of gas usage  
16 attributable to low income customers. Further, it is impossible to determine whether customers  
17 received any meaningful energy or bill savings from the measures provided because UGI does not  
18 monitor energy or bill savings for customers participating in its RR program.<sup>69</sup>

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<sup>65</sup> CAUSE-PA I-13.

<sup>66</sup> CAUSE-PA I-11.

<sup>67</sup> CAUSE-PA I-14.

<sup>68</sup> CAUSE-PA III-9.

<sup>69</sup> CAUSE-PA II-14, III-5.

1 **Q: What is your overall assessment of UGI’s RR program?**

2 A: While there is very little data available, I believe UGI’s RR program has the potential to  
3 effectively remove market barriers for low income access to EE retrofit measures. However, to  
4 realize this potential, UGI must take additional steps to equitably serve low income households  
5 and add additional low income measures to fill the gaps by providing EE to “hard to reach” low  
6 income households that don’t qualify for LIURP but also cannot afford to adopt efficiency  
7 measures on their own. I am troubled by the limited number of low income customers who were  
8 able to receive an energy assessment through the program – and the even smaller number who  
9 were able to adopt any actual efficiency measures after receiving their energy assessments. Further,  
10 considering UGI’s prior commitments in its rate case, it is especially troubling how few customers  
11 were able to access UGI’s assessment fee waivers and that none of the customers who received  
12 low income assessment fee waivers were able to access follow up measures.<sup>70</sup> UGI had agreed to  
13 set aside a substantial budget to provide direct install measures at no cost to the customer – yet it  
14 failed to deliver on this promise, resulting in deep inequities in access to its ratepayer supported  
15 efficiency program.

16 **Q: Is UGI proposing to continue its low income assessment waiver program as part of its**  
17 **Phase II RR program?**

18 A: It is unclear from UGI’s Petition the extent to which it intends to continue its fee waiver  
19 and direct installation services for low income participants as part of its RR program. While the  
20 Plan references the fee waiver for low income participants, there is no reference to whether UGI  
21 will pay for direct installation of measures identified in the energy assessment consistent with the

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<sup>70</sup> CAUSE-PA I-13, I-14.

1 Settlement terms for UGI’s Phase I Plan.<sup>71</sup> I note that even if UGI were to continue offering a  
2 budget of up to \$250,000 for direct installation measures identified through the energy assessment,  
3 this level of spending would not be proportionate to UGI’s low income customer base. As noted  
4 above, UGI is proposing a budget of \$4,388,403 for its RR program. A budget of up to \$250,000  
5 would represent just 5.7% of its RR program budget proposal – far lower than the percentage of  
6 UGI’s estimated and confirmed low income customer base.

7 **Q: What are your recommendations regarding UGI’s proposed RR program?**

8 A: I recommend the Commission direct UGI to establish a \$650,00 budget within its RR  
9 program to support free energy assessments and direct installation of efficiency measures  
10 identified through those assessments for low income customers who are ineligible for services  
11 through LIURP. While not fully proportional to UGI’s *estimated* low income customer base, this  
12 level of funding would be proportionate with UGI’s confirmed low income customer base – while  
13 still leaving well over \$3.6 million for non-low income residential customers.

14 For reference, EDCs have spent an average of 13% of their Act 129 energy efficiency and  
15 peak demand reduction (EEPDR) budget on low income programming.<sup>72</sup> According to a recent  
16 presentation from the Statewide Evaluator, EDC’s Phase IV low income spending continued at a  
17 similar rate at 13.3%.<sup>73</sup> If UGI were to direct a similar, proportionate level of funding toward  
18 specific, dedicated low income programming, it would direct 13% of its total \$69.5 million five  
19 year budget - or approximately \$9 million over Phase II or \$1.8 million per year. Thus, while my

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<sup>71</sup> Plan at 42.

<sup>72</sup> *Implementation of Act 129 of 2008—Phase IV Energy Efficiency and Conservation Plan Template*, Docket No. M-2020-3015228 Docket No. M-2020-3015228 Final Implementation Order, at 25.

<sup>73</sup> *Statewide Evaluator, Pa. EEPDR Market Potential Study Report Presentation*, at slide 6 (January 29, 2025)  
[https://www.puc.pa.gov/media/3307/phasev\\_act129\\_eepdr\\_mps\\_stakeholder\\_meeting\\_presentation\\_012225.pdf](https://www.puc.pa.gov/media/3307/phasev_act129_eepdr_mps_stakeholder_meeting_presentation_012225.pdf)

1 recommendation will still not get UGI to a proportionate level of spending, it will be a step in the  
2 right direction.

3 In addition, UGI should be required to roll the remaining \$244,250 from its Phase I budget  
4 for low income assessment fee waiver and direct measure installation. These funds should be *in*  
5 *addition* to the funds identified above. In other words, UGI's budget for low income energy  
6 assessments and direct measure installation should be set at \$894,250 for Phase II. Again, while  
7 this would not reach the level of proportional spending from EDCs through Act 129, it would  
8 improve the ability of low income customers to access UGI's EE&C programs.

9 In addition to low income assessment fee waivers, these dedicated low income funds  
10 should be used to cover the full cost of efficiency measures identified in an energy assessment,  
11 with a special focus on weatherization measures such as insulation and air sealing. UGI should  
12 begin promoting the availability of the assessment waiver program, including the direct install  
13 benefits, by informing customers about the availability of those measures when they initially  
14 request the assessment and when they receive the assessment report. UGI should also promote the  
15 availability of the low income assessment waiver program by informing all customers rejected  
16 from the LIURP program about the availability of the assessment waivers and accompanying direct  
17 install benefits.

18 Whenever possible, I recommend that UGI utilize existing LIURP contractors to conduct  
19 the energy assessment and provide the direct installation of these low income specific measures.  
20 The use of UGI's LIURP contractor network will help to more effectively utilize the expertise of  
21 contractors with direct experience in delivering programs to low income families, and will help to  
22 leverage a multitude of other housing and efficiency programs administered by these groups. It

1 will also help strengthen UGI's relationships with existing contractors and local community based  
2 agencies.

3 I also recommend that, as part of its updated EE&C Plan, UGI be required to establish an  
4 Evaluation, Measurement, and Verification (EMV) Plan modeled after the EE&C reporting  
5 metrics provided by EDCs in their Act 129 programs. The EMV Plan should provide sufficient  
6 data to evaluate and verify low income participation in both its dedicated low income  
7 programming, as well as its general residential programming, including the RR and RP programs.  
8 The EMV Plan should contain specific metrics that allow the Commission and stakeholders to  
9 evaluate how many low income customers participate in the program, the specific measures they  
10 receive, and how much money was spent on low income customers. The EMV should also track  
11 verified energy savings achieved through participation in both general residential programs and  
12 dedicated low income programs. As I explained earlier in my testimony, UGI should also evaluate  
13 the proportion of its overall customer energy consumption that is attributable to the low income  
14 sector based on its estimated low income customers. UGI should use that data to ensure that its  
15 program has a proportional number of low income measures and that low income customers are  
16 achieving a proportional level of energy savings through participation in its EE&C programs. UGI  
17 should be required to develop the EMV within 90 days of a final order in this proceeding and  
18 submit it along with its updated Phase II EE&C Plan.

19 **b. Residential Prescriptive (RP) Program**

20 **Q: Please summarize the RP program.**

21 A: UGI's proposed Plan indicates that the RP program is designed to overcome market  
22 barriers to energy efficient space and water heating equipment for residential customers through

1 rebates and customer awareness.<sup>74</sup> UGI asserts that the RP program objective is to avoid lost  
2 opportunities by encouraging consumers to install the most efficient natural gas heating  
3 technologies available.<sup>75</sup>

4 The RP program offers rebates for qualifying space and water heating equipment.<sup>76</sup>  
5 Customer rebates can be issued via mail or in the form of an instant rebate issued by qualified  
6 participating contractors or equipment distributors.<sup>77</sup> The specific rebates available through the RP  
7 program are for furnaces, boilers, combi-boilers, tankless water heaters, boiler reset controls,  
8 fireplace inserts, single package vertical units, and smart thermostats.<sup>78</sup>

9 **Q: Does UGI's proposed RR program contain specific low income programming, such**  
10 **as enhanced rebates?**

11 A: No.

12 **Q: Have low income customers been able to access the RP program?**

13 A: UGI indicated in response to discovery that 4,896 low income customers were served by  
14 the RP program in Phase I.<sup>79</sup> These customers accounted for 9.3% of the 52,568 customers served  
15 by the program in Phase I.<sup>80</sup> However, as the RP Program does not provide any specific low income  
16 measures, it is unclear which of the rebates low income customers were able to access. It is also

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<sup>74</sup> Plan at 23.

<sup>75</sup> *Id.*

<sup>76</sup> *Id.* at 25.

<sup>77</sup> *Id.*

<sup>78</sup> *Id.* at 28.

<sup>79</sup> CAUSE-PA I-10.

<sup>80</sup> See UGI EE&C PY 1 Report at 11; UGI EE&C PY 2 Report at 11; UGI EE&C PY 3 Report at 11; UGI EE&C PY 4 Report at 11; UGI EE&C PY 5 Report at 11.

1 unclear how UGI identified low income participation, or whether UGI asks or verifies income of  
2 rebate recipients.

3 **Q: Does UGI’s claim that low income customers participated in the RP program satisfy**  
4 **the need for proportional low income measures and energy savings in UGI’s EE&C Plan?**

5 A: No. As I explained above, the RP program does not provide specific low income measures.  
6 According to the standards that the Commission applies to EE&C Plans under Act 129, only  
7 savings derived from, specific low income programming count toward its proportional savings  
8 requirement.<sup>81</sup> The Commission does not allow savings from general residential programs to count  
9 toward these targets.<sup>82</sup> Further, even if these general measures were to be counted in consideration  
10 of proportional treatment of low income customers, the level of spending and relative saving  
11 achieved are still not proportional to UGI’s substantial low income customer base. As explained,  
12 UGI does not budget spending or energy savings for low income customers, nor does it not budget  
13 or monitor actual bill savings for customers.<sup>83</sup>

14 **Q: What are your recommendations regarding the RP program?**

15 A: In line with my above recommendations I recommend that the Commission not approve  
16 UGI’s EE&C Plan unless and until the Company provides an updated plan that offers proportionate  
17 measures and programming specifically directed to low income households, including updates to  
18 both the RR and RP programs, which are capable of achieving meaningful and proportional energy  
19 and bill savings for its low income customers. Also, as explained above I also recommend that

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<sup>81</sup> *Implementation of Act 129 of 2008—Phase IV Energy Efficiency and Conservation Plan Template, Docket No. M-2020-3015228, Final Implementation Order*, at 28 (The only exception is “low income-verified participants in multifamily housing programs.”).

