



September 5, 2025

**Via Email Only**

Honorable Jeffrey A. Watson  
Honorable Chad Allensworth  
Pennsylvania Public Utility Commission  
301 Fifth Avenue, Suite 220,  
Pittsburgh, PA 15222  
[jeffwatson@pa.gov](mailto:jeffwatson@pa.gov)  
[callenswor@pa.gov](mailto:callenswor@pa.gov)

**Re: Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.  
Docket No. R-2025-3053499**

Your Honors:

Please find the attached copy of the **Reply Brief of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** in the above noted proceeding.

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

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "John W. Sweet", written over a horizontal line.

John W. Sweet, Esq.  
*Counsel for CAUSE-PA*

CC: *Secretary Matthew Homsher (Via E-File)*  
*Certificate of Service*

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :  
 :  
 v. : Docket No. R-2025-3053499  
 :  
 Columbia Gas of Pennsylvania, Inc. :

**Certificate of Service**

I hereby certify that I have on this day served copies of the **Reply Brief being submitted on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

**VIA EMAIL ONLY**

Michael W. Hassell, Esq.  
Megan E. Rulli, Esq.  
Anthony D. Kanagy, Esq.  
Post & Schell, P.C.  
17 North Second Street,  
12th Floor Harrisburg,  
PA 17101-1601  
[mhassell@postschell.com](mailto:mhassell@postschell.com)  
[mrulli@postschell.com](mailto:mrulli@postschell.com)  
[akanagy@postschell.com](mailto:akanagy@postschell.com)

Scott B. Granger, Esq.  
Adam J. Williams, Esq.  
Pennsylvania Public Utility Commission  
Bureau of Investigation and Enforcement  
Commonwealth Keystone Building  
400 North Street Harrisburg, PA 17120  
[sgranger@pa.gov](mailto:sgranger@pa.gov)  
[adawilliam@pa.gov](mailto:adawilliam@pa.gov)

Candis A. Tunilo, Esq.  
NiSource Corporate Services Co.  
800 N. Third St., Suite 204  
Harrisburg, PA 17102  
[ctunilo@nisource.com](mailto:ctunilo@nisource.com)

Steven C. Gray, Esq.  
Rebecca Lyttle, Esq.  
Office of Small Business Advocate  
555 Walnut Street 1st Floor, Forum Place  
Harrisburg, PA 17101-1923  
[sgray@pa.gov](mailto:sgray@pa.gov)  
[relyttle@pa.gov](mailto:relyttle@pa.gov)

Christy M. Appleby, Esq.  
Barrett C. Sheridan, Esq.  
Jacob D. Guthrie, Esq.  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
[OCAColumbiaGas2025@paoca.org](mailto:OCAColumbiaGas2025@paoca.org)

Emily Farah, Esq.  
Columbia Gas of Pennsylvania, Inc.  
121 Champion Way, Suite 100  
Canonsburg, PA 15313  
[efarah@nisource.com](mailto:efarah@nisource.com)

Joseph L. Vullo, Esq.  
Burke Vullo Reilly Roberts  
1460 Wyoming Avenue  
Forty Fort, PA 18704  
[jlvullo@bvrrlaw.com](mailto:jlvullo@bvrrlaw.com)

Whitney E. Snyder, Esq.  
Thomas J. Sniscak, Esq.  
Erich W. Struble, Esq.  
Hawke McKeon & Sniscak, LLP  
501 Corporate Circle, Suite 302  
Harrisburg, PA 17110  
[wesnyder@hmslegal.com](mailto:wesnyder@hmslegal.com)  
[tjsniscak@hmslegal.com](mailto:tjsniscak@hmslegal.com)  
[ewstruble@hmslegal.com](mailto:ewstruble@hmslegal.com)

James L. Crist, P.E.  
Lumen Group, Inc.  
4226 Yarmouth Drive, Suite 101  
Allison Park, PA 15101  
[JLCrist@aol.com](mailto:JLCrist@aol.com)

Mark Ewen  
Industrial Economics, Incorporated  
2067 Massachusetts Avenue  
Cambridge, MA 02140  
[mewen@indecon.com](mailto:mewen@indecon.com)

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



John W. Sweet, Esq., PA ID: 320182  
118 Locust Street  
Harrisburg, PA 17101  
(717) 236-9486  
[pulp@pautilitylawproject.org](mailto:pulp@pautilitylawproject.org)

September 5, 2025

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :  
 :  
 v. : Docket No. R-2025-3053499  
 :  
 Columbia Gas of Pennsylvania, Inc. :

**REPLY BRIEF OF  
THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY  
EFFICIENCY IN PENNSYLVANIA**

**PENNSYLVANIA UTILITY LAW PROJECT**  
*Counsel for CAUSE-PA*

John W. Sweet, Esq., PA ID: 320182  
Elizabeth R. Marx, Esq., PA ID: 309014  
Ria M. Pereira, Esq., PA ID: 316771  
Lauren N. Berman, Esq., PA ID: 310116

118 Locust Street  
Harrisburg, PA 17101  
Tel.: 717-236-9486  
Fax: 717-233-4088

[pulp@pautilitylawproject.org](mailto:pulp@pautilitylawproject.org)

**September 5, 2025**

## TABLE OF CONTENTS

<b>I.</b>	<b>INTRODUCTION .....</b>	<b>1</b>
	A. Background and Procedural History .....	2
	B. Legal Standards and Burden of Proof.....	2
	1. <i>Legal Standards – Just and Reasonable Rates</i> .....	2
	2. <i>Legal Standards – Natural Gas Choice and Competition Act</i> .....	2
	3. <i>Legal Standards – Burden of Proof</i> .....	3
<b>II.</b>	<b>SUMMARY OF ARGUMENT .....</b>	<b>3</b>
<b>III.</b>	<b>OVERALL POSITION ON RATE INCREASE.....</b>	<b>4</b>
	A. Columbia’s low income customers already struggle to afford service at existing rates. 4	
	B. Columbia’s rates outpace inflation and are the highest in the state.....	5
	C. Columbia’s rate proposal would have severe and unmitigated consequences for low income households and will drive up collections and termination rates. ....	6
	D. Columbia’s proposed rate design and alternative rate mechanisms further exacerbate negative outcomes for low income consumers.....	7
	E. Critical enhancements to CAP and low income efficiency programs and targeted education for low income shopping customers would help to mitigate energy insecurity and, in turn, reduce collections costs and termination rates. .	8
<b>IV.</b>	<b>RATE BASE.....</b>	<b>11</b>
<b>V.</b>	<b>TAXES.....</b>	<b>11</b>
<b>VI.</b>	<b>REVENUE.....</b>	<b>12</b>
<b>VII.</b>	<b>DEPRECIATION .....</b>	<b>12</b>
<b>VIII.</b>	<b>O&amp;M AND A&amp;G EXPENSES .....</b>	<b>12</b>
<b>IX.</b>	<b>RATE OF RETURN.....</b>	<b>12</b>
<b>X.</b>	<b>RATE STRUCTURE AND RATE DESIGN .....</b>	<b>13</b>
	A. Cost of Service .....	13
	B. Revenue Allocation.....	13
	C. Tariff Structure.....	13
	D. Summary and Alternatives.....	14
	E. Rate Design .....	14

1.	<i>Residential Customer Charge</i> .....	14
<b>XI.</b>	<b>ALTERNATIVE RATEMAKING</b> .....	<b>21</b>
A.	Weather Normalization Adjustment (WNA).....	21
1.	<i>Columbia’s pilot WNA improperly shifts unreasonable weather-related risk to consumers, adding tens of millions of dollars to residential bills.</i>	21
2.	<i>The WNA is not necessary for Columbia to have a fair opportunity to recover its Commission approved revenue requirement and is not beneficial to customers.</i> .....	28
3.	<i>Columbia’s pilot WNA contradicts each of the enumerated factors in the Commission’s Distribution Rates Policy Statement.</i> .....	29
4.	<i>Summary of Reasons to Deny WNA</i> .....	29
5.	<i>If the Commission allows the WNA to continue it should be substantially reformed</i> .....	30
B.	Revenue Normalization Adjustment.....	31
<b>XII.</b>	<b>UNIVERSAL SERVICE ISSUES</b> .....	<b>35</b>
A.	Customer Assistance Program (CAP).....	35
1.	<i>CAP enrollment is critically important to offset harmful rate impacts on low income households but is substantially undersubscribed – reaching just 23% of estimated eligible customers.</i> .....	35
2.	<i>The Commission should require Columbia to utilize data obtained through the Pennsylvania Department of Human Service (DHS) LIHEAP Data Sharing Program to improve CAP enrollment.</i> .....	36
3.	<i>Columbia should implement routine screening of applicants and customers to determine eligibility for CAP and other universal service programs.</i> .....	40
4.	<i>Columbia’s proposed Speech Analytics Pilot proposal is inadequate to address chronic under-enrollment, and additional safeguards are needed to avoid potential bias and protect customer data.</i> .....	42
5.	<i>The Commission should approve Columbia’s proposed CAP Arrears Pilot, with amendments to better address identified need and to align with the timeline of its current USECP.</i> .....	43
6.	<i>Columbia should routinely evaluate and adjust CAP rates on a monthly basis to ensure participants are charged the most advantageous rate.</i> ...	44
B.	Low Income Usage Reduction Program (LIURP).....	46

1.	<i>To help offset the impact of the rate increase on high usage low income households, Columbia should be required to increase its budget for LIURP by a percentage equal to any approved increase in residential rates.</i>	46
C.	Health and Safety Pilot	53
1.	<i>Columbia should be required to establish an independent budget for the Health and Safety Pilot program and rollover unspent funds.</i>	53
D.	Hardship Fund	55
E.	Universal Service Call Scripting Issues	55
F.	Audits and Rebates Program (A&R)	56
1.	<i>The Commission should order Columbia to rollover its unspent A&amp;R budget and cover the full cost of measures for participants at or below 150% FPL.</i>	56
G.	Emergency Furnace Repair Program (ERP)	56
1.	<i>Columbia should be required to roll over its unspent ERP budget.</i>	56
<b>XIII.</b>	<b>ENERGY EFFICIENCY AND CONSERVATION (EE&amp;C) PLAN</b>	<b>57</b>
A.	The Commission should reject Columbia’s proposed Phase II EE&C Plan because it fails to include dedicated and proportionate low income programing.	57
1.	<i>If the Commission approves the Phase II EE&amp;C Plan, it should order Columbia to proportionately increase the portion of the A&amp;R Budget that was tied to the settlement approving its Phase I EE&amp;C.</i>	61
2.	<i>If the Commission approves the Phase II EE&amp;C Plan, the Commission should order Columbia to proportionately increase the portion of the ERP Budget tied to the settlement approving its Phase I EE&amp;C.</i>	62
<b>XIV.</b>	<b>COMPETITIVE SUPPLY ISSUES</b>	<b>62</b>
<b>XV.</b>	<b>TARIFF ISSUES</b>	<b>65</b>
A.	Economic Development Distribution Service (EDDS)	65
1.	<i>Columbia’s proposed EDDS rate is premature in light of the Commission’s active docket to establish statewide policy governing the interconnection of large load customers and should be denied.</i>	65
B.	Eligible Customer List (ECL)	66
C.	Universal Service Rider Issues	68

<b>XVI. MISCELLANEOUS ISSUES .....</b>	<b>68</b>
<b>XVII. CONCLUSION .....</b>	<b>68</b>

**TABLE OF AUTHORITIES**

**Cases**

*Bluefield Water Works & Improvement Co. v. Public Serv. Comm’n of W.Va.*, 262 U.S. 679, 692-93 (1923). ..... 28

*CAUSE-PA v. Pa. PUC*, 120 A.3d 1087 (Pa. Commw. Ct. 2015). ..... 11, 64, 65

*Duquesne Light Co. v. Barasch*, 488 U.S. 299, 310, 312 (1989) ..... 28

*Federal Power Comm’n v. Hope Natural Gas Co.*, 320 U.S. 591, 603 (1944) ..... 28

*Pa. Gas & Water Co. v. Pa. PUC*, 341 A.2d 239, 251 (Pa. Commw. Ct. 1975) ..... 28

*Pittsburgh v. Pa. PUC*, 69 A.2d 844 (Pa. Super. Ct. 1949) ..... 28

*Popowsky v. Pa. PUC*, 542 Pa. 99, (1995). ..... 4

*Retail Energy Supply Assoc. v. Pa. PUC*, 230 C.D. 2017 (Pa. Commw. Ct. 2017)... 11, 64, 65

**Statutes**

66 Pa. C.S. § 1330 ..... 29

66 Pa. C.S. § 2203 ..... 11, 27, 52, 63

66 Pa. C.S. § 2206 ..... 11, 64, 65

66 Pa. C.S. § 1301. .... 4, 28

66 Pa. C.S. § 1303. .... 40

66 Pa. C.S. § 2202. .... 11, 27

66 Pa. C.S. § 2806.1 ..... 10, 58

66 Pa. C.S. § 315 ..... 29

**Regulations**

52 Pa. Code § 56.100..... 31

52 Pa. Code § 56.12..... 19

52 Pa. Code § 58.1 ..... 34, 58

**Public Utility Commission Orders**

*Act 129 Phase V Energy Efficiency and Conservation Program, Final Implementation Order, Docket No. M-2025-3052826 (order entered June 18, 2025)*..... 10, 59

*Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation Plan for 2024–2028 Submitted in Compliance with 52 Pa. Code § 62.4, Order Directing Supplemental Information and Establishing Comment Period, Docket No. M-2023-3039487 (order entered June 15, 2023)*..... 50

<i>En Banc Hearing Concerning Interconnection and Tariffs for Large Load Customers, Motion of Chairman Steven M DeFrank, Docket No. M-2025-3054271 (Mar. 27, 2025)</i> .....	66
<i>Guidelines for Eligible Customer Lists, Order, Docket No. M-2010-2183412 (order entered March 13, 2025)</i> .....	68
<i>Initiative to Review and Revise the Existing Low-Income Usage Reduction Program (LIURP) Regulations at 52 Pa. Code §§ 58.1—58.18, Final Form Rulemaking Order, Docket No. L-2016-2557886, at 50, 123 (order entered March 13, 2025)</i> .....	48
<i>Pa. PUC v. Columbia Gas of Pa., Inc., Opinion and Order, Docket No. R-2020-3018835, at 262-265 (order entered Feb. 19, 2021)</i> .....	14, 17, 32
<i>Pa. PUC v. PECO Energy Company – Gas Division, Order, Docket No. R-2020-3018929 (order entered June 22, 2021)</i> .....	15
<i>Pa. PUC v. Peoples Natural Gas Company LLC, Opinion and Order, Docket No. R-2023-3044549, at 13-24 (order entered Sep. 12, 2024)</i> .....	22, 23
<i>Pa. PUC v. PGW, Docket No. R-2023-3037933 at 215-216 (order entered Nov. 9, 2023)</i> .,	48, 49, 50
<i>Pa. PUC v. PPL Elec. Util. Corp., Docket No. R-2012-2290597, at 131 (order entered Dec. 28, 2012)</i> . .....	15
<i>Pa. PUC v. PPL Gas Util. Corp., Order, Docket No. R-00061398, at 137 (order entered Feb. 8, 2007)</i> .....	15
<i>Pa. PUC v. UGI Utilities, Inc.- Electric Division, Final Order, Docket No. R-2022-3037368 (order entered Sep. 21, 2023)</i> . .....	50
<i>Petition of Peoples Natural Gas Company LLC – to Amend 2019-2023 Universal Service and Energy Conservation Plan, Order, Docket No. P-2024-3052324 (order entered April 24, 2025)</i> . .....	39
<i>Re: Voluntary Energy Efficiency and Conservation Program, Docket No. M-2009-2142851 (Dec. 23, 2009)</i> .....	59, 60

## I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its counsel at the Pennsylvania Utility Law Project, files this Reply Brief in response to the Main Briefs of Columbia Gas of Pennsylvania, Inc. (Columbia or the Company) and the Bureau of Investigation and Enforcement (I&E) and in support of its positions and recommendations more fully addressed in its Main Brief.

