



PULP

PENNSYLVANIA
UTILITY LAW PROJECT

October 6, 2025

VIA E-MAIL

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

Re: UGI Utilities, Inc. Proposed Universal Service and Energy Conservation Plan for 2026-2030 and Petition for Waiver:

Docket Nos. M-2025-3054362, M-2025-3054366, P-2025-3054381

Dear Secretary Homsher:

Attached for filing, please find the **Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** for the above related proceeding.

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

Respectfully submitted,

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

UGI Utilities, Inc. Universal Service and Energy : M-2025-3054362
Conservation Plan for 2026-2030 : M-2025-3054366
 : P-2025-3054381

Certificate of Service

I hereby certify that I have, on this day, served copies of the **Comments of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania** in the above captioned matter upon the following persons and in accordance with the requirements of 52 Pa. Code § 1.54.

VIA EMAIL ONLY

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Date: October 6, 2025

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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COMMENTS OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND
ENERGY EFFICIENCY IN PENNSYLVANIA

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I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA),¹ through its counsel at the Pennsylvania Utility Law Project, submits these Comments pursuant to the July 24, 2025 Order Directing Supplemental Information and Establishing Comment Period (hereinafter, July 2025 Order), which invited interested parties to submit comments and reply comments to the proposed Universal Service and Energy Conservation Plan (USECP) for 2026-2030 of UGI Utilities, Inc (UGI or the Company) (Proposed 2026 USECP or Plan).

CAUSE-PA has for many years been an active participant in UGI's USECP proceedings, as well as other related proceedings that affect the ability of low income Pennsylvanians to access and maintain utility services to their home. From the outset, CAUSE-PA notes its ongoing concern that the Commission's USECP review process does not include a process for formal discovery, which necessarily limits the Commission's ability to fully understand and properly oversee ratepayer funded universal service and energy conservation program operations. While the Commission's July 2025 Order requested that UGI clarify several aspects of its Proposed 2026 USECP, this is a step in the right direction, but is not a substitute for an iterative due process review where impacted consumers and other stakeholders can more fully investigate utilities' program.

In response to the Commission's request for public comment, CAUSE-PA offers the following Comments, which contain a multitude of recommendations designed to improve the

¹ CAUSE-PA is a statewide unincorporated association of low income individuals which advocates on behalf of its members to enable consumers of limited economic means to connect to and maintain affordable electric, water, heating, and telecommunication services. CAUSE-PA membership is open to moderate and low income individuals residing in the Commonwealth of Pennsylvania who are committed to the goal of helping low income families maintain affordable access to utility services and achieve economic independence and family well-being. CAUSE-PA is therefore interested in and committed to achieving the creation, development, and implementation of effective universal service and energy efficiency programs which promote long term affordability of electricity, natural gas, water, wastewater, and communication services and, in turn, protect the health, safety, and welfare of economically vulnerable households across the state.

accessibility of UGI's universal service and energy conservation programs. As discussed in further detail below, CAUSE-PA supports UGI's proposal to adopt the Common Application Form and various other proposed adjustments to UGI's USECP designed to help UGI's low income customers to maintain affordable service in their homes consistent with universal service obligations in the Public Utility Code and Commission policy.² We also support UGI's Petition for Waiver, as the limited waivers sought by UGI will help remove potential barriers for low income households to access furnace repair and replacement.

Notwithstanding our support of certain aspects of UGI's Proposed 2026 USECP, CAUSE-PA is concerned that many aspects of UGI's proposed plan are inadequate to meet the substantial and growing unmet need for energy assistance for low income customers to access and maintain safe service to their homes. We are also concerned with the Commission's suggestion that UGI impose an arbitrary limit on rate assistance available to assist economically vulnerable consumers. As discussed at length, the imposition of maximum credit limits leads to higher collections costs and termination rates – eroding the limited cost reduction benefits of such a policy.

Energy costs have risen exponentially in recent years, and are projected to continue to rise at a pace that far outstrips inflation. This persistent increase in the cost of basic service is causing debt levels and involuntary termination rates to rise – especially for low income consumers. UGI has nearly 90,000 confirmed low income customers, though – based on census data – its low income customer base is estimated to be nearly 170,000 households.³ From 2021 to 2023, the debt carried by UGI's low income customers increased 31.4%, from \$19.4 million to \$25.4 million,

² 66 Pa. C.S. § 2802 (9)-(10), 2803, 2804(9); 52 Pa. Code § 69.26.

³ Pa PUC, BCS, 2023 Universal Service and Collections Performance Report, at 8 (Sept. 2024, rev. April 2025), https://www.puc.pa.gov/media/3433/2023_universal_service_report-final_rev041525.pdf.

representing 71% of UGI's overall residential debt – far higher than the industry average of 39.1%.⁴

Pursuant to the Natural Gas Customer Choice and Competition Act (Choice Act),⁵ the Commission bears the obligation to ensure that universal service and energy conservation programs are accessible and appropriately funded to ensure low income consumers and other vulnerable consumer groups are able to maintain gas services to their homes.⁶ In furtherance of this mandate, it is incumbent on the Commission to further enhance and improve UGI's universal service programming to prevent the loss of life-essential service to low income customers.

Consistent with the legislative and policy mandates governing the provision of universal service and energy conservation programs, CAUSE-PA's recommendations in the below comments are intended to improve the adequacy, accessibility, and effectiveness of UGI's programs to help ensure that low income households in UGI's service territory can connect to and maintain service without unnecessary barriers to assistance. We urge the Commission's adoption of the necessary reforms outlined in our comments below, and we implore the Commission to not impose arbitrary restrictions on the availability of critical rate assistance. As energy costs continue to rise, the Commission must advance policies and program rules that are fully aligned with the explicit mandate enshrined in the Choice Act to ensure that low income families and other vulnerable households can access and maintain safe and affordable service to their home.

⁴ 2023 Universal Service Report at 25.

⁵ 66 Pa. C.S. § 2201 et seq.

⁶ 66 Pa. C.S. §§ 2203(7)-(8).

II. BACKGROUND

CAP Final Policy Statement and Order (Docket No. M-2019-3012599)

On November 5, 2019, the Commission entered a Final Policy Statement and Order which made a number of critical reforms to the Commission's formal Customer Assistance Program (CAP) Policy Statement at 52 Pa. Code §§ 69.261-.267.⁷ These reforms included a significant reduction of maximum energy burden standards, made after the Commission determined that then-existing energy burden standards were unreasonable, unaffordable and did not fulfill the Commission's statutory obligation to ensure universal service programming is appropriately funded and accessible to low income customers.⁸ In its Final CAP Policy Statement, the Commission discussed the importance of robust universal service programs to low income customers, their communities, and ratepayers as a whole.⁹ Similarly, the Commission's LIURP regulations explain that these programs are intended to assist low income customers to conserve energy and reduce residential energy bills, and should be designed in such a manner to reduce "customer payment delinquencies and attendant utility costs associated with uncollectible account expenses, collection costs and arrearage carrying costs."¹⁰

Universal service programs, when appropriately designed, work in tandem to assist low income households maintain affordable utility services in their homes, while likewise reducing utility collections and uncollectible expenses which ultimately impact all ratepayers, and the communities in which they live and work. Without sufficient access to robust universal service programs, low income customers will continue to experience energy insecurity, which – in turn --

⁷ 2019 Amendments to CAP Policy Statement, Final Policy Statement and Order, Docket No. M-2019-3012599 (order entered Nov. 5, 2019) (hereinafter Final CAP Policy Statement and Order).

⁸ Final CAP Policy Statement and Order at 27.

⁹ *Id.* at 90.

¹⁰ 52 Pa. Code 58.1.

has deep and lasting impacts on the health, safety, and welfare of customers, their households, and the broader communities.

Low income households who face energy insecurity face corresponding difficulties affording other basic necessities such as housing, food, and medicine.¹¹ Energy insecurity also threatens stable and continued employment and education of consumers; has substantial and long-term impacts on mental and physical health; creates serious risks to the household and the larger community; and negatively impacts the greater economy.¹² According to the Energy Information Administration (EIA) Residential Energy Consumption Survey (RECS) released in 2022, 33.6% of United States residents reported experiencing energy insecurity; 24.6% reported reducing or forgoing food or medicine to pay for energy costs; and 12.2% reported leaving their homes at unhealthy temperatures because they could not afford to pay for energy.¹³

The deep and lasting impacts of energy insecurity on low income households and their communities underscore that a thorough review of UGI's 2026 Proposed Plan through the present proceeding is necessary to determine if it adheres to the statute, regulation and Commission policy; is structured and administered in a manner which achieves universal service goals; is appropriately funded and available to eligible populations across UGI's service territory; and provides an affordable payment structure which enables low income customers enrolled in the program(s) to maintain essential utility service.

¹¹ US EIA, Residential Energy Consumption Survey 2020, available at: <https://www.eia.gov/consumption/residential/data/2020/index.php?view=characteristics> (hereinafter RECS Survey); see also NEADA, 2024 Energy Hardship Report, at 8-10 (April 2024), available at <https://neada.org/wp-content/uploads/2024/08/April-2024-Arreages-Report-NEADA.pdf> (hereinafter NEADA Survey).

¹² Id.

¹³ United States Energy Information Administration, 2020 Residential Energy Consumptions Survey, Table HC11.1 Household energy insecurity, 2020 available at: <https://www.eia.gov/consumption/residential/data/2020/hc/pdf/HC%2011.1.pdf>.

UGI's Universal Service Energy Conservation Plan for 2020-2025.

UGI's 2020 USECP was approved by the Commission in an Order entered on January 16, 2020, at Docket Nos. M-2017-2598190, M-2017-2637094, M-2017-2637095, M-2017-2637098, and M-2019-3014966. On February 5, 2020, and May 21, 2020, UGI filed Petitions to Amend its 2020 USECP to incorporate changes introduced in amendments included in the 2019 Final CAP Policy Statement. By Order entered June 16, 2022 (June 2022 Order), the Commission approved UGI's proposed amendments to its 2020 USECP.

2022 UGI Gas & 2023 UGI Electric Rate Cases (Dockets R-2021-3030218, R-2022-3037368)

On September 15, 2022, the Commission entered an Order (September 2022 Order) at Docket No. R-2021-3030218 *et al.* approving the terms and conditions of the Joint Petition for Approval of Settlement of All Issues (June 2022 Settlement) in the 2022 UGI Gas Base Rate Case.¹⁴ One year later, on September 21, 2023, the Commission entered an Order (September 2023 Order) at Docket No. R-2022-3037368 *et al.* approving the terms and conditions of the Joint Petition for Approval of Settlement of All Issues (July 2023 Settlement) in the 2023 UGI Electric Base Rate Case.¹⁵ Each Settlement included, *inter alia*, enhancements to UGI's universal service and energy conservation programs intended to help offset the negative impact of the rate increase on UGI's low income customers. Specifically, the Settlements increased income eligibility thresholds and funding for both Operation Share and LIURP, expanded outreach for UGI

¹⁴ 2022 UGI Gas Base Rate Case, Docket No. R-2021-3030218; September 2022 Order at 2, OP #2; June 2022 Settlement at 12-15.

¹⁵ UGI Electric 2023 Rate Case, Docket No. R-2022-3037368; September 2023 Order at 2, OP#2; July 2023 Settlement at 12-17.

customers known to be low income, and established a process for auto-enrollment of LIHEAP recipients into UGI Electric's CAP.¹⁶

While these terms were necessary improvements to mitigate the immediate negative impacts associated with the further increase in rates, further reforms to UGI's portfolio of universal service and energy conservation programs are still critically necessary to address longstanding inadequacies in the design and reach of UGI's universal service programs. As noted above, UGI's low income customers carry a disproportionate amount of residential customer debt, and they are in turn more likely to have their service involuntarily terminated for nonpayment compared to residential customers as a whole.¹⁷ While enrollment in UGI's CAP and other universal service programs is critical to mitigate unaffordability of monthly bills, a significant majority (72%) of customers UGI knew to be low income as of January 2025 were not enrolled in the Program.¹⁸ Based on UGI's Needs Assessment, it has an estimated 164,021 low income customers in its service territory and CAP is reaching merely 16.5% of those customers.¹⁹ As currently structured and implemented, UGI's Universal Service Programs do not adequately allow its low income customers to access affordable rates necessary to maintain gas services in their homes.

UGI USECP 2024 Impact Evaluation (Docket No. M-2024-3048077)

An evaluation of the UGI universal service and energy conservation programs for both UGI Gas and UGI Electric was completed by Applied Public Policy Research Institute for Study and Evaluation (APPRISE) (2024 APPRISE Evaluation) and filed with the Commission on April

¹⁶ 2022 UGI Gas Base Rate Case, Docket No. R-2021-3030218; June 2022 Settlement at 12-15, ¶¶ 44(a-c), 46(a), and 49(a-b).

¹⁷ Pa. PUC v. UGI, CAUSE-PA St. 1, Direct Testimony of Harry Geller, dated April 18, 2025, Docket No. R-2024-3052716, at 20-23 (CAUSE-PA St. 1 admitted to the record at evidentiary hearing on June 9, 2025).

¹⁸ *Id.* at 29

¹⁹ *Id.*; see also Proposed 2026 USECP at B-1; Supplemental Information at 24.

1, 2024. Of particular note, the APPRISE report concluded that key program design improvements – including elimination of the limit on annual CAP shortfall forgiveness, the reduction in energy burden standards pursuant to the 2019 CAP Policy Statement, and the increased frequency in review and adjustment of CAP rates – have helped to meaningfully improve the effectiveness of UGI’s CAP.²⁰ The report also noted several areas of program design and administration that could be further improved. Recommendations included suggestions for improved training for agencies and in-house customer service representatives, improved outreach for CAP, and a review of the allowance for health and safety spending to improve LIURP participation.²¹

2025 UGI Gas Rate Case (Docket No. R-2024-3052716)

On January 27, 2025, UGI Utilities, Inc. – Gas Division submitted a rate filing, Supplement No. 55 to UGI Gas Tariff – PA P.U.C. Nos. 7 and 7S (herein, 2025 UGI Gas Rate Case). CAUSE-PA intervened and was an active party in that proceeding. A Joint Petition for Settlement of all issues was filed on July 9, 2025, and the Commission issued a Final Order approving the Settlement without modification on September 11, 2025.²² As part of that Settlement, UGI agreed to a number of essential reforms to its universal service programming intended to offset the negative effect of its approved rate increase on its low income customers. While we will discuss each relevant Settlement term in detail below, these reforms and enhancements include, generally, adoption of the Common Application Form (CAF), increased funding and improved program design for both LIURP and Operation Share, and improved outreach targeting specific vulnerable populations, among other reforms.²³

²⁰ 2024 APPRISE Evaluation at 80, <https://www.puc.pa.gov/pcdocs/1823103.pdf>

²¹ *Id.* at 81-84.