<sup>82</sup> *Id.* (emphasis added).

<sup>83</sup> CAUSE-PA II-14.

1 UGI improve its tracking and reporting of the RP programs by establishing an EMV Plan that,  
2 among other things, can help evaluate whether low income customers are receiving proportional  
3 treatment through UGI's EE&C and whether they are achieving proportional, verified energy  
4 savings.

5 **c. Targeting of low income multifamily properties through the Residential New**  
6 **Construction (RNC) and Nonresidential (NR) programs**

7 **Q: Please summarize UGI's proposed RNC and NR programs.**

8 A: According to UGI, the RNC program is designed to overcome market barriers to energy  
9 efficient space and water heating equipment, as well as high efficiency thermal envelopes, in the  
10 residential new construction sector through rebates offered to builders and developers.<sup>84</sup> The  
11 program's objective is to avoid lost opportunities by encouraging builders and developers to install  
12 the most efficient gas heating technologies available and promote thermal envelope best  
13 practices.<sup>85</sup>

14 The NR program offers incentives for overcoming market barriers for gas efficiency in  
15 commercial, industrial, and multifamily buildings with commercial accounts.<sup>86</sup> UGI indicates the  
16 program objective is to encourage business owners to install the most efficient gas heating and  
17 process technologies available and to perform comprehensive gas energy savings retrofits of  
18 existing buildings.<sup>87</sup>

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<sup>84</sup> Plan at 31.

<sup>85</sup> *Id.*

<sup>86</sup> Plan at 46

<sup>87</sup> *Id.*

1 **Q: How does UGI identify low income multifamily housing providers to serve through**  
2 **its EE&C?**

3 A: In its proposed Plan, UGI indicates it will market directly to residential multi-family  
4 customers and multifamily new construction, including master-metered multifamily residences,  
5 focusing on residents, landlords, and management companies. In response to discovery, UGI  
6 indicated that it coordinates with the Housing Alliance of Pennsylvania, Pennsylvania Housing  
7 Finance Agency (PHFA), trade allies, and contractors, to help identify low income housing  
8 providers.<sup>88</sup>

9 UGI also indicated in discovery that, in Phase I, its EE&C Team participated in the Housing  
10 Alliance of PA Homes Within Reach conference (exhibited twice, attended once, advertised in the  
11 program once). UGI presented a webinar to Housing Alliance stakeholders in 2021; participated  
12 in a webinar with PULP in 2022; sent emails to PHFA stakeholders in 2021 and 2023; and attended  
13 “Multifamily Bootcamp” at PHFA in 2024.

14 While I commend UGI for participating in these trainings and events, these efforts are quite  
15 sparse over the Plan period and do not seem adequate to increase engagement with housing  
16 providers across its service territory.

17 **Q: What criteria does UGI use to identify low income multifamily housing providers to**  
18 **serve through its EE&C?**

19 A: UGI does not have criteria for classifying low income multifamily properties.<sup>89</sup>

20 **Q: How many multifamily buildings were served through UGI’s Phase I EE&C?**

21 A: In response to discovery, UGI indicated six housing providers participated in Phase I.

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<sup>88</sup> CAUSE-PA I-4.

<sup>89</sup> CAUSE-PA I-5.

1 **Q: How many low income multifamily housing providers were served through UGI's**  
2 **Phase I EE&C?**

3 A: UGI does not specifically track low income multifamily housing projects.<sup>90</sup>

4 **Q: Did UGI's Residential New Construction program include any affordable housing**  
5 **projects during Phase I?**

6 A: No.<sup>91</sup>

7 **Q: What is your overall impression of UGI's multifamily outreach?**

8 A: I appreciate the steps UGI has taken to identify multifamily properties to serve through its  
9 EE&C programs. However, it does not appear that the steps UGI has taken have been effective at  
10 reaching low income multifamily properties in need of EE&C measures. Low income multifamily  
11 projects have less resources and must keep costs down in order to provide housing that is affordable  
12 to low income families. UGI must take affirmative, specific steps to target and serve these types  
13 of properties – beyond the sparse training and emails mentioned above that UGI undertook in  
14 Phase I.

15 **Q: Do you have recommendations to improve UGI's ability to reach low income housing**  
16 **projects?**

17 A: Yes. As a first step, UGI should be required to consult with its Universal Service Advisory  
18 Committee (USAC) develop criteria for classifying properties as “low income multifamily  
19 projects.” UGI should hold a dedicated Multifamily stakeholder meeting once per year to help  
20 identify low income multifamily projects to serve through its RNC and NR programs. UGI should

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<sup>90</sup> CAUSE-PA I-3.

<sup>91</sup> CAUSE-PA I-12.

1 invite representatives from PHFA, the Housing Alliance, DEP, DCED, EDCs, the parties to this  
2 proceeding, and other interested stakeholders. At the first meeting, UGI should review its criteria  
3 and discuss any revisions that should be made to those criteria to ensure the program is accessible  
4 to low income multifamily building owners and property managers.

5 UGI should also be required to track and report annually the number of low income housing  
6 units served through its RNC and NR programs, as well as the total dollars spent on each low  
7 income housing project.

8 **IV. PROGRAM COORDINATION**

9 **Q: How does UGI propose that its EE&C will work with Inflation Reduction Act (IRA)**  
10 **programs?**

11 A: In response to discovery, UGI indicated that, for the Home Energy Rebates (HER) and  
12 Home Electrification and Appliance Rebates (HEAR) IRA Programs, the Company “needs more  
13 information from the PA DEP on program management specifics before it can make an informed  
14 decision regarding the IRA programs.”<sup>92</sup> The Company further pointed out that, as of the time of  
15 the response, the programs had not yet launched and appeared to be slated for some time in 2025.<sup>93</sup>  
16 UGI also indicated it will continue to promote awareness of tax incentives through social media  
17 ads, email, links on the Company’s website, and contractor education, etc.<sup>94</sup> However, it makes no  
18 explicit commitment to ensure program participants are timely informed of the availability of  
19 additional incentives at the time of participation – nor does it commit to coordination of new

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<sup>92</sup> CAUSE-PA I-1.

<sup>93</sup> *Id.*

<sup>94</sup> *Id.*

1 programs as they come online to ensure incentives are appropriately leveraged to promote adoption  
2 of efficiency without free riders.

3 **Q: Do you have recommendations for how UGI can coordinate its EE&C program with**

4 A: Yes. I recommend that UGI be required to file a Plan addendum explaining how it will  
5 ensure EE&C programming is coordinated with new IRA-funded programs as they come online.

6 **Q: How does UGI plan to coordinate its EE&C with the Act 129 EE&C programs**  
7 **operated by electric utilities in its service territory?**

8 A: UGI indicates that it attends periodic meetings with the EDCs to discuss EE&C program  
9 updates and shares details on prospective C&I projects with the electric utilities Conservation  
10 Service Providers operating in the service territory.<sup>95</sup> However, there is no evidence of any  
11 specific steps taken to coordinate electric and gas efficiency projects.

12 **Q: Do you have recommendations to improve coordination between UGI's EE&C and**  
13 **the Act 129 programs in its territory?**

14 A: Yes. The Commission should require UGI to file a revised plan that includes a reasonable  
15 plan for effective coordination with the Act 129 programs provided by EDCs with overlapping  
16 territory. To that end, within 180 days of approval of Phase II, UGI should convene a meeting and  
17 invite representatives from EDCs with overlapping territory to discuss improved coordination with  
18 electric utilities Act 129 and LIURP to install measures with long term bill savings.

19 **Q: How does UGI plan to coordinate its EE&C with its LIURP?**

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<sup>95</sup> CAUSE-PA I-16.

1 A: UGI provides information on its website and on EE&C customer applications regarding  
2 the availability of LIURP. If UGI receives an inquiry from a customer who indicates they may be  
3 low income, the EE&C Team refers the customer to the LIURP Team.<sup>96</sup> In Phase I, UGI referred  
4 15 customers from EE&C to its LIURP.<sup>97</sup> Of those referrals, 5 were able to access LIURP  
5 services.<sup>98</sup>

6 **Q: Do you have recommendations to improve LIURP coordination?**

7 A: Yes. While LIURP should be the first option for low income customers in need of  
8 weatherization, not all customers will qualify. As I explained above, UGI should refer low income  
9 customers who are rejected from LIURP to its Low Income Assessment Fee Waiver program and  
10 should inform those customers about the availability of free direct install measures following a  
11 free home energy assessment. UGI should also focus on improved coordination with electric  
12 utilities Act 129 and LIURP to ensure that low income customers are receiving the best possible  
13 benefits from the combination of the two programs.

14 **V. FUEL SWITCHING**

15 **Q: Does UGI allow for the use of its EE&C rebates to subsidize the cost for electric**  
16 **heating customers to convert to gas furnaces?**

17 A: Yes. In response to discovery, UGI indicated that the Company does not request  
18 information about a customers' fuel source during the rebate application process.<sup>99</sup> Upon  
19 investigation, UGI identified that, 56 residential customers converted from electric to gas

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<sup>96</sup> CAUSE-PA I-17, I-6.

<sup>97</sup> CAUSE-PA I-7.

<sup>98</sup> CAUSE-PA I-8.

<sup>99</sup> CAUSE-PA III-6.

1 equipment using rebates from UGI’s RP program in 2024, and 55 of those customers converted  
2 from electric heat to gas heat.<sup>100</sup> UGI has disclosed informally that only one of those customers  
3 was a UGI Electric customer, meaning that the other 54 customers were converted from electric  
4 heat (presumably provided by PPL Electric or First Energy) to UGI heating customers.

5 **Q: Do you agree with UGI’s EE&C rebates being used to convert electric heating**  
6 **customers onto UGI gas heating service?**

7 A: No. It is inappropriate for the Commission to allow UGI to continue to use its ratepayer  
8 funded EE&C to convert electric heating customers to gas heating, especially to the extent that it  
9 is used to convert customers from other companies. The purpose of the program is to reduce gas  
10 usage. Converting electric heating customers increases the amount of gas the household will use.  
11 Notably, fuel switching in this manner is explicitly prohibited in the Commission’s LIURP  
12 regulations.<sup>101</sup> Further, in the context of Act 129, increase fuel consumption from fuel switching  
13 is treated as a negative TRC benefit, and fuel-switching measures have been removed from the  
14 2026 TRM.<sup>102</sup> The Commission has also ordered that any EDC that wishes to offer fuel switching  
15 measures must include in their EE&C plan a proposed minimum standard and provide justification  
16 for the threshold to receive program support.<sup>103</sup> UGI has not provided any such analysis in its  
17 proposed Plan.