This Reply Brief does not address every issue or recommendation raised in CAUSE-PA's Main Brief or otherwise discussed by other parties in their Main Briefs. Consistent with the Administrative Law Judges September 2, 2025 Interim Order,<sup>1</sup> CAUSE-PA has used the same headings and subheadings in this Reply Brief that were used in its Main Brief.<sup>2</sup> Absence of a response to a specific recommendation or position set forth in another parties' Main Brief does not indicate our agreement thereto. Unless required for context we will not reiterate the extensive arguments presented in CAUSE-PA's Main Brief based on the evidence provided by CAUSE-PA's expert witnesses, Harry S. Geller and Patrick

---

<sup>1</sup> *Pa. PUC v. Columbia Gas of Pennsylvania, Inc.*, Second Interim Order, Docket No. R-2025-3053499 (order entered Sept. 2, 2025).

<sup>2</sup> In its Main Brief, CAUSE-PA inadvertently deviated from the common briefing outline. For example, CAUSE-PA's Main Brief addressed Rate Design as a separate subsection as opposed to being part of the Tariff/Rate Design section. In addition, CAUSE-PA inadvertently omitted the section of the agreed to briefing outline titled "Customer Service/Quality of Service Issues." Counsel apologies to the Commission and parties for these errors and this oversight. CAUSE-PA did not have any issues to address in the Customer Service/Quality of Service Issues section of the brief and does not address any issues in that section in this Reply Brief. In compliance with the ALJs September 2, 2025 Order that parties "are to utilize the same headings and subheadings in their Reply Briefs that were used in their Main Briefs," CAUSE-PA is also excluding that section from its Reply Brief for consistency.

M. Cicero, and other record evidence. To the extent that an argument raised by another party in their Main Brief was sufficiently addressed through CAUSE-PA’s Main Brief, we do not intend to respond and stand by the analyses and recommendations contained in CAUSE-PA’s Main Brief. Consistent with the requirements outlined by the ALJs in their September 2, 2025 Order, when responding to arguments raised by opposing parties, we will note where in the other parties Main Brief each argument is located.

**A. Background and Procedural History**

CAUSE-PA does not have any reply to the issues raised by other parties and stands by its recitation of the background and procedural history as stated in its Main Brief.<sup>3</sup>

**B. Legal Standards and Burden of Proof**

1. Legal Standards – Just and Reasonable Rates

CAUSE-PA does not have any reply to the issues raised by other parties and stands by its recitation of the legal standards as they relate to just and reasonable rates in its Main Brief.<sup>4</sup>

2. Legal Standards – Natural Gas Choice and Competition Act

CAUSE-PA does not have any reply to the issues raised by other parties and stands by its recitation of the legal standards as they relate to Natural Gas Choice and Competition Act in its Main Brief.<sup>5</sup>

---

<sup>3</sup> CAUSE-PA MB at 2-4.

<sup>4</sup> *Id.* at 5-7.

<sup>5</sup> *Id.* at 8-11.

### 3. Legal Standards – Burden of Proof

CAUSE-PA does not have any reply to the issues raised by other parties and stands by its recitation of the legal standards as they relate to the burden of proof in its Main Brief.<sup>6</sup>

## II. SUMMARY OF ARGUMENT

For the reasons set out below and in CAUSE-PA's Main Brief, CAUSE-PA continues to respectfully urge Honorable Administrative Law Judges Jefferey A. Watson and Chad Allensworth (ALJs) and the Pennsylvania Public Utility Commission (PUC or Commission) to reject Columbia's proposed rate increase and adopt the OCA's well-supported recommendation that the Commission decrease Columbia's revenue requirement by \$36,316,933, or -3.96%, consistent with sound depreciation policy.<sup>7</sup> To the extent the Commission approves any rate increase in this proceeding, CAUSE-PA continues to urge the Commission to approve CAUSE-PA's proposed policy and program reforms to help mitigate the harsh impact of Columbia's high rates on economically vulnerable households and improve access to and availability of critical rate assistance and efficiency programs. We further urge the Honorable ALJs and the Commission to deny Columbia's unjust and inequitable rate design and alternative ratemaking proposals that unjustly seek to shift Columbia's business risk onto consumers.<sup>8</sup>

---

<sup>6</sup> CAUSE-PA MB at 11-12.

<sup>7</sup> OCA MB at 28, 42-43.

<sup>8</sup> OCA St. 1 at 15; CAUSE-PA St. 2 at 27-28.

### III. OVERALL POSITION ON RATE INCREASE

*Addressing Columbia MB, Section III: Overall Position on Rate Increase, at 8-14*

#### A. **Columbia’s low income customers already struggle to afford service at existing rates.**

*Responding to Columbia MB Section III, Bill Impacts, at 8-9, 13-14.*

In this proceeding, the Commission has a “duty to set ‘just and reasonable’ rates, reflecting a balance of consumer and investor interests.”<sup>9</sup> In its Main Brief, Columbia attempts to support its proposed rate increase of over \$110 million based on its accelerated pipeline replacement initiatives and acknowledges that it is aware of the impact that rate increases have on its customers.<sup>10</sup> However, Columbia fails to acknowledge that its current rates are already unaffordable for low income customers, nor does it attempt to adequately address this unaffordability or mitigate the impact of the proposed increase.<sup>11</sup> As explained in more detail in CAUSE-PA’s Main Brief, Columbia’s nearly 100,000 low income customers already struggle to afford service and cannot afford this increase.<sup>12</sup> The average annual household income for Columbia’s confirmed low income customers is just \$16,686, far less than is needed to afford basic expenses.<sup>13</sup> While Columbia’s Customer Assistance Program (CAP) would provide vital rate relief and arrearage management for these households, only approximately 21,000 customers are enrolled in the program, leaving the

---

<sup>9</sup> *Popowsky v. Pa. PUC*, 542 Pa. 99, 107-108 (1995) (emphasis added); 66 Pa. C.S. § 1301.

<sup>10</sup> CPA MB at 6,8.

<sup>11</sup> CAUSE-PA MB at 17-32.

<sup>12</sup> *Id.* at 17-32.

<sup>13</sup> *Id.* at 19.

vast majority of low income customers with unaffordable energy burdens, which lead to disproportionate termination rates and arrearage levels.<sup>14</sup>

Columbia rejects the recommendations of CAUSE-PA and other parties regarding necessary improvements to Columbia's low income programs that could potentially help mitigate the impact of its unaffordable rates, arguing that it is already doing enough.<sup>15</sup> However, the disproportionate energy burdens and termination rates among Columbia's low income customers are evidence that Columbia's efforts to connect eligible households to rate assistance and efficiency programming are inadequate.<sup>16</sup> Substantial improvements are needed to Columbia's programming to address the existing levels of unaffordability, let alone any further increases.<sup>17</sup>

**B. Columbia's rates outpace inflation and are the highest in the state**

*Responding to Columbia MB Section III, Bill Impacts, at 8-9, 13-14*

Columbia does not dispute that its distribution rates have outpaced inflation and are already the highest of any Pennsylvania gas distribution company (NGDC).<sup>18</sup> Columbia, instead, argues that investments in infrastructure replacement and prevailing market conditions that make it more expensive for Columbia to make these investments.<sup>19</sup> Yet, Columbia fails to consider whether its customers – specifically, its low income customers

---

<sup>14</sup> CAUSE-PA MB at 20-21, 27.

<sup>15</sup> CPA MB at 203-208.

<sup>16</sup> CAUSE-PA MB at 19-22, 101-103.

<sup>17</sup> *Id.* at 98-135.

<sup>18</sup> *Id.* at 19-26.

<sup>19</sup> CPA MB at 8.

whose income averages less than \$17,000 per year – will actually be able to afford gas service at its current trajectory. Columbia refuses to make the necessary adjustments and investments to help mitigate some of the impact of its rapidly increasing rates through improvements to its universal service and energy efficiency programs. CAUSE-PA concurs with the Office of Consumer Advocate (OCA) that Columbia’s proposal to further increase rates for life essential services is unsubstantiated, and that the Commission should decrease Columbia’s revenue requirement by \$36,316,933.<sup>20</sup>

**C. Columbia’s rate proposal would have severe and unmitigated consequences for low income households and will drive up collections and termination rates.**

*Responding to Columbia MB Section III, Bill Impacts, at 13-14*

Columbia’s positions in its Main Brief reflect a presumption that the Company should be able to expand its business and collect its revenues without consideration of its low income customer’ ability to afford service.<sup>21</sup> Columbia attempts to summarily dismiss overwhelming data evidencing deep affordability challenges and the disproportionate impact of its alternative ratemaking proposals on low income families – and goes so far as to categorize these serious accessibility issues as “minor concerns.”<sup>22</sup> As explained in CAUSE-PA’s MB, Columbia’s high rates for basic gas service already result in disproportionately high rates of involuntary termination and uncollectible expenses, which negatively impacts individual families and other ratepayers.<sup>23</sup> The overwhelming weight

---

<sup>20</sup> OCA MB at 42-43.

<sup>21</sup> CPA MB at 12-13, 157, 159, 166, 174.

<sup>22</sup> *Id.* at 177.

<sup>23</sup> CAUSE-PA St. 1 at 10.

of the evidence in this case demonstrates that Columbia's proposals will further exacerbate stark disparities in access to essential gas service for Columbia's low income and vulnerable customers. These concerns are not minor. Without extensive modification and remediation, Columbia's excessive proposed rates and unjust rate design will have deep and lasting negative impacts on the health, safety, and wellbeing on Pennsylvania families across Columbia's service territory.<sup>24</sup> Columbia has not carried its burden to prove that it is entitled to any rate increase, nor that its customers could afford one if it were approved.

**D. Columbia's proposed rate design and alternative rate mechanisms further exacerbate negative outcomes for low income consumers.**

*Responding to Columbia MB Section III, Rate Stability, at 12-13*

Columbia argues that its unprecedented residential fixed charge proposal will benefit low income customers because they have higher average usage levels than other customers.<sup>25</sup> It also argues that its alternative ratemaking proposals are necessary to protect its ability to recover its authorized revenue requirement.<sup>26</sup> To the contrary, Columbia's rate design and alternative rate proposals will serve to increase the Company's revenues and insulate the Company from normal business risk – increasing the cost of service and depriving consumers of the ability to control costs through efficiency and conservation.<sup>27</sup>

Columbia has been explicit about its intention to continue to file rate increases annually for the foreseeable future irrespective of whether the Commission approves its

---

<sup>24</sup> CAUSE-PA MB at 26-28.

<sup>25</sup> CPA MB at 12.

<sup>26</sup> *Id.* at 12-13.

<sup>27</sup> CAUSE-PA MB at 28-29.

“revenue stability” proposals.<sup>28</sup> The combination of the Company’s high fixed customer charge proposal coupled with its Weather Normalization Adjustment (WNA) and Revenue Normalization Adjustment (RNA) would shift risk onto its customers that is more appropriately shouldered by Columbia and would continue the pattern of charging customers millions of dollars more each year for hypothetical usage.<sup>29</sup> Together, these proposals would also strip away any appreciable bill savings that would otherwise be achieved through LIURP, undermining critical goals of the program to reduce energy bills and, in turn, help control universal service program costs.<sup>30</sup>

As discussed below in response to Columbia’s unsubstantiated arguments and inaccurate assertions regarding purported consumer benefits, Columbia’s rate design and alternative rate proposals are one-sided, in favor of the Company, and will produce unjust and unreasonable rates. As such, Columbia’s rate design and alternative ratemaking proposals must be rejected.

**E. Critical enhancements to CAP and low income efficiency programs and targeted education for low income shopping customers would help to mitigate energy insecurity and, in turn, reduce collections costs and termination rates.**

*Responding to Columbia MB at Section III, Bill Impacts, at 13-14*

Columbia’s Main Brief asserts that, at the Company’s proposed revenue requirement, a typical Residential sales customer using 70 therms of gas per month will

---

<sup>28</sup> CPA MB at 54 (“Columbia anticipates the need to file annual rate cases for the foreseeable future.”)

<sup>29</sup> CAUSE-PA MB at 50-98.

<sup>30</sup> *Id.* at 45-46, 64-66, 68-69, 87-89, 91.

see an increase in their monthly bill from \$138.52 at current rates to \$154.29, or by 11.38%.<sup>31</sup> This is far beyond a level that is affordable for Columbia's low income customers who have average income of \$16,686.48 per year (\$1,390.54 per month).<sup>32</sup>

In the face of Columbia's unaffordable and rapidly increasing rates, low income customers need to be able to reduce their energy burden by enrolling in the Company's Customer Assistance Program (CAP), which substantially reduces the likelihood of termination for low income households.<sup>33</sup> In turn, low income customers must have access to comprehensive efficiency and conservation services to help reduce high usage through the Company's Low Income Usage Reduction Program (LIURP).<sup>34</sup> These programs not only assist low income customers to access and maintain service, they also help reduce uncollectible expenses and universal service costs borne by other ratepayers.

Notwithstanding the critical need for expanded access to CAP and LIURP to control high energy costs for all consumers, Columbia refuses to take the necessary steps to improve its abysmal CAP enrollment.<sup>35</sup> Columbia's modest proposals related to its CAP program are insufficient to meet the identified need for assistance in its service territory.<sup>36</sup>

---

<sup>31</sup> CPA MB at 13.

<sup>32</sup> CAUSE-PA MB at 27,

<sup>33</sup> *Id.* at 101-103.

<sup>34</sup> *Id.* at 119-125

<sup>35</sup> CPA MB at 199-204.

<sup>36</sup> CAUSE-PA MB at 101-118.

Columbia also refuses to adjust its LIURP budget to accommodate the increased need for services due to the rate increase.<sup>37</sup>

Columbia seeks to extend and expand its Energy Efficiency and Conservation (EE&C) Pilot into a second phase without any provision for dedicated low income programming. In defense of its proposal, Columbia takes contradictory positions regarding the applicability of the Act 129 statute regarding EE&C for electric distribution companies (EDCs), citing the Act as support for approval of its own self-initiated gas EE&C program, but ignoring that the statute requires proportional treatment of low income households.<sup>38</sup> Additionally, despite the fact that Columbia has failed to put forward any proposal for dedicated programming to serve the unique efficiency needs of low income customers, it refuses to exempt low income households to pay for the program through rates.<sup>39</sup>

Columbia's negation of its responsibility to customers extends to its interactions with retail choice customers. For example, despite the availability of a reduced rate through CAP, Columbia unreasonably refuses to take basic steps to educate its low income shopping customers about the risks of the competitive market despite extensive evidence that low income shopping customers are charged excessively high commodity rates – resulting in a 25% involuntary termination rate and driving higher universal service

---

<sup>37</sup> CPA MB at 204-206.