²² 2025 UGI Gas Base Rate Case, Docket No. R-2024-3052716. (Final Order issued September 11, 2025).

²³ Joint Petition for Approval of Settlement of All Issues Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.59-67, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

UGI Universal Service and Energy Conservation Plan for 2026-2030

UGI filed its Proposed 2026-2030 USECP on April 1, 2025. In advance of this filing, CAUSE-PA requested to meet with UGI to discuss any changes UGI may be proposing and to informally share our concerns and recommendations. On March 14, 2025, counsel for CAUSE-PA met with UGI's counsel and universal service staff to discuss the upcoming proceeding. At this meeting, CAUSE-PA requested that UGI provide answers to limited data inquiries, which UGI subsequently provided to CAUSE-PA on August 8, 2025. UGI's informal responses are attached in Appendix A and referenced throughout these Comments.²⁴

On April 29, 2025, the Bureau of Consumer Services (BCS) convened a virtual meeting to allow stakeholders an opportunity to ask informal questions and provide informal comments about the Proposed 2026 USECP prior to issuance of a Commission Order. CAUSE-PA provided a list of questions, some of which were answered during the meeting.

While CAUSE-PA appreciates the opportunity for an informal dialogue with the Company, we are troubled by the Commission's continued lack of more formal, due process review of universal service and energy conservation programs. Unless specific issues raised by stakeholders at the BCS-led meeting are also included in the Commission's Tentative Order, there is no requirement that UGI address or otherwise respond to concerns raised. Further, this single stakeholder meeting does not provide the opportunity for a formal exchange of discovery and thus provides an insufficient opportunity for fact finding.

On September 10, 2025, the Commission issued a Secretarial Letter (September 10 Letter) requesting further clarification regarding several aspects of UGI's Proposed 2026 USECP. UGI

²⁴ Appendix A, Informal Responses to CAUSE-PA.

responded to the Commission’s inquiries on September 22, 2025, and those responses are referenced in Comments below as Supplemental Clarification.

Petition for Limited Waiver of 52 Pa. Code §§ 58.10(a)(1) & 58.11(a) (Docket P-2025-3054381)

In addition to its 2026 USECP, on April 1, 2025, UGI filed a Petition (April 2025 Petition) at Docket No. P-2025-3054381 requesting limited waiver of LIURP regulations at 52 Pa. Code § 58.10(a)(1) (relating to high usage criteria) and 52 Pa. Code § 58.11(a), (relating to payback requirements) as part of its Proposed 2026 USECP. As explained in comments below, CAUSE-PA supports this Petition for limited waiver – though we note that the pending LIURP rulemaking may obviate the need for such waiver.

Low Income Usage Reduction Program (LIURP) Rulemaking (Docket L-2016-2557886).

On May 18, 2023, the Commission issued a Notice of Proposed Rulemaking to solicit comments on proposed amendments to its LIURP regulations, which are codified in Title 52, Chapter 58 of the Pennsylvania Code.²⁵ On December 2, 2023, the proposed rulemaking was published in the *Pennsylvania Bulletin*, opening the public comment period.²⁶ CAUSE-PA provided extensive comments to the proposed regulatory amendments, including, among other things: support of the utility requirement to roll over unspent funds from one year to the next; maintaining tenant protections associated with the install of LIURP measures; expanded health and safety programming; expanded and improved provisions for working with Universal Service Advisory Committees; and LIURP coordination with other energy efficiency, home repair, and

²⁵ Initiative to Review and Revise the Existing Low-Income Usage Reduction Program (LIURP) Regulations at 52 Pa. Code §§ 58.1 – 58.18, Notice of Proposed Rulemaking Order, Docket No. L-2016-2557886 (order entered May 18, 2023).

²⁶ Id. See Proposed Rulemaking, Docket No. L-2016-2557886, 53 Pa.B. 7506 (Dec. 2, 2023).

weatherization programs.²⁷ The Independent Regulatory Review Commission (IRRC) approved the final-form rulemaking on September 18, 2025, and it is now pending final review and approval by the PA Office of Attorney General (OAG).²⁸ Once approved by the OAG, the amended LIURP rules will become effective upon publication in the *Pennsylvania Bulletin*, and full compliance is required within 12 months of the effective date. Given the timeline of this proceeding in relation to the final rulemaking, it is likely that the final revised LIURP regulations may become final at or near the time a final order is issued in this proceeding. CAUSE-PA references specific rule changes extensively in these Comments. Noting that UGI explicitly agreed in its 2025 Base Rate Case Settlement that it would comply with the Commission's pending revisions to its LIURP regulations,²⁹ we recommend that UGI incorporate provisions into their USECP through this proceeding, to avoid having to make amendments later, reducing the Company's administrative burden.

III. COMMENTS

CAUSE-PA submits the following Comments to the Commission's July 2025 regarding the various program amendments provided in UGI's Proposed 2026 USECP. For ease of review, CAUSE-PA's comments generally follow the headings included in the Commission's Order and responds in turn to the issues and analysis therein.

²⁷ Id. See Comments of CAUSE-PA, Docket No. L-2016-2557886 (filed Jan. 16, 2024).

²⁸ Regulatory Review Act, 71 P.S. § 745.1 et seq.; Initiative to Review and Revise the Existing Low-Income Usage Reduction Program (LIURP) Regulations at 52 Pa. Code §§ 58.1 – 58.18, IRRC Order, Docket No. L-2016-2557886, IRRC Number 3387, Order entered September 18, 2025.

²⁹ Joint Petition for Approval of Settlement of All Issues at III.E.59.a, Docket No. R-2024-3052716, (Filed July 9, 2025), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

A. Program Descriptions as Proposed for 2026-2030

1. CAP

a. Accepting 30 Days or 12 Months of Income

It is unclear whether UGI has consistent rules for when and how to calculate household income. In the cover letter for its Proposed 2026 USECP filing, UGI stated that it requires LIHEAP data received from DHS to fall within the prior month or prior 12 months.³⁰ However, in its Proposed 2026 USECP, UGI states that acceptable income documents for CAP include “recent paystubs or W-2 forms.”³¹ The Commission pointed out this ambiguity regarding whether UGI currently accepts 30 days or 12 months of income when determining eligibility for its CAP and directed UGI to clarify the timeframes in which income documentation for its CAP will be accepted.³²

In response, UGI explained that it provides flexibility to provide either the last 30 days or the last 12 months of income documentation. Additionally, UGI stated it would also accept a W-2 for the previous calendar year showing a full year of work.³³ For fixed income such as Social Security, Pension, Disability, and SSI, UGI stated that it will accept a prior year award letter if the current year is not available, and would accept Unemployment Compensation documentation that reasonably aligns with the date of application.³⁴

CAUSE-PA supports a flexible approach to the timeframe utilized in determining household income, provided UGI’s policy ultimately prioritizes the timeframe most beneficial to the household and is equitably applied across income types. CAUSE-PA recommends that UGI

³⁰ Proposed 2026 USECP Cover Letter at 2.

³¹ Proposed 2026 USECP at 19.

³² July 2025 Order at 13.

³³ Supplemental Information at 1.

³⁴ Id.

explicitly state in their 2026 USECP that they will use whichever calculation is more beneficial to the CAP customer and most reflective of the household’s actual income. Providing customers with the flexibility to submit income documentation for either the last 30 days or 12 months, whichever is more beneficial to the applicant, helps improve access to critical assistance and more effectively accounts for the realities of low wage work that is more likely to be hourly or seasonal and often fluctuates throughout the year. It also improves the ability to coordinate with LIHEAP,³⁵ and helps to simplify administrative challenges by accepting the documentation the household is able to more easily access. For some, that is an annual benefit statement or tax return – for others, it is their most recent paystubs or other documentation of recent income.

Low wage workers often experience periods of unemployment or underemployment, and their ability to work and earn income can change dramatically depending on a variety of external factors and/or economic pressures. This is true for seasonal, retail, service industry, movers, home health, cleaners, and construction/trades workers - and others working in the gig economy.³⁶ Allowing a household to apply for CAP based on their income over the past year or the past 30 days more appropriately approximates a household’s actual income and ability to pay. Of note, the Commission’s Final CAP Policy Statement provides that utilities should accept income documentation of at least the last 30 days or 12 months for the purpose of CAP enrollment and recertification.³⁷

³⁵ 2026 LIHEAP Pennsylvania State Plan, § 601.83. Treatment of Income, page B-20. Available at https://www.pa.gov/content/dam/copapwp-pagov/en/dhs/documents/services/assistance/documents/heating-assistance_liheap/2026-liheap-state-plan.pdf

³⁶ Gig economy is defined by the U.S. Internal Revenue Service (IRS) as “activity where people earn income providing on-demand work, services, or goods.” Accessible at <https://www.irs.gov/businesses/gig-economy-tax-center>; Bauer, L., Easte, C., and Howard, O., Brookings Research, “Low-income workers experience – by far the most earnings and work hours instability” (Jan. 9, 2025), <https://www.brookings.edu/articles/low-income-workers-experience-by-far-the-most-earnings-and-work-hours-instability/>

³⁷ Final CAP Policy Statement and Order at 5.

Notwithstanding our support, CAUSE-PA recommends that UGI amend the language in its 2026 USECP to clarify that it will accept 30 days or 12 months of income, whichever is most beneficial for the applicant and most reflective of actual household income.³⁸ Moreover, to improve consistency and equity in UGI's income documentation policies across income sources, CAUSE-PA further recommends that UGI explicitly state in its 2026 USECP that it will accept a W-2 form for the previous calendar year showing a full year of work, a prior year award letter for federal benefits if the current year is not available, and Unemployment Compensation documentation that reasonably aligns with the date of application.

We caution that these recommendations should not be construed as a definitive list of acceptable income documentation. To the contrary, there are a multitude of documents that should be accepted as proof of household income, including but not limited to bank statements or payment apps showing deposits, statements from employers, etc. To that end, CAUSE-PA recommends that UGI develop a table further listing the types of income, the documents accepted, and the timeline for recertification associated with each, and should share that information with members of its USAC to ensure its income documentation policies are adequately inclusive to capture the many ways that households may need to verify their source of income. Once developed and vetted, UGI should file this table as an appendix to its USECP to improve clarity for program administrators and applicants of what is required to apply.

b. Average Bill

In its 2026 Proposed USECP, UGI explained that it determines a CAP customer's average bill based on 12 months of historical usage for the residence. If usage data is not available, UGI

³⁸ Id.

then calculates the customer's average bill using the average usage for all residential customers.³⁹ This provision is unchanged from its 2020 USECP.⁴⁰

In its July 2025 Order, the Commission questioned whether the average bill for all residential customers is an appropriate approximation of the average usage for most CAP customer residences and further stated that it is unclear whether UGI uses the average bill from the prior tenant in cases where the customer does not have 12 months of historical usage at the residence, but where 12 months of historical usage from the prior tenant is available.⁴¹ The Commission directed that UGI clarify whether it uses the average bill from the prior tenant in cases where the customer does not have 12 months of historical usage at the residence, but where 12 months of historical usage from the prior tenant is available. Additionally, the Commission directed UGI to clarify whether it has conducted any assessments to determine whether average usage for previous tenants or all residential customers is more accurate once the 12-month usage for the CAP customer and, if so, to provide the results of any such assessment.⁴²

In response, UGI confirmed that it uses the average bill from a previous tenant when that data is available. If there was no prior tenant, then the average residential bill is based on the average bill for all residential customers, segmented by service type and heating source.⁴³ UGI then states that a CAP customer's average bill differs by customer and premises, as they are calculated based on average usage for the customer, a prior tenant, or the average bill for residential customers overall.⁴⁴

³⁹ Proposed 2026 USECP at 11, Fn. 14

⁴⁰ UGI 2020 USECP at 15, Fn. 30.

⁴¹ July 2025 Order at 13.

⁴² July 2025 Order at 13-14.

⁴³ Supplemental Information at 1; Appendix A, Informal Responses to CAUSE-PA at 1.

⁴⁴ Id.; See 2025 UGI Base Rate Case, Docket No. R-2024-3052716, CAUSE-PA Direct Testimony at 28, citing CAUSE-PA to UGI I-3. CAUSE-PA to UGI I-1. As of March 2025, 8,112 out of 22,764 reported accounts – or 36% -- had their CAP amounts calculated based on their average monthly bills. Thus, a significant number of UGI CAP customers have their monthly bills calculated through the average monthly bill method.

CAUSE-PA does not support UGI's default use of a previous tenant's usage to calculate the non-PIP billing amount if there is not 12 months of historical usage for the current tenant. There are a number of factors, other than the size and condition of the home, that may effect a household's usage, for example, household composition or mandatory medical usage. By relying on a previous tenant's usage, the Company is assuming similar usage patterns and behaviors between tenants. Alternatively, the average bill for that tenant's customer segment (heating v. non heating) would even out some of those usage differences providing the tenant with a bill that does not assume specifics regarding their usage needs and behaviors. Therefore, CAUSE-PA recommends that UGI evaluate which is more affordable, the average residential bill or the average bill based on the previous tenant's usage. The CAP customer should then receive the most affordable option.

Further, it is unclear based on UGI's response when UGI begins including the current tenant's usage in its average bill calculation. CAUSE-PA recommends that UGI begin including the current tenant's available monthly usage data in its periodic CAP rate calculation to provide that tenant with a bill that most closely approximates their actual usage. In other words, the tenant's usage should be factored into their average bill amount on a rolling basis, as soon as UGI has a full month worth of that tenant's usage information.

CAUSE-PA notes that because UGI reviews its rates on a quarterly basis – as opposed to a monthly basis – UGI's CAP participants do not always receive the most affordable CAP rate.⁴⁵ This means that CAP participants may regularly be receiving higher than necessary monthly bills until their next review occurs. As stated in Chapter 66, "Any public utility, having more than one rate applicable to service rendered to a patron, shall, after notice of service conditions, compute

⁴⁵ Proposed 2026 USECP at 18.

bills under the rate most advantageous to the patron.⁴⁶ To ensure that UGI's CAP is providing consistently affordable monthly bills, at the rate most advantageous to the customer, CAUSE-PA strongly recommends that the Commission require UGI to reevaluate and adjust CAP rates on a monthly basis to ensure that the participant is receiving the most affordable billing option.