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<sup>100</sup> *Id.*

<sup>101</sup> 52 Pa. Code §58.11(b) (“Program funds may not be used for measures that involve fuel switching between Commission regulated utilities.”).

<sup>102</sup> 2026 TRC Test, M-2024-3048998, Final Order at 83-85.

<sup>103</sup> *Id.* at 83.

1 I do not believe that it would be good use of ratepayer-funded program dollars for the  
2 Commission to allow UGI to continue to convert electric heating customers to gas combustion  
3 equipment rebate measures.

4 **VI. SUMMARY OF RECOMMENDATIONS**

5 **Q: Please summarize your recommendations.**

6 A: I have made several recommendations throughout my testimony to improve the  
7 accessibility of UGI's EE&C programs to low income customers and to ensure that the program  
8 is delivering meaningful energy and bill savings:

- 9 • Reject UGI's proposed Phase II EE&C Plan unless the Company submits a revised plan  
10 that provided dedicated, proportionate low income measures, consistent with my  
11 recommendations.
- 12 • Direct UGI to establish a \$650,00 budget within its RR program to support free energy  
13 assessments and direct installation of efficiency measures identified through those  
14 assessments for low income customers who are ineligible for services through LIURP.
- 15 • Require UGI to roll the remaining \$244,250 from its Phase I low income assessment fee  
16 waiver and direct installation into its Phase II EE&C budget to provide no cost direct install  
17 efficiency measures for low income customers. These funds should be in addition to  
18 establishing a new, \$650,000 budget to support ongoing energy assessment fee waiver and  
19 direct installation of recommended measures in the Phase II RR program.
- 20 • Require UGI to track and report the pre and post treatment usage of RR participants to  
21 ascertain whether customers participating in the RR program are actually achieving  
22 projected energy and bill savings.
- 23 • Require UGI to develop an estimate the percentage of gas usage attributable to low income  
24 customers, and the appropriate level of proportionate low income programming based on  
25 the number of estimated low income customers in its service territory.
- 26 • Require UGI to utilize existing LIURP contractors to conduct the energy assessment and  
27 provide the direct installation of these low income specific measures.

- 1     • Require UGI, as part of its updated EE&C Plan, UGI be required to establish an Evaluation,  
2     Measurement, and Verification (EMV) Plan modeled after the EE&C reporting metrics  
3     provided by EDCs in their Act 129 programs.
  - 4         ○ The EMV Plan should provide sufficient data to evaluate and verify low income  
5         participation in both its dedicated low income programming, as well as its general  
6         residential programming, including the RR and RP programs.
  - 7         ○ Require UGI to use the data in the EMV to ensure that its program has a  
8         proportional number of low income measures and that low income customers are  
9         achieving a proportional level of energy savings through participation in its EE&C  
10        programs.
  - 11        ○ UGI should be required to develop the EMV within 90 days of a final order in this  
12        proceeding and submit it along with its updated Phase II EE&C Plan.
- 13    • Require UGI to consult with its Universal Service Advisory Committee (USAC) develop  
14    criteria for classifying properties as “low income multifamily projects.”
- 15    • Require UGI to hold a dedicated Multifamily stakeholder meeting once per year to help  
16    identify low income multifamily projects to serve through its RNC and NR programs. UGI  
17    should invite representatives from PHFA, Housing alliance, DEP, DCED, EDCs, the  
18    parties to this proceeding, and other interested stakeholders.
- 19    • UGI should be required to track and report annually the number of low income housing  
20    units served through its RNC and NR programs, as well as the total dollars spent on each  
21    low income housing project.
- 22    • Require UGI to file a Plan addendum explaining how it will ensure EE&C programming  
23    is coordinated with new IRA-funded programs as they come online.
- 24    • The Commission should require UGI to file a revised plan that includes a reasonable plan  
25    for effective coordination with the Act 129 programs provided by EDCs with overlapping  
26    territory.
- 27    • Order UGI to improve its program tracking and reporting, including but not limited to the  
28    recommended data points referenced in my testimony.
- 29    • Do not allow UGI to continue to use its EE&C program funding to convert electric heating  
30    customers to gas combustion equipment rebate measures.

1 **Q: Does this conclude your direct testimony?**

2 **A: Yes.**

**APPENDIX A**  
**Resume of Mitchell Miller**

**MITCHELL MILLER**  
60 GEISEL Road  
Harrisburg, PA 17112  
Home: (717) 599-5510 Mobile: (717) 903-2196  
[Mitchmiller77@hotmail.com](mailto:Mitchmiller77@hotmail.com)

## **EMPLOYMENT**

### **2009-Present Mitch Miller Consulting, LLC**

Practice provides consulting services that promote the public interest with a focus on low income households. Specifically over 35 years of expertise is applied to the evaluation of regulatory policy involving customer service, complaint handling, credit and collections and universal service. Objective is to promote public policy development, program design, and implementation of programs for consumer education, energy efficiency, credit and collections, and customer assistance.

### **2009-2012 Pennsylvania Department of Community and Economic Development Consultant**

Served as a Consultant on weatherization and energy efficiency for the Pennsylvania Weatherization Assistance Program (WAP) at PA DCED. Was instrumental in transforming the WAP program by creating a performance-based system, dedicated to a high standard of quality, compliance and production. Innovations include introducing performance standards for production, quality and compliance and independent certification and training for all state WAP workers. Also responsible for coordinating the states WAP program with the PUC, utilities and other efficiency programs.

### **1992-2009 Pennsylvania Public Utility Commission Director, Bureau of Consumer Services**

Until his retirement from state service Mr. Miller was director of Consumer Services and PA PUC. His bureau has regulatory authority and responsibility for policy development for all areas of consumer services including resolving consumer complaints and problems, enforcing consumer regulations, developing, implementing and evaluating programs involving complaint handling, complaint analysis collections, enforcement of consumer regulations, utility customer assistance programs and low income conservation. He also directed BCS responsibilities for implementing the Pennsylvania Electric, Gas and Telephone Customer Choice Programs. Specific areas under his Direction include:

#### **Program Evaluation and Regulation**

- Monitoring and evaluating the customer service practices and programs of utilities
- Promulgating regulations, implementing procedures to meet regulatory requirement and taking enforcement action to assure compliance
- Field reviews and audits of utilities' operations and advice the Commission regarding issues of interest and concern of utility consumers
- Compliance enforcement including informal investigations and prosecution of formal cases

- Track trends in the number and type of consumer complaints and inquiries, utility performance at handling customer complaints and payment arrangement requests. Other databases utilized to track utility termination activity, collection of delinquent accounts, compliance with customer service regulations and other areas critical to evaluating utility customer service performance.
- Produce utility performance and evaluative reports for the PUC, utilities and the public

### **Universal Service Programs**

- The LIURP is targeted toward low-income households with the highest energy consumption, payment problems, and high arrearages. Since the program's inception to 2009, the major electric and gas companies required to participate in LIURP have spent over \$530 million to provide weatherization treatments to more than 350,000 low-income households in Pennsylvania. The budgets for 2008 were 22 million for electric utilities and 9 million for gas utilities
- Customer Assistance Programs (CAPs) provide an alternative to traditional collection methods for low income, payment troubled utility customers. Customers make regular monthly payments, which may be for an amount that is less than the current bill for utility service. Budgets for CAP programs in 2008 were 189 million for electric companies and 174 million for gas companies. Utility companies have spent over 2 billion dollars for CAP through 1998.

### **Utility Complaint Handling and Regulation**

- Responsible for establishing procedures and directing 90 staff in investigating annually over 100,000 informal consumer complaints for regulated fixed utilities, payment arrangement requests and responding to over 70,000 inquiries.
- Arbitrate billing, credit and other informal complaints and issue binding decisions to resolve informal disputes expeditiously. Investigators also issue decisions regarding the amortization of overdue electric, gas, steam heat, water, wastewater and basic telephone bills.

**1978-1992**

### **Pennsylvania Public Utility Commission**

#### **PA Chief, Division of Research and Planning**

Reported to Director of Bureau of Consumer Services with direct responsibility for the direction, supervision and planning of a Division of 15 professionals who are delegated program responsibilities for regulation enforcement, utility program evaluation, customer assistance programs and consumer education. As the first Division Chief he was instrumental in creating these activities

- Bureau's compliance program in enforcing customer service regulations and statues through regulator interpretations, citations and litigation; including preparing with legal staff formal records, briefs, motions, interrogatories, reviewing utility responses and negotiating equitable settlements.
- Development and implementation of computer information evaluation systems for evaluation of utility customer service programs; systematic performance problems are identified through statistical analysis and observation and correction actions recommended via public reports, formal rate cases and consumer services audit programs.
- Managed the development of Commission's first consumer education program including proposing annual plans, statewide networking, supervising staff in conducting of workshops and conferences, and preparation of consumer education materials.

- Supervised the development of an integrated program for low income consumers; through program evaluation, leading to testimony, preparation of policy recommendations, interdepartmental coordination, regulation promulgation and establishing evaluation criteria

### **1977-1978 Pennsylvania Public Utility Commission Harrisburg, PA Research Analyst**

Responsible for evaluating existing utility and Commission customer service programs and identifying problems and recommendations for change, which led to Division's current programs.

### **1974-1977 Governor's Action Center Harrisburg, PA Research Supervisor**

Office supervisor for a research and information unit. Duties included the modification and maintenance of an information and evaluation system, writing technical and topical reports, quality control review and staff training. Responsible for the supervision of five case evaluator and student interns.