<sup>38</sup> *Id.* at 209-210; *but see* CAUSE-PA MB at 137-139, *citing* 66 Pa. C.S. § 2806.1 (b)(1)(i)(G); *Act 129 Phase V Energy Efficiency and Conservation Program*, Final Implementation Order, Docket No. M-2025-3052826, at 53-54 (order entered June 18, 2025).

<sup>39</sup> CPA MB at 219.

program costs shouldered by other ratepayers.<sup>40</sup> Columbia seemingly takes the untenable and unsupported position that the gas Choice Act opened the door to unbridled competition and that the Company has no responsibility to educate its customers, reduce involuntary termination rates, manage universal service programs, or control collections costs.<sup>41</sup>

#### **IV. RATE BASE**

*Addressing Columbia MB, Section IV, Rate Base, at 14-24*

CAUSE-PA does not have any reply to the rate base issues raised by the Company or other parties.

#### **V. TAXES<sup>42</sup>**

*Addressing Columbia MB, Section VIII, Taxes, at 74*

CAUSE-PA does not have any reply to the tax issues raised by the Company or other parties.

---

<sup>40</sup> CAUSE-PA MB at 147 (For reference, Columbia’s general residential termination rate is only 3%. See CAUSE-PA MB at 20 T.3).

<sup>41</sup> CPA MB at 225-226; see 66 Pa. C.S. §§ 2202, 2203(8), 2206; *Retail Energy Supply Assoc. v. Pa. PUC*, 230 C.D. 2017 (Pa. Commw. Ct. 2017), citing *CAUSE-PA v. Pa. PUC*, 120 A.3d 1087, 1101 (Pa. Commw. Ct. 2015) (“[T]he overarching goal of the Choice Act is competition through deregulation of the energy supply industry, leading to reduced electricity costs for consumers”; however, this “scheme does not demand absolute and unbridled competition.”).

<sup>42</sup> CAUSE-PA notes that its MB inadvertently deviated from the Common Brief outline by addressing Taxes at section V, rather than VIII. CAUSE-PA apologizes to the ALJs and the parties for this oversight.

## **VI. REVENUE**

*Addressing Columbia MB, Section V, Revenues, at 28-29*

CAUSE-PA does not have any reply to the revenue issues raised by the Company or other parties.

## **VII. DEPRECIATION**

*Addressing Columbia MB, Section VI, Depreciation Expense, at 29-41*

CAUSE-PA does not have any reply to the depreciation issues raised by the Company or other parties, though CAUSE-PA expressly supports the depreciation arguments raised by OCA in its Main Brief.<sup>43</sup>

## **VIII. O&M AND A&G EXPENSES**

*Addressing Columbia MB, Section VII, O&M AND A&G Expenses, at 41-69*

CAUSE-PA does not have any reply to the O&M and A&G expense issues raised by the Company or other parties.

## **IX. RATE OF RETURN**

*Addressing Columbia MB, Section IX, Rate of Return, at 74-131*

CAUSE-PA does not have any reply to the rate of return arguments raised by the Company or other parties and stands by its analysis of these issues as fully set forth in its Main Brief.<sup>44</sup>

---

<sup>43</sup> OCA MB, Section VI, Depreciation Expense, at 55-88.

<sup>44</sup> CAUSE-PA MB at 33-39

## **X. RATE STRUCTURE AND RATE DESIGN**

*Addressing Columbia MB, Section X, Rate Structure and Rate Design, at 132-155*

### **A. Cost of Service**

*Addressing Columbia MB, Section X.A, Cost of Service, at 133-138*

CAUSE-PA does not have any reply to the Cost of Service issues raised by the Company or other parties.

### **B. Revenue Allocation**

*Addressing Columbia MB, Section X.B, Revenue Allocation, at 140-144*

CAUSE-PA does not have any reply to the Cost of Service issues raised by the Company or other parties

### **C. Tariff Structure**

*Addressing Columbia MB, Section X.C, Rate Design / Tariff Structure, at 144; 151-154*

CAUSE-PA does not have any reply to the tariff structure issues raised by the Company or other parties. CAUSE-PA addresses rate design issues in Section X.E, Rate Design, below.<sup>45</sup>

---

<sup>45</sup> CAUSE-PA's Main Brief addressed Rate Design as a separate subsection as opposed to being part of the Tariff/Rate Design section. In compliance with the September 2, 2025, we will use the same headings and subheadings in our Reply Brief that were used in our Main Briefs. *See supra* at 1 n.2, *supra*.

**D. Summary and Alternatives**

*Addressing Columbia MB, Section X, Summary and Alternatives, at 154*

CAUSE-PA does not have any reply to the Summary and Alternative issues raised by the Company or other parties.

**E. Rate Design**

*Addressing Columbia MB, Section X.C.1, Residential Rate Design, at 144-151*

1. Residential Customer Charge

*Responding to Columbia MB Section X.C.1, Residential Rate Design, at 144-149*

CAUSE-PA's Main Brief explains that Columbia's unprecedented and excessive proposal to increase its residential customer charge by 85% (from \$17.25 to \$31.97) improperly includes a number of indirect costs, is out of line with industry standards, and will have a perverse impact on the Commission's goal of encouraging energy efficiency and conservation.<sup>46</sup> Columbia's residential customer charge is already the highest among Pennsylvania NGDCs by a full dollar and its proposed charge is almost 200% higher than the next highest charge.<sup>47</sup> As such, its proposal is unsupported by substantial evidence and must be rejected.

---

<sup>46</sup> CAUSE-PA MB at 40-47; *see Pa. PUC v. Columbia Gas of Pa., Inc.*, Opinion and Order, Docket No. R-2020-3018835, at 262-265 (order entered Feb. 19, 2021) (adopting the Recommended Decision which found, among other bases to reject the proposed increase in the fixed customer charge, that the \$23 sought in that case was 46% or more higher than all other NGDCs receive).

<sup>47</sup> CAUSE-PA MB at 43-44.

In its Main Brief, Columbia argues in support of its excessive fixed charge proposal that it is undisputed that “nearly all of the Company’s distribution system costs are fixed and do not vary with usage.”<sup>48</sup> Columbia argues that, “Even when mains costs, which are fixed costs, are excluded, Columbia’s proposed customer charge is slightly above the customer-based cost, and the majority of an average Residential customer’s bill will be comprised of volumetric charges.”<sup>49</sup> Columbia’s arguments are rebutted at length in CAUSE-PA’s Main Brief, which demonstrates that Columbia improperly includes demand-related costs and other indirect charges not appropriately included in a customer charge.<sup>50</sup> While we will not reiterate those arguments here, it is important to correct a number of factual and legal mischaracterizations and inaccuracies in Columbia’s Main Brief.

Columbia mischaracterizes CAUSE-PA witness Patrick Cicero’s testimony as arguing that rate design should not align charges with cost-causation and incorrectly argues this view reflects a misunderstanding of rate design and cost causation principals.<sup>51</sup> Mr. Cicero never made such a statement. Rather, on page 6 of his surrebuttal, Mr. Cicero was actually clarifying that Mr. Taylor’s arguments regarding cost causation relative to the

---

<sup>48</sup> CPA MB at 145-146.

<sup>49</sup> *Id.* at. 145.

<sup>50</sup> CAUSE-PA MB at 40-47; *see Pa. PUC v. PECO Energy Company – Gas Division*, Order, Docket No. R-2020-3018929, at 274 (order entered June 22, 2021); *Pa. PUC v. PPL Gas Util. Corp.*, Order, Docket No. R-00061398, at 137 (order entered Feb. 8, 2007); *Pa. PUC v. PPL Elec. Util. Corp.*, Docket No. R-2012-2290597, at 131 (order entered Dec. 28, 2012).

<sup>51</sup> CPA MB at 147, n. 462 (citing to CAUSE-PA St. No 2-SR, at 6).

fixed charge are misguided because Mr. Taylor was conflating the allocation of costs with the design of rates.<sup>52</sup> It is Columbia's position that rates should be designed to reflect what it asserts is the fixed cost nature of the distribution system.<sup>53</sup>

Mr. Cicero correctly pointed out that Mr. Taylor is wrong and that the fixed charge should be designed to recover no more than the *direct* customer cost, meaning the costs that increase with each additional customer.<sup>54</sup> In explaining more fully, Mr. Cicero stated:

Mr. Taylor asserts that since utilities are obligated to build and maintain a distribution system designed to meet peak demand regardless of how much gas a customer happens to use in a given month, the goal of rate design should be to align charges with cost causation. Here, Mr. Taylor is conflating the allocation of costs with the design of rates. I acknowledged in my direct that a gas system must be designed to meet peak demand, but that does not mean residential customers should pay for that design solely through their fixed customer charge. There is a clear difference between allocating costs attributable and assignable to rate classes and designing rates to collect a revenue requirement. I continue to believe that fixed customer charges should be narrowly focused only on the costs that change directly with the addition or subtraction of a customer – such as meters – and not the overall system demand, which is better collected through all units of the commodity delivered rather than as a part of the fixed charge.<sup>55</sup>

Mr. Cicero's position reflects the general practice in Pennsylvania, is broadly consistent with the NARUC Gas Distribution Rate Design Manual,<sup>56</sup> and the methodology

---

<sup>52</sup> CAUSE-PA St. 2-SR at 6:9.

<sup>53</sup> CPA MB at 147.

<sup>54</sup> See CAUSE-PA MB at 42.

<sup>55</sup> CAUSE-PA St. 2-SR at 6:6-7 (internal footnotes omitted).

<sup>56</sup> CAUSE-PA St. 2 at 30 n. 62, *citing* NARUC Gas Distribution Utility Rate Design Manual, at 49-50 (1989) (“The most controversial issue is deciding where capacity costs belong in the rate. Because they are fixed costs, it is sometimes argued that they should be part of the customer charge. On the other hand, it can be argued that gas not customer backup, is the fundamental product being sold, and that those common fixed costs should be recovered evenly from all units of commodity sold.”)).

applied by the statutory parties.<sup>57</sup> As explained by OCA witness Mierzwa and I&E witness Sakaya, only those costs that change directly with the addition or subtraction of a customer should be included in the calculation of a customer charge.<sup>58</sup> Indeed, in Columbia's 2020 rate case, the Commission rejected these same arguments set forth by Mr. Taylor and Columbia, rejecting Columbia's proposal to increase its residential customer charge.<sup>59</sup>

CAUSE-PA also strongly disagrees with Columbia's argument in its Main Brief that volumetric rates are regressive and that a higher fixed customer charge would benefit low income customers.<sup>60</sup> These arguments are disputed, in detail, in CAUSE-PA's Main Brief.<sup>61</sup> In short, every dollar that is locked in on the customer charge undermines the ability of consumers to mitigate the rate increase through conservation, disproportionately impacting low income households and undercut the effectiveness of LIURP.<sup>62</sup> As the Commission recognized in its decision rejecting Columbia's previous proposal,<sup>63</sup> high fixed charges violate the Commission's policies encouraging energy efficiency and conservation, as it hinders customers' ability to reduce their bill through conservation or energy efficiency measures.<sup>64</sup> In turn, Columbia's proposal undermines the explicit goals

---

<sup>57</sup> OCA MB at 191; I&E MB at 62-63.

<sup>58</sup> OCA MB at 191 (*citing* OCA St. 4 at 15-16); I&E St. 3 at 46.

<sup>59</sup> *Pa. PUC v. Columbia Gas of Pa., Inc.*, Opinion and Order, Docket No R-2020-3018835, at 262-265 (order entered Feb. 19, 2021).

<sup>60</sup> CPA MB at 147-149.

<sup>61</sup> CAUSE-PA MB at 45-47

<sup>62</sup> CAUSE-PA MB at 45.

<sup>63</sup> *Pa. PUC v. Columbia Gas of Pa., Inc.*, Opinion and Order, Docket No. R-2020-3018835, at 264-265 (order entered Feb. 19, 2021) (Columbia's proposed fixed charge was "contrary to the Commission's goal of encouraging customers to conserve energy.).

<sup>64</sup> CAUSE-PA MB at 45.

of Columbia’s Low Income Usage Reduction Program to “reduce residential energy bills” for low income, high usage customers and to help reduce reliance on other universal service programs thereby reducing universal service costs.<sup>65</sup>

Further, based on the testimony of Mr. Taylor, Columbia asserts that low income customers will save \$24 per year under Columbia’s proposed rate design.<sup>66</sup> However, Columbia fails to acknowledge that the extent to which a household may save under a high fixed charge rate design depends entirely on the customers’ actual monthly usage.<sup>67</sup> As Mr. Cicero demonstrated in his Direct Testimony, when calculated monthly over the varying usage for each month of a 24-month period, the rate design proposed by Columbia in this case would produce minimal savings for low income customers of only \$0.49, with some months producing more savings and some months producing less or no savings.<sup>68</sup> At the evidentiary hearing, Mr. Cicero further explained that, while a high fixed charge rate design will inevitably benefit some low income households, it is more critical for rate design to promote efficiency and conservation – allowing low income households to better control energy costs through conservation.<sup>69</sup>

Columbia also argues that a higher fixed charge benefits low income customers through bill stability.<sup>70</sup> However, as noted by Mr. Cicero in testimony, a bill that is stable

---

<sup>65</sup> CAUSE-PA MB at 45-46.

<sup>66</sup> CPA MB at 148.

<sup>67</sup> CAUSE-PA 35 (responding to CPA St. 17 at 13).

<sup>68</sup> CAUSE-PA St. 2 at 37.

<sup>69</sup> Tr. at 493:12 to 496:22.

<sup>70</sup> CPA MB at 148.

but unaffordable provides no benefit to low income customers and CAP provides a stable monthly bill based on a customer's ability to pay and is far more useful to create actual bill stability than a higher fixed customer charge.<sup>71</sup> Furthermore, Columbia is legally required to offer the option of budget billing which is meant to produce bill stability without decreasing incentives for conservation and energy efficiency.<sup>72</sup>

Columbia argues that, "The parties fail to acknowledge that increasing the residential customer charge will: reduce overall bills for the majority of Columbia's low-income customers, reduce higher winter energy burdens, stabilize distribution bills and assist with household budgeting."<sup>73</sup> To be clear, Columbia is proposing to substantially increase rates for residential customers and assign 99.96% of that increase to the fixed charge portion of the bill that cannot be offset through energy efficiency or usage reduction.<sup>74</sup> It is irrational to assert that Columbia's proposal would "lower bills" for anyone, let alone low income customers. If Columbia were concerned with lowering bills for low income customers, it would adopt the steps recommended by CAUSE-PA to improve CAP enrolment and expand access to its universal service programs such as LIURP.<sup>75</sup> However, Columbia has rejected nearly every single proposal from CAUSE-PA and other parties that would have helped accomplish these goals. Instead, Columbia appears to be solely concerned with insulating itself from the traditional business risks

---

<sup>71</sup> CAUSE-PA St. 2-SR at 19:9 (noting that "a bill that is stable but unaffordable is meaningless for low income customers"); *see also* CAUSE-PA MB at 47; Tr. at 497:2-5.

<sup>72</sup> CAUSE-PA MB at 47; 52 Pa. Code § 56.12(8).

<sup>73</sup> CPA MB at 149-150.

<sup>74</sup> CAUSE-PA MB at 2.

<sup>75</sup> *See Id.* at 98-130.

associated with reductions in usage so that it can collect its revenue without concern for these externalities.