CAUSE-PA notes that the Commission's CAP Policy statement recommended amending Section 69.265 "to encourage **at least** quarterly review of CAP bills."⁴⁷ In its discussion, the Commission stated that "evaluating CAP bills at least once per quarter, **as opposed to a longer interval**, is more likely to result in the customers receiving the most beneficial discount amount and/or billing option."⁴⁸ While the Commission's policy statement portends to establish minimum quarterly review period, it is CAUSE-PA's position that monthly review of bills is not only preferable – it is the only policy that fully complies with Section 1303 to ensure CAP participants are charged the most advantageous CAP rate each month.⁴⁹

Accordingly, CAUSE-PA recommends that the Commission require UGI to integrate the actual usage into its calculation of average bill CAP rates as soon as possible into its periodic average bill calculation and to adjust the applicable CAP rate and/or average bill monthly, rather than quarterly, to ensure CAP participants are always receiving the most affordable bill available.

c. Identification Documentation.

In its Proposed 2026 USECP, UGI states that an applicant's Social Security Number (SSN) is requested on UGI Universal Service Program application(s), with the exception of CARES, as a form of customer identification but is not required for enrollment into any Universal Service

⁴⁶ 66 Pa C.S. § 1303.

⁴⁷ Final CAP Policy Statement and Order at 75.

⁴⁸ Id.

⁴⁹ 66 Pa C.S. § 1303.

Program. UGI states that CAP applicants who do not provide a Social Security Number (SSN) or Individual Taxpayer Identification Number must provide two other forms of identification from the approved list.⁵⁰ The Commission directed UGI to clarify whether it requires verification of the CAP applicant’s identity or the identity of all household members.⁵¹ The Commission also noted that it rejected Columbia’s proposal to only collect identification documentation from the CAP applicant/customer, not the entire household.⁵²

In response, UGI stated that it only requires verification of the account holder unless there is also a co-responsible party applying for CAP, in which case identification would be required from that party as well.⁵³ In response to CAUSE-PA’s informal inquiry, UGI stated that the purpose of requiring identification from existing customers enrolling in CAP is to “minimize fraud,” and that, “[c]ustomers may have established service years prior, so proof is needed to ensure all things have remained the same as when service was initially established.”⁵⁴ UGI does not cite to any specific “things” that may change over the course of time that a photo identification would remedy. However, they do vaguely reference three individuals who were removed from CAP for fraud between January 2022 and June 2025,⁵⁵ less than one household per year out of the approximately 24,000 participants – or roughly 0.0001% - enrolled in CAP over that time period.⁵⁶ Notably, there is no indication that additional identification requirements would have prevented the type of fraud that occurred in these three cases.

⁵⁰ Proposed 2026 USECP at 15-16

⁵¹ July 2025 Order at 14.

⁵² *Id.*; see also Columbia 2024-2028 USECP Order, Docket No. M-2023-3039487, at 37, 41 (Order entered April 4, 2024).

⁵³ Supplemental Information at 2.

⁵⁴ Appendix A, Informal Responses to CAUSE-PA at 5.

⁵⁵ UGI responses to CAUSE-PA Inquiries at 5.

⁵⁶ UGI Base Rate Case, Docket No. R-2024-3052716, CAUSE-PA Direct Testimony at 29:2, citing CAUSE-PA to UGI I-6, Attachment.

Of note, UGI further indicated in response to the Commission that its application requests the applicant’s Social Security Number (SSN) and, while not required to process the application, UGI does not provide applicants with notice that an SSN is not required.⁵⁷ We will address this issue further in section d, in discussing UGI’s CAP application. Nevertheless, we note here that UGI’s failure to notify applicants that disclosure of their SSN is optional likely serves as a formidable deterrent for eligible households from seeking enrollment in the program. UGI should be required to notify applicants – on the application – that disclosure of their SSN is optional.

CAUSE-PA is opposed to UGI’s imposition of additional identification requirements for customers to enroll in its universal service programs. Residential customers are required to verify their identity when they establish service, and there is simply no rational reason - nor any evidence - to believe that active customers are faking their identity to enroll in CAP.

Requiring low income customers to again provide proof of identity is unnecessarily duplicative and acts as a barrier to many low income customers enrolling in needed assistance programs.⁵⁸ CAUSE-PA submits that UGI should be directed to amend its Proposed 2026 Plan – and attendant policies and procedures – to indicate that no additional proof of identification is required for a customer to enroll in the utility’s universal service and energy conservation programs.

CAUSE-PA is unaware of any data showing that stringent identification requirements have or will improve the integrity of any of the Commonwealth’s Universal Service Programs. In suggesting that UGI require identification from all household members, the Commission does not reference or cite to any such incidents. In its Final Order in the Columbia 2024 USECP

⁵⁷ Appendix A, Informal Responses to CAUSE-PA at 3.

⁵⁸ Movement Advancement Project. November 2022. “The ID Divide: How Barriers to ID Impact Different Communities and Affect Us All.” Available at <http://www.mapresearch.org/id-documents-report>

proceeding,⁵⁹ the Commission states generally, and without any evidence of actual harm or fraud, that it has concerns about the risk of fraud. As cited above, UGI has identified just three incidents of fraud over three and a half year period – none of which were explicitly related to the customer’s identity or could have necessarily been stopped with more stringent identification requirements.

CAP enrollment does not provide any transferable cash benefit to an individual or household, so it is unclear what a person – other than the named customer – would stand to gain by faking their identity in order to enroll a household other than their own into CAP. Identification is required when the account is established and income documentation is required when enrolling into CAP. Income documentation is very likely to have the income recipient’s name and often includes the address on the documentation further corroborating the identity of the applicant and any other adult household member with income.

Based on the information provided by UGI, the instances of fraud are extremely low (and seemingly unconnected to the identity of the applicant) compared to the vast undersubscription of their universal service programs. As of January 2025, UGI reports that 24,392 customers were enrolled in its CAP.⁶⁰ As of that same month, based on data provided in the 2025 UGI Gas base rate case, UGI had 87,964 confirmed low income customers – which are known to UGI to be income eligible for CAP.⁶¹ Thus, in January 2025, 63,572 (72%) of customers known to be eligible for CAP were not enrolled in the program. We submit that adding further restrictions and additional requirements that will make it more difficult to enroll in CAP, with no quantifiable justification beyond a generalized fear of potential fraud, is counter-productive to the statutory requirements of

⁵⁹ Columbia 2024-2028 USECP Order, Docket No. M-2023-3039487 (Order entered on April 4, 2024) at 40.

⁶⁰ 2025 UGI Base Rate Case, Docket No. R-2024-3052716, CAUSE-PA Direct Testimony; citing CAUSE-PA to UGI I-6, Attachment. (Filed April 18, 2025).

⁶¹ Id. at UGI I-5, Attachment.

the Choice Act and well established policies of the Commission.⁶² Indeed, the Commission has an obligation to ensure that universal service and energy conservation programs are properly designed, administered, and funded to achieve this explicit purpose, and must not create new barriers to enrollment for thousands of households based on tenuous claims of potential fraud.

Accordingly, CAUSE-PA strongly urges the Commission to direct UGI that applicants for their universal service programs not be required to provide additional identification documentation. CAUSE-PA further urges the Commission to refrain from directing UGI to require identification documentation from CAP applicants and all other adult household members. Requiring that a CAP applicant provide identification not only for themselves, but also for every member of their household to enroll in a universal service program is a steep barrier to place in front of low income households attempting to manage their utility bills. As noted, there is no actual evidence to conclude that such a requirement is necessary or effective to prevent fraud, though there is a mountain of evidence to suggest that such a requirement would pose an insurmountable barrier for many eligible households. Access to ID is not universal privilege, elderly people who no longer drive may not have a valid ID, and accessing identification documentation from rural areas can be extremely difficult due to transportation needs. Further, there are well-documented racial disparities regarding who has access to identification, as well as disparities among people with disabilities and immigrant populations.⁶³ Imposing additional identification requirements will serve only to further tamp down enrollment in UGI's already under-utilized CAP with no demonstrable benefit to the integrity of the program.

⁶² 66 Pa. C.S. §§ 2203(7)-(8).

⁶³ Who Lacks ID in America Today? An Exploration of Voter ID Access, Barriers, and Knowledge, University of Maryland Center for Democracy and Civic Engagement (January 2024)
<https://cdce.umd.edu/sites/cdce.umd.edu/files/pubs/Voter%20ID%202023%20survey%20Key%20Results%20Jan%202024%20%281%29.pdf>.

In the event that the Commission determines that it is acceptable for UGI to continue imposing these unnecessary and restrictive identification requirements, it is imperative that the Commission further review the list of identification documents UGI accepts. As it stands, UGI's list of acceptable documentation is restrictive and may serve as a de facto bar on certain vulnerable customer groups – including seniors and immigrants – from applying for and enrolling in UGI's universal service programming. Many foreign-born individuals are not eligible for an SSN or government issued identification – regardless of their immigration status.⁶⁴ This can pose significant problems for immigrants who may have pending applications for status and, in the interim, may be unable to produce required documentation required to get a driver's license or state identification card. Those with pending immigration status include a wide array of immigrants and refugees, including those who are seeking protections as a victim of human trafficking, domestic violence, and other victims of crime – as well as those awaiting to renew a work or student visa, or who are seeking asylum as a result of persecution in their home country.

If the Commission does direct UGI to continue to require identification documents for CAP applicants, we recommend that UGI be required to broaden its list of identification accepted for CAP enrollment. The list should include other possible forms of identification issued by either the U.S. government or a foreign government. If a customer seeking universal service enrollment has an alternative form of identification, UGI should be required to work with the customer to determine whether the provided identification verifies both identify and age of the customer. If so, this documentation should be accepted.

⁶⁴ PennDOT, Identification Requirements for Non-US Citizens, available at: <https://www.dot.state.pa.us/Public/DVSPubsForms/BDL/BDL%20Publications/pub%20195nc.pdf>.

d. Common Application Form

In its 2026 Proposed USECP, UGI included a copy of its current CAP application form with its Customer Education and Outreach Plan (CEOP). UGI's CAP application requires customers to identify, *inter alia*, their account number, service type (i.e. natural gas, electric, or both), and the names, SSNs, gender, and income sources and amounts for all household members. UGI's current CAP application also requires applicants to list all household expenses, and notes that completion of additional forms will be necessary if the property has higher than average usage.⁶⁵

In the July 2025 Order, the Commission referenced its Universal Service Working Group (USWG) Report issued on August 22, 2024.⁶⁶ Following this Report, the Commission issued an Order (August 2024 Order) at Docket No. M-2023-3038944 supporting the use of a common application form (CAF) to determine eligibility for public utility universal service and assistance programs. The Commission then directed any public utility choosing to modify its universal service or assistance application in accordance with the August 2024 Order to file and serve notice of this intention along with a timeline for implementation at its USECP docket and to incorporate the details of its use or plans for future use in its next proposed USECP.⁶⁷

The Commission noted that as of the date of the July 2025 Order, UGI has not filed notice of its intention to adopt the CAF data elements for its CAP application. Thus, it directed UGI to clarify whether it intends to modify its CAP application to be consistent with the CAF and if not, UGI was directed to explain why it does not intend to do so.⁶⁸

⁶⁵ Proposed 2026 USECP, Appendix H, at Exhibit 14.

⁶⁶ July 2025 Order at 15.

⁶⁷ August 2024 Order at 11, 14-15, OP #1 and #3.

⁶⁸ July 2025 Order at 16.

In response, UGI pointed to its 2025 Base Rate Case Settlement wherein it agreed to adopt the CAF within 90 days of a Final Order in that proceeding.⁶⁹ The Commission has since issued its Final Order approving the Settlement without modification.⁷⁰

As the Commission states in its USWG Order, “the consensus data elements for a CAF will greatly increase universal service program coordination among all utilities and streamline the eligibility and enrollment process.”⁷¹ CAUSE-PA agrees. Given the significant under-enrollment in UGI’s CAP discussed above, CAUSE-PA strongly supports policies and program rules – such as implementation of the CAF – that will simplify and streamline universal service enrollment.

We note that in agreeing to implement the CAF, UGI reserved the right to make “minor changes” to the form.⁷² It also agreed to update the CAF to include a checkbox for a CAP applicant to indicate their interest in returning to default service in order to enroll in the program.⁷³ In addition, UGI agreed to add language regarding steps the customer must take and possible issues to be aware of in ending a contract with a supplier.⁷⁴ If a customer completes UGI’s CAP application and is found to be eligible for the Program, UGI will temporarily suspend collection activity to allow time for the applicant to return to default service without risking service termination.

CAUSE-PA cautions that the changes to the CAF contemplated under these terms should not be construed to permit UGI to amend the CAF to include the additional unnecessary and burdensome requirements currently included on its existing application that may undermine the

⁶⁹ Supplemental Information at 2.

⁷⁰ Joint Petition for Approval of Settlement of All Issues at III.E.59.a, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.59.a, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

⁷¹ July 2025 Order at 8.

⁷² Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.59.a, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

⁷³ *Id.* at ¶ III.E.66.c

⁷⁴ *Id.*

purpose of using a streamlined CAF. Specifically, we are deeply concerned that UGI's current application is presented to applicants in a manner that – on its face – appears to require disclosure of the applicant's SSN, as there is no notice that this field is optional. Notably, the CAF does not include any field requesting or requiring disclosure of SSNs. In declining to include SSNs in the CAF, the Commission agreed that inclusion of SSNs on a CAF would create a heightened risk of unauthorized disclosure.⁷⁵

In addition to SSNs, UGI's current application also collects the gender of each household member and requires all applicants to provide a list of their household expenses. The CAF does not include these requirements, and there is no discernable reason this information must be disclosed by an applicant to determine household eligibility. While the Commission's zero-income form asks households asserting they have no income to identify how they meet monthly living expenses, there is no reason why UGI would need to collect a list of household expenses for households with some form of income. Indeed, there is no requirement that UGI assess household expenses in relation to household income, nor would CAUSE-PA support such an administratively burdensome and unnecessary exercise. These data points collected through UGI's current application are invasive and unnecessary, and likely serve as a strong deterrent to enrollment – especially for uniquely vulnerable groups.