## **EDUCATION**

M.S., Shippensburg University, 1984  
Major: Public Administration  
G.P.A. 3.9/4.0

B.S., Pennsylvania State University, 1974  
Major: Community Development  
Cum Laude

## **ADDITIONAL AFFILIATIONS**

Member, Pennsylvania WAP Policy Advisory Council  
Member, Keystone Energy Efficiency Alliance  
Past Co-Chair Keystone Energy Efficiency Alliance Conference  
Past Co-Chair National Energy and Utility Affordability Conference

## EXPERT TESTIMONY

- Joint Application of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, West Penn Power Company, Keystone Appalachian Transmission Company, Mid-Atlantic Interstate Transmission, LLC, and FirstEnergy Pennsylvania Electric Company, Docket Nos. A-2023-3038771, et al.
- Petition of PPL Electric Utilities Corporation of its Act 129 Phase IV Energy Efficiency and Conservation Plan, Docket No. M-2020-3020824
- Petition of the Pittsburgh Water and Sewer Authority for Approval of a Pilot Private Service Line Leak Repair and Expanded Conservation Program for Eligible Low-Income Customers, Docket No. P- 2022-3030253
- Petition of Pennsylvania American Water Company for Approval of an Arrearage Management Plan, Docket No. P-2021-3028195
- Pa. PUC v. Pennsylvania American Water Co., Docket Nos. R-2020-3019269, -3019371
- Pa. PUC v. Columbia Gas of Pennsylvania, Docket No. R-2020-3018835
- Pa. PUC v. UGI Gas of Pennsylvania, Inc., Docket No. R-2019-3015162
- Pa. PUC v. UGI Gas of Pennsylvania, Inc., Docket No. R-2018-3006814
- Implementation of Chapter 32 of the Public Utility Code Re Pittsburgh Water and Sewer Authority, Docket Nos. M-2018-2640802, M-2018-2640803
- Pa. PUC v. Pittsburgh Water and Sewer Authority, Docket No. R-2018-3002645; R-2018-3002647
- Pa. PUC v. PECO Energy Co., Docket No. R-2018-30000164
- Pa. PUC v. Columbia Gas of Pennsylvania, Inc., Docket No. R-2018-2647577
- PECO Energy Company’s Pilot Plan for an Advance Payments Program and Temporary Waiver of Portions of the Commissions Regulations, Docket No. P-2016-2573023
- Pa. PUC v. UGI Penn Electric, Inc., Docket R- 2016-2580030
- Pa. PUC v. Metropolitan Edison Company, Docket No. R-2016-2537349
- Pa. PUC v. Pennsylvania Electric Co., Docket No. R-2016-2537352
- Pa. PUC v. Pennsylvania Power Co., Docket No. R-2016-2537355
- Pa. PUC v. West Penn Power, Docket No. R-2016-2537953
- Pa. PUC v. UGI Utilities, Inc. – Gas Division, Docket No. R-2015-2518438
- Petition of Duquesne Light for Approval its Act 129 Phase III Energy Efficiency and Conservation Plan, Docket No. M-2015-2515375
- Petition of PECO Energy Co. for Approval its Act 129 Phase III Energy Efficiency and Conservation Plan, Docket No. M-2015-2515619
- Consolidated Petition of First Energy Companies for Approval its Act 129 Phase III Energy Efficiency and Conservation Plan, Docket Nos. M-2015-2514767, -2514768, -2514769, 2514772
- Petition of Philadelphia Gas Works for Approval of its Phase II Demand Side Management Plan, Docket No. P-2014-2459362
- Pa. PUC v. PECO Gas of Pa., Inc., Docket No. R-2015-2468056
- Pa. PUC v. PPL Electric Utilities Corporation, Docket No. R-2015-2469275

- Pa. PUC v. PECO Gas of Pa., Inc., Docket No. R-2014-2406274
- Verizon Pa., LLC, and Verizon North, LLC, Petition for Competitive Classification, Docket Nos. P-2014-2446303, P-2014-2446304
- Petition of PECO Energy Co. for Approval its Act 129 Phase II Energy Efficiency and Conservation Plan, Docket No. M-2012-2333992
- Petition of PECO Energy Co. for Approval of its Default Service Program II, Docket No. P-2012-2283641
- Petition of PECO Energy Co. for Approval of its Universal Service and Energy Conservation Plan, Docket No. M-2012-2290911.

**THE COALITION FOR AFFORDABLE UTILITY SERVICE AND ENERGY  
EFFICIENCY IN PENNSYLVANIA**

**APPENDIX B**

**CITED DISCOVERY RESPONSES**

**Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania (CAUSE-PA) to Petition of UGI Utilities, Inc. – Gas Division (UGI)**

- CAUSE-PA I-1
- CAUSE-PA I-2
- CAUSE-PA I-3
- CAUSE-PA I-4
- CAUSE-PA I-5
- CAUSE-PA I-6
- CAUSE-PA I-7
- CAUSE-PA I-8
- CAUSE-PA I-10
- CAUSE-PA I-11
- CAUSE-PA I-12
- CAUSE-PA I-13
- CAUSE-PA I-14
- CAUSE-PA I-16
- CAUSE-PA I-17
- CAUSE-PA II-1
- CAUSE-PA II-2
- CAUSE-PA II-4
- CAUSE-PA II-5
- CAUSE-PA II-14
- CAUSE-PA III-2
- CAUSE-PA III-3
- CAUSE-PA III-5
- CAUSE-PA III-6
- CAUSE-PA III-9

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-1

Request:

How does UGI propose that its EE&C will work with Inflation Reduction Act (IRA) programs, including but not limited to the Home Energy Rebate program?

Response:

UGI will continue to promote awareness of tax incentives. Strategies may include, but are not limited to, social media ads, email, links on the Company's website, and contractor education, etc.

For the HOMES and HEERA IRA Programs, UGI needs more information from the PA DEP on program management specifics before it can make an informed decision regarding the IRA programs, which have not yet launched and appear to be slated for some time in 2025.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-2

Request:

When applying the Act 129 Total Resource Cost (TRC) in its cost effectiveness test, did UGI calculate the avoided collections and terminations costs attributable to low income participation?

Response:

No, the Company did not calculate the avoided collections and terminations costs attributable to low income participation.

UGI is aware of the benefit for Act 129 EDCs based on the study performed by the Statewide Evaluator (SWE). Given that UGI does not have a dedicated low income program, nor was there a study performed by the SWE for gas utilities, UGI did not perform these calculations.

UGI also notes that performing such calculations would only result in marginal increases in the EE&C Plan's and individual residential programs' benefit-cost ratios. Therefore, given the additional EE&C Plan expense that the Company would incur to perform these calculations, UGI believes it would be more prudent not to perform these calculations.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-3

Request:

How many low income multifamily housing providers were served through UGI's Phase I EE&C?

Response:

UGI does not specifically track low income housing. However, the Company was able to determine that six different housing providers participated in Phase I.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-4

Request:

How does UGI identify low income multifamily housing providers to serve through its EE&C?

Response:

UGI Coordinates with the Housing Alliance of Pennsylvania, Pennsylvania Housing Finance Agency (PHFA), trade allies, and contractors, to help identify low income housing providers.

Additionally, the EE&C Team participated in the Housing Alliance of PA Homes Within Reach conference (exhibited twice, attended once, advertised in the program once). UGI presented a webinar to Housing Alliance stakeholders in 2021; participated in a webinar with PULP in 2022; sent emails to PHFA stakeholders in 2021 and 2023; and attended “Multifamily Bootcamp” at PHFA in 2024.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-5

Request:

What criteria does UGI use to identify low income multifamily housing providers to serve through its EE&C?

Response:

UGI does not have criteria for classifying low income multifamily properties.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-6

Request:

What steps does UGI take to refer low income EE&C applicants to LIURP?

Response:

UGI provides information on its website and on EE&C customer applications regarding the availability of LIURP, which includes the 1-800-844-WARM phone number.

Additionally, if UGI receives an inquiry from a customer who indicates they may be low income, the EE&C Team refers the customer to the LIURP Team.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-7

Request:

How many customers have been referred from UGI's EE&C to its LIURP program?

Response:

UGI has referred 15 customers from EE&C to its LIURP.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-8

Request:

Of the customers referred to LIURP in CAUSE-PA I-7, how many were able to access LIURP services?

Response:

There have been 5 referrals that were able to access LIURP services.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-10

Request:

How many low income customers participated in the Residential Prescriptive program during Phase I?

Response:

There have been 4,896 low income customers that have participated in the Residential Prescriptive Program during Phase I.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set I (1-17)  
Delivered on December 19, 2024

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CAUSE-PA-I-11

Request:

How many low income customers participated in the Residential Retrofit program during Phase I, disaggregated by the measure provided?

Response:

There were 211 low income customers that participated in the Residential Retrofit Program during Phase I. Of the 211, 45 customers completed follow up weatherization work.

The breakdown of measures for the 45 jobs is listed below.

- 43 of 45 Insulation
- 40 of 45 Air sealing
- 19 of 45 Low flow devices
- 19 of 45 Smart thermostats
- 19 of 45 Carbon monoxide detectors

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
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Responses to CAUSE-PA Set I (1-17)  
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CAUSE-PA-I-12

Request:

Did UGI's Residential New Construction program include any affordable housing projects during Phase I, disaggregated by the measure provided?

Response:

No.

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CAUSE-PA-I-13

Request:

How many customers were able to access the low income assessment waiver during Phase I?

Response:

There have been 115 customers who were able to access the low income assessment waiver during Phase I.

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UGI Utilities, Inc. - Gas Division  
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CAUSE-PA-I-14

Request:

Of the customers receiving assessment waivers in CASUE-PA I-13, how many accessed additional measures following the assessment, disaggregated by the measure provided?

Response:

None of the 115 customers who were able to access the low income assessment waiver received additional measures following the assessment.

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CAUSE-PA-I-16

Request:

Please describe all steps that UGI currently takes to ensure that its EE&C program is properly coordinated with similar programs offered by electric utilities.

Response:

UGI attends periodic meetings with the EDCs to discuss EE&C program updates. UGI also shares details on prospective C&I projects with the electric utilities Conservation Service Providers operating in the service territory.

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CAUSE-PA-I-17

Request:

Please describe all steps that UGI currently takes to ensure that its EE&C program is properly coordinated with its LIURP program.

Response:

Please reference the response to CAUSE-PA-I-6.

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UGI Utilities, Inc. - Gas Division  
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Delivered on January 8, 2025

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CAUSE-PA-II-1

Request:

From 2019 to present, disaggregated by year, how many customers in the following groups were served by UGI:

- a. All residential customers;
- b. Residential customers, excluding confirmed low income customers;
- c. Confirmed low income customers;
- d. Confirmed low income customers, excluding CAP customers;
- e. CAP customers.

Response:

Please see Attachment CAUSE-PA-II-1.