In a failed analogy, Columbia also points to Mr. Taylor's testimony where he draws comparison to mortgage, insurance premiums, car payments, and other bills that are typically paid as a flat monthly charge.<sup>76</sup> However, Mr. Taylor's comparisons are off base - these services are competitive services that allow households to compare offers and make a choice.<sup>77</sup> To the extent that a customer cannot afford many these other services, there are workable substitutes available that have different pricing structures (some of which are free).<sup>78</sup> Aside from rent/mortgage, the loss of these other services does not cause severe health consequences, nor place the consumer at risk of eviction or the loss of other housing support like loss of gas service.<sup>79</sup> Further, regarding rent or mortgage payments, households have some degree of control over the amount of those costs by choosing where to live and in what kind of housing.<sup>80</sup> However, for regulated gas distribution service, low income customers must take service based on the rules established by the Commission and set forth in Columbia's tariff and cannot choose a different gas distribution provider.<sup>81</sup>

---

<sup>76</sup> CPA MB at 149, *citing* CPA St. 17 at 19-20.

<sup>77</sup> CAUSE-PA St. 2 at 39.

<sup>78</sup> *Id.* at 39.

<sup>79</sup> *Id.* at 40.

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

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

Columbia's remaining arguments regarding its proposal to increase the residential customer charge are fully rebutted in CAUSE-PA's Main Brief.<sup>82</sup> CAUSE-PA stands by its position that Columbia's proposal to increase the residential customer charge should be rejected and to the extent that any residential rate increase is approved in this proceeding it should be assigned to the volumetric portion of the customer bill.

## **XI. ALTERNATIVE RATEMAKING**

*Addressing Columbia MB, Section XI, Alternative Ratemaking, at 155-179*

### **A. Weather Normalization Adjustment (WNA)**

*Responding to Columbia MB Section XI.A, WNA, at 155-171*

1. Columbia's pilot WNA improperly shifts unreasonable weather-related risk to consumers, adding tens of millions of dollars to residential bills.

*Responding to Columbia MB Section XI.A.1-4.a-b, WNA, at 155-160*

As explained in detail in CAUSE-PA's Main Brief, Columbia's proposal to implement a permanent WNA should be rejected.<sup>83</sup> The WNA shifts most weather-related risk from the utility to customers, which is inappropriate for a monopoly provider of essential services, such as Columbia. The WNA formula requires an overly complicated and nuanced calculation that is difficult for customers to understand. While the formula is mathematically bi-directional, in practice, the WNA has substantially worked to the

---

<sup>82</sup> CAUSE-PA MB at 40-48.

<sup>83</sup> *Id.* at 50-81

detriment of customers, resulting in over \$74 million net additional charges to customers for service they did not use.<sup>84</sup>

In its Main Brief, Columbia argues that the WNA is in the public interest because, “if Columbia did not have the WNA in place, it would have lost approximately \$74 Million since the inception of the WNA due to warmer than normal weather, and would not have been able to recoup those losses without a WNA.”<sup>85</sup> In other words, Columbia’s primary argument for why the WNA is in the public interest is that it allowed the Company to charge the public over \$74 million dollars that the public would not have otherwise had to pay in the absence of the WNA. These additional charges are not in the public interest, but solely in the interest of Columbia and its bottom line.

Columbia argues that its WNA should be approved because it is more similar to Peoples’ WNA that was approved by the Commission, as opposed to PECO Gas’s WNA that was rejected by the Commission.<sup>86</sup> However, there are key differences in the case where Peoples’s proposed WNA that was approved versus the current proceeding and Columbia’s WNA Pilot. First, Peoples rate case was subject to a non-unanimous settlement, wherein Peoples made several concessions to the other parties in exchange for their agreement to the WNA.<sup>87</sup> In the non-unanimous settlement, Peoples agreed to a

---

<sup>84</sup> CAUSE-PA MB at 50

<sup>85</sup> CPA MB at 157-158.

<sup>86</sup> *Id.* at 155-156.

<sup>87</sup> *Pa. PUC v. Peoples Natural Gas Company LLC*, Opinion and Order, Docket No. R-2023-3044549, at 13-24 (order entered Sep. 12, 2024).

reduced revenue requirement, an adjustment to the heating degree days used for normalization, several concessions related to tax issues, and a much lower proposed residential fixed customer charge.<sup>88</sup> CAUSE-PA was a party to the case, but did not join the non-unanimous settlement. However, through a separate Commission-approved stipulation, CAUSE-PA agreed not to actively oppose the nonunanimous settlement in exchange for several concessions related to Peoples' Universal Service Programs, including: the agreement to file a petition for LIHEAP auto-enrollment, a LIURP budget increase, increased annual shareholder contributions to its hardship fund, and enhanced screening for low income customers on non-emergency calls, among other concessions.<sup>89</sup> There is no such settlement agreement or negotiated stipulation in this case.

Second, Peoples did not previously have a WNA at the time its proposal was approved.<sup>90</sup> Thus, there was no actual history of how the WNA, as implemented by Peoples, would operate. The Commission's approval of Peoples' WNA, in the context of a partial non-unanimous settlement, was based on *projections* – not actual data or experience with the rate mechanism.<sup>91</sup> In contrast, Columbia's Pilot has been in effect for

---

<sup>88</sup> *Pa. PUC v. Peoples Natural Gas Company LLC*, Opinion and Order, Docket No. R-2023-3044549, at 13-24 (notably, the residential customer charge agreed to in that case, \$16.80, was substantially lower than Columbia's current fixed charge, let alone its proposed increase).

<sup>89</sup> *Id.* at 62-65 (the stipulation also provided for improved tracking of Peoples' low income customers, commitments to maintain existing business relationships with community based organizations administering its low income programs, concessions related to security deposits policies).

<sup>90</sup> *Id.* at 92-93.

<sup>91</sup> *Id.* at 89-90.

12 years and there is substantial evidence to conclude that it has worked to the detriment of Columbia's customers, in particular its low income customers, without providing the symmetrical consumer benefit that was promised.<sup>92</sup> Columbia's actual net charges were \$74.2 million, with \$78.9 million in charges over the six years prior to the current proceeding (approximately \$13.2 million per year).<sup>93</sup> Thus, Columbia's WNA has produced charges over seven times higher charges to customers than those projected by Peoples, which constitutes substantial evidence that Columbia's WNA has been detrimental to consumers far beyond the projections in the Peoples' case. Third, there was no RNA proposed in that case.

Despite the contentions of Columbia, the fact that there are fewer heating degree days than over the past 20 years, does not justify the WNA. Columbia argues that "Winter weather has been abnormally getting warmer, and the Company should not be required to bear the abnormal risk of warming weather."<sup>94</sup> However, Columbia is in the business of selling a commodity to the public that is and always has been weather dependent. Its solution to shift the risk of warmer than normal weather onto its customers through the WNA has produced unjust and unreasonable results for customers. As a monopoly utility, Columbia is in a far better position to manage the risks associated with warming weather than its low income customers who on average earn less than \$17,000 per year.<sup>95</sup> It is unjust

---

<sup>92</sup> CAUSE-PA MB at 70.

<sup>93</sup> *Id.* at 53.

<sup>94</sup> CPA MB at 158.

<sup>95</sup> CAUSE-PA MB at 54-55.

and unreasonable to pass this risk on to low income customers, who lack the financial ability to absorb unexpected costs from automatic weather-driven rate adjustments.<sup>96</sup> When the weather is warm, customers expect their bill to be lower, not to be billed for “hypothetical usage.”<sup>97</sup> As explained in CAUSE-PA’s Main Brief, Columbia’s WNA runs contrary to regulatory policy, which disfavors rate mechanisms that allow utilities to recover lost revenues or costs from customers without also exposing the utility to comparable risk or performance standards.<sup>98</sup>

Columbia again mischaracterizes the testimony of CAUSE-PA witness Patrick Cicero, arguing that he agreed that the recently warmer weather is “abnormal,” seemingly implying agreement that it is likely that temperatures will regress to the 15- or 20-year historical mean.<sup>99</sup> There is no evidence in this case suggesting that the trend of heating degree days would regress to a mean such that the pattern of WNA collections has a likelihood of working symmetrically. As Mr. Cicero noted in his testimony, “the general consensus of all respected scientists is that the weather is warming and that there are fewer and fewer heating degree days.”<sup>100</sup>

Columbia argues that, under its WNA, weather-related risk is shared symmetrically between the Company and customers and admits that its pro forma usage for ratemaking

---

<sup>96</sup> CAUSE-PA St. 2 at 46.

<sup>97</sup> *Id.*

<sup>98</sup> CAUSE-PA MB at 48.

<sup>99</sup> CPA MB at 161.

<sup>100</sup> Tr. at 471:13-472:6.

purposes is normalized “under the assumption that over time, temperatures will revert to historic norms.”<sup>101</sup> However, in the same breath, Columbia argues: “The WNA has become a standard ratemaking mechanism that allows NGDCs to mitigate ever-increasing weather-related risk due to global warming.”<sup>102</sup> Columbia’s effort to sell the WNA as a mere mitigation of weather in the event that it is warmer than normal belies the fact that the mechanism has only worked in Columbia’s favor since at least 2019 – and before that provided disproportionate benefits in favor of Columbia.<sup>103</sup>

Columbia simply can’t have it both ways, arguing that they need protection from global warming, but at the same time arguing that the WNA benefits consumers because temperatures will eventually subside. The scientific consensus is that temperatures are unlikely to ever revert to “historic norms.”<sup>104</sup> There is no real debate about the direction that our weather is headed long term given the impacts of climate change.<sup>105</sup> Pennsylvania’s annual heating degree days are anticipated to decrease by 13% by mid-century and 25% by end-of-century compared to the historical baseline.<sup>106</sup> Thus, Columbia’s assertions that the WNA is symmetrical and will eventually benefit consumers because the current warming

---

<sup>101</sup> CPA MB at 158.

<sup>102</sup> *Id.* at 159.

<sup>103</sup> CAUSE-PA St. 2 at 46, Table 11 (showing that since 2019/2020 heating season, Columbia’s WNA has produced more than \$76 million in charges in Columbia’s favor).

<sup>104</sup> CAUSE-PA MB at 56.

<sup>105</sup> CAUSE-PA St. 2 at 51, n. 98.

<sup>106</sup> CPA MB at 160.

trend is an anomaly and that temperatures will eventually regress to the mean runs contrary to the substantial evidence in this case.

Columbia also makes a strained comparison to the Rider USP, arguing that that rider is also difficult to understand but no party is arguing that it should be discontinued.<sup>107</sup> The key difference between the Rider USP and the WNA is that the universal service and energy conservation programs supported by that rider – as well as the rider itself – are required by law,<sup>108</sup> the WNA is not. Moreover, the USP Rider supports critical universal service programs that provide vital benefits to low income families that helps allow them to maintain service to their homes and reduces terminations and uncollectible expenses, which in turn benefits all customers.<sup>109</sup> On the other hand, the WNA has produced over \$74 million in additional charges for residential customers, approximately 22% of whom are low income, and thus creates an additional hinderance to their ability to maintain service and has been a detriment to the residential class overall.<sup>110</sup>

---

<sup>107</sup> CPA MB at 167-168

<sup>108</sup> 66 Pa. C.S. §§ 2202, 2203(6)-(8) (“the Commission shall establish for each natural gas distribution company an appropriate nonbypassable, competitively neutral cost-recovery mechanism which is designed to recover fully the natural gas distribution company’s universal service and energy conservation costs over the life of these programs.”).

<sup>109</sup> CAUSE-PA MB at 98-133.

<sup>110</sup> *Id.* at 50-51, 55-56, 67-69; CAUSE-PA St. 1 at 11 (regarding low income customer count).

2. The WNA is not necessary for Columbia to have a fair opportunity to recover its Commission approved revenue requirement and is not beneficial to customers.

*Responding to Columbia MB at Section XI.A.4.b-c, WNA, at 160-161*

Columbia argues that CAUSE-PA and the other parties opposing the WNA “fail to recognize is that this \$74 Million in revenues are revenues that were approved by the Commission for recovery in prior rate proceedings but were not recovered in base rates due to abnormal weather conditions that are outside of the Company’s control.”<sup>111</sup> Columbia is incorrect in this assertion as all of the parties have acknowledged this fact.<sup>112</sup> What Columbia seemingly fails to recognize is that this additional recovery came from customers and has effectively worked to seek to guarantee the recovery of its approved revenue requirement. This, of course, is not the state of the law as Columbia is entitled to no guarantee, but merely a reasonable opportunity.<sup>113</sup> A reasonable opportunity is not the same as a guarantee. The fact that Columbia would not have recovered the \$74 million without the WNA does not make the results any less asymmetrical.

---

<sup>111</sup> CPA MB at 161.

<sup>112</sup> CAUSE-PA MB at 50-51; OCA MB at 207; I&E MB at 66.

<sup>113</sup> *Federal Power Comm’n v. Hope Natural Gas Co.*, 320 U.S. 591, 603 (1944); *Pittsburgh v. Pa. PUC*, 69 A.2d 844 (Pa. Super. Ct. 1949); *see also Duquesne Light Co. v. Barasch*, 488 U.S. 299, 310, 312 (1989); *Pa. Gas & Water Co. v. Pa. PUC*, 341 A.2d 239, 251 (Pa. Commw. Ct. 1975); *Bluefield Water Works & Improvement Co. v. Public Serv. Comm’n of W.Va.*, 262 U.S. 679, 692-93 (1923).

3. Columbia's pilot WNA contradicts each of the enumerated factors in the Commission's Distribution Rates Policy Statement.

*Not addressed by Columbia.*

Columbia does not address the Commission's Distribution Policy Statement factors in its Main Brief. As such, CAUSE-PA stands behind its analysis and arguments as set forth in its Main Brief. Columbia has the burden of proof to demonstrate that its WNA produces just and reasonable rates as implemented and proposed.<sup>114</sup> It has failed to do so and it has also failed to demonstrate that its WNA satisfies the Commission's objectives in its Distribution Rates Policy Statement, which was established to evaluate the justness and reasonableness of alternative rate design proposals.

4. Summary of Reasons to Deny WNA

*Addressing Columbia MB Section IX.A.4.e-I, WNA, at 164-167*

Columbia's remaining arguments in support for approval of its WNA are disputed at length in CAUSE-PA's Main Brief, including, but not limited to, its arguments that that the WNA does not discourage energy efficiency,<sup>115</sup> and does not detrimentally impact low income customers.<sup>116</sup> Columbia's WNA protects Columbia's revenue, while undermining energy efficiency and disproportionately burdening low income customers.<sup>117</sup> None of the arguments raised by Columbia in its Main Brief are sufficient to carry its burden to prove that the WNA is a just and reasonable rate. To the contrary, the record

---

<sup>114</sup> 66 Pa. C.S. §§ 315 (a), 1301, 1330.

<sup>115</sup> CAUSE-PA MB at 64-66

<sup>116</sup> *Id.* at 67-69.

<sup>117</sup> *Id.* at 78.

clearly shows that the WNA and the over \$74 million in additional charges it has levied are unjust, unreasonable, and contrary to the public interest. The Commission should order Columbia to discontinue its WNA.