In the shorter term, until UGI transitions to using the CAF, CAUSE-PA recommends that the Commission require UGI to immediately update its existing CAP Application to specify that Social Security Numbers are optional and to remove the gender and household expense fields from the application. As stated in the 2019 CAP Policy Statement, "Utilities may request Social Security numbers (SSNs) but not require them for household members when verifying identity for CAP

⁷⁵ 2023 Review of All Jurisdictional Fixed Utilities' Universal Service Programs, Order, Docket No. M-2023-3038944, at 10 (Aug. 22, 2024).

enrollment. Utilities and entities acting on their behalf should offer and explain the options on CAP applications and other communications with customers.”⁷⁶ UGI has stated that it treats the Social Security Number as optional in its processing of CAP Application, but there is no way to know how many applicants fail to complete the application because they do not have, or do not want to provide, a Social Security Number. As such, CAUSE-PA recommends that the Commission direct UGI to clearly express on its CAP application that providing a Social Security Number is optional.

e. Online Application.

In its proposed 2026 USECP, UGI states that it will allow customers and applicants for service to apply and/or recertify for CAP over the phone, with provision of supportive documentation through mail or other means (including but not limited to fax, email, or text messaging) that are reasonably available to the Company’s CBO serving that portion of UGI’s service territory.⁷⁷

The Commission noted that UGI is the only EDC or NGDC that does not offer an online application option for CAP enrollment and directed UGI to explain whether it is working on an online application for CAP and other universal service programs.⁷⁸ The Commission also directed UGI to provide a timeline for any changes it may be working on, and if it is not working on any changes, to explain its reasoning. In response, UGI stated that it has no plans to implement an online CAP application at this time.⁷⁹ UGI argues – without offering any support – that it would cost between \$5.5 - \$6.5 million and two to three years to create an online application.⁸⁰

⁷⁶ Final CAP Policy Statement and Order at 6.

⁷⁷ Proposed 2026 USECP at 13.

⁷⁸ July 2025 Order at 16-17.

⁷⁹ Supplemental Information at 2-3.

⁸⁰ Id.

CAUSE-PA recommends that UGI begin swift implementation of an online CAP Application, utilizing the CAF. As discussed in the previous section, above, the CAF should be amended *only as approved* in the 2025 UGI Gas Base Rate Case Settlement – and minor edits should not be construed to allow burdensome requirements to migrate to the CAF from UGI’s current application.⁸¹ CAUSE-PA finds these estimates for both the cost and time needed to implement an online application to be over-stated and notes that UGI has not provided any documentation to support these numbers. As previously stated, UGI’s CAP reaches just 28% of confirmed low income customers – and 16.5% of the census based estimate of low income households in UGI’s service territory.⁸² Along with implementation of the CAF, providing an online portal to accept CAP applications would help to remove barriers, such as travel to CBOs or limited access to email, in the CAP application process so that eligible customers can more easily enroll in the Program. Further, the availability of an online CAP application is referenced in the CAP Policy Statement, recommending that public utilities accept CAP applications through mail, telephone, electronically, or in-person and offer online platforms that allow customers to submit the applications and documentation electronically.⁸³

As noted by the Commission, UGI is the only NGDC or EDC that does not have an online CAP application.⁸⁴ UGI is the largest NGDC in the Commonwealth, and serves more residential customers than any other gas utility in the state.⁸⁵ It is unacceptable that a plurality of residential gas customers in Pennsylvania do not have access to an online CAP application. While UGI allows

⁸¹ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.66.c, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

⁸² Pa. PUC v. UGI, CAUSE-PA St. 1, Direct Testimony of Harry Geller, dated April 18, 2025, Docket No. R-2024-3052716, at 29 (CAUSE-PA St. 1 admitted to the record at evidentiary hearing on June 9, 2025); Proposed 2026 USECP at B-1; Supplemental Information at 24.

⁸³ 52 Pa. Code § 69.265(8)(ii).

⁸⁴ July 2025 Order at 16.

⁸⁵ 2023 Universal Service Report at 6.

CAP applicants to download and email an application to a CBO, this is not as efficient and streamlined as simply being able to enter relevant information through an online form. In addition, we note that low income customers are more likely to access the internet through mobile devices, compared to customers with higher income levels.⁸⁶ For these customers, downloading, filling out, and re-uploading a CAP application may be exceedingly difficult, if not impossible. Thus, it is imperative that UGI's customers can streamline their CAP application process through an online CAP application – and, in turn, to ensure that the application is optimized for mobile devices.

We note here that in-person application options remain necessary for a significant number of customers that need additional hands-on assistance - especially seniors and individuals with a disability. However, in-person application options are not a viable solution for many applicants that cannot reasonably download, print, complete, and submit an application through existing channels. In-person options are most often limited to traditional working hours, requiring time off that these applicants may not have and cannot afford. Applying for CAP or other assistance programs should never require a consumer to take time away from work and, thus, to lose hourly wages in order to complete an application. In-person options are also especially difficult in the more rural communities served by UGI, where transportation is a major impediment. In some communities, the nearest CBO is still a significant distance away – requiring the household to expend resources (both time and money) that could otherwise be used to make payments toward their bill.

We recommend that UGI consult and/or coordinate other NGDC's that have successfully implemented an online application.⁸⁷ In doing so, UGI may be able to take advantage of lessons

⁸⁶ [Americans' Use of Mobile Technology, Home Broadband | Pew Research Center](#)

⁸⁷ Note that National Fuel Gas, which has by far the smallest residential customer base, implemented an online application in early 2023. National Fuel Gas Universal Service and Energy Conservation Plan for 2022-2026, Docket No. M-2021-3024935, 2023 CEOP Annual Update (Filed February 28, 2023) at 4.

learned and may be able to reduce their estimated costs and shorten their estimated timeframe for establishing this process.

To be clear, we view the online application as additive and an enhancement to current program administration, and in no way a replacement of the work of the CBOs. CAUSE-PA continues to support the use of CBOs in CAP administration, providing customers in UGI's service territory with the option for face to face interaction in their own communities. While in-person enrollment should never be *required*, for the practical reasons discussed above, the *availability* of CBOs to help with in-person enrollment is important to retain to support the delivery of wrap-around services that can help provide other needed resources for uniquely vulnerable households. We note that the addition of an online CAP application may allow the CBOs to spend more time working with customers who require additional support in accessing these needed programs.

CAUSE-PA strongly recommends that the Commission direct UGI to begin developing its online application process within 60 days of approval of its 2026 USECP.

f. UGI Electric CAP Automatic Enrollment

i. *Recertification*

In its Proposed 2026 USECP, UGI states that its electric customers who are auto-enrolled into CAP based on a LIHEAP grant are charged their average bill amount unless they provide proof of income to qualify them for a lower PIP or minimum bill amount and must recertify one year after enrollment.⁸⁸ In the July 2025 Order, the Commission directed UGI to clarify whether auto-enrolled customers who subsequently provide proof of income to qualify them for a lower CAP payment amount are also required to recertify within 12 months.⁸⁹

⁸⁸ Proposed 2026 USECP at 15.

⁸⁹ July 2025 Order at 18.

In response, UGI clarified that auto-enrolled customers who subsequently provide income information would need to recertify 12 months after they provided the follow up income information. Further, UGI specified that receipt of LIHEAP funds would be sufficient to re-certify the customer for the following 12 month period.⁹⁰ Although not raised by the Commission in its July 2025 Order, we note that UGI institutes a 12-month recertification timeframe for all CAP customers, regardless of source of income - with the only exceptions being a 6-month recertification timeframe for customers declaring zero income and the three year recertification timeline for LIHEAP recipients.⁹¹

As an initial matter, CAUSE-PA submits that UGI should no longer require its auto-enrolled electric customers to submit additional income information – either at the time of enrollment or at recertification – to receive a PIP CAP rate. At recertification, use of LIHEAP data should suffice for the purposes of recertification – without requiring the household to take any additional action beyond allowing DHS to share their information with UGI. As of August 2025, DHS is now sharing detailed household income and composition information, which allows UGI to calculate the appropriate PIP CAP rate – and to complete the periodic recertification process. While there may be limited sub-groups of LIHEAP recipients – such as self-employed individuals – who may still need to provide supplemental data, UGI is now capable of calculating household income for a majority of LIHEAP recipients and, thus, it should narrow the parameters of when additional income information is required to assess an appropriate PIP rate – both at the time of enrollment and for the purposes of recertification.

CAUSE-PA also strongly recommends that UGI follow the CAP Policy statement guidelines for recertification timelines for all customers, including auto-enrolled electric CAP

⁹⁰ Supplemental Information at 3.

⁹¹ Proposed 2026 USECP at 22.

customers, depending on the households' sources of income. As recommended in the CAP Policy Statement, CAP households reporting no income should be required to recertify at least every six (6) months regardless of LIHEAP participation; CAP households with income that participate in LIHEAP annually should be required to recertify at least once every three (3) years; CAP households whose primary source of income is Social Security, Supplemental Security Income (SSI), or pensions should be required to recertify at least once every three (3) years; and all other CAP households should recertify at least once every two (2) years.⁹²

Of note, when income and household composition information is available through LIHEAP, this periodic recertification should be completed *without* requiring any additional action by the CAP participant. As part of the 2025 UGI Gas Base Rate Case Settlement, UGI agreed to automatically recertify LIHEAP recipients who consent to share their data via the LIHEAP data sharing checkbox on the LIHEAP application.⁹³ In other words, for this subset of CAP customers, utilization of LIHEAP data to confirm ongoing eligibility is their recertification and no additional recertification requirements should be permitted. Consistent with the CAP Policy Statement, this process of utilizing LIHEAP data to confirm ongoing eligibility should be completed every three years – not every year.

Low income customers struggle to gather and submit documentation, and often lack access to the internet, printers, fax machines, and other communication tools necessary to meet income documentation requirements. Extending recertification timelines for those with fixed income or who otherwise certify income annually through participation in LIHEAP will reduce unnecessary

⁹² Final CAP Policy Statement and Order at 6-7.

⁹³ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.59.b, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

and burdensome paperwork requirements on low income households and help ensure customers are able to remain in CAP and receive critical savings to afford their monthly bills.

According to the 2023 Universal Service Report, UGI’s Gas CAP default rate has been significantly above the industry average for every income level since 2021.⁹⁴

TABLE 1 – CAP NGDC Default Rates

Year	2021			2022			2023		
	0-50%	51-100%	101-150%	0-50%	51-100%	101-150%	0-50%	51-100%	101-150%
FPL									
Industry Average	12.9%	11.7%	10.3%	28.4%	22.4%	20%	28.1%	19.7%	24.5%
UGI Gas	40%	35.7%	36.7%	55.2%	47.1%	37.4%	40.6%	31.9%	36.1%

The default rates above include customers who have failed to recertify.⁹⁵ Failure to recertify is, in fact, a leading cause of CAP removal. UGI provided information showing that 1,675 of UGI’s Gas CAP customers were removed from CAP in the 4-month period from January 1, 2025 through April 30, 2025, of which 760 (45%) were removed for failure to recertify. For its Electric CAP customers, 634 customers were removed from CAP over that same timeframe, 319 (50%) of which were removed for failure to recertify.⁹⁶ Overall, nearly half of UGI’s CAP defaults are due to failure to recertify.

While CAUSE-PA supports UGI’s stated policy of not requiring yearly recertification for electric auto-enrolled customers who subsequently provide income documentation, this policy should be extended to all CAP customers who receive LIHEAP and whose primary source of household income is Social Security, Supplemental Security Income (SSI), or pensions. Yearly

⁹⁴ 2023 Universal Service Report at 60.

⁹⁵ Id.

⁹⁶ Appendix A, Responses to CAUSE-PA at 8.

recertification for a significant number of CAP customers is inconsistent with the CAP Policy statement and is very likely to be contributing to these exceedingly high CAP default rates. Performing more frequent recertification than required is also likely driving up administrative expenses, causing the cost of the program to increase unnecessarily.

To address the concerns discussed, and help reduce UGI's high default rates, CAUSE-PA recommends that UGI: (1) revise its Proposed 2026 USECP to establish its CAP recertification timeframes as described above, (2) consult with its USAC on needed improvements to its recertification communications and to develop additional information for CAP participants about changes to the recertification timeframes, (3) provide training to all call center employees, universal service program staff, and CBOs to ensure they are aware of the adjusted timeframes for CAP recertification, given that these recertification timeframes would represent changes to UGI's policies and procedures, and (4) confirm that UGI is utilizing LIHEAP data to perform recertifications and to determine appropriate PIP rates where the income information is complete (e.g., with the exception of self employment).

ii. Auto-Enrollment Notification

UGI states in its current USECP that it notifies customers of automatic enrollment by mail or email. The notification explains the reason for the auto-enrollment and provides the opt-out provision and the opportunity to be placed on a lower payment amount by submitting proof of income.⁹⁷ In its Proposed 2026 USECP, UGI proposes to continue its Electric CAP Auto-enrollment pilot through its 2026-2030 USECP, until LIHEAP data becomes available from PA DHS.⁹⁸

⁹⁷ 2020 UGI USECP at 8.

⁹⁸ Proposed 2026 USECP at 15. CAUSE-PA notes that LIHEAP data sharing was fully implemented as of August 2025, and participating vendors (including UGI) received full data files for all LIHEAP recipients in the 24/25 program year. As explained above, except for limited circumstances such as self-employment, UGI now has all of the income and household composition data necessary to determine a household's appropriate PIP CAP rate.

The Bureau of Consumer Services (BCS) conducted a review of CAP complaints in the 12 months preceding the filing of UGI's Proposed 2026 USECP and found confusion among UGI customers who had been automatically enrolled in UGI Electric's CAP as they were now receiving separate bills, instead of a combined bill, for their natural gas and electric service.⁹⁹ While noting that UGI appears to be compliant with the July 2023 Settlement,¹⁰⁰ the Commission expressed concern that some customers may not realize that they have been automatically enrolled into UGI Electric's CAP, and directed UGI to provide a copy of its CAP auto-enrollment letter and explain whether it provides additional means of notification (*e.g.*, text, phone call) to educate auto-enrolled customers about CAP. UGI was further directed to provide information on its opt-out process, including how much time electric customers have to opt out of auto-enrollment and what actions they must take.