Prepared by or under the supervision of: Michael J. Schilthuis

<b>Customers Served by UGI Utilities, Inc.</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
All residential customers	584,655	597,916	600,581	606,400	612,299	617,148
Residential customers, excluding confirmed low income customers	549,087	561,526	562,397	565,877	570,804	576,516
Confirmed low income customers;	35,568	36,390	38,184	40,523	41,495	40,632
Confirmed low income customers, excluding CAP customers	15,728	12,303	14,406	20,323	18,545	16,092
CAP customers	19,840	24,087	23,778	20,200	22,950	24,540

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CAUSE-PA-II-2

Request:

Please explain how UGI defines the term “confirmed low income customers,” including all indicators used to identify customers as such, and explain how UGI identifies and tracks confirmed low income customers within its system.

Response:

Per the Data Dictionary and Clarifications Offered by BCS, Utilities are reminded to include all Fuel Fund recipients (LIHEAP CASH and CRISIS grants) in the "confirmed low income" category.

A non-fuel fund recipient will also be defined as a "Confirmed Low Income Customer" if they are a CAP participant, a LIURP Participant (at or below 150%) an Operation Share participant (at or below 150%) or, if for purposes of receiving a security deposit waiver, the customer provided income information to their local Community Based Organization (CBO).

Additionally, pursuant to the settlement in the Company’s 2022 Gas Base Rate Case (2022 Gas Rate Case Settlement) at Docket Nos. R-2021-3030218, et al., UGI Gas expanded LIURP access to customers up to 200% of the Federal Poverty Level (FPL). The Company also provides these customers WARM referrals if they are rejected from CAP due to being over-income. Further, in the 2022 Gas Rate Case Settlement, the Company expanded eligibility for Operation Share grants to 250% FPL to the extent funds are available.

Prepared by or under the supervision of: Michael J. Schilthuis

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CAUSE-PA-II-4

Request:

Are CAP customers exempt from UGI's EE&C charge?

Response:

No. CAP customers are not exempt from UGI's EE&C charge which is consistent with Act 129 surcharge mechanisms.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
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Delivered on January 8, 2025

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CAUSE-PA-II-5

Request:

Are confirmed low income customers exempt from UGI's EE&C charge?

Response:

No. Confirmed low income customers are not exempt from UGI's EE&C charge which is consistent with Act 129 surcharge mechanisms.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
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CAUSE-PA-II-14

Request:

For each UGI EE&C Phase I customer class and program component (RR, RP, etc) please separately provide:

- a. The budget each year
- b. The actual spending each year
- c. The projected energy savings each year
- d. The actual energy savings each year
- e. The projected bill savings each year
- f. The actual bill savings each year

Response:

UGI does not budget spending or energy savings by customer class. Further, UGI does not budget or monitor actual bill savings for customers. For more information on program performance versus budgets, please reference the previously filed Phase I UGI Gas EE&C Annual Reports.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
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Responses to CAUSE-PA Set III (1-11)  
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CAUSE-PA-III-2

Request:

As of December 31, 2024, how many of UGI's confirmed low income customers met the Company's LIURP minimum usage threshold?

Response:

As of December 31, 2024, 6,337 confirmed low income residential gas customers met the Company's LIURP minimum usage threshold.

Prepared by or under the supervision of: Michael J. Schilthuis

UGI Utilities, Inc. - Gas Division  
Docket No. M-2024-3048418  
Phase II EE&C Approval  
Responses to CAUSE-PA Set III (1-11)  
Delivered on February 3, 2025

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CAUSE-PA-III-3

Request:

As of December 31, 2024, how many of UGI's confirmed low income customers did not meet the Company's LIURP minimum usage threshold?

Response:

As of December 31, 2024, 3,235 confirmed low income residential gas customers did not meet the Company's LIURP minimum usage threshold.

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UGI Utilities, Inc. - Gas Division  
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Responses to CAUSE-PA Set III (1-11)  
Delivered on February 3, 2025

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CAUSE-PA-III-5

Request:

As of December 31, 2024, what is the average residential bill savings achieved per RR job? Please disaggregate between customers whose participation was limited to the gas savings kit and those who received more extensive measures. Please provide copies of any studies, reports, or other documents relied upon for this calculation.

Response:

The Company does not track actual bill savings achieved per RR job.

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Responses to CAUSE-PA Set III (1-11)  
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CAUSE-PA-III-6

Request:

How many customers had their electric equipment replaced with gas equipment through UGI's Phase I EE&C? Please disaggregate by measure.

Response:

The Company does not capture prior fuel source during the EE&C application process for rebates given to customers installing natural gas equipment. However, the Company undertook a one-off analysis to analyze new residential conversion services installed in Fiscal Year 2024 where customers committed to convert their heating system from electric to natural gas. In doing so, it was determined that 56 residential customers, or .007% of the 8,314 customers that participated in the Residential Prescriptive Program converted from electric to natural gas equipment and subsequently received an EE&C rebate.

The 56 residential customers installed the following Natural Gas Energy Star measures:

- 41 Furnaces
- 13 Smart Thermostats
- 10 Combi Boilers
- 6 Tankless Water Heaters
- 4 Boilers

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UGI Utilities, Inc. - Gas Division  
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CAUSE-PA-III-9

Request:

In Phase I, what was the annual spending on the Low-Income Assessment Fee Waiver?

Response:

Regarding annual fee waiver amounts, please see the following:

- FY20: \$350 (7 waivers)
- FY21: \$400 (8 waivers)
- FY22: \$0
- FY23: \$0
- FY24: \$0
- FY25: \$5,000 (100 waivers)

The waiver is for the \$50.00 walkthrough fee. The customers receiving the waiver were provided a free energy efficiency kit, however, there were no direct installation costs incurred.

Prepared by or under the supervision of: Michael J. Schilthuis

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of UGI Utilities, Inc. – Gas :  
Division for Approval of Phase II of its : Docket M-2024-3048418  
Energy Efficiency and Conservation Plan :

SURREBUTTAL TESTIMONY OF MITCHELL MILLER

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND  
ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

March 25, 2025

1           **PREPARED SURREBUTTAL TESTIMONY OF MITCHELL MILLER**

2   **Q:     Please state your name, occupation, and business address.**

3   A:     Mitchell Miller. I provide consulting services regarding utility programs that promote  
4   public interest with a focus on low income households. My address is 60 Geisel Road, Harrisburg,  
5   PA 17112.

6   **Q:     Did you previously submit testimony in this proceeding?**

7   A:     Yes. I submitted direct testimony on behalf of the Coalition for Affordability Utility  
8   Services and Energy Efficiency in Pennsylvania (CAUSE-PA).<sup>1</sup> In my direct testimony, I  
9   examined UGI’s proposed Phase II EE&C Plan and made several recommendations to improve  
10  the accessibility of UGI’s EE&C programs to low income customers and to ensure that the  
11  programs are delivering meaningful energy and bill savings to low income participants.<sup>2</sup>

12  **Q:     What is the purpose of your Surrebuttal Testimony?**

13  A:     My surrebuttal testimony responds to issues raised in the Rebuttal Testimony of UGI  
14  witnesses Theodore M. Love<sup>3</sup> and Tracy A. Hazenstab.<sup>4</sup> My silence with respect to other issues  
15  raised in the rebuttal testimony of these witnesses or any other witness in this proceeding should  
16  not be taken as an endorsement of or agreement with their positions. Rather, I stand by my analysis  
17  contained in my direct testimony, and nothing stated in rebuttal has changed or revised my  
18  positions as stated therein unless otherwise stated in this surrebuttal testimony.

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<sup>1</sup> CAUSE-PA St. 1.

<sup>2</sup> *See Id.* at 36-37.

<sup>3</sup> UGI St. 1-R.

<sup>4</sup> UGI St. 2-R.

1 **Q: Please summarize your direct testimony to which UGI's witnesses responded.**

2 A: In my direct testimony, I explained that low income customers face high energy burdens,  
3 yet most often lack the discretionary funds to invest in home efficiency upgrades.<sup>5</sup> I pointed out  
4 that UGI's low income customers, including those enrolled in UGI's Customer Assistance  
5 Program (CAP), pay for its EE&C programs, yet its Phase II program does not include  
6 proportionate, dedicated programming for its low income customers.<sup>6</sup> I explained that dedicated  
7 low income programming is necessary to bridge the affordability gap by eliminating the cost-share  
8 required for full and meaningful participation in general residential programming.<sup>7</sup> While UGI  
9 was reliant on Act 129 to justify its self-initiated EE&C program, its Phase II proposal fails to  
10 meet basic requirements of Act 129 programs.<sup>8</sup> Specifically, I explained that Act 129 requires  
11 electric distribution companies (EDCs) to provide dedicated and proportionate low income  
12 programming within their EE&C program portfolio.<sup>9</sup> I further explained that this dedicated low  
13 income programming is required to be separate and apart from their respective Low Income Usage  
14 Reduction Programs (LIURP).<sup>10</sup> In contrast, UGI's Phase I EE&C program demonstrably failed  
15 to equitably and proportionately serve low income households. Indeed, the budget for UGI's Low  
16 Income Assessment Fee Waiver Program went almost entirely unspent throughout the entirety of  
17 the 5-year phase – investing just \$5,750 of \$1.25 million in available funds to provide energy  
18 audits for low income households.<sup>11</sup> This was the only program in UGI's Phase I EE&C Plan (and  
19 the only program proposed in Phase II) that treats low income households differently than non-

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<sup>5</sup> CAUSE-PA St. 1 at 15-20.

<sup>6</sup> *Id.* at 7.

<sup>7</sup> *Id.* at 9-10.

<sup>8</sup> *Id.* at 13.

<sup>9</sup> *Id.* at 8, 10-11.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* at 9, 22; *see also* UGI St. 1-R at 25-26.