5. If the Commission allows the WNA to continue it should be substantially reformed

*Addressing Columbia MB Section XI.A.5, The other Parties' Alternative WNA Conditions Should be Denied, at 169-171*

In its Main Brief, Columbia opposes CAUSE-PA's alternative recommendation related to the WNA.<sup>118</sup> Columbia argues that CAUSE-PA's recommendation to remove the months of November, April, and May is arbitrary and that removing confirmed low income customers from the WNA would impede their ability to reduce higher bills during peak winter conditions.<sup>119</sup> Columbia's arguments in its Main Brief regarding CAUSE-PA's alternative recommendations are fully rebutted in CAUSE-PA's Main Brief.<sup>120</sup> The evidence clearly shows that the WNA is one sided in favor of the Company and that Columbia's confirmed low income customers are disproportionately harmed by the additional charges.<sup>121</sup> Contrary to Columbia's assertion, the overwhelming weight of the data in this case shows that elimination of the shoulder months and exemption of low income customers from Columbia's inequitable alternative rates would help to shield

---

<sup>118</sup> CPA MB at 170-171.

<sup>119</sup> *Id.*

<sup>120</sup> CAUSE-PA MB at 79-81.

<sup>121</sup> *Id.* at 79-80.

vulnerable households from the worst impacts of the WNA – while also helping prevent higher universal service program costs as a result of these charges.

CAUSE-PA notes that the winter moratorium on low income service terminations only runs from December through March.<sup>122</sup> If these are the only months when economically vulnerable households must retain service because of the possibility of cold weather, it is unreasonable to allow Columbia to assess a weather-related charge in the additional months of November, April, or May.<sup>123</sup> Ultimately, Columbia has failed to meet its burden of proving that its pilot WNA operates in a just and reasonable manner and, as such, its proposal to make the WNA permanent should be rejected and the WNA should end.<sup>124</sup> However, to the extent that the Commission allows the WNA to continue, it should require that (1) the WNA remain a pilot, (2) confirmed low income and CAP customers be exempt from WNA charges, (3) the WNA be limited to December through March, (4) Columbia be required to propose in its next rate case changes to the WNA formula.<sup>125</sup>

## **B. Revenue Normalization Adjustment**

*Addressing Columbia MB Section XI.B., RNA, at 172-179*

CAUSE-PA's Main Brief explains that the Commission should reject Columbia's proposed RNA because it would not provide any material benefits to Columbia ratepayers, it would seek to ensure a revenue guarantee to Columbia, and would likely compound

---

<sup>122</sup> 52 Pa. Code § 56.100(b).

<sup>123</sup> CAUSE-PA MB at 80.

<sup>124</sup> *Id.* at 50-78.

<sup>125</sup> *Id.* at 79-81.

energy insecurity for low income households.<sup>126</sup> Whereas the WNA shifts the financial risk of lower usage due to warming weather onto customers, the RNA shifts all of the traditional business risk of reductions for any reason onto consumers.<sup>127</sup> The RNA would represent a substantial departure from the current standard which only allows a public utility a “reasonable opportunity” to earn a fair rate or return by guaranteeing the ability of Columbia to recover its full revenue requirement.<sup>128</sup>

In its Main Brief, Columbia argues that the RNA does not guarantee earnings but aligns actual revenues with authorized revenues;<sup>129</sup> however, this is a distinction without a difference. What Columbia seeks to align is its expectation of revenue requirement at the time rates are set with a guarantee that it will collect that revenue at the time rates are billed or shortly thereafter. The Commission has previously rejected the same proposal, finding that Columbia failed to prove the RNA was needed and reasonable, that the RNA would result in rates that are just, reasonable and in the public interest, nor that its current rates and systems of revenue streams would fail to provide revenue stability.<sup>130</sup>

Like its arguments regarding its WNA, Columbia argues that the RNA is in the public interest, primarily because it protects Columbia’s ability to collect its revenue

---

<sup>126</sup> CAUSE-PA MB at 81-98.

<sup>127</sup> *Id.* at 81-82.

<sup>128</sup> CPA MB at 176.

<sup>129</sup> *Id.*

<sup>130</sup> *See* CAUSE-PA MB at 81, citing *Pa. PUC v. Columbia Gas of Pa., Inc.*, Opinion and Order, Docket No R-2020-3018835, at 264-265 (order entered Feb. 19, 2021).

requirement.<sup>131</sup> In both arguments, Columbia conflates the public interest with Columbia's own best interests. Columbia's best interest and the public's best interest are two different things, and, regarding Columbia's alternative ratemaking proposals, they are at odds. Columbia does not identify any benefit for consumers, who will pay more because of the RNA.<sup>132</sup> If approved, the RNA would erode Columbia's accountability to consumers and reduce Columbia's incentives to operate efficiently, improve collections, implement critical assistance programs, or otherwise reduce expenses.<sup>133</sup> All of which are detrimental to consumers and the public interest in general.

Columbia argues that the RNA will not discourage energy efficiency and conservation measures because customers can still save money on commodity charges.<sup>134</sup> However, customers will still save *less* than they would have without the RNA.<sup>135</sup> They will therefore be less incentivized to invest in energy efficient appliances and weatherization because they will be less likely to recoup the investments they make through resulting bill savings. Columbia also fails to acknowledge the detrimental impact on low income households who rely on energy efficiency measures to lower their bills and the fact

---

<sup>131</sup> CPA MB at 174.

<sup>132</sup> CAUSE-PA MB at 82.

<sup>133</sup> CAUSE-PA St. 2 at 67.

<sup>134</sup> CPA MB at 177.

<sup>135</sup> CAUSE-PA MB at 87-89.

that the RNA will effectively undercut the ability of the LIURP program to “reduce residential energy bills” for low income, high usage customers.<sup>136</sup>

Columbia classifies concerns over affordability and harm to customers as “minor concerns that the other parties have not even attempted to quantify.”<sup>137</sup> This statement belies the testimony of CAUSE-PA and other parties and is generally reflective of Columbia’s overarching view that it should be entitled to collect its revenue without concern for the effect on its customers or their ability to afford service. Especially, with regard to Columbia’s low income customers, CAUSE-PA vehemently disagrees that affordability of rates is a “minor concern.” 77% of Columbia’s low income customers are not enrolled in CAP and will be forced to pay the RNA along with any additional rate increase or other charges (including the WNA and the EE Rider) which may be approved in this proceeding.<sup>138</sup> These customers are already forced to make impossible tradeoffs to afford to maintain gas service to heat their homes and these additional charges will worsen their struggle.<sup>139</sup> As far as quantification, Columbia itself admits that the RNA would have levied an additional \$69 million in charges to consumers since 2019.<sup>140</sup> The additional charges levied through the RNA for gas the customer never used will have a detrimental

---

<sup>136</sup> 52 Pa. Code § 58.1 (“The programs are intended to assist low income customers conserve energy and reduce residential energy bills. The reduction in energy bills should decrease the incidence and risk of customer payment delinquencies and the attendant utility costs associated with uncollectible accounts expense, collection costs and arrearage carrying costs.”).

<sup>137</sup> CPA MB. At 177.

<sup>138</sup> CAUSE-PA MB at 14.

<sup>139</sup> *Id.* at 26.

<sup>140</sup> CPA MB at 176.

effect on low income customers' ability to continue to afford service, especially if coupled with any additional rate increase in this proceeding.

Columbia's remaining arguments are addressed at length, in CAUSE-PA's Main Brief.<sup>141</sup> Ultimately, while Columbia would benefit from guaranteed revenue, it has shown any benefits to customers from the RNA and failed to carry its burden to demonstrate that the RNA would be a better approach than traditional ratemaking and the scrutiny that rate cases would provide.

## **XII. UNIVERSAL SERVICE ISSUES**

*Addressing Columbia MB Section XIII, "Universal Service Programs," at 187-208.).<sup>142</sup>*

### **A. Customer Assistance Program (CAP)**

1. CAP enrollment is critically important to offset harmful rate impacts on low income households but is substantially undersubscribed – reaching just 23% of estimated eligible customers.

*Addressing Columbia MB Section XIII.D, CAUSE-PA's Proposal to Automatically Enroll LIHEAP Grant Recipients into CAP Should Be Rejected, at 199-203, and Section XIII.E, The Other Parties' Proposals for Additional CAP Screening Should be Rejected, at 203-204*

Columbia's Main Brief fails to address or acknowledge the hardships that the rate increase will cause its low income customers and how additional mitigation measures are needed to ensure that service remains accessible and available to these customers. As outlined in CAUSE-PA's Main Brief, Columbia is required to maintain a portfolio of

---

<sup>141</sup> CAUSE-PA MB at 81-98.

<sup>142</sup> CAUSE-PA apologizes to the ALJs and parties for inadvertently missing Section XII "Customer Service and Quality of Service" in its Main Brief.

universal service programs that is appropriately funded and available to assist low income households to connect and maintain service to their home.<sup>143</sup> In light of Columbia's proposals in this case to substantially increase rates, CAUSE-PA submits that the Commission must make corresponding adjustments to Columbia's universal service and energy conservation programs to ensure they are meeting the needs of Columbia's low income customers and fulfilling all corresponding statutory and regulatory requirements.

2. The Commission should require Columbia to utilize data obtained through the Pennsylvania Department of Human Service (DHS) LIHEAP Data Sharing Program to improve CAP enrollment.

*Addressing Columbia MB Section XIII.D, CAUSE-PA's Proposal to Automatically Enroll LIHEAP Grant Recipients into CAP Should Be Rejected, at 199-203*

CAUSE-PA's Main Brief explains that Columbia's CAP enrollment numbers are woefully inadequate with approximately 77% of the eligible low income population (approximately 70,000 estimated low income households) not enrolled in CAP.<sup>144</sup> In 2024, 6,481 of Columbia's LIHEAP recipients were not enrolled in CAP, despite the fact they were known by the Company to be income-eligible for a lower rate through CAP.<sup>145</sup> LIHEAP on its own is insufficient to address the struggles of Columbia's low income customers, who have average income of less than \$17,000 per year.<sup>146</sup> LIHEAP only reaches an estimated 30% of eligible households and is not adequately funded to address existing unaffordability – let alone increased unaffordability because of Columbia's rate

---

<sup>143</sup> CAUSE-PA MB at 98.

<sup>144</sup> *Id.* at 102.

<sup>145</sup> *Id.* at 103.

<sup>146</sup> *Id.* at 71, 107; CAUSE-PA St. 1 at 60.

increase. Columbia's proposed rate increase would subsume 68% of the average 2024/2025 cash grant for gas consumers and LIHEAP funding declined precipitously with continued federal funding for the program being uncertain.<sup>147</sup> To address these deficiencies, CAUSE-PA recommends that the Commission require Columbia to leverage data obtained through the Pennsylvania Department of Human Service (DHS) LIHEAP Data Sharing Program to automatically enroll LIHEAP recipients into CAP.<sup>148</sup>

In opposition to this recommendation, Columbia argues that auto-enrollment would only be possible for a portion of the customers identified and that the Company would need to manually review and follow-up on the accounts not eligible for CAP; customers who are automatically enrolled in CAP would not have the opportunity to review and agree to the responsibilities associated with CAP participation; and customers should be given the option to determine whether CAP participation aligns with their household's financial needs.<sup>149</sup>

Columbia's concerns about the potential need for a manual review of accounts that are ineligible for CAP and the need to educate customers about CAP's rules and regulations are fully addressed in CAUSE-PA's Main Brief.<sup>150</sup> In short, CAUSE-PA's proposal acknowledges the need for flexibility. Columbia would not be constrained in the contours of its subsequent proposal, and could propose exceptions to the auto-enrollment process

---

<sup>147</sup> CAUSE-PA MB at 107.

<sup>148</sup> *Id.* at 103.

<sup>149</sup> CPA MB at 200-201.

<sup>150</sup> CAUSE-PA MB at 107-108.

and explain how Columbia will educate newly enrolled CAP participants about their rights and responsibilities.<sup>151</sup> Filing a separate petition will allow Columbia to build in an appropriate education plan and exceptions that may be necessary to avoid unintended consequences to workflow or excessive costs.<sup>152</sup> These concerns should not prevent Columbia from moving forward to enroll households which are clearly eligible for, will benefit from, and have expressed a desire to enroll in CAP. Indeed, Columbia forgets that in order for DHS to share data with Columbia, the consumer has already indicated an explicit desire for assistance to enroll in their utility's rate assistance program.<sup>153</sup>

Columbia argues that Mr. Geller did not respond to the Company's testimony that auto-enrollment would increase program administration costs.<sup>154</sup> However, he specifically explained that utilization of LIHEAP data to improve enrollment would "cut back significantly on the time and administrative costs involved in income screening and referral."<sup>155</sup>

Proper leveraging of available LIHEAP data to improve CAP enrollment would also reduce other universal service costs. As Columbia witness Deborah Davis correctly points out in support of Columbia's proposed Speech Analytics Pilot (SAP), "arrears amassed prior to entry into CAP are paid by all non-CAP residential customers."<sup>156</sup> By accelerating

---

<sup>151</sup> CAUSE-PA MB at 107-108.

<sup>152</sup> *Id.* at 108.

<sup>153</sup> CAUSE-PA St. 1-SR at 25 n. 98, *citing* 2024-2025 LIHEAP Application at Q.16.

<sup>154</sup> CPA MB at 202.

<sup>155</sup> CAUSE-PA St. 1-SR at 29.

<sup>156</sup> CPA 16-R at 20.

CAP enrollment, “less arrears will be amassed that need forgiven.”<sup>157</sup> CAP is also successful in improving payment behavior and reduces terminations, which “benefits all non-CAP residential customers that are paying for the CAP program.”<sup>158</sup>

Notably, Columbia is proposing to spend \$300,000 annually to operate a Speech Analytics Program (SAP) Pilot, which is not guaranteed to increase CAP enrollment or reduce administrative costs and is accompanied by critical data privacy concerns.<sup>159</sup> On the other hand, implementing a process to automatically enroll LIHEAP customers into CAP would guarantee enrollment of hundreds, potentially thousands, of eligible households through the use of already-available data.<sup>160</sup>

Columbia also argues that the status of Peoples’ Petition for approval of an auto-enrollment program, which remains pending before the Commission, demonstrates that CAUSE-PA’s proposal does not guarantee Commission approval.<sup>161</sup> Columbia points to the concerns listed by the Commission regarding Peoples’ petition. CAUSE-PA recognizes that there are a number of detailed considerations that should be developed prior to launching an automated enrollment process.<sup>162</sup> As explained CAUSE-PA’s Main Brief, Columbia’s petition should follow the Commission’s guidance set out in its response

---

<sup>157</sup> CPA 16-R at 20.

<sup>158</sup> *Id.*

<sup>159</sup> CPA MB at 188.

<sup>160</sup> CAUSE-PA MB at 103 (noting that in 2024, 6,481 of Columbia’s LIHEAP recipients were not enrolled in CAP, despite the fact they were known by the Company to be income-eligible for a lower rate through CAP based on their qualification for LIHEAP.).

<sup>161</sup> *Petition of Peoples Natural Gas Company LLC – to Amend 2019-2023 Universal Service and Energy Conservation Plan*, Docket No. P-2024-3052324.

<sup>162</sup> CAUSE-PA MB at 105.

Peoples’s petition, including: “considerations for addressing pre-program arrearages and shopping status; a proposed process for opt-out and consumer education; and an analysis of projected costs and savings through the end of Columbia’s 2024-2028 USECP.”<sup>163</sup> CAUSE-PA recognizes that filing of a petition with the Commission does not guarantee that it will be approved. However, if Columbia does not take initiative to establish an auto-enrollment process, there is zero chance that it will move forward, leaving thousands of eligible customers unenrolled and subject to the unaffordable and ever-increasing energy burdens caused by Columbia’s unaffordable and ever-increasing rates.