The Commission also directed UGI to provide the following data:

- The number who provided income documentation to change their CAP payment amount after enrollment.
- The number paying the average bill, PIP amount, and minimum payment amount.
- The number who have opted out of CAP within the established timeframe.
- The number who have attempted to opt out of CAP after the opt-out period had elapsed.
- The impact on payment behavior and collection activity for electric customers auto-enrolled in CAP.

In response, UGI indicated that 635 customers have been auto-enrolled into its electric CAP and 99 in total have opted out of the program.¹⁰¹ In addition, 315 customers are paying the average bill, 245 are paying a PIP, and 43 are paying a minimum bill.¹⁰² Fourteen customers

⁹⁹ July 2025 Order at 18

¹⁰⁰ Joint Petition for Settlement of All Issues, Docket No. R-2022-3037368, et al., (Final Order issued September 21, 2023) at ¶ VI.60.(c)-(e).

¹⁰¹ Supplemental Information at 4.

¹⁰² *Id.* As explained above, CAUSE-PA notes again here that DHS began sharing full LIHEAP data with utilities as of August 2025. Apart from limited circumstances, such as self-employment income, UGI Electric's auto-enrolled CAP customers should no longer have to provide additional income documentation to assess the appropriate CAP rate.

provided income data after auto-enrollment from the winter of 2023 to present.¹⁰³ UGI also provided a copy of the letter it sends to auto-enrolled electric customers and clarified that they provide 2-3 weeks to opt-out by email or phone call. If the customer does not opt-out within allowed time frame, the customer will be auto-enrolled in CAP but stated that the customer can be removed from CAP at any time, by request.¹⁰⁴

CAUSE-PA strongly supports efforts to leverage LIHEAP data for auto-enrollment and auto-recertification in CAP and recommends that UGI review and enhance notifications to auto-enrolled customers to address any customer confusion identified by BCS. According to UGI's electric needs assessment, there are an estimated 16,469 electric customers who may be eligible for CAP, however, UGI is estimating an enrollment level of only 5,144 in 2025 - less than one-third of potentially eligible customers.¹⁰⁵ Ongoing utilization of auto-enrollment is a critical step towards improving UGI's CAP enrollment rates, as it alleviates burdensome and duplicative administrative requirements by leveraging the resources of the Commonwealth's Department of Human Services to confirm eligibility. While clarification may be needed, the Commission should not step back from program enhancements that effectively utilize available data to improve enrollment and retention in critical, life-saving programs.

CAUSE-PA recognizes that as a relatively new program feature, additional customer education is required to ensure that auto-enrolled customers have all of the information they need to be successful within the program. Of particular note, while BCS highlighted some confusion from consumers regarding changes to their bill, it does not appear as though these customers were upset or dissatisfied with their enrollment in CAP – nor is it immediately apparent why dual

¹⁰³ Id.

¹⁰⁴ Supplemental Information at 3, Attachment 1.

¹⁰⁵ Supplemental Information at 24, 2024 APPRISE Evaluation at 7, Table II-3.

gas/electric customers receive separate bills for the services once enrolled in CAP. If a household is enrolled in UGI's electric CAP, it seems axiomatic that they are also eligible for and should be enrolled in UGI's gas CAP. This issue was not addressed by the Commission but should be further explored to ensure programs are streamlined across UGI's gas and electric operations.

Moving forward, CAUSE-PA recommends that the Commission direct UGI to work with its USAC to review and revise notifications for its auto enrolled electric customers to help ensure that they understand the program parameters and associated rights and responsibilities as a program participant. We note that in the context of the 2025 Gas Base Rate Case Settlement, a working group was established to “identify considerations for utilizing LIHEAP data to facilitate auto-enrollment in UGI Gas’s CAP.”¹⁰⁶ It is our hope and expectation that this working group will explore the intersectional issues across UGI's electric and gas CAPs, flagged above, to better understand the reason for the severed gas/electric bills and to ensure consistency and streamlined experience for dual customers.

g. Use of LIHEAP Data Sharing

On July 31, 2024, UGI submitted a letter in response to the Commission's June 2024 Order at Docket No. M-2023-3038944 regarding participation of energy utilities in DHS's LIHEAP data sharing (July 2024 Letter). On September 9, 2024, the Commission issued a Secretarial Letter (September 2024 Secretarial Letter) finding UGI's July 2024 Letter to be substantially compliant with the June 2024 Order but noted that UGI did not address how or whether it would use LIHEAP data to enroll customers in universal service programs other than CAP.¹⁰⁷

¹⁰⁶ *Joint Petition for Approval of Settlement of All Issues*, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.59.d, Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

¹⁰⁷ September 2024 Secretarial Letter at 3-4.

In the cover letter to its Proposed 2026 USECP, UGI responded that it cannot use LIHEAP data to qualify customers for participation in its LIURP and Operation Share because there are additional enrollment criteria for both programs.¹⁰⁸ The Commission directed UGI to explain what additional information beyond what is provided through LIHEAP data sharing customers need to provide to determine their eligibility for both LIURP and Operation Share.¹⁰⁹

In response, UGI cited the following language from its 2025 Base Rate Case proceeding,

The Company will no longer require applicants for its CAP, Low Income Usage Reduction Program (“LIURP”), or Operation Share programs to produce income documentation if the applicant (1) received a LIHEAP grant within the current or prior LIHEAP season and (2) are included within the LIHEAP data shared by DHS. UGI Gas will update all relevant applications and communications to inform applicants of this documentation waiver.¹¹⁰

UGI also specifies that its regular eligibility requirements remain, such as exceeding usage thresholds for LIURP or experiencing hardship, like a termination notice, for Operation Share.¹¹¹ CAUSE-PA recognizes that LIURP and Operation Share require an additional factual analysis to determine eligibility; however, that analysis relies on data that is available to UGI. UGI can review a household’s usage for LIURP services and can review their payment and collections status to determine eligibility for Operation Share.

CAUSE-PA notes that through the Settlement obligations cited above, UGI has agreed and the Commission has approved the use of LIHEAP data to streamline administration and application processes for both Operation Share and LIURP by eliminating duplicative income documentation

¹⁰⁸ UGI 2026 USECP Cover Letter at 1-2.

¹⁰⁹ July 2025 Order at 21.

¹¹⁰ *Joint Petition for Approval of Settlement of All Issues*, Docket No. R-2024-3052716, at III.E.59.c (order filed July 9, 2025), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

¹¹¹ Supplemental Information at 4.

requirements; however, additional efficiencies could be gained through utilization of data available to the Company.

In 2024, UGI had approximately \$435,501 unspent prior to replenishment of Operation Share funds. These levels of underspending are significant. Despite this underspending, there is significant evidence of need for grant assistance by low income customers. For example, UGI reports that, as of February 2025, 10,512 confirmed low income customers (including CAP customers) had mean arrears at or below \$500 – meaning that their balances could have been fully resolved by an Operation Share grant.¹¹² In addition, in 2024, UGI reported that 5,740 confirmed low income customers (inclusive of CAP) were terminated for nonpayment.¹¹³ These disparities underscore the need for UGI to better connect its customers in need of grant assistance with Operation Share.

CAUSE-PA supports the use of LIHEAP data to identify households that could benefit from CAP – *as well as other universal service programs* - and to further streamline and simplify those application processes. Wherever possible, automation should be deployed. To that end, we note that in the context of UGI’s 2025 base rate case, the Company agreed to convene a working group to “identify considerations for utilizing LIHEAP data to facilitate auto-enrollment in UGI Gas’s CAP.”¹¹⁴ We recommend that the Commission direct UGI to expand the charge of this working group to include consideration of further streamlined and/or automation of enrollment for its LIURP and Operation Share programs.

¹¹² Pa. PUC v. UGI, Docket No. R-2024-3052716, CAUSE-PA St. 1 at 38; citing OCA 4-14, Attachment, dated April 18, 2025; (CAUSE-PA St. 1 admitted to the record at evidentiary hearing on June 9, 2025).

¹¹³ Id.; citing CAUSE-PA I-14(c), Attachment.

¹¹⁴ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at III.E.59.d, (Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025).

h. Opt-in for Universal Service Programs

In its Proposed 2026 USECP, UGI states that it will allow customers who agree to share their income and household information on their LIHEAP application to opt-in to CAP enrollment. UGI proposes sending communication to these customers informing them of the ability to opt into CAP and requesting their consent to participate.¹¹⁵ However, the Commission points out that UGI does not describe the method of communication it intends to use, nor does UGI provide any copies of letters, texts, or scripts that it is using for these notifications.¹¹⁶

The Commission directed UGI to describe the process by which it plans to communicate to LIHEAP data sharing customers regarding their ability to opt into CAP enrollment, including what communication methods it will utilize to ask customers whether they would like to opt into CAP and to include a copy of the proposed letter, text, or script that will be used to convey this information to the customers.¹¹⁷ In response, UGI provided examples of the opt-in solicitation email and letter sent to LIHEAP recipients to encourage CAP enrollment.¹¹⁸

As described in detail above, UGI's CAP is severely undersubscribed – reaching just a small portion of the estimated eligible customer base. UGI's opt-in program is an important tool to narrow the gap between the number of people who are in need of this assistance and the number of people who can access it. While CAUSE-PA believes that, ultimately, CAP auto-enrollment is a more effective and efficient method of increasing CAP enrollments across the Commonwealth, CAUSE-PA strongly supports UGI's Gas CAP opt-in policy as an interim step. CAUSE-PA recommends that UGI work with its USAC to revise and refine both its materials and its process for disseminating these materials to its LIHEAP recipients who are not already enrolled in CAP.

¹¹⁵ Proposed 2026 USECP at 5, 13.

¹¹⁶ July 2025 Order at 22.

¹¹⁷ Id.

¹¹⁸ Supplemental Information at 4; see attachments 2a, 2b.

More fully utilizing its USAC would be an effective and efficient means of improving outreach materials and alleviating some of the customer confusion noted by the Commission.

Ultimately, CAUSE-PA remains strongly supportive of implementation of auto-enrollment and recertification procedures for its gas division so that low income customers who are eligible for LIHEAP can seamlessly enroll in and recertify for CAP – without added administrative burden. We look forward to ongoing engagement through the working group established in UGI’s 2025 gas base rate proceeding to further explore auto-enrollment procedures.

i. Recertification Notices

In its Proposed 2026 USECP, UGI explains that it mails a recertification notice one month prior to a CAP participant’s recertification due date and then a reminder letter on the CAP recertification due date. Additionally, a CBO will attempt to contact the customer 15 days prior to the recertification due date. UGI also indicates that it will use LIHEAP data for recertification purposes for those LIHEAP recipients that have opted to share their data.¹¹⁹

In its 2024 Evaluation, APPRISE recommended sending fewer notifications due to reported customer confusion (as described by one CBO).¹²⁰ While the Commission did not agree with that recommendation, it requested that UGI clarify whether they are developing a method to reduce the outreaches to customers who have already submitted their CAP recertification information. The Commission also directed UGI to explain how it is sending these notifications other than by letter.¹²¹

In response, UGI clarified that it has developed a process to stop sending CAP recertification reminders when a customer has already completed its recertification but does not

¹¹⁹ Proposed 2026 USECP at 23, Appendix E.

¹²⁰ 2024 APPRISE Evaluation at ix.

¹²¹ July 2025 Order at 22-23.

provide any further detail.¹²² UGI then states that it uses email as its method of communication to remind customers to recertify.¹²³

CAUSE-PA does not agree with APPRISE's recommendation to reduce the number of notices sent to CAP customers regarding recertification – though we do support UGI's elimination of reminders for participants that have already completed the recertification process and agree that it would be confusing for consumers to receive additional notice *after* recertification has been completed. As noted above, between 45-50% of UGI Gas and Electric CAP participants were removed from CAP for failure to recertify in the four-month period from January to April 2025.¹²⁴ These are substantial numbers and underscore the need to improve outreach so that CAP customers can successfully recertify for the Program. This is particularly important because of the substantial undersubscription of UGI's CAP, as discussed in detail above.

We recommend that the Commission require UGI to retain the number and frequency of notices that it currently provides to CAP customers related to recertification requirements, including notices provided through CBOs. We also recommend that UGI consult with its USAC to review the language included in the notices, to determine whether its current email outreach related to recertification is sufficient, and to assess whether additional means of electronic outreach may be implemented, including outreach through text message where customers have consented to such outreach. We further recommend that UGI work with its USAC to review and revise its process for sending these notices along with reviewing the notices themselves to improve response rates. This, in addition to extending the recertification time frames to those recommended in the

¹²² Supplemental Information at 5.

¹²³ *Id.*

¹²⁴ Appendix A, Informal Responses to CAUSE-PA at 8; numbers reflect gas and electric CAPs combined.

2019 CAP Policy statement as recommended above, may help UGI retain CAP enrollment for its eligible customers.

j. Voluntary Removal from CAP

In its Proposed 2026 USECP, UGI states that if CAP is no longer a benefit to the customer and they choose to be removed, they may re-apply at any time.¹²⁵ UGI then states that any CAP participant who requests voluntary removal from CAP for seasonal short-term benefit will be required to remain out of CAP for a period of 12 months before they can reapply for the program.¹²⁶ Additionally, UGI states that to be eligible for CAP, a previous participant will be reviewed to assure the reason for default has been cured *or* the customer has been out of the program for 12 months for a voluntary removal.¹²⁷

The Commission stated in its July 2025 Order that it finds these provisions in UGI's proposed USECP inconsistent.¹²⁸ The Commission then pointed to its August 2019 Order at Docket No. M-2017-2598190 (August 2019 Order), wherein it directed UGI to permit customers who voluntarily exit CAP to reapply if they have paid at least the CAP amount for the months spent out of the program (CAP catch-up amount)¹²⁹ and points out that the provisions in UGI's Proposed 2026 USECP are inconsistent with that Order as well.

The Commission directed UGI to clarify all circumstances under which a customer who has voluntarily removed themselves from CAP can be reinstated in the program and states that the policy must be consistent throughout its USECP. Additionally, the Commission directed UGI to

¹²⁵ Proposed 2026 USECP at 12, 24.

¹²⁶ Proposed 2026 USECP at 24.

¹²⁷ Proposed 2026 USECP at 14.

¹²⁸ July 2025 Order at 25.

¹²⁹ August 2019 Order at 30-33.

clarify when the 12-month waiting period starts and how this policy complies with the Commission’s directive in the August 2019 Order.¹³⁰

In response to the Commission’s July 2025 Order, UGI explains that if a customer requests removal from CAP due to seasonal bill fluctuations, there is a 12 month wait to be reinstated / reenrolled into CAP.