1 low income households because it waives the audit fee for households with income at or below  
2 150% of the federal poverty level. This is insufficient. Despite waiving the fee, the follow up  
3 measures are not adequately subsidized to allow low income households to reasonably adopt  
4 recommended efficiency measures. As I explained in direct, just 45 of the 211 low income  
5 participants in UGI's RR program were able to complete weatherization work following the energy  
6 audit, none of whom were in the group that received the retrofit waiver.<sup>12</sup>

7 I recommended, among other things, that the Commission require UGI to establish  
8 dedicated, proportionate low income programming as a condition of approving its Phase II EE&C  
9 Plan proposal.<sup>13</sup> I also recommended that the Commission require UGI to improve its tracking,  
10 reporting, and outreach relative to low income residential customers and low income residents in  
11 multifamily buildings.<sup>14</sup> Finally, I recommended that the Commission prohibit UGI from using  
12 its EE&C program funding to convert customers from electric to gas heat.<sup>15</sup>

13 **Q: How did UGI witnesses respond to your Direct Testimony?**

14 A: Both UGI witnesses Love and Hazenstab responded to my testimony by essentially  
15 dismissing the needs of low income customers with responses that attempt to absolve UGI of any  
16 responsibility for designing a program that serves these customers. Mr. Love takes the position  
17 that because UGI is not statutorily required to have an EE&C plan that its self-initiated plan does  
18 not have to provide measures that are directed at its significant low income customer base despite  
19 asking these customers to pay for the programming.<sup>16</sup>

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<sup>12</sup> *Id.* at 22.

<sup>13</sup> *Id.* at 7.

<sup>14</sup> *Id.* at 31-32.

<sup>15</sup> *Id.* at 34-36.

<sup>16</sup> UGI St. 1-R at 17, 20-21.

1 For his part, in response to my direct testimony, Mr. Love opposes my “inflexible  
2 approach” to requiring dedicated, proportionate low income programming as part of UGI’s  
3 EE&C.<sup>17</sup> He argues that UGI is not an EDC and is not subject to statutory Act 129 requirements  
4 and that UGI bases its programs on a secretarial letter meant to address voluntary EE&C programs  
5 run by “smaller” EDCs.<sup>18</sup> He argues that it is inconsistent with the secretarial letter to incorporate  
6 a requirement for low income-specific measures into the Company’s Plan.<sup>19</sup>

7 Mr. Love further asserts that participation of low income customers in the Company’s  
8 general residential programs demonstrate that the Phase I EE&C programs “provided a  
9 proportionate number of low-income measures and . . . a proportionate level of low-income  
10 savings.”<sup>20</sup> As I’ll discuss, Mr. Love’s analysis of Phase I low income participation is unreliable,  
11 because it is based on questionable income data and deemed savings.<sup>21</sup>

12 In response to my recommendation that UGI increase the budget for its Low Income  
13 Assessment Fee Waiver Program to help address the lack of dedicated low income programming  
14 in its plan, Mr. Love points out that the available budget proposed for Phase II is already higher  
15 than my suggested increase – despite very little of that budget actually being spent in Phase I.<sup>22</sup>  
16 He also suggests that UGI could reduce the available budget.<sup>23</sup>

17 Mr. Love also opposes my recommendation that UGI not be allowed to use its EE&C  
18 program funding to convert electric heating customers to gas combustion equipment rebate  
19 measures.<sup>24</sup> He argues that the Commission’s limitations on fuel switching in the context of Act

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<sup>17</sup> *Id.* at 20.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.*

<sup>20</sup> *Id.* at 22.

<sup>21</sup> *Id.* at 23-24.

<sup>22</sup> *Id.* at 26.

<sup>23</sup> *Id.*

<sup>24</sup> *Id.* at 26.

1 129 and other usage reduction programs should not apply to UGI's EE&C plan and that customers  
2 will save money by transitioning to gas heat.<sup>25</sup>

3 In response to my testimony that UGI's EE&C Plan lacks proportionate low income  
4 measures, despite requiring these vulnerable customers to pay for the programs through rates,<sup>26</sup>  
5 Ms. Hazenstab argues that "low-income and Customer Assistance Program ("CAP") customers  
6 are included in the Phase II EEC Rider because it is a non-bypassable surcharge."<sup>27</sup> She further  
7 asserts that this is appropriate because low income customers have participated in UGI Gas's  
8 EE&C programs.<sup>28</sup>

9 **Q: What is your response to Mr. Love's arguments against inclusion of dedicated,**  
10 **proportionate low income programming, and his assertion that your position is "inflexible"**  
11 **and disregards the broader efficiency benefits of the programs?**

12 A: I disagree. My recommendation was that the Commission require UGI to "amen[d] the  
13 Plan to include dedicated low income efficiency programming specifically designed to produce  
14 meaningful energy savings and corresponding bill reductions for low income households."<sup>29</sup> I do  
15 not discount the benefits to general residential and nonresidential customers. However, I stand by  
16 my position that it is unjust and unreasonable to use ratepayer funds collected from all customers  
17 to pay for an EE&C Plan that does not include specific energy efficiency programming directed at  
18 low income customers.<sup>30</sup> My recommendation is targeted to ensure that UGI's self-initiated EE&C  
19 is held to the same basic standards as EE&C programs run by other large Pennsylvania utilities,  
20 that it follows Commission-established best practices, and that it provide just and equitable

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<sup>25</sup> *Id.* at 10-17.

<sup>26</sup> CAUSE-PA St. 1 at 7.

<sup>27</sup> UGI St. 2-R at 2.

<sup>28</sup> *Id.*

<sup>29</sup> CAUSE-PA St. 1 at 7.

<sup>30</sup> *Id.*

1 treatment to its low income customers. While I made some recommendations about how UGI can  
2 provide equitable treatment to low income customers, my recommendations certainly left a  
3 substantial level of flexibility about what the dedicated low income program would ultimately look  
4 like.

5 In my estimation, it is UGI who is being inflexible by refusing to provide proportional,  
6 equitable EE&C programming to its most vulnerable customers, despite requiring that they pay  
7 for the program through rates. Thus, I stand by recommendation and continue to believe that the  
8 Commission should reject UGI's proposed Phase II Plan absent substantial revision to include  
9 dedicated low income programming. If UGI is unwilling to do this, then the Commission should,  
10 at the very least, require that they exempt low income customers, including but not limited to CAP  
11 customers, from UGI's EE&C rider due to the inaccessibility of the plan to assist these customers  
12 in reducing their energy use.

13 **Q: Do you agree with Mr. Love's argument that low income customer participation in**  
14 **UGI's general residential programs demonstrates the company provides proportionate low**  
15 **income measures and savings?**<sup>31</sup>

16 A: No. I question the methodology that Mr. Love used to assume low income participation in  
17 its RP program. As Mr. Love indicates, UGI did not actively identify low income participants or  
18 otherwise track its Phase I low income participation.<sup>32</sup> Rather, UGI had to audit its programs and  
19 make assumptions regarding its low income participation based on other data points. As I pointed  
20 out in my direct testimony, there are numerous variations and inconsistencies in how UGI defines,

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<sup>31</sup> UGI St. 1-R at 21-22.

<sup>32</sup> *Id.* at 21.

1 tracks, and reports how many of its customers are low income.<sup>33</sup> Mr. Love acknowledges these  
2 issues in his rebuttal;<sup>34</sup> however, he did not clarify how UGI identified and defined low income  
3 status for the purpose of projecting low income participation in its RP program. There are  
4 substantial questions about the accuracy of his analysis.

5 First, it is unclear how many of the customers he cites were actual low income customers  
6 as the term is defined by the Commission.<sup>35</sup> In his rebuttal testimony, Mr. Love lists several  
7 different ways that UGI tracks and reports its low income customers and acknowledges that UGI  
8 has been inaccurately tracking and reporting households with income up to 250% FPL as low  
9 income for its Universal Service Reporting.<sup>36</sup>

10 It is also unclear what specific measures this group of customers, which UGI asserts meet  
11 the definition of low income, were able to access within the rebate program, or how savings for  
12 those measures were calculated. Mr. Love's analysis identifies a total number of assumed low  
13 income participants; however, it does not identify what specific rebates these participants received  
14 or how it calculated assumed savings associated with those rebates.<sup>37</sup> There is a substantial  
15 difference in the energy and bill savings achievable through adoption of a lower cost measure such  
16 as a smart thermostat, compared to adoption of a higher cost measure such as a tankless water  
17 heater.

18 Given the lack of discretionary income available to low income households, I have serious  
19 doubts that low income participants in UGI's RP program were able to purchase the more

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<sup>33</sup> CAUSE-PA St. 1 at 16-17.

<sup>34</sup> UGI St. 1-R at 23-24

<sup>35</sup> 52 Pa. Code § 62.2: *Confirmed low-income residential account.*

<sup>36</sup> UGI St. 1-R at 24. For context, a family of four at 250% FPL has household income of up to \$80,375, as opposed to the same size family at 150% FPL whose income would be maximum \$48,225.<sup>36</sup>

<sup>37</sup> UGI Gas Exhibit TML-5R.

1 expensive equipment options available in the plan even with assistance of a rebate. Mr. Love’s  
2 assertions regarding the low income savings UGI achieved in Phase I appear to be based on average  
3 deemed savings achieved from all measures available for rebate under the Phase I RP program.<sup>38</sup>  
4 Without further information about the actual measures adopted by the assumed low income  
5 participants, there is simply no evidence to conclude that low income participants – those with  
6 income at or below 150% of the federal poverty level – were equitably served through UGI’s Phase  
7 I program.

8           Significantly, even assuming that low income customers participated at the levels cited by  
9 Mr. Love, none of those savings are the type of savings that would be counted by the Commission  
10 toward the low income savings target for Act 129 programs. As I explained in my direct testimony,  
11 the Commission has explicitly stated that low income target savings must be derived from,  
12 “programs solely directed at low income customers or low income-verified participants in  
13 multifamily housing programs.”<sup>39</sup> I also specifically pointed out that the Commission gave further  
14 directive that: “Savings from non-low income programs, such as general residential programs,  
15 would not be counted toward these targets.”<sup>40</sup>

16           When applying the Commission’s Act 129 standard for low income savings attribution, the  
17 savings achieved for low income participants through UGI’s Phase I programs were extremely  
18 low. As I explained in direct testimony, only 115 low income UGI customers were actually

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<sup>38</sup> See *id.*

<sup>39</sup> CAUSE-PA St. 1 at 9 (citing Act 129 Phase IV Final Implementation Order at 28); see also PUC, Energy Efficiency and Conservation Program, Phase V Tentative Implementation Order, Docket No. M-2025-3052826, at 27 (order issued Feb. 20, 2025).

<sup>40</sup> *Id.* (emphasis added). While Mr. Love argues that UGI should not be held to the same standard because its program is not required by law, my view remains that UGI – as the largest natural gas distribution company in Pennsylvania – should not be held to a lesser standard in its self-initiated program than in the legislatively directed program for EDCs. UGI appears to want to use Act 129 guidance when convenient for its sake but ignore it when it is inconvenient. However, since low income customers are compelled by UGI to pay for this program through the imposition of the EE&C rider, they should directly benefit as well.