Considering that Columbia’s rates are already the highest among all Pennsylvania NGDCs and that Columbia is proposing to raise them even higher and intends to continue to file rate increases annually for the foreseeable future, Columbia must take necessary steps to improve the enrollment of eligible customers in CAP. Leveraging LIHEAP data to implement automated CAP enrollment is a necessary step in achieving that goal.<sup>164</sup>

3. Columbia should implement routine screening of applicants and customers to determine eligibility for CAP and other universal service programs.

*Addressing Columbia MB Section XIII. E, The Other Parties’  
Proposals for Additional CAP Screening Should be Rejected, at 203-  
204*

As discussed above, a large majority of eligible low income households in Columbia’s service territory (70,000 households or 77% of estimated low income

---

<sup>163</sup> CAUSE-PA MB at 105-106, *citing Petition of Peoples Natural Gas Company LLC – to Amend 2019-2023 Universal Service and Energy Conservation Plan*, Order, Docket No. P-2024-3052324 (order entered April 24, 2025).

<sup>164</sup> CAUSE-PA MB at 108.

customers) are not enrolled in CAP.<sup>165</sup> It is imperative to routinely and proactively connect customers with assistance before payment difficulties occur and improved screening would help ensure households are receiving the most advantageous available rate.<sup>166</sup> To further help address Columbia's inadequate CAP enrollment numbers, CAUSE-PA recommends that the Commission require Columbia to implement routine screening of applicants and customers to determine eligibility for CAP and other universal service programs.<sup>167</sup>

Columbia argues that most of the Company's customer base does not meet low-income criteria and requiring financial information during these often initial interactions with customers may be perceived as intrusive and will increase call handling time.<sup>168</sup> Columbia argues that it would need to hire additional staff to handle the additional call screening.<sup>169</sup> These arguments are fully addressed in CAUSE-PA's Main Brief.<sup>170</sup> In short, while most of Columbia's customers may not be low income, Columbia should be more concerned with assisting the 77% of low income customers who are not enrolled in CAP.<sup>171</sup> Further, there is no evidence in the proceeding that CAUSE-PA's screening recommendations would add to call center time and nor has the Company demonstrated that implementing CAUSE-PA's recommendations would require additional staff.<sup>172</sup>

---

<sup>165</sup> CAUSE-PA MB at 102.

<sup>166</sup> *Id.* at 109; 66 Pa. C.S. § 1303.

<sup>167</sup> CAUSE-PA MB at 109-112.

<sup>168</sup> CPA MB at 203.

<sup>169</sup> *Id.* at 203-204.

<sup>170</sup> CAUSE-PA MB at 111-112.

<sup>171</sup> *Id.*

<sup>172</sup> *Id.*

4. Columbia's proposed Speech Analytics Pilot proposal is inadequate to address chronic under-enrollment, and additional safeguards are needed to avoid potential bias and protect customer data.

*Addressing Columbia MB, Section XIII.A, Columbia's Speech Analytics Pilot Should be Approved as Filed, at 187-192*

CAUSE-PA's Main Brief points out concerns about data security and potential for potential for bias in the Artificial Intelligence (AI) modeling used for Columbia's Speech Analytics Pilot.<sup>173</sup> To address these concerns CAUSE-PA recommends that Columbia be required to work with its USAC to identify a consultant specifically trained in identifying potential bias in AI data modeling and to memorialize its commitment not to customer data collected through the pilot with any third parties.<sup>174</sup>

Columbia argues that it will not use demographic data and will monitor its own plan for inherent bias and that it has stringent guidelines regarding the sharing of customer data collected through the pilot.<sup>175</sup> CAUSE-PA submits that the weight of the evidence in this case suggests caution rather than bravado as it relates to customer data and artificial intelligence and continues to recommend that the Commission require Columbia to take the additional steps outlined in CAUSE-PA's Main Brief and the direct and surrebuttal testimony of Harry Geller to protect against inherent bias in its AI data modeling and protect its customer data from unauthorized disclosure.<sup>176</sup>

---

<sup>173</sup> CAUSE-PA MB at 112-115.

<sup>174</sup> *Id.*

<sup>175</sup> CPA MB at 189.

<sup>176</sup> CAUSE-PA MB at 112-115; CAUSE-PA St. 1 at 32; CAUSE-PA St. 1-SR at 31-32.

5. The Commission should approve Columbia's proposed CAP Arrears Pilot, with amendments to better address identified need and to align with the timeline of its current USECP.

*Addressing Columbia MB, Section XIII.B, The Company's CAP Arrearage Pilot Program Should be Approved as Filed, at 192-195.*

CAUSE-PA's Main Brief voices our strong support for Columbia's proposed CAP Arrearage Pilot, but explains that the budget and timeframe of \$100,000 over two years proposed by the Company do not go far enough to address the need for assistance identified by Columbia in developing its pilot.<sup>177</sup> CAUSE-PA recommends that the Commission require Columbia to extend the CAP Arrears Pilot until the filing of its next USECP with a budget of \$244,200 per year.<sup>178</sup>

Columbia argues that it believes a 2-year pilot with a budget of \$100,000 will provide enough data to analyze results and determine effectiveness of the CAP Pilot.<sup>179</sup> The Company further argues that it is committed to ongoing evaluation of CAP Pilot data and urges the Commission to reject CAUSE-PA's recommendation for reform.<sup>180</sup>

Columbia's arguments are fully rebutted in CAUSE-PA's Main Brief, which explains that Columbia has identified 3,960 confirmed low income customers who were potentially eligible for the pilot and that Columbia's proposal would only assist approximately 4% to 7% of them.<sup>181</sup> We also pointed out that the eligible population is

---

<sup>177</sup> CAUSE-PA MB at 115-118.

<sup>178</sup> *Id.*

<sup>179</sup> CPA MB at 194.

<sup>180</sup> *Id.* at 194-195.

<sup>181</sup> CAUSE-PA MB at 116.

growing each year, as there is a growing number of households removed from CAP.<sup>182</sup> These factors along support an increase in the budget amount and duration of the pilot.

CAUSE-PA's Main Brief further explains that ending the pilot after just two years would not provide adequate opportunity for evaluation and would potentially result in the pilot closing before its success could be appropriately evaluated for inclusion in Columbia's next USECP.<sup>183</sup> Initiating the pilot, closing it, and then reopening it again would also cause unnecessary labor for Columbia staff and program administrators, along with confusion and frustration for low income families in need of assistance.<sup>184</sup>

CAUSE-PA stands by its recommendation that the Commission require Columbia to extend the CAP Arrears Pilot until the filing of its next USECP with a budget of \$244,200 per year.

6. Columbia should routinely evaluate and adjust CAP rates on a monthly basis to ensure participants are charged the most advantageous rate.

*Responding to Columbia MB, Section XIII.E, The Other Parties' Proposals for Additional CAP Screening Should be Rejected, at 203-204.*

As noted in its Main Brief, as of as of March 2025, 21,010 CAP accounts (33%) had their CAP payment calculated based a percentage of their budget bill and will not be insulated from the direct financial impact of any approved rate increase – up to the amount

---

<sup>182</sup> CAUSE-PA MB at 116.

<sup>183</sup> *Id.* at 117.

<sup>184</sup> *Id.*

of their applicable percentage of income CAP rate.<sup>185</sup> To help lessen the impact of any approved rate increase on Columbia's CAP households enrolled in the percentage of budget CAP rate, it is critical that Columbia reassess CAP rates on a monthly basis.<sup>186</sup> In response to CAUSE-PA's recommendation that the Company begin to review CAP accounts on a monthly basis to ensure customers are receiving the lowest available CAP rate, Columbia argues that CAP rates are already reviewed monthly.<sup>187</sup> The record is less than clear that this is accurate. As explained in CAUSE-PA's Main Brief, Columbia's USECP still reflects quarterly adjustments and should be updated.<sup>188</sup> CAUSE-PA maintains its position the one of two things should occur to rectify this discrepancy: (1) if Columbia is in fact conducting a monthly review of its CAP accounts and moving customers to the most beneficial payment type, Columbia should be required to update its USECP language to reflect this change; and, (2) if not, then Columbia should be required to begin monthly review and adjustments to CAP bills to help blunt the financial impact of any approved rate increase and ensure low income CAP participants are receiving the most advantageous rate.

---

<sup>185</sup> CAUSE-PA MB at 118.

<sup>186</sup> *Id.*

<sup>187</sup> CPA MB at 204.

<sup>188</sup> CAUSE-PA MB at 119.

**B. Low Income Usage Reduction Program (LIURP).**

*Addressing I&E MB, Section XIII.A, LIURP, at 74-77; and Columbia MB Section XIII.F, LIURP Funding, at 204-206.*

1. To help offset the impact of the rate increase on high usage low income households, Columbia should be required to increase its budget for LIURP by a percentage equal to any approved increase in residential rates.

*Addressing I&E MB Section XIII.A, LIURP, at 74-77; and Columbia MB Section XIII.F, LIURP Funding, at 204-206.*

CAUSE-PA's Main Brief explains that Columbia's proposal to increase residential rates will increase the demand for comprehensive weatherization, conservation, and efficiency services through LIURP to help offset rising energy costs and improve overall bill affordability.<sup>189</sup> The program is effective at helping substantially reduce high usage that low income households cannot afford to address on their own; thus, conserving energy, reducing bills, improving payments, decreasing collections costs, reducing peak demand, and improving home health, safety, and comfort.<sup>190</sup> However despite its effectiveness, there is a significant unmet need for LIURP services among Columbia's low income customers, which will only grow more pronounced if rates are increased in this proceeding.<sup>191</sup> As it stands, relatively few low income households are currently served through LIURP compared to identified need. In fact, there is a declining trend in the number of Columbia's LIURP jobs per year from 2022-2024, that the annual number of customers served through LIURP has declined in recent years, likely driven by inflationary pressure on the cost of

---

<sup>189</sup> CAUSE-PA MB at 119.

<sup>190</sup> *Id.* at 120.

<sup>191</sup> *Id.* at 120-122.

efficiency measures, equipment, and labor.<sup>192</sup> The declining number of LIURP jobs per year, coupled with the rising cost per job, underscores the need to improve Columbia's LIURP funding and its delivery to better address the need for usage reduction services.<sup>193</sup>

To help address the gaping unmet need for LIURP services, and offset rising costs, CAUSE-PA recommends that Columbia should be required to increase its budget for LIURP by a percentage equal to any approved increase in residential rates as a result of this proceeding.<sup>194</sup> This recommendation was opposed by I&E and Columbia.

In its Main Brief I&E argues that any potential LIURP increase should be addressed in the Company's next USECP proceeding, where consideration and evaluation of all other related programs and comments from all stakeholders and interested parties can occur.<sup>195</sup> I&E cites to previous rate cases where the Commission declined to adopt recommendations related to various utilities universal service programs and to the Commission's Notice of Proposed LIURP Rulemaking Order – rather than the Commission's Final LIURP Rulemaking Order.<sup>196</sup>

CAUSE-PA strenuously disagrees with I&E's position and these arguments are rebutted in detail in CAUSE-PA's Main Brief.<sup>197</sup> I&E's erroneous conclusion fails to consider more recent Commission decisions and fails to realize that both the Commission's

---

<sup>192</sup> CAUSE-PA St. 1 at 40.

<sup>193</sup> *Id.*, CAUSE-PA MB at 120-122.

<sup>194</sup> CAUSE-PA MB at 122.

<sup>195</sup> I&E MB at 74-77.

<sup>196</sup> *Id.*

<sup>197</sup> CAUSE-PA MB at 9-10, 122-124.

Final Form LIURP rulemaking and recent rate case decisions have explicitly stated that LIURP budgets – as well as other critical universal service issues – are appropriate for consideration in a rate proceeding.<sup>198</sup> Specifically, the Commission concluded in its recent Final-Form Rulemaking Order:

We recognize that while it is appropriate to determine the effectiveness and prudence of universal service costs in a USECP proceeding, we also recognize that it is necessary to evaluate the appropriateness of a LIURP funding requirement in non-USECP proceedings such as rate cases. The recoverable costs of a public utility’s universal service programs are borne by its residential ratepayers. **We acknowledge that rate case proceedings, for example, allow parties to, inter alia, consider the justness and reasonableness of the cost of a public utility’s universal service programs including its LIURP.** Accordingly, we have revised § 58.4(a.1) and (c) to clarify that a LIURP budget may be modified subject to approval in a Commission proceeding.<sup>199</sup>

As discussed at greater length in CAUSE-PA’s Main Brief, universal service and energy conservation issues – including the adequacy of LIURP funding – are critical issues for examination in a rate proceeding and are essential to determining the justness and reasonableness of a utility’s rates.<sup>200</sup> Increasing rates for Columbia’s gas service will cause more households to need and seek comprehensive efficiency services through the program

---

<sup>198</sup> CAUSE-PA St. 1-SR at 16; *see Initiative to Review and Revise the Existing Low-Income Usage Reduction Program (LIURP) Regulations at 52 Pa. Code §§ 58.1—58.18*, Final Form Rulemaking Order, Docket No. L-2016-2557886, at 50, 123 (order entered March 13, 2025); *see also Pa. PUC v. PGW*, Docket No. R-2023-3037933 at 215-216 (order entered Nov. 9, 2023).

<sup>199</sup> *Initiative to Review and Revise the Existing Low-Income Usage Reduction Program (LIURP) Regulations at 52 Pa. Code §§ 58.1—58.18*, Final Form Rulemaking Order, Docket No. L-2016-2557886, at 123 (order entered March 13, 2025)(emphasis added).

<sup>200</sup> CAUSE-PA MB at 9-10; 122-123; *see Pa. PUC v. PGW*, Opinion and Order, Docket No. R-2023-3037933, at 216 (order entered Nov. 9, 2023).

when they are unable to keep up with rising costs.<sup>201</sup> The LIURP budget established through Columbia’s last USECP proceeding did not account for the substantial increase in rates proposed by Columbia in this case.<sup>202</sup>

If the Commission allows Columbia to increase rates, it will cause more households to need and seek comprehensive efficiency services through the program when they are unable to keep up with rising costs.<sup>203</sup> At the same time, inflationary pressure will continue to drive up the per job cost, making it harder to meet the increased need for services at the current funding levels.<sup>204</sup>

Increasing LIURP funds in the context of this rate proceeding will help to meet the increased need for assistance to reduce energy costs and, thus, will help mitigate the negative impacts of the rate increase.

Notably, Columbia’s next USECP is not due to be filed until 2030 – long after any approved increase in rates will take effect.<sup>205</sup> The Commission has previously concluded, “tabling consideration” of universal service issues until a later date “would result in denying low-income customer relief for an extended period. In our view, such a result is unreasonable and thwarts the purpose of universal service, which is to help low-income

---

<sup>201</sup> *Pa. PUC v. PGW*, Opinion and Order, Docket No. R-2023-3037933, at 216 (order entered Nov. 9, 2023).

<sup>202</sup> CAUSE-PA MB at 123.

<sup>203</sup> CAUSE-PA St. 1-SR at 15.

<sup>204</sup> CAUSE-PA St. 1 at 40.