UGI provided through its responses to CAUSE-PA the following examples.¹³¹

Example 1:

CAP is beneficial and if customer elects to be removed from CAP the customer would need to wait 12 months for re-enrollment into CAP.

Usage based bill winter:	\$100
CAP monthly payment winter:	\$25
Usage based bill summer:	\$22
CAP monthly payment summer:	\$25

Example 2:

CAP is not beneficial and if customer elects to be removed from CAP there would be no 12 month wait if they elect to re-enroll.

Usage based bill winter:	\$30
CAP monthly payment winter:	\$40
Usage based bill summer:	\$20
CAP monthly payment summer:	\$25

CAUSE-PA is deeply concerned that UGI’s noncompliance with the Commission’s prior order has likely resulted in the exclusion of eligible households from critical rate relief through the program – exacerbating termination rates and collections costs.

CAUSE-PA opposes UGI’s use of a 12-month stay out under either circumstance described above. UGI portends to apply its stay-out policy based on intent of the customer; however, UGI

¹³⁰ July 2025 Order at 26.

¹³¹ Appendix A, Informal Responses to CAUSE-PA at 20.

does not have the information to impute this intent. When a customer leaves CAP, for whatever reason, they should be allowed to reenter the program based on the same terms and conditions. If a customer voluntarily removes themselves from CAP, UGI must allow the customer to re-enroll at any time if the customer is able to pay what would have been their CAP rate for the months they were out of the program, as required by the Commission's aforementioned Order. To the extent that UGI is not already doing so, any payments made by the customer after they removed themselves from CAP should be counted towards their CAP catch-up amount. Such a policy is far more equitable and is consistent with the Commission's prior orders on this issue – as well as the CAP reentry rules approved in other service territories.

CAUSE-PA also strongly recommends that the Commission direct UGI to revise its voluntary CAP removal policy to be consistent with Commission Orders under any circumstance and amend the language in its USECP accordingly. In response to the July 25 Order, UGI clarified that a customer will be permitted to re-enroll if they satisfy the CAP amount covering both the missed CAP payments while on CAP and the month(s) the customer spent out of the program (i.e., the CAP catch-up amount), plus any applicable reconnection fees to restore service.¹³² This policy is not consistent with the Commission's August 2019 Order, as it does not appear that UGI applies this policy where it presumes a customer has removed themselves from CAP for a short-term seasonal benefit. Indeed, it appears as though UGI may have denied reenrollment to eligible households for the last 6 years. In addition to revising its proposed USECP, UGI should be required to affirmatively reach out to customers who were denied reenrollment in CAP since August 2019, and should (1) invite them to reenroll, (2) clearly identify any CAP catch-up amount

¹³² Supplemental Information at 5.

needed to reapply, (3) provide clear information about the enrollment process, and (4) offer assistance to reenroll.

k. Obligation to Participate in Other Weatherization Services

In its Proposed 2026 USECP, UGI states that for a customer to remain eligible for CAP, they must participate in LIURP “and any other weatherization services offered through local and state weatherization agencies.”¹³³ UGI did not provide any information regarding how this provision is enforced. The Commission directed UGI to clarify how it enforces the requirement that customers must participate in non-LIURP weatherization services offered through local and state weatherization agencies and to identify how many customers had been removed annually from CAP in 2023 and 2024 for (1) failing to participate in LIURP; and (2) failing to participate in other weatherization services.¹³⁴

In response, UGI explained that it does not have the authority to enforce participation in non-LIURP weatherization services offered through local and state weatherization agencies, and that it does not remove customers from CAP if they do not participate in non-UGI weatherization programs.¹³⁵

CAUSE-PA recommends that UGI amend its USECP to clarify that it does not remove a low income household from CAP due to failure to participate in LIURP or “any other weatherization services offered through local and state weatherization agencies.” While CAUSE-PA strongly supports policies that encourage and assist CAP participants to pursue free weatherization services, we do not support policies that mandate participation. Funding for free

¹³³ Proposed 2026 USECP at 20.

¹³⁴ July 2025 Order at 26.

¹³⁵ Supplemental Information at 6.

weatherization and efficiency services is not adequate to support the overwhelming need for services, and the rules governing eligibility for such programs can be complex – especially for renters. CAP participants should never be penalized for not pursuing participation in other programs. As such, we submit that the Commission should direct UGI to amend its proposed 2026 Plan to indicate that it will encourage and support CAP participants to pursue free weatherization services, other than LIURP, but not require them to do so.

1. LIURP and High Usage Controls

In its Proposed 2026 USECP, UGI includes the provision that CAP customers may be removed from the Program if they refuse to participate in LIURP or comply with high usage controls.¹³⁶ UGI provides that exceptions may be granted where the factors giving rise to the customer's increased consumption are beyond the customer's reasonable control.¹³⁷

The Commission directed UGI to identify whether it allows any exceptions to its requirement that CAP customers participate in LIURP and comply with high usage controls. The Commission also directed UGI to report the number of customers removed from CAP for refusal to participate in LIURP or comply with high usage controls from 2022 through 2024, as well as copies of the letter sent to customers to notify them that they have been removed from CAP for that reason.¹³⁸

In response to inquiries by CAUSE-PA, UGI provided clarifications regarding potential exceptions to their stated policy. UGI states that if a customer provides information – such as additional members in the household, an ill household member or another contributing factor beyond their control, UGI would provide an exemption.¹³⁹ When asked to clarify how UGI

¹³⁶ 2026 USECP at 22.

¹³⁷ 2026 USECP at 22, FN 9.

¹³⁸ July 2025 Order at 27.

¹³⁹ Appendix A, Informal Responses to CAUSE-PA at 8.

determines whether a customer has increased/high consumption beyond the customer's reasonable control, UGI further explained that CBOs will interact with the customer to obtain additional information about the household occupants. The interaction could be a phone call, email, letter or in-person visit to review the high usage questionnaire.¹⁴⁰

In response to the July 2025 Order, UGI further explained that if a customer is prohibited from participating in LIURP due to the landlord's refusal of LIURP services, or if the customer has extenuating circumstances that prevent them from reducing usage (e.g., medical equipment, added people to the household, household occupants under 5 years or over 62 years of age), an exception would be considered to the usage reduction criteria.¹⁴¹

CAUSE-PA submits that removal from CAP is a severely punitive consequence and must be an absolute last resort. As such, we stress the importance of recognizing and applying exemptions in all cases where a household is unable to participate in LIURP - either due to the condition of the home, failure of the landlord to provide permission, medical conditions of household members, or other extenuating circumstances. While we urge exercise of extreme caution in the exercise of this control feature, we note here that utilization of LIURP and other efficiency tools to help reduce high usage is preferred to imposition of arbitrary and punitive CAP maximum credit limits. As discussed at length below, the highest usage households are most often the most vulnerable - with the least ability to reduce their household usage. Any cost control feature must fully consider the relative impact to the most vulnerable households, and the associated cost to the household and other ratepayers when customers with extreme vulnerabilities are subject to the involuntary termination of essential service.

¹⁴⁰ *Id.* at 8-9.

¹⁴¹ Supplemental Information at 6.

m. Security Deposits

In its Proposed 2026 USECP, UGI states that a customer enrolled in CAP is not charged a security deposit while actively participating in the program.¹⁴² However, UGI does not address how security deposits assessed prior to enrollment are refunded, if at all. The Commission directed UGI to detail its security deposit procedures and explain how these practices are compliant with the relevant statutes and regulations. The Commission further directed UGI to clarify what notifications, if any, customers receive when determined to be eligible for a security deposit refund.¹⁴³

In response, UGI first points to its commitments stemming from its 2025 Base Rate Proceeding.¹⁴⁴

65. Deposits on Confirmed Low Income Customers

- a. The Company will add the following language within its gas service tariff related to the Company's current practice of not collecting deposits from low income verified customers. This language will be consistent with language as stated in 52 Pa. Code § 56.32(e) Security and cash deposits.

“The Company may not require a cash deposit from an applicant who is, based upon household income, confirmed to be eligible for a customer assistance program. An applicant is confirmed to be eligible for a customer assistance program by the Company if the applicant provides income documents or other information attesting to his or her eligibility for state benefits based on household income eligibility requirements that are consistent with those of the Company's customer assistance programs. For existing customers that already have monies paid against a security deposit and become enrolled in the Company's customer assistance programs, the Company will provide the customer a direct refund of the

¹⁴² Proposed 2026 USECP at 20.

¹⁴³ July 2025 Order at 28.

¹⁴⁴ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.65.(a)-(c). Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

security deposit amount, along with applicable interest. The Company may apply the refund of the security deposit amount, with applicable interest, to the customer's account balance with the customer's informed consent."

- b. If checks providing a direct refund of the security deposit are returned as undeliverable, the Company will apply the amount as a bill credit, unless the customer contacts the Company with a corrected address.
- c. These provisions will be effective November 1, 2025.

Regarding notice to customers, UGI explains that when a customer has made 12 consecutive on time payments, the security deposit is automatically credited to the customer's account.¹⁴⁵ UGI does not, however, provide information regarding its process for refunding a security deposit when the customer is found to have income at or below 150% FPL.

CAUSE-PA notes that the Commission has set forth extensive directives related to security deposit procedures and whether a utility's practices related to security deposits are compliant with the relevant statutes and Commission regulations.¹⁴⁶ For example, Commission regulations state that a public utility must "refund a deposit, along with any applicable interest, within 60 days upon determining that the customer or applicant from whom a deposit was collected is not subject to a deposit..."¹⁴⁷ Further, assessing deposits against confirmed low income customers is contrary to the provisions set forth in Title 52 Section 56.32(e), and stands as a barrier to low income customers being able to establish and afford services.

The Settlement terms referenced above were supported by CAUSE-PA as a party to the 2025 UGI Gas Base Rate Case to better ensure that UGI is not collecting deposits from low income

¹⁴⁵ Supplemental Information at 8.

¹⁴⁶ See Duquesne 2020-2025 USECP Order, Docket No. M-2019-3008227, (Order entered on April 14, 2022) at 55-57; PGW 2023-2027 USECP Order, Docket No. M-2021-3029323 (Order entered on January 12, 2023) at 25-28; and Columbia 2024-2028 USECP Order, Docket No. M-2023-3039487 (Order entered on April 4, 2024), at 29-31 (Columbia 2024 USECP Order).

¹⁴⁷ See 52 Pa. Code § 56.53(f).

verified customers. In addition, this updated policy will help low income customers to receive refunds on deposits, as it requires that UGI apply the amount as a bill credit if a check refund is undeliverable.

CAUSE-PA recommends that the Commission direct UGI to update its USECP to be consistent with the above provision. In addition, UGI should consult with its USAC regarding any customer-facing materials or notices developed in conjunction with this provision and report on the number of deposits returned at each convening.

n. CAP Final Billing

UGI does not provide its current final billing procedure/policy for CAP customers in its Proposed 2026 USECP. Citing its CAP Final Billing Order,¹⁴⁸ the Commission directed UGI to clarify its current CAP final billing policy and explain how the procedure changes in cases of voluntary versus involuntary termination of service. UGI was also directed to address how its CAP final billing practices reflect compliance with the relevant statutes and regulations as discussed in the CAP Final Billing Order.¹⁴⁹

In response, UGI explained how the Company addresses remaining pre-program arrears (PPA) and addresses CAP eligibility after involuntary termination. However, UGI did not address what rate they charge in the final bill. It is therefore unclear whether UGI's final billing policy complies with Commission Guidance.

In its Order regarding CAP Final Billing Methods, the Commission references Section 1303 of the Public Utility Code, 66 Pa. C.S. § 1303, which provides that public utilities must bill their customers for service rendered and also provides that public utilities are to compute bills

¹⁴⁸ Staff Review of Customer Assistance Program (CAP) Final Billing Methods, Order, Docket No. M-2019-3010190, (order entered March 12, 2020).

¹⁴⁹ Id.

under the rate most beneficial to the customer.¹⁵⁰ The Commission then references its CAP Policy Statement, citing its guidance on how CAP payments should be determined, maximum payment levels,¹⁵¹ and the importance of maintaining affordable CAP payments in its discussion of amending the recommended maximum energy burden levels to 6% or 10% of FPL.¹⁵²

CAUSE-PA reaffirms its stated position in the Commission’s Staff Review of CAP Final Billing Methods (associated with the Low Income Advocates) and, if it is not already, recommends that UGI apply the following steps in calculating a final bill:

1. Determine the prorated PIP for the final billing month.
2. Determine the bill based on actual usage for the final billing month.
3. For minimum bill customers, determine the prorated daily minimum bill rate for the final billing month.
4. Charge the lesser of the actual bill, the daily prorated CAP bill, or (if applicable) the daily prorated minimum bill for the number of days service was connected during the final billing cycle.¹⁵³

As it is unclear what rate UGI applies to final CAP billing, CAUSE-PA urges adoption of the above recommended methodology of calculating final CAP bills and recommends that UGI be required to amend its USECP to detail this process. Incorporating these recommendations will create equitable policy and will ensure that CAP customers continue to receive an affordable CAP rate bill for the entire duration of their CAP enrollment – even upon final billing. If a CAP customer voluntarily requests to end service or is involuntarily terminated, and is later final billed for the partial billing period, it is necessary that they are charged the CAP rate for the days they were enrolled in CAP. Upon final billing, CAP customers should be charged the rates that are

¹⁵⁰ Id. at 19.

¹⁵¹ See Section 69.265(2).

¹⁵² Final CAP Policy Statement and Order at 13-32 and Annex A.

¹⁵³ Staff Review of Customer Assistance Program (CAP) Final Billing Methods, Order, Docket No. M-2019-3010190, (order entered March 12, 2020).

applicable on the day the services were used and ensure that the most beneficial rates are applied. This is not only fair and equitable treatment, but also what the Public Utility Code requires.¹⁵⁴

o. CAP Credit Expenditures for UGI Electric.