1 provided specific low income measures in Phase I through UGI's Low Income Assessment Fee  
2 Waiver program, which is the only specific low income measure offered through UGI's EE&C.<sup>41</sup>  
3 The savings generated for these 115 participants was minimal because, while they were provided  
4 free energy audits, they were not able to access any follow up measures recommended in those  
5 assessments.<sup>42</sup> This fact is particularly telling in terms of analyzing actual low income participation  
6 in general residential programs, as it shows that low income households who took affirmative steps  
7 to seek out a home energy audit appear to have been unable to afford to adopt recommended  
8 efficiency measures without enhanced subsidy.

9 **Q: Would the savings generated by the sole low income multifamily project served by**  
10 **UGI's Phase I EE&C have counted toward proportional treatment of low income customers?**

11 A: Yes. When asked in discovery, UGI responded that they did not specifically track low  
12 income housing projects<sup>43</sup> and that it did not have criteria for classifying low income multifamily  
13 properties.<sup>44</sup> After I pointed out UGI's failure to equitably serve low income households in my  
14 direct, in the midst of this case, UGI analyzed its data and identified a low income housing project  
15 served in Phase I.<sup>45</sup> UGI has not since revised its discovery response regarding the criteria it uses  
16 to distinguish low income multifamily so it is unclear what criteria it applied to determine this was  
17 a low income project. Based on Mr. Love's assertion that this was part of a project for a city  
18 housing authority, I do not dispute that this should be considered a low income project and that  
19 these savings are attributable to low income customers. However, these savings constitute only  
20 7,300 MMBtus out of 62,460 MMBtus that UGI attributes to low income households; and, this is

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<sup>41</sup> CAUSE-PA St. 1 at 22.

<sup>42</sup> *Id.* at 9, 22, 27

<sup>43</sup> CAUSE-PA I-3, CAUSE-PA St. 1, Append. B.

<sup>44</sup> CAUSE-PA I-5, CAUSE-PA St. 1, Append. B.

<sup>45</sup> UGI St. 1-R at 30-31.

1 only 0.6% of the overall savings for the plan as a whole.<sup>46</sup> Given that UGI only provided  
2 information after-the-fact about this property, I stand by my recommendation in direct that UGI  
3 develop criteria to identify low income projects and track and report the savings derived  
4 therefrom.<sup>47</sup>

5         Additionally, in theory, savings generated from low income residents in the other  
6 multifamily projects served through UGI's EE&C would count toward proportional treatment of  
7 low income customers. However, UGI failed to track the low income verified participants in those  
8 multifamily housing programs. In his rebuttal testimony, Mr. Love could only say the Company  
9 provided a number of rebates for multifamily projects, "a portion of which would include low-  
10 income customers."<sup>48</sup> It is not clear how he knows this to be the case. He provided no support for  
11 that statement and was unable to list how many of those rebates were for low income residents,  
12 nor the share of savings attributable to low income residents or the types of measures received by  
13 low income residents. While it is UGI's position that they are not "required" to track low income  
14 participation,<sup>49</sup> without this information it is not possible to ascertain the number of measures and  
15 savings attributable to this group within its multifamily projects.

16 **Q:     What is your response to Mr. Love's clarification that the budget for the Low Income**  
17 **Waiver Program is up to \$250,000 annually, or up to \$1.25 million over each phase?**<sup>50</sup>

18 A:     I appreciate Mr. Love pointing out that the proposed budget cap for the Phase II Low  
19 Income Waiver Program is up to \$250,000 annually. This is helpful and I erred in my direct

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<sup>46</sup> UGI St. 1-R at Exhibit TML-5. (7,300 MMBtus attributable to the housing authority/1,222,031 MMBtus of total claimed portfolio savings = 0.00597 (0.6%).

<sup>47</sup> CAUSE-PA St. 1 at 31-32.

<sup>48</sup> UGI St. 1-R at 31.

<sup>49</sup> *Id.* at 30.

<sup>50</sup> *Id.* at 26.

1 testimony by assuming that this was the budget for the entire phase. To avoid any ambiguity, I am  
2 certainly not suggesting that there be less funding available for low income audit waivers and  
3 installation of appropriate measures. However, my mistake in direct does not change my overall  
4 opinion and, in fact, it only amplifies my concern as it is all the more shocking that UGI has spent  
5 almost none of its budget to assist low income households. Out of the \$1.25 million budgeted for  
6 Phase I to cover low income audits and measure costs, UGI spent just \$5,750, amounting to less  
7 than one-half of one percent (0.46%) of the program budget. UGI has provided no explanation for  
8 this level of underspending.<sup>51</sup>

9         Simply budgeting for low income expenditures is not sufficient to equitably and adequately  
10 serve low income households. UGI must take steps to actually spend the budget to assist low  
11 income customers. This money was targeted to be used to help low income customers to obtain a  
12 home energy audit and direct installation of EE&C measures. The assessment fee waiver program  
13 is the only specific, no-cost low income program offered in UGI's EE&C portfolio. This program  
14 has the potential to help UGI's EE&C attain the proportionality necessary to equitably serve low  
15 income households, but only if it is properly designed to cover the cost of installed measures  
16 recommended in the audit and properly implemented to promote the availability of services to  
17 eligible households. However, UGI has severely limited the impact of the Low Income Waiver  
18 program in Phase I, and nothing in its Phase II proposal suggests it will achieve a different  
19 outcome.

20         While Mr. Love asserts that the low income waiver program accounts for 28.5% of the  
21 available budget for the RR program, almost none of the budget was spent in Phase I and UGI has

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<sup>51</sup> *Id.* at 27.

1 not proposed any concrete plans on how to improve its treatment of low income customers in Phase  
2 II.<sup>52</sup> As I explained in my direct testimony, EDCs typically **spend** an average of 13% of their full  
3 Act 129 energy efficiency and peak demand reduction (EEPDR) budget on specific low income  
4 programming in order to achieve a proportional treatment of low income customers.<sup>53</sup> If UGI were  
5 to direct a similar, proportionate level of funding toward specific, dedicated low income  
6 programming, it would need to **spend** 13% of its total \$69.5 million five year budget  
7 (approximately \$9 million over Phase II or \$1.8 million per year) on dedicated low income  
8 programs.<sup>54</sup>

9 Thus, UGI must take affirmative steps in Phase II to actually utilize that budget to deliver  
10 both an audit and EE&C measures to low income households. It is not clear, however, how UGI  
11 will do so. While Mr. Love states that “[t]he Company has already proposed to spend up to  
12 \$1,250,000 on free energy assessments and the direct installation of energy saving kits”<sup>55</sup> he also  
13 states that, “the RR Program pivoted away from the direct installation of measures and instead  
14 began utilizing a leave behind kit including a smart thermostat and low flow device starting in FY  
15 2022.”<sup>56</sup> As a result of these changes, the Company apparently also discontinued the direct  
16 installation of measures in the low income assessment fee waiver program.<sup>57</sup> It is therefore unclear  
17 how UGI actually intends to use the budgeted funds for low income energy audits and direct  
18 installation of measures.<sup>58</sup> The assessment, on its own, is not effective at providing savings if the  
19 customer is unable to access the recommended measures. As I explained in my direct testimony,

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<sup>52</sup> UGI St. 1-R at 26; CAUSE-PA St. 1 at 9, 22.

<sup>53</sup> CAUSE-PA St. 1 at 24.

<sup>54</sup> *Id.*

<sup>55</sup> UGI St. 1-R at 26.

<sup>56</sup> *Id.* at 27.

<sup>57</sup> CAUSE-PA to UGI III-9 (“there were no direct installation costs incurred.”), CAUSE-PA St. 1 Append. B.

<sup>58</sup> CAUSE-PA St. 1 at 21; *see also* Plan at 8.

1 none of the 115 customers who were provided assessment fee waivers in Phase I were provided  
2 any additional assistance for direct installation or follow up measures and none of these customers  
3 were ultimately able to access the follow up measures recommended in the assessment.<sup>59</sup>

4 In my direct testimony I recommended that UGI use the low income waiver budget to cover  
5 the cost of the assessment fee, as well as any follow-up measures recommended in the assessment,  
6 including but not limited to recommended weatherization measures. I also recommended that UGI  
7 rollover unspent budget and seek stakeholder input if it has trouble spending the budget. I stand  
8 by that recommendation, which would help UGI equitably and proportionately serve low income  
9 households through its Phase II EE&C Plan.

10 **Q: What is your response to Mr. Love's argument that UGI is not an Electric**  
11 **Distribution Company (EDC) and therefore not subject to Act 129 requirements?**

12 A: I acknowledge that UGI is not subject to Act 129. To that point, I am advised by counsel  
13 that there is currently no explicit statutory or regulatory authorization for ratepayer funded gas  
14 EE&C plans in Pennsylvania. Nevertheless, all rates charged and associated terms and conditions  
15 of service (inclusive of any ratepayer supported programming) must be just and reasonable.<sup>60</sup> As  
16 I explained in my direct testimony, the focus of my testimony is on the best practices for EE&C  
17 program design and implementation.<sup>61</sup> I believe that Act 129 requirements provide a critical public  
18 policy touchstone for evaluating the justness and reasonableness of the design and implementation  
19 for any ratepayer supported efficiency programming.<sup>62</sup> One of the key best practices is that  
20 customers who pay for an EE&C program should have an actual and meaningful opportunity to

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<sup>59</sup> CAUSE-PA St. 1 at 22.

<sup>60</sup> 66 Pa. C.S. § 1301.

<sup>61</sup> CAUSE-Pa St. 1 at 12.

<sup>62</sup> *Id.*

1 participate in those programs. As such, all EE&C programs should be required to squarely address  
2 the needs of low income households by providing direct programming for low income consumers  
3 that is proportional to their percentage of the overall residential customer class. This is especially  
4 true for large, regulated Pennsylvania utilities such as UGI. I understand counsel for CAUSE-PA  
5 will further address the lack of statutory authorization for gas EE&C programs and the  
6 applicability of Act 129 through briefing.