<sup>205</sup> CAUSE-PA MB at 99.

customers maintain their natural gas service.”<sup>206</sup> CAUSE-PA also notes that the Statement of Commissioner Coleman cited by I&E was issued in the context of a UGI Electric rate case, where the Commission unanimously approved substantial universal service improvements in UGI Electric’s rate case (notably including a LIHEAP auto-enrollment process).<sup>207</sup>

Further, I&E fails to recognize that rate proceedings such as the present matter provide an important forum to review rate-supported programs and issues which affect overall rates – as well as applicable terms and conditions of services. Unlike USECP proceedings, rate proceedings allow parties to conduct a formal investigation of interconnected issues which impact program funding and, in turn, impact customer rates.<sup>208</sup> Columbia’s USECP proceedings, which are based on the submission of comments, do not substitute for the current formal inquiry and investigation.<sup>209</sup> Rate cases, such as the current proceeding, require sworn testimony, are subject to discovery and cross examination, and are an adjudication of the justness and reasonableness of rates, and terms and conditions of Columbia’s service. Deferring determination of universal service issues, such as LIURP

---

<sup>206</sup> *Pa. PUC v. PGW*, Opinion and Order, Docket No. R-2023-3037933, at 216 (order entered Nov. 9, 2023).

<sup>207</sup> *Pa. PUC v. UGI Utilities, Inc.- Electric Division*, Final Order, Docket No. R-2022-3037368 (order entered Sep. 21, 2023).

<sup>208</sup> CAUSE-PA St. 1-SR at 15-16.

<sup>209</sup> *See Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation Plan for 2024–2028 Submitted in Compliance with 52 Pa. Code § 62.4*, Order Directing Supplemental Information and Establishing Comment Period, Docket No. M-2023-3039487 (order entered June 15, 2023).

funding issues, to a USECP process devoid of similar due process requirements, places the justness of the determination of the reasonableness of rates into significant question.

Columbia argues that its current LIURP spending is sufficient and is above level required under the Commission's regulation and higher than the industry average.<sup>210</sup> Columbia also asserts that its contractors currently behind in their production and have reported they are unable to complete Columbia jobs due to the prioritization of other projects.<sup>211</sup> As explained in detail in our Main Brief, CAUSE-PA disagrees that Columbia's LIURP budget is sufficient to address the unmet need for services in its territory and its assertion that its contractors can't handle the additional work.<sup>212</sup>

Columbia's LIURP is not reasonably meeting the identified need for comprehensive usage reduction services, which will increase in scope if Columbia is approved to increase residential rates in this case.<sup>213</sup> Increasing Columbia's LIURP budget commensurate with any residential rate increase would help to measurably offset the impact of Columbia's rate increase on low income high usage households, substantially improving the availability of LIURP services to meet the increased need caused by Columbia's proposed rate increase.<sup>214</sup>

---

<sup>210</sup> CPA MB at 205.

<sup>211</sup> *Id.*

<sup>212</sup> CAUSE-PA MB at 119-125.

<sup>213</sup> CAUSE-PA St. 1 at 43.

<sup>214</sup> CAUSE-PA SR at 18.

By Columbia's own estimates, it will take 65 years to serve all the households identified in the Company's most recent LIURP needs assessment, evidencing a substantial unmet need for LIURP services in Columbia's service territory.<sup>215</sup> The need for comprehensive usage reduction services is real and will be worsened if rates increase. Appropriate funding must be available to serve that identified and growing need.<sup>216</sup>

Regarding Columbia's argument that its per customer LIURP costs are higher than the industry average, it must be noted that Columbia's distribution rates are already the *most* expensive of all Pennsylvania's large regulated gas utilities on an average bill basis and Columbia is proposing to raise rates even higher.<sup>217</sup> Thus, in comparison to other NGDCs, there is a greater need for assistance through LIURP to help offset the disproportionate burden on low income high usage customers – and the corresponding pressure on universal service costs. Columbia must fund its LIURP at a level that is sufficient to meet the need for services in its service territory. Columbia notes that the LIURP cost per residential customer is \$14.00 annually (or \$1.16 per month); however, if Columbia's rate proposal is approved by the Commission, the bill for the average residential customer will be \$154.29 per month (\$1,851.48 annually).<sup>218</sup> Columbia's substantial proposed rate increase will further drive up the need for comprehensive usage reduction assistance among high usage low income customers.

---

<sup>215</sup> CAUSE-PA St. 1-SR at 19 (noting the estimate was provided by Ms. Davis in response to discovery, based on Columbia's own LIURP needs assessment).

<sup>216</sup> 66 Pa. C.S. § 2203(8).

<sup>217</sup> CAUSE-PA SR at 19.

<sup>218</sup> *Id.*; CPA MB at 13.

As explained in detail in CAUSE-PA’s Main Brief, CAUSE-PA also disagrees with Columbia’s argument that the LIURP budget should not be increased because Columbia’s LIURP partners have other commitments and are behind on production.<sup>219</sup> Columbia is responsible for administering universal service programs that are adequately funded and available to serve identified need and should not simply accept that other funding sources will take precedence over its LIURP.<sup>220</sup> Further, the fact that the Weatherization Provider Task Force (WPTF) is also recommending an increase in LIURP funding in this case belies Columbia’s assertions that weatherization contractors are not interested or able to take on additional work.<sup>221</sup>

### **C. Health and Safety Pilot**

*Addressing Columbia MB Section XIII.G, Health and Safety Pilot Funding, at 206.*

1. Columbia should be required to establish an independent budget for the Health and Safety Pilot program and rollover unspent funds.

*Addressing Columbia MB Section XIII.G, Health and Safety Pilot Funding, at 206.*

In its Main Brief, CAUSE-PA recommends that Columbia establish an independent Health and Safety budget and roll over any unspent funds to increase the available budget for the following year.<sup>222</sup> Columbia argues that no customer has been denied service due

---

<sup>219</sup> CAUSE-PA MB at 124.

<sup>220</sup> *Id.*

<sup>221</sup> *Id.*

<sup>222</sup> *Id.* at 125-129.

to lack of funding, so the recommended separation of the Health and Safety budget is not necessary.<sup>223</sup>

As explained in CAUSE-PA's Main Brief, since 2022, Columbia has underspent its available Health and Safety Pilot budget by \$802,243.66, while at the same time, Columbia deferred 68 homes with identified health issues, knob and tube wiring, roof leaks, or moisture in the basement.<sup>224</sup> An additional 19 homes were deferred for unspecified incidental repairs.<sup>225</sup> These are missed opportunities to provide needed energy savings to households with the greatest need. The fact that no customer has been denied service due to lack of funds is not evidence that there is a lack of need for these services. Columbia's continued number of LIURP deferrals even though there is so much unspent funding is evidence that either Columbia needs to do a better job of outreach, or the program rules need to be adjusted. Either way, maintaining a separate Health and Safety budget will help ensure that the money that is earmarked for these vital services is preserved to provide critical health and safety issues that exacerbate energy insecurity for the most vulnerable households in Columbia's service territory.

Importantly, to help prevent accrual of a substantial spending backlog, if unspent funds exceed 10% of the available budget in a given year, CAUSE-PA continues to

---

<sup>223</sup> CPA MB at 206.

<sup>224</sup> CAUSE-PA MB at 127.

<sup>225</sup> *Id.*

recommend that Columbia be required to explain the reason for the underspending and identify steps it will take to improve spending in the following program year.<sup>226</sup>

#### **D. Hardship Fund**

*Addressing Columbia MB Section XIII.H, Hardship Fund, at 206-208; and I&E MB Section XIII.B, Hardship Fund, at 77-78.*

CAUSE-PA continues to support the recommendation of Pennsylvania Weatherization Providers Task Force (WPTF) that Columbia be required to increase funding for its Hardship Fund program.<sup>227</sup> Columbia and I&E oppose this recommendation.<sup>228</sup> These arguments are addressed in CAUSE-PA's Main Brief and in response to I&E's arguments related to CAUSE-PA's LIURP recommendations above.<sup>229</sup> In short, any additional rate increase will cause additional hardships for low income customers and drive additional need for hardship funding and it is thus appropriate and necessary to address universal services issues, including hardship funding, in this case.

#### **E. Universal Service Call Scripting Issues**

*Addressing Columbia MB Section XIII.I, Call Scripting, at 208.*

CAUSE-PA addressed its concerns regarding call script changes in its Main Brief.<sup>230</sup> Nothing in Columbia's brief overcomes that analysis, and, in fact, Columbia does not address the concerns and recommendations raised by CAUSE-PA at all in its Main Brief.

---

<sup>226</sup> CAUSE-PA MB at 129.

<sup>227</sup> *Id.* at 129-130, *citing* WPTF St. 1 at 7.

<sup>228</sup> CPA MB at 206-208; I&E MB at 77-78.

<sup>229</sup> CAUSE-PA MB at 8-11, 122-125; *see supra* section VII. B., LIURP.

<sup>230</sup> CAUSE-PA MB at 130-131.

**F. Audits and Rebates Program (A&R)**

*Addressing Columbia MB Section XIV.C.2.b, “CAUSE-PA’s Alternative Proposals Should be Rejected,” at 219-222.*

1. The Commission should order Columbia to rollover its unspent A&R budget and cover the full cost of measures for participants at or below 150% FPL

*Addressing Columbia MB Section XIV.C.2.b, “CAUSE-PA’s Alternative Proposals Should be Rejected,” at 219-222.*

CAUSE-PA addresses the Company’s Main Brief concerning these issues in its Section XIII, below, related to the Company’s overall Energy Efficiency and Conservation Plan. CAUSE-PA reaffirms its position that the Company’s A&R budget should be increased proportionally with its overall EE&C funding and rolled over each year to accommodate need and prevent the erosion of assistance to Columbia’s low income households.<sup>231</sup>

**G. Emergency Furnace Repair Program (ERP)**

*Addressing Columbia MB Section XIV.C.2.b, “CAUSE-PA’s Alternative Proposals Should be Rejected,” at 219-222.*

1. Columbia should be required to roll over its unspent ERP budget

*Addressing Columbia MB Section XIV.C.2.b, “CAUSE-PA’s Alternative Proposals Should be Rejected,” at 219-222.*

CAUSE-PA addresses the Company’s Main Brief concerning these issues in its Section XIII, below, related to the Company’s overall Energy Efficiency and Conservation Plan. CAUSE-PA reaffirms its position that the Company’s ERP budget should be

---

<sup>231</sup> CAUSE-PA MB at 131-133.

increased proportionally with its overall EE&C funding and rolled over each year to accommodate need.<sup>232</sup>

### **XIII. ENERGY EFFICIENCY AND CONSERVATION (EE&C) PLAN**

*Addressing Columbia MB Section XIV, Energy Efficiency Program, at 208-223*

- A. The Commission should reject Columbia’s proposed Phase II EE&C Plan because it fails to include dedicated and proportionate low income programing.**

*Addressing Columbia MB Section XIV, Energy Efficiency Program, at 208-223*

CAUSE-PA’s Main Brief explains that, while Columbia has proposed extending and expanding its Phase I EE&C Pilot into a Phase II EE&C Program with nearly double the budget, the Company has not proposed to include any dedicated low income programming.<sup>233</sup>

Columbia’s A&R and ERP budgets were each expanded in the previous rate case settlement to address Columbia’s lack of low income programming within its Phase I EE&C, but Columbia has not proposed to proportionately expand these programs consistent with its planned Phase II EE&C program expansion to offset the lack of dedicated and proportionate low income EE&C programs.<sup>234</sup> There is also no evidence that low income customers are deriving a proportionate benefit from participation in Columbia’s Phase I EE&C programs, nor has Columbia proposed any programmatic changes for Phase II that would improve the ability of low income customers to access

---

<sup>232</sup> CAUSE-PA MB at 133-135.

<sup>233</sup> *Id.* at 135-136.

<sup>234</sup> *Id.*

proportionate benefits through the program.<sup>235</sup> As explained more thoroughly in CAUSE-PA’s Main Brief, Columbia’s failure to include proportionate measures and dedicated low income programming as part of its EE&C Plan is contrary to strong public policy and would result in unjust and unreasonable rates on low income households. Thus, CAUSE-PA recommends the Commission reject the Phase II EE&C Plan, or alternatively, either (1) exempt all confirmed low income customers from paying for the programs or (2) proportionately expand the A&R and ERP program budgets.<sup>236</sup>

In Columbia’s Main Brief it relies heavily on its compliance with Act 129 standards to support its EE&C programs:

Importantly, while Columbia is not mandated to enact an EE&C plan under Act 129 of 2008 (“Act 129”), Columbia’s voluntary Phase II Plan was developed using the guiding principles of the Commission’s Act 129 Phase IV Implementation Order. For example, the Phase II Plan employs the Total Resource Cost (“TRC”) test laid out in the Phase IV Implementation Order to determine the cost-effectiveness of its plan measures and the Plan’s budget is well under the 2% cap that Act 129 imposes on electric efficiency programs in Pennsylvania.<sup>237</sup>

However, Columbia has failed to address one of the most important aspects of Act 129 EE&C programs, which is the requirement that the programs provide proportionate treatment of low income households.<sup>238</sup> The Commission requires each Act 129 EE&C

---

<sup>235</sup> CAUSE-PA MB at 135-136.

<sup>236</sup> *Id.*

<sup>237</sup> CPA MB at 209.

<sup>238</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

Plan to include specific measures for households at or below 150% FPL, in proportion to the low income sector’s share of energy usage and that the EDCs obtain minimum percentages of consumption reductions from the low-income sector.<sup>239</sup> The Commission has explicitly specified that “savings may only come from specific low-income programs or low-income verified participants in multifamily housing programs.”<sup>240</sup>

Attempting to have it both ways, Columbia argues that, while it relies on Act 129 standards to support the approval of its EE&C program, it is not required to offer low income programs because it is not subject to the Act 129 statute.<sup>241</sup> Columbia also attempts to rely on a December 23, 2009 Secretarial Letter directed at *small electric distribution companies* (“EDCs”) to file voluntary EE&C Plans.<sup>242</sup> However, it is important to note the obvious: Columbia is *not* an EDC and it is *by no means small*. In explaining the additional flexibility provided to EE&C plans run by “small EDCs” the Commission explained, “[W]e recognize that the Act 129 program contains a complexity and comprehensiveness that may not be appropriate for small EDCs, due to the costs of such programs that must be supported

---

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>239</sup> CAUSE-PA MB at 138, citing *Act 129 Phase V Energy Efficiency and Conservation Program*, Final Implementation Order, Docket No. M-2025-3052826, at 53-54 (order entered June 18, 2025).

<sup>240</sup> *Act 129 Phase V Energy Efficiency and Conservation Program*, Final Implementation Order, Docket No. M-2025-3052826, at 55 (order entered June 18, 2025).

<sup>241</sup> CPA MB at 219.