The Commission approved elimination of UGI's CAP credit limits in UGI's 2014 USECP Proceeding.¹⁵⁵ UGI Gas and UGI Electric do not have an annual limit for CAP credits and therefore provide consistent monthly CAP bills to its CAP participants, without risk of removal from CAP or elimination of needed rate assistance due to circumstances beyond the control of the household.¹⁵⁶ Instead of imposing an arbitrary and punitive maximum annual limit for CAP credits, UGI controls CAP costs by deploying focused energy education and LIURP services to households that exceed its annual high usage threshold, which UGI has proposed to lower in this case (see section p, below). UGI monitors high usage households for additional outreach and referrals, and CAP customers that exceed the thresholds are provided with an energy education session and referred to LIURP, if applicable. CAP customers who refuse to participate in LIURP or who fail to comply with high usage controls risk removal from CAP.¹⁵⁷ According to UGI, 7 customers have been removed from CAP for this reason between January 2022 and December 2024.¹⁵⁸

In its July 2025 Order, the Commission outlined data portending to show the number of accounts that received CAP credits in excess of UGI's *previous* (2014) maximum CAP credit amount and the average dollar amount of the expenditures for each household that exceeded those limits.¹⁵⁹ Specifically, Tables 1 and 2 of the Order show the number of UGI Electric CAP

¹⁵⁴ 66 Pa. C.S. § 1303.

¹⁵⁵ UGI 2014-2017 USECP Final Order, Docket No. M-2013-2371824 (Order entered January 15, 2015) at 25-33.

¹⁵⁶ Proposed 2026 USECP at 21.

¹⁵⁷ 2020 USECP at 26- 27.

¹⁵⁸ Supplemental Information at 6.

¹⁵⁹ July 2025 Order at 32, Table 1, TO at 33, Table 2.

customers who would have exceeded maximum CAP credits and the dollar amount of the exceedance year by year, using an 11 year old maximum CAP credit limit as comparison.¹⁶⁰

At the conclusion of this analysis, the Commission directed UGI to provide recommendations for new CAP credit limits in the event the Commission determines that maximum CAP credit limits should be reinstated for UGI Electric.¹⁶¹ The Commission also required that UGI provide 1) CAP credit limits based on the percentage of rate and default electric price increases since UGI Electric's previous CAP credit limits were eliminated, and 2) CAP credit limits needed to address the subsidization needs of 70%, 80% and 90% of UGI Electric's CAP customers.¹⁶²

In response to the Commission's requests, UGI explained that its proposed high usage annual threshold aligns with the actual 12-month usage of electric customers currently enrolled in CAP.¹⁶³ According to UGI, lowering the high usage threshold as proposed means that an additional 49 households will be eligible for LIURP services.¹⁶⁴ UGI then noted that by keeping the higher threshold, fewer households would be eligible for LIURP which could ultimately increase bad debt.¹⁶⁵ CAUSE-PA notes here that if the Commission were to impose maximum CAP credit limits (*which we vehemently oppose*), UGI should not use the lower high usage threshold to calculate maximum CAP credit limits that it uses to enhance eligibility for efficiency services. To the contrary, the high usage LIURP threshold currently utilized for providing focused efficiency services to reduce CAP costs should be determined separately from the high usage

¹⁶⁰ July 2025 Order at 32-33, Tables 1, 2.

¹⁶¹ *Id.* at 36.

¹⁶² *Id.* at 36.

¹⁶³ Supplemental Information at 9.

¹⁶⁴ See Supplemental Information at 9, "...the current threshold shows 212 electric CAP customers would be referred to LIURP, whereas the proposed threshold shows 261 electric CAP customers would be referred to LIURP."

¹⁶⁵ Supplemental Information at 9.

threshold utilized to calculate any maximum credit threshold. Any usage threshold utilized to calculate punitive maximum CAP credit thresholds should be set as high as possible so as to minimize the severity of the impact on UGI's most economically vulnerable households.

In order to provide recommendations for a maximum electric CAP credit limit as directed, the Company updated the 2014 credits cited by the Commission based on *current* distribution and generation rates resulting in a maximum CAP Credit for Heating of \$1,969 and \$1,149 for Non-Heating.¹⁶⁶ Of note, UGI's analysis did not include any projection for the increase in generation rates anticipated in December 2025 as a result of the recent capacity market auction. According to UGI's analysis, these credit limits would cause 16% - or approximately 714 electric CAP customers – to exceed the limit before the end of the program year, leaving those households to face full tariff rates for an unspecified number of months.¹⁶⁷ According to UGI, imposition of these limits would mean that each of the 714 low income households that exceeded their credits would be responsible for an additional \$1,187 towards their electric bills per year,¹⁶⁸ greatly increasing their energy burdens in excess of the Commission's affordability standards. Of course, this is an average – meaning some electric CAP customers would face even higher shortfalls. On the other side of the equation, UGI estimates that other residential customers paying the USP rider (non-CAP customers) would save just \$0.42 per month (or \$5.06 per year).¹⁶⁹

At the 70%, 80% and 90% thresholds as requested by the Commission, UGI would see 1,513 CAP customers, 1,009 CAP customers, or 504 CAP customers exceeding their maximum CAP credits, respectively.¹⁷⁰ By way of comparison, UGI projects just 94 UGI Electric households

¹⁶⁶ Supplemental Information at 10. **Of course, even before the likely conclusion of this case, UGI's current generation rates are anticipated to rise substantially following the most recent capacity market auction.**

¹⁶⁷ Supplemental Information at 10.

¹⁶⁸ Id.

¹⁶⁹ Id.

¹⁷⁰ See Proposed 2026 USECP at A-1; anticipating an Electric CAP enrollment level of 5,043 in 2026.

participating in LIURP annually starting in 2026.¹⁷¹ Even if UGI fully meets its projected Electric LIURP enrollment **and** is able to fully prioritize households who have exceeded their high usage thresholds, hundreds of its high usage CAP customers will be left with no ability to reduce their usage and will be at risk of exceeding their max CAP credits, which, as explained below, will put them at significant risk of involuntary termination of necessary services to their homes.

UGI goes on to explain that, in addition to causing significant harm to its low income customers for a marginal benefit to the rest of its ratepayers, it would need to undertake significant IT system enhancements to facilitate such a change as the maximum CAP credit was removed per Commission order before the Company implemented its new customer billing system in 2017.¹⁷² UGI does not recommend reimplementing a maximum CAP credit limit given the Commission's direction at Docket No. M-2013-2371824, in which the Company was ordered to remove its maximum CAP credit.¹⁷³

CAUSE-PA strongly opposes the imposition of punitive maximum CAP credit limits for UGI Electric CAP customers and agrees with UGI that the relative benefit to other ratepayers does not justify the substantial harm. Establishing a maximum credit based on a predetermined failure rate is arbitrary and capricious, and serves to compound harms associated with energy insecurity – undermining the success of CAP and expediting termination. Such a result is directly contrary to the Commission's statutory obligation to ensure universal service costs are appropriately funded to ensure that low income households can maintain service to their home. Further, the Commission has relied on its superficial and significantly flawed analysis to justify the imposition of these punitive limits and has not grappled with the increased costs, both monetary and humanitarian,

¹⁷¹ Proposed 2026 USECP at A-2, Table A-3.

¹⁷² Id.

¹⁷³ Id.

that imposition of these limits will cause. To the contrary, maximum CAP credit limits are ineffective and unjustified when all relative costs and benefits are weighed. We will discuss each of these arguments in turn, below.

Maximum CAP Credit Limits are Punitive and Disproportionately Harm Vulnerable Households

Imposing maximum CAP credit limits results in customers being billed in excess of Commission-established energy burden standards, inconsistent with the Final CAP Policy Statement.¹⁷⁴ As we see with other EDC programs, maximum CAP credit limits have a punitive impact on the most vulnerable households – including those with medical usage and individuals with a disability, families with young children, and Seniors who are more likely to be home and, in turn, are likely to use more energy throughout the day. For example, in Duquesne Light (DLC) service territory, evidence revealed in its last base rate proceeding showed that thousands of CAP customers who exceed their maximum CAP credit limits were ultimately terminated for nonpayment within a few short months of exceeding DLC’s maximum CAP credit limits.

Table 2: CAP Terminations for Nonpayment After Exceeding CAP Credit Limits¹⁷⁵

	Total Exceeding Max CAP Credits	Total Terminated Following Exceedance	Term w/in 0-30 Days	Term w/in 31-60 Days	Term w/in 61-90 Days	Term w/in 91-120 Days	Term w/in 120 Days
2022	8,075	3,209	192	379	486	481	1,671
2023	10,422	2,685	185	406	571	571	952
2024 (Jan-Apr)	4,724	1,306	25	37	157	135	0
TOTAL	23,221	6,248	402	822	1,214	1,187	2,623

¹⁷⁴ Final CAP Policy Statement and Order at 29-31.

¹⁷⁵ Pa. P.U.C. v. Duquesne Light Company, Docket No. R-2024-3045623, CAUSE-PA Direct Testimony at 37; citing; CAUSE-PA III-7, Attachment.

As Table 1 shows, in DLC’s service territory, more than one in four (27%) of CAP customers who exceeded their maximum CAP credit limits from January 2022 through April 2024 were subsequently terminated for nonpayment within 120 days of that exceedance.

Imposition of arbitrary maximum credit limits through UGI’s Electric CAP would have a similarly disproportionate impact on low income customers based on the quality of their home, penalizing low income customers based on where they are able to access housing, especially those in the rural areas served by UGI. Notably, CAP participants with the lowest income (0-50% FPL) – and the least ability to shoulder full tariff bills – are likely to be most impacted if CAP maximum credits are insufficient to cover the subsidy necessary to reach the Commission’s affordability thresholds.

As recent research and data have continually shown, vulnerable low income families simply cannot afford the cost of energy services at full residential rates. This is especially true given the recent surges in energy prices. Consumers reportedly paid, on average, 19% more for electricity for winter heating in 2024-2025 than they did in 2021-2022, rising more than twice the rate of inflation for the past year.¹⁷⁶ Energy costs are regressive, meaning that low income households pay a much larger proportion of their income towards their energy bills (as well as housing costs generally) than households with more monetary resources. For example, across Pennsylvania households with income at or below 150% FPL spend as much as 29% of their income on energy costs alone.¹⁷⁷ By comparison, the Bureau of Consumer Services (BCS) estimates that the energy burden of Pennsylvania’s residential customers as a whole (exclusive of

¹⁷⁶ National Energy Assistance Directors Association (NEADA) Winter Outlook Report, September 2025, Available at <https://neada.org/wp-content/uploads/2025/09/winteroutlook25-26.pdf>

¹⁷⁷ Pa P.U.C v. UGI Utilities, Inc – Gas Division, Docket No. R-2024-3052716, CAUSE-PA Direct Testimony at 17; citing CAUSE-PA Exhibit 1; see also Fisher, Sheehan & Colton, The Home Energy Affordability Gap: Pennsylvania (April 2022).

those enrolled in a Customer Assistance Program (CAP)) is roughly 4%.¹⁷⁸ UGI's proposal to address high usage and, in turn, control CAP costs through the targeted energy education and LIURP services is a more effective, prevention-based path that will not trigger the same punitive and costly consequences (namely, high collections and termination rates) associated with imposition of a fixed maximum credit limit contemplated by the Commission.

The imposition of arbitrary maximum CAP credit limits would allow circumstances beyond a household's ability to control, such as inefficient housing or heating equipment, to be the driving factors determining whether the household can maintain life-sustaining energy service. Such a result is directly contrary to the definition of universal service and energy conservation in the Choice Act, which requires the Commission to establish programs, policies, and services to assist low income households and other vulnerable groups to maintain service to their home. As stated in previous USECP Comments,¹⁷⁹ there are well documented disparities in household energy burden based on race and ethnicity, which are driven largely by relative housing quality and access to programs and resources to remediate high usage.¹⁸⁰ Low income families residing in rural areas also face higher relative energy burdens, which is particularly relevant for UGI's Electric customers, all of whom are located in Luzerne and Wyoming counties.¹⁸¹ Ensuring affordable utility bills and just distribution of CAP benefits is a matter of equity. It is therefore critical that utility CAP rates are primarily driven by relative need as a percentage of household

¹⁷⁸ Energy Affordability for Low income Customers, Docket No. M-2017-2587711, Order, at 8 (Jan. 17, 2019); see also Diana Hernandez, Energy Insecurity: A Framework for Understanding Energy, the Built Environment, and Health Among Vulnerable Populations in the Context of Climate Change, 103(4) Am. J. Pub. Health (2013) available at: <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3673265/#bib20>. (last visited April 14, 2025).

¹⁷⁹ Joint Petition of Penelec, Penn Power, MetEd, and West Penn Power to Amend Universal Service and Energy Conservation Plan for 2019-2023, Comments of CAUSE-PA, Docket Nos. P-2020-3018883, -3018884, -3018873, 3018885; M-2017-2636969, -2636973, -2636976, -2636978, at page 14 (CAUSE-PA Comments filed Oct. 4, 2021).

¹⁸⁰ See, e.g., ACEEE, How High Are Household Energy Burdens? An Assessment of National and Metropolitan Energy Burden Across the United States (Sept. 2020), available at: <https://www.aceee.org/energy-burden>.

¹⁸¹ See, e.g., ACEEE, The High Cost of Energy in Rural America (July 2018), available at: <https://www.aceee.org/sites/default/files/publications/researchreports/u1806.pdf>.

income – by a household’s ability to pay - rather than a household’s usage which may be beyond their ability to control.

Maximum CAP Credits Are Not Effective When Weighed Against All Relative Costs and Benefits

In raising the potential for imposing maximum CAP credit limits, the Commission rests on a fatally flawed analysis untethered to facts and data – ignoring the fact that electric rates have increased exponentially in this same period of time, and failing to account for any other critical benefits associated with elimination of the punitive maximum CAP credit threshold. Indeed, there is no evidence to support the Commission’s conclusion that the increase in CAP costs since 2014 was driven by the elimination of UGI’s punitive maximum CAP credit limits – nor is there any evidence to suggest that reversing this 2014 policy determination would effectively reduce CAP costs moving forward.

Utilizing the Commission’s annual Rate Comparison Reports, Table 2 below shows the significant increase in UGI’s Electric rates from 2014 through 2025. Of note, the 2025 rates stated do not include the recent June 1 default service price increase, which raised the PTC from 10.6 to 11.472 cents per kWh.¹⁸² Thus, UGI’s current charges are even higher than the rates identified in the table below for 2025.

¹⁸² See <https://www.ugi.com/price-to-compare/ugi-electric/>; and PAPowerSwitch, at <https://www.papowerswitch.com/shop-for-rates-results/?zipcode=18709&serviceType=residential&distributor=1187&distributortrate=RS+-+Regular+Residential+Service>

Table 3: UGI Electric Rates 2014 - 2025 ¹⁸³

<i>Year</i>	<i>500 kWh Usage</i>	<i>2,000 kWh Usage</i>
2014	\$67.21	\$237.56
2015	\$68.30	\$241.97
2016	\$59.88	\$208.29
2017	\$60.03	\$208.89
2018	\$60.16	\$209.33
2019	\$64.42	\$231.42
2020	\$56.12	\$198.06
2021	\$59.29	\$210.01
2022	\$78.71	\$286.35
2023	\$100.03	\$371.24
2024	\$97.89	\$359.27
2025	\$101.93	\$375.29

The Commission acknowledges that “UGI Electric’s Average CAP credit expenditures do fall within the current range of maximum CAP credit limits for other EDCs,” but notes – without further analysis to contextualize the increase with the relative increase in rates – that the average annual CAP credit costs recovered from each UGI Electric non-CAP ratepayer has increased from \$37.66 to \$122.47 since 2019.¹⁸⁴ Notwithstanding the fact that UGI’s average CAP credits are consistent with other EDCs that impose maximum CAP credits, the Commission asserts that this increase in CAP costs “indicates a need for additional CAP cost control measures beyond UGI Electric’s consumption limits”¹⁸⁵

The Commission’s conclusory analysis here fails to properly contextualize the increase in CAP costs with the dramatic increase in energy costs over this 6-year period.¹⁸⁶ The Commission

¹⁸³ PA PUC Annual Rate Comparison Reports, 2014 - 2025

¹⁸⁴ July 2025 Order at 33-34, Tables 3, 4.

¹⁸⁵ *Id.* at 35.

¹⁸⁶ *Id.* at 33-34, Tables 3.

not only fails to acknowledge the relative increase in rates, it also fails to account for the fact that the number of CAP enrollees have increased by over 46% since 2020 while the number of residential customers paying for CAP has decreased.¹⁸⁷ This increase in enrollment – driven by rising energy costs and increased relative need for assistance – is the primary driver of increased programmatic costs. As energy costs continue to rise exponentially, the need for and enrollment in CAP is also likely to rise. The solution to pay for these rising costs is not to undermine the effectiveness of the programs by setting arbitrary thresholds on the level of assistance provided. Indeed, as UGI explained, the cost savings of such a policy will reduce costs to other ratepayers by just \$0.42/month. As a practical matter, the potential cost savings to other ratepayers associated with imposing a maximum CAP credit threshold is likely far less than \$0.42/month once the increase in collections and termination costs caused by such a policy are appropriately accounted for. Rather than seeking to penalize CAP participants, and undermine the effectiveness of the program, the Commission should instead examine how to more effectively assign costs for universal service programs across a broader customer base.

In advancing its flawed analysis, improperly applying data from over a decade ago to today's rates and sidestepping the true driver of increasing program costs, the Commission appears to forget that imposition of a maximum CAP credit will also increase other costs that will further erode the estimated \$0.42/month savings for UGI's non-CAP customers. Maximum CAP credits have proven to drive higher collections costs and termination rates in the utility service territories that impose such maximums, driving increased costs on other residential ratepayers and exacerbating consequences of energy insecurity on the participants that are arbitrarily cut off from rate assistance before the end of the year. In addition, the imposition of maximum CAP credit

¹⁸⁷ Id. at 34, Table 4.

limits will create a new layer of complex program administration – further eroding any potential savings maximum CAP credits would achieve for other ratepayers.

Alternatively, the benefits derived from CAP, including improved payment coverage and payment frequency, reduced collections costs and write-off expenses, and improved financial stability, are contingent on the delivery of a consistently affordable bill. When a low income household receives an unaffordable bill, it creates a cascade of consequences that are difficult to overcome.

CAUSE-PA recognizes that costs have increased between 2019 and 2024 – there have been a slew of drivers of increased costs including through Base Rate Case Proceedings which are fully out of customers controls. The solution is not to impose max CAP limits, which , as shown, leads to significant numbers of low income households losing essential service to their homes, but to address the underlying causes of unaffordability while allowing customers to maintain affordable CAP rates.

By opposing imposition of maximum CAP credit limits, UGI’s Electric CAP is not only accounting for the affordability struggle if its low income customers, but also accounting for any recent and intervening rate increases which may result in CAP participants more quickly reaching any imposed maximum CAP credit threshold.¹⁸⁸ Forcing more CAP customers to pay full tariff rates for longer periods of time during the CAP program year would undermine the ability of CAP to achieve the multifaceted goals of the program to provide stable levels of affordability, improve bill payment and coverage rates, and reduce collections expenses. On the flip side, allowing UGI’s Electric CAP to function as it has since 2014 – while simultaneously seeking to make measurable improvements in the scope and reach of targeted efficiency services as CAUSE-PA is advocating

¹⁸⁸ Final CAP Policy Statement and Order at 57-61.

for in these Comments – allows UGI to strike a different balance, shielding low income consumers from devastating fluctuations in energy costs that have in past years driven stark disparities in payment trouble and termination rates.

For the reasons explained above, CAUSE-PA strongly agrees with UGI and opposes the imposition of maximum CAP credits. Should the Commission nevertheless decide to further consider the policy, the matter should be referred to the Office of Administrative Law Judge to further explore the issue and determine an appropriate credit level that accounts for changing energy costs and does not disproportionately burden households with the lowest income and/or other unique vulnerabilities. As noted, the Commission’s analysis is not rooted in current figures and ignores a multitude of consequential rate impacts that must be quantified and considered in determining whether maximum CAP credit policies are effective at reducing program costs. These facts must be further developed to properly inform a Commission decision on this issue.

p. High Usage Thresholds

As discussed above, UGI does not have maximum CAP credit limits and instead targets households that exceed its high usage with enhanced energy education sessions, and, if applicable, refers customers to LIURP for comprehensive usage reduction services.¹⁸⁹ In its Proposed 2026 USECP, UGI proposed to lower its high usage thresholds for LIURP eligibility by 5.3% for UGI Electric and by 18.2% for UGI Gas.¹⁹⁰ The Commission noted that UGI did not provide an explanation for this change, and directed UGI to provide the following data points regarding its high usage threshold.¹⁹¹

- 1) The number of CAP customers for each company found to have exceeded the high usage threshold from 2020 through 2023.

¹⁸⁹ July 2025 Order at 36.

¹⁹⁰ Proposed 2026 USECP at 21-22.

¹⁹¹ July 2025 Order at 37.

- 2) The number of CAP customers for each company who exceeded the high usage criteria from 2020 through 2023 who were referred to LIURP.
- 3) The number of these LIURP referrals from 2020 through 2023 that resulted in successfully reducing usage below the high usage threshold.
- 4) The number of existing CAP customers that currently exceed UGI's current high usage thresholds and the number of existing CAP customers who would exceed the proposed high usage thresholds.

In response, UGI points to its Proposed 2026 USECP¹⁹² where it explains that the thresholds were designed to account for the top 5% of highest usage customers and that data is used to establish its LIURP thresholds.¹⁹³ UGI further indicates that in 2025 there were 99 electric and 607 gas CAP customers who exceeded high usage thresholds and all of them were referred to LIURP.¹⁹⁴

Customers with high usage should be able to access usage reduction services, so UGI setting the usage threshold at a level where it may reasonably be able to serve its eligible customers is a sensible policy. Additionally, CAUSE-PA recognizes that not every home that is eligible for LIURP services will be able to access those services, whether it be due to landlord non-response or refusal, underlying conditions in the home, or myriad other reasons. Therefore, expanding the pool of LIURP eligible participants is beneficial to ensure that UGI can utilize its full LIURP budget each year. For these reasons, CAUSE-PA is generally supportive of UGI's proposal to reduce its LIURP high usage threshold to allow more eligible households. Nevertheless, notwithstanding our general support, CAUSE-PA is concerned that if the Commission were to proceed with imposing a punitive maximum CAP credit policy, UGI's reduction in its high usage threshold for the purposes of providing targeted energy education and LIURP services could

¹⁹² Proposed 2026 USECP at 21.

¹⁹³ Supplemental Information at 12.

¹⁹⁴ Id.

compound the negative impacts of a maximum CAP credit threshold. Such an outcome could set up more households to exceed the arbitrary CAP maximum credit threshold, substantially increasing the risk these vulnerable households will face increased collections actions and termination. As noted in the prior section, if the Commission insists on requiring UGI to implement a maximum CAP credit policy, against the evidence to the contrary, UGI should maintain separate, higher thresholds for the purpose of calculating credit limits.

CAUSE-PA is also concerned that a flat usage threshold may cause UGI to miss smaller homes with an opportunity for substantial usage reduction through LIURP – and may favor homes for LIURP services in northern counties within UGI’s broad service territory. In areas of UGI’s service territory located in central and north-central Pennsylvania, the housing stock includes many older homes that have been converted to multiple apartment units. Each unit may not have usage that reaches the high usage threshold, but may have extremely high usage for the size of the unit. CAUSE-PA recommends establishing a tiered high usage threshold by square footage, so that UGI is better able to meet the need for usage reduction services across its service territory. Creating tiered high usage thresholds which adequately account for the need for usage reduction assistance amongst low income customers who live in smaller dwelling units will also help to address the fact that UGI’s usage reduction percentages are below the industry average.¹⁹⁵ By expanding eligibility to smaller homes with high potential for reduction, UGI may be able to improve its return on its LIURP investments.

Finally, in addition to disparities in access based on home size, CAUSE-PA notes that UGI’s flat usage threshold does not account for regional variations in weather. This may create regional disparities in access to usage reduction services, as there is a notable difference in average

¹⁹⁵ 2023 Universal Service Report at 55.

temperatures – and relative usage – between the northern and central areas of UGI’s service territory. The recommendations noted above to create a tiered high usage threshold could be a solution to help reduce regional differences in the delivery of services.

q. CAP Assistance and Continuation of Operations

In its 2024 Evaluation, APPRISE noted concerns raised by one CAP agency regarding back-and-forth communication between CBOs and the UGI call center, particularly when a customer is seeking assistance with a shut-off notice.¹⁹⁶ The Commission noted these concerns, and cited to a review of informal complaints from UGI CAP customers closed in the 12 months preceding the filing of UGI’s Proposed 2026 Plan.¹⁹⁷ BCS staff found instances where customers seeking assistance were told by UGI to contact the CAP agency, or vice versa, because UGI or the CAP agency representative could not address the customer’s situation.¹⁹⁸ Referencing this review, the Commission directed UGI to clarify whether it has developed procedures to ensure CAP and CAP-eligible customers can receive assistance by contacting either UGI or its CAP agency and, if necessary, be transferred to the correct representative who can best address their situation.¹⁹⁹ Additionally, the Commission directed UGI to clarify its contingency procedures, if any, on how it would continue CAP operations in the event of an emergency that makes the CAP agency unavailable, such as a cyberattack or an abrupt end to a contract.²⁰⁰

In response, UGI stated that it has developed procedures to ensure CAP customers can receive assistance by contacting UGI or CAP agencies, but not does not provide any details regarding those procedures.²⁰¹ UGI also clarifies that in the event of a cyber-attack the company

¹⁹⁶ 2024 APPRISE Evaluation at 82; July 2025 Order at 37.

¹⁹⁷ July 2025 Order at 38.

¹⁹⁸ Id.

¹⁹⁹ Id.

²⁰⁰ Id.

²⁰¹ Supplemental Information at 13.

would begin processing CAP applications in-house, and that in the event that a CBO intended to end its contract with UGI, it is required to give 20 days' notice, which ostensibly is a suitable timeframe for UGI to find an alternate CBO for that geographic area.²⁰²

Without more detailed information from UGI, it is not possible to assess whether UGI's procedures are sufficient to address the Commission's concerns regarding a streamlined process to access assistance for customers who are at risk of involuntary termination. A customer who is at risk of termination or who has had their service involuntarily terminated should not be required to make multiple phone calls between multiple entities, potentially waiting on hold or waiting for callbacks, in order to access available assistance in a crisis situation.

First, CAUSE-PA recommends that the Commission direct UGI to provide further information regarding procedures for ensuring that UGI's low income customers can access assistance through CBOs. Based on the information provided, it appears that if a customer's service is has already been terminated, UGI's CBOs are not able to process an Operation Share grant and must send the customer back to UGI.²⁰³ This extra step is a barrier that unnecessarily delays restoration of service, and can lead to customers facing severe consequences affecting their ability to stay safely in their homes. CAUSE-PA recommends that the Commission direct UGI to streamline its procedures for issuing an Operation Share grant when a customer's service has already been terminated – creating channels of communication that enable swift review to determine whether a grant – with or without an additional customer payment – is sufficient to restore service. If so, the CBO should be vested with the authority necessary to approve that grant on the back end, without sending the customer back to UGI.

²⁰² Id.

²⁰³ Proposed 2026 USECP at 4-5.

Second, UGI should provide, at minimum, twice yearly trainings and education for all CBOs it partners with, as well as for internal call center staff and call centers and/or intake staff employed by UGI. A critical piece to effective universal service program education and outreach is to ensure that all frontline staff who interact with consumers are regularly trained and knowledgeable about the availability of universal service programs – including eligibility parameters, the process for enrollment, and the benefits for those who participate. Particularly with UGI’s relatively low CAP enrollment numbers, it is imperative that all employees and contractors who directly interact with consumers are well-equipped to provide clear, complete, and accurate information and referrals.

r. Customer Education and Outreach Plan (CEOP)

UGI’s Proposed 2026 USECP includes a CEOP which describes, *inter alia*, UGI’s external, internal, and educational outreach initiatives for each of its universal service programs.²⁰⁴ The Commission noted that UGI intends to begin targeted outreach to customers with incomes between 0-50% of FPL upon approval of the 2026 USECP and states that it currently provides targeted outreach for Spanish speakers and Limited English Proficiency (LEP) customers, as well as for seniors.²⁰⁵ No further clarifications were requested by the Commission regarding this section.

CAUSE-PA is not opposed to UGI’s Customer Outreach and Engagement Plan as written, though we nevertheless support inclusion of additional targeted outreach and tracking of the impacts of its outreach as discussed in more detail in the following section. The additional outreach which we recommend below is essential to help additional customers better learn about universal service programs, so that they can ultimately enroll in these essential programs, while additional

²⁰⁴ Proposed 2026 USECP at Appendix H.

²⁰⁵ July 2025 Order at 39.

tracking is intended to assist UGI, the Commission, and stakeholders to assess the relative effectiveness of its outreach efforts and make adjustments as needed.

s. CEOP Initiatives

The Commission noted that