7 **Q: Do you agree with Mr. Love that UGI’s EE&C should be assessed based on the**  
8 **parameters identified in the Commission’s secretarial letter on EE&C programs for “smaller**  
9 **EDCs”?**

10 A: No. I acknowledge that UGI Utilities Inc. operates an Electric Division, which is a “small  
11 EDC” subject to governance under the secretarial letter. UGI’s Electric Division has its own EE&C  
12 Plan that is separate and apart from UGI’s proposed Gas EE&C Plan. As Mr. Love admits, UGI  
13 Gas is not an EDC<sup>63</sup> – and it is by no means a “small” natural gas distribution company (NGDC).  
14 In explaining the additional flexibility provided to EE&C plans run by “small EDCs” the  
15 Commission explained, “[W]e recognize that the Act 129 program contains a complexity and  
16 comprehensiveness that may not be appropriate for small EDCs, due to the costs of such programs  
17 that must be supported by a smaller customer base.”<sup>64</sup> The secretarial letter refers to “small EDCs”  
18 as, “EDCs with fewer than 100,000 customers” who were exempted from the requirement to file  
19 an Act 129 EE&C plan.<sup>65</sup> However, UGI has almost *seven times* that number of residential  
20 customers.<sup>66</sup> In fact, UGI Gas serves the largest number of residential gas customers in

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<sup>63</sup> UGI St. 1-R at 17.

<sup>64</sup> M-2009-2142851, Sec. Letter at 2.

<sup>65</sup> M-2009-2142851, Sec. Letter at 1.

<sup>66</sup> Petition at ¶ 3 (UGI Gas provides natural gas distribution service to approximately 698,000 customers in all or parts of forty-five Pennsylvania counties.).

1 Pennsylvania.<sup>67</sup> The following table shows Pennsylvania NGDCs ranked in order of the number  
 2 of residential customers reported to the Commission in the 2023 Universal Service Report:

3 **Table 1 – NGDC Residential Customer Counts 2023<sup>68</sup>**

Utility	2023 Residential Customers
UGI Gas	624,914
Peoples	594,658
PECO Gas	504,918
PGW	483,706
Columbia	411,279
NFG	196,411

4 As I explained in my direct testimony, Philadelphia Gas Works operates a Demand Side  
 5 Management (DSM) Plan and, despite having over 100,000 fewer residential customers,<sup>69</sup> it  
 6 provides enhanced equipment rebates for low income households, no-cost installation of smart  
 7 thermostats, and enhanced rebates for roof insulation and air sealing.<sup>70</sup>

8 UGI Gas’s EE&C programming should be held to the same standards as those run by other  
 9 large Pennsylvania utilities. Thus, I stand by my recommendation that UGI should be ordered to  
 10 amend its plan to include proportional dedicated low income programming.

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<sup>67</sup> 2023 Universal Service Report at 4.

<sup>68</sup> *Id.*

<sup>69</sup> *Id.* (PGW reported 483,706 residential customers in 2023.).

<sup>70</sup> CAUSE-PA St. 1 at 15.

1 **Q: How do you respond to UGI’s position that it is not required to proportionally treat**  
2 **low income households because its program is “voluntary”?**

3 A: I disagree with UGI’s assertion that the Commission should allow its self-initiated EE&C  
4 Plan to be more permissive and exempt from the long established standards and requirements for  
5 statutory EE&C programs. UGI’s elective, ratepayer funded EE&C programming should be held  
6 to standards at least as high as programs that are explicitly authorized by statute. As I explained  
7 above, the Commission’s long established standards and practices developed over two decades of  
8 Act 129 implementation provide a crucial roadmap for elective programs that have no statutory or  
9 regulatory authorization or guidance.<sup>71</sup> This is especially true regarding the proportional and  
10 equitable treatment of low income customers.

11 **Q: What is your response to Mr. Love’s argument that UGI should be allowed to**  
12 **continue to use its EE&C rebates to help fund the conversion of electric heating customers**  
13 **to gas equipment?**

14 A: I disagree with his position and I stand by my recommendation in my direct testimony that  
15 UGI should not be allowed to continue to use its EE&C program funding to convert electric heating  
16 customers to gas combustion equipment rebate measures.<sup>72</sup> I agree with OCA witness, Ms.  
17 Sherwood, that EE&C programs are primarily load reduction programs and should not be used to  
18 build load.<sup>73</sup> Further, if UGI’s purpose is truly to reduce overall energy consumption across its rate  
19 base rather than reduce gas consumption, as Mr. Love asserts in his rebuttal,<sup>74</sup> its program should  
20 include more durable building shell measures that help reduce overall home energy usage.

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<sup>71</sup> *Id.* at 12.

<sup>72</sup> *Id.* at 35.

<sup>73</sup> OCA St. 1 at 12.

<sup>74</sup> UGI St. 1-R at 15.

1           As I explained in my direct testimony, the Commission has prohibited fuel switching in  
2 the context of Low Income Usage Reduction Programs and has placed tight restrictions on fuel  
3 switching in the context of Act 129 programs.<sup>75</sup> I disagree with UGI’s assertion that because this  
4 is an elective program without statutory or regulatory authorization or guidance that UGI is  
5 somehow exempt or immune to the standards that the Commission established for other large  
6 EE&C programs.

7           I also take issue with the “simplified example” Mr. Love gives in his rebuttal regarding the  
8 alleged energy savings derived from a theoretical electric baseboard customer converting to gas  
9 heat.<sup>76</sup> Mr. Love’s example is an over-simplification of a complex issue. Notably, Mr. Love’s  
10 analysis is based on a single point in time when gas prices were relatively low, ignoring the fact  
11 that gas prices have been subject to substantial fluctuation in recent years.<sup>77</sup> Further, Mr. Love  
12 fails to address the additional upfront cost that would be necessary to convert an electric baseboard  
13 customer to a baseline efficient gas furnace, considering that electric baseboard customers  
14 typically lack the ductwork necessary to accommodate forced air gas heat. Thus, the customer  
15 would be forced to pay the cost of the furnace plus the cost of installing duct work. I also note that  
16 Mr. Love’s example is reliant on the comparison between high efficiency gas furnaces and electric  
17 baseboards, which are notoriously inefficient. He does not take into account the comparison  
18 between high efficiency electric furnaces or high efficiency electric heat pumps, which may be a  
19 more appropriate alternative for such households, and which are available through EDC Act 129  
20 programs.

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<sup>75</sup> CAUSE-PA St. 1 at 34; *see also* Act 129 Phase V Tentative Order at 56.

<sup>76</sup> UGI St. 1 at 13.

<sup>77</sup> US DOE, EIA, Natural Gas Prices: Pennsylvania, [https://www.eia.gov/dnav/ng/ng\\_pri\\_sum\\_dc\\_u\\_spa\\_m.htm](https://www.eia.gov/dnav/ng/ng_pri_sum_dc_u_spa_m.htm).

1 Mr. Love's example only underscores the difference between UGI's EE&C plan versus  
2 Act 129 programs. If the individual in Mr. Love's example were a low income customer, their  
3 EDC's Act 129 programs would provide no-cost measures, such as ductless electric heat pumps to  
4 low income customers, which would be a cheaper and less invasive alternative for the customer.  
5 This is why coordination between programs is so important.

6 **Q: What is your response to Ms. Hazenstab's arguments regarding the appropriateness**  
7 **of requiring low income customers to pay for UGI's EE&C?**

8 A: I disagree with Ms. Hazenstab's arguments. First, as to her argument that it is appropriate  
9 to charge low income customers the EE&C rider because of their participation in the general  
10 residential programs,<sup>78</sup> I reiterate the points raised above in response to Mr. Love's analysis on  
11 this issue. I question Mr. Love's analysis, and his tenuous assertions that UGI's Plan are provides  
12 a proportionate level of programming to its low income customers. Further, I explained in my  
13 direct testimony that it is unjust and unreasonable to charge low income customers for an EE&C  
14 program in which they cannot effectively or practically participate because it does not include  
15 specific low income programming.<sup>79</sup> Low income households most often lack the financial  
16 resources to equitably participate in general residential efficiency programs.<sup>80</sup> Often, if they are  
17 able to produce the upfront cost to participate, their budgetary constraints require that those funds  
18 come at the cost of foregoing other basic needs – such as food, medicine, and medical care.<sup>81</sup> This  
19 is one of the many reasons why other large EE&C programs are required to offer specific low  
20 income programs.

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<sup>78</sup> UGI St. 2-R at 2.

<sup>79</sup> CAUSE-PA St. 1 at 7.

<sup>80</sup> *Id.*

<sup>81</sup> *Id.*

1 I also disagree with Hazenstab’s argument that the nonbypassable charge requires that low  
2 income customers pay for the programs.<sup>82</sup> The fact that the charge is “nonbypassable” does not  
3 mean that low income customers, especially CAP customers, cannot or should not be exempted  
4 from the charge. The term nonbypassable traditionally has meant that the charge should apply to  
5 customers regardless of supplier choice – i.e., that the charge would apply both to customers who  
6 purchase their gas supply directly from UGI as well as those who purchase from a gas choice  
7 supplier. This does not prohibit UGI from exempting low income customers. For example, the  
8 Commission’s regulations require that USECP riders are nonbypassable,<sup>83</sup> but UGI is still able to  
9 exempt CAP customers from that charge.<sup>84</sup> Counsel for CAUSE-PA will brief this issue, and it is  
10 my view that simply because the EE&C rider is nonbypassable does not prevent the Company  
11 from exempting low income customers from that charge.

12 I explained above, I stand by my recommendation that the Commission order UGI to  
13 amend its Plan to include proportionate, dedicated low income programming. However, to the  
14 extent that the Commission is unwilling to require UGI to include specific, targeted, and  
15 proportionate measures for low income customers, then all low income customers should be  
16 exempted from paying the EE&C rider.

17 **Q: Does this conclude your surrebuttal testimony?**

18 **A: Yes.**

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<sup>82</sup> UGI St. 2-R at 2.

<sup>83</sup> 66 Pa. C.S. § 2203(6).

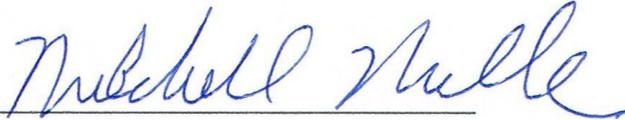
<sup>84</sup> See UGI Gas Tarriff at p. 58, 16. Rider F “Universal Service Program.”

## VERIFICATION

I, Mitchell Miller, hereby state that the facts set forth by me in the foregoing documents:

- CAUSE-PA Statement 1, the Direct Testimony of Mitchell Miller.
- CAUSE-PA Statement 1-SR, The Surrebuttal Testimony of Mitchell Miller.

are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements made herein are subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsifications to authorities).



Mitchell Miller

Witness on behalf of CAUSE-PA

May 6, 2025