<sup>242</sup> *Id.* at 209-210, citing *Re: Voluntary Energy Efficiency and Conservation Program*, Docket No. M-2009-2142851 (Dec. 23, 2009) (“Small EDC EE&C Letter”).

by a smaller customer base.”<sup>243</sup> The secretarial letter refers to “small EDCs” as, “EDCs with fewer than 100,000 customers” who were exempted from the requirement to file an Act 129 EE&C plan. However, Columbia has more than four times that number of residential customers, reporting over 400,000 residential customers. Importantly, Columbia has nearly 100,000 estimated low income customers, approximately 70,000 of whom are not enrolled in CAP and must pay for the EE&C program through rates.<sup>244</sup>

Columbia’s self-initiated, ratepayer funded EE&C Plan should be held to the same basic standards as the statutorily authorized EE&C programs run by other large Pennsylvania utilities, including just and equitable treatment to its low income customers.<sup>245</sup> If Columbia is unable or unwilling to operate its EE&C Plan according to these standards and best practices, the plan should be rejected.<sup>246</sup>

Columbia also argues that all residential customers are eligible to participate in the program, and that Columbia has made a number of referrals from the EE&C programs to its low income programs and points to its A&R and ERP programs.<sup>247</sup> These arguments are fully rebutted in CAUSE-PA’s Main Brief.<sup>248</sup> In short, there is a huge difference between *eligibility* and *accessibility*. While Columbia cited to referrals made, there is no evidence in the record to suggest – much less prove – that these referrals were successful in

---

<sup>243</sup> *Re: Voluntary Energy Efficiency and Conservation Program*, Docket No. M-2009-2142851 (Dec. 23, 2009).

<sup>244</sup> CAUSE-PA St. 1 at 11 (Columbia reports 415,483 residential customers and 91,881 estimated low income customers).

<sup>245</sup> CAUSE-PA MB at 139.

<sup>246</sup> *Id.*

<sup>247</sup> CPA MB at 219.

<sup>248</sup> CAUSE-PA MB at 140-142.

connecting the household with actual program services.<sup>249</sup> Columbia's arguments regarding CAUSE-PA's alternative recommendations are also fully rebutted in CAUSE-PA's Main Brief.<sup>250</sup>

In sum, Columbia has failed to meet its burden to show that its proposed Phase II EE&C Plan will result in just and reasonable rates and equitable and accessible programming for low income households. To the contrary, Columbia's proposal runs contrary to Act 129, contradicting the strongest public policy touchstone guiding the approval of a voluntary, self-initiated ratepayer supported efficiency program.

1. If the Commission approves the Phase II EE&C Plan, it should order Columbia to proportionately increase the portion of the A&R Budget that was tied to the settlement approving its Phase I EE&C.

*Addressing Columbia MB Section XIV.C.2.b, CAUSE-PA's Alternative Proposals Should be Rejected, at 219-222.*

CAUSE-PA addressed the Company's Main Brief concerning CAUSE-PA's alternative suggestions earlier in this section XIII, in the discussion related to the Company's overall Energy Efficiency and Conservation Plan. CAUSE-PA reaffirms its position that the Company's A&R budget should be increased proportionally with its overall EE&C funding and rolled over each year. If the Commission approves Phase II, these modifications are necessary to ensure that Columbia's low income customers receive equitable and proportional treatment from Columbia's EE&C programming, consistent

---

<sup>249</sup> CAUSE-PA MB at 141.

<sup>250</sup> *Id.* at 143-145.

with strong public policy. They are also necessary to prevent erosion of settlement obligation that Columbia agreed to in exchange for approval of its Phase I EE&C Pilot.<sup>251</sup>

2. If the Commission approves the Phase II EE&C Plan, the Commission should order Columbia to proportionately increase the portion of the ERP Budget tied to the settlement approving its Phase I EE&C.

CAUSE-PA addressed the Company's Main Brief concerning CAUSE-PA's alternative recommendations earlier in this section XIII, in the discussion related to the Company's overall Energy Efficiency and Conservation Plan. CAUSE-PA reaffirms its position that the Company's ERP budget should be increased proportionally with its overall EE&C funding and rolled over each year to ensure that Columbia's low income customers receive equitable and proportional treatment from Columbia's EE&C programming, consistent with strong public policy. CAUSE-PA's recommendations are also necessary to prevent erosion of settlement obligation that Columbia agreed to in exchange for approval of its Phase I EE&C Pilot.<sup>252</sup>

#### **XIV. COMPETITIVE SUPPLY ISSUES**

*Addressing Columbia MB Section XV, Competitive Supply Issues, at 224-227*

CAUSE-PA's Main Brief explains that Columbia's residential and low income shopping customers are consistently charged commodity rates far above the applicable default service price, adding hundreds of dollars to bills each year and exacerbating high energy burdens of low income customers.<sup>253</sup> To help safeguard against these severe

---

<sup>251</sup> CAUSE-PA MB at 131-133.

<sup>252</sup> *Id.* at 133-135.

<sup>253</sup> *Id.* at 146-147.

consequences of excessive pricing in the competitive market, CAUSE-PA recommends that the Commission require Columbia to improve its shopping education, and provide targeted education to low income shopping customers about the availability and benefits of CAP.<sup>254</sup>

Columbia argues that it is fully compliant with the requirements of the Competition Act and that its customers are already adequately informed about the applicable PTC.<sup>255</sup> Columbia also argues that enhanced messaging would conflict with the intent of the Competition Act, which, it argues is only meant to enhance competition with no consideration of whether customers pay higher rates.<sup>256</sup> Columbia argues that specifically targeting low income customers with communications about the risks of the competitive market and letting them know that CAP is the best way to achieve an affordable rate would be “discriminatory.”<sup>257</sup>

Columbia’s arguments are fully rebutted in CAUSE-PA’s Main Brief.<sup>258</sup> In short, the gas Choice Act requires that NGDCs protect affordability for low income customers, including that universal Service programs are “available in each natural gas distribution service territory”<sup>259</sup> to, *inter alia*, “assist low-income retail customers to afford natural gas service.”<sup>260</sup> The Act clearly recognizes that the ability of low income customers to both

---

<sup>254</sup> CAUSE-PA MB at 148.

<sup>255</sup> CPA MB at 225.

<sup>256</sup> *Id.* at 225-226.

<sup>257</sup> *Id.* at 126.

<sup>258</sup> CAUSE-PA MB at 149-154.

<sup>259</sup> 66 Pa. C.S. § 2203 (8) (emphasis added).

<sup>260</sup> 66 Pa. C.S. § 2203 (7) (emphasis added).

*afford* and *maintain* gas service to their home is of paramount concern. Thus, notwithstanding Columbia's arguments to the contrary, a primary goal of the Choice Act is to reduce energy costs for consumers, *not unbridled competition*.<sup>261</sup>

Columbia's arguments that it is already doing enough to educate its customers are belied by the fact that more than one in four (25%) of Columbia's low income shopping customers suffer involuntary termination, which is far greater than the termination rates for low income default service customers.<sup>262</sup> This disproportionate termination rate demonstrates that additional education and outreach is needed to help reduce collections costs and ensure low income customers can afford to maintain service to their home consistent with the mandates of the Choice Act.

Finally, Columbia's argument that no NGS or industry group has intervened in this proceeding is irrelevant.<sup>263</sup> Any interested intervenor could have petitioned to participate in this proceeding, the fact that they did not do so does not mean that these issues should not be addressed in this case. Columbia's customers should not be deprived of necessary education because of the absence of an intervenor in this case. Columbia's arguments are an attempt to shirk its statutory obligations regarding education and universal service under the Choice/Competition Act, to educate consumers about the competitive market and to provide: "*adequate and accurate information necessary to help them make appropriate*

---

<sup>261</sup> *Retail Energy Supply Assoc. v. Pa. PUC*, 230 C.D. 2017 (Pa. Commw. Ct. 2017), citing *CAUSE-PA v. Pa. PUC*, 120 A.3d 1087, 1101 (Pa. Commw. Ct. 2015).

<sup>262</sup> *CAUSE-PA MB* at 147.

<sup>263</sup> *CPA MB* at 226.

choices as to their natural gas service.”<sup>264</sup> The Commission has the authority to effectively limit competition “so that other important policy concerns of the General Assembly, such as access, *affordability*, and cost-effectiveness, may be served.”<sup>265</sup>

## XV. TARIFF ISSUES

*Addressing Columbia MB Section XVI, Tariff Issues, at 227-231*

### A. Economic Development Distribution Service (EDDS)

*Addressing Columbia MB Section XVI.A, Rate EDDS, at 227-231*

1. Columbia’s proposed EDDS rate is premature in light of the Commission’s active docket to establish statewide policy governing the interconnection of large load customers and should be denied

*Addressing Columbia MB Section XVI.A, Rate EDDS, at 227-231*

CAUSE-PA’s Main Brief explains that Columbia’s proposed EDDS rate is premature, and CAUSE-PA recommends waiting for guidance from the Commission’s active, ongoing proceeding to develop statewide policy guidelines and/or a model tariff for large load customers.<sup>266</sup>

---

<sup>264</sup> 66 Pa. C.S. § 2206 (c), (d). Notably, section 2206(d) requires each NGDC to implement a customer education plan prior to implementation of a restructuring plan. **However, nothing in the section suggests that an NGDC’s consumer education obligation under this section ends after implementation of the NGDC’s restructuring plan.** CAUSE-PA submits that, given the negative and costly outcomes residential and low income households are experiencing in the competitive market, there is an ongoing need for Columbia to “provide retail gas customers with information necessary to help them make appropriate choices as to their natural gas service.” 66 Pa. C.S. § 2206(d).

<sup>265</sup> *Retail Energy Supply Assoc. v. Pa. PUC*, 230 C.D. 2017 (Pa. Commw. Ct. 2017), citing *CAUSE-PA v. Pa. PUC*, 120 A.3d 1087, 1103 (Pa. Commw. Ct. 2015), While this case was interpreting the Electric Choice and Competition Act, the two Acts are parallel in their intent and application.

<sup>266</sup> CAUSE-PA MB at 154-156.

Columbia argues that the Commission’s data center proceeding is related to interconnection with EDCs and that there is a significant difference between providing electric and gas to data centers.<sup>267</sup> This argument is fully rebutted in CAUSE-PA’s Main Brief, which explains that, despite these differences, many of the issues that Columbia seeks to address through its proposed EDDS rate class will be addressed by the Commission.<sup>268</sup> The results of that proceeding will thus provide guidance for all jurisdictional utilities seeking to implement large load rates or tariffs, including fair rules and procedures that provide transparency to new customers, protection for existing customers, and certainty to utilities themselves.<sup>269</sup> The potential scale of investment and the risk of cost shifting is significant. Columbia and its customers would be better served by waiting for the Commission’s guidance before implementing a new, special rate class.

**B. Eligible Customer List (ECL)**

*Addressing Columbia MB Section XVI.B, Eligible Customer List, at 231-234*

CAUSE-PA’s Main Brief explains that the purpose and scope of the ECL is to provide information about eligible customers to licensed gas suppliers (NGSs) for the purposes of supporting competition.<sup>270</sup> However, Columbia’s tariff uses far broader language – allowing it to provide ECL data and information to any third party, without

---

<sup>267</sup> CPA MB at 229-230.

<sup>268</sup> CAUSE-PA MB at 155-156.

<sup>269</sup> *Id.* at 155, citing *En Banc Hearing Concerning Interconnection and Tariffs for Large Load Customers*, Motion of Chairman Steven M DeFrank, Docket No. M-2025-3054271 (Mar. 27, 2025).

<sup>270</sup> CAUSE-PA MB at 157-158.

limitation to NGSs.<sup>271</sup> CAUSE-PA urges the Commission to require that Columbia amend its ECL tariff language to strike reference to “third parties,” and limit ECL access to licensed suppliers in Columbia’s service territory.<sup>272</sup>

Of important note, during the course of this proceeding, Columbia initiated a filing at a previous docket of its intent to begin allowing third parties to bill for non-utility services through Columbia gas bills and to provide those parties with its ECL.<sup>273</sup> In its Main Brief, Columbia disputes the relevance of this separate proceeding.<sup>274</sup>

However, Columbia’s actions at both dockets raise a number of concerns about Columbia’s protection of customer data and Columbia’s refusal to address excessive prices in the competitive market that are driving up involuntary termination rates among low income households.<sup>275</sup> Further, Columbia opened the door for consideration of its other filings when it attempted to make tariff revision in the rebuttal phase of this proceeding to accommodate the filings that it was making at the docket of its previous rate case, which concluded more than five year ago.<sup>276</sup>

Columbia also argues that the proposed deletion of the words “third party” fails to meet the requirements of the Commission’s regulations, which are specifically identified in the March 13, 2025 ECL Order.<sup>277</sup> However, Columbia fails to acknowledge that the

---

<sup>271</sup> CAUSE-PA MB at 157-158.

<sup>272</sup> *Id.* at 158.

<sup>273</sup> *Id.* at 158, citing *Columbia Gas of Pa., Inc. Notice of Compliance*, Docket No. R-2018-2647577 (filed June 30, 2025).

<sup>274</sup> CPA MB at 233.

<sup>275</sup> CAUSE-PA MB at 159.

<sup>276</sup> *Id.*

<sup>277</sup> CPA MB at 234.

customer information in the ECL is intended to be shared exclusively with licensed NGDCs; and therefore, the Commission’s order does not contemplate that an NGDC would contemplate sharing customer data in the ECL to generate revenue through other business ventures unrelated gas supply.<sup>278</sup>

### **C. Universal Service Rider Issues**

*Addressing Columbia MB Section XIII.C, The Company’s Proposal to Recover Energy Assistance Team Costs Through Rider USP Should be Approved, at 195-199.*<sup>279</sup>

Columbia’s arguments regarding its proposed amendments to its Rider USP are fully addressed in CAUSE-PA’s Main Brief.<sup>280</sup>

## **XVI. MISCELLANEOUS ISSUES**

*Addressing Columbia MB Section XVII, Miscellaneous Issues, at 234-244*

CAUSE-PA does not have any reply to the miscellaneous issues raised by Columbia or the other parties.<sup>281</sup>

## **XVII. CONCLUSION**

For the reason set forth above, as well as in CAUSE-PA’s Main Brief and the testimony of CAUSE-PA’s expert witnesses, CAUSE-PA urges the Honorable Administrative Law Judges Jefferey A. Watson and Chad Allensworth, and the

---

<sup>278</sup> CAUSE-PA MB at 156-157, *citing Guidelines for Eligible Customer Lists*, Order, Docket No. M-2010-2183412 (order entered March 13, 2025).

<sup>279</sup> *See supra* n. 2. CAUSE-PA notes that as there was no specific subheading for this issue in the Common Brief Outline, CAUSE-PA’s Main Brief classified this issue as a Tariff Issue, whereas, Columbia and OCA addressed this issue in the Universal Service sections of their respective briefs.

<sup>280</sup> CAUSE-PA MB at 160-162.

<sup>281</sup> *Id.* at 162.

Pennsylvania Public Utility Commission, to deny Columbia's proposed rate increase and to adopt the revenue decrease recommended by the OCA. We further urge the ALJs and the Commission to deny Columbia's excessive proposed fixed charge and its unjust and unreasonable alternative rate mechanisms and to adopt the policy and programmatic recommendations throughout CAUSE-PA's Main Brief to mitigate the effects of Columbia's categorically unaffordable rates on low income households. Taking these steps will promote just and equitable rates and ensure access to universal service and energy conservation programs that protect the ability for low income households to maintain safe and affordable services to their home.

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



---

John W. Sweet, Esq., PA ID: 320182  
Elizabeth R. Marx, Esq., PA ID: 309014  
Ria M. Pereira, Esq., PA ID: 316771  
Lauren N. Berman, Esq., PA ID: 310116  
118 Locust Street  
Harrisburg, PA 17101  
Tel.: 717-236-9486  
Fax: 717-233-4088  
[pulp@pautilitylawproject.org](mailto:pulp@pautilitylawproject.org)

Date: September 5, 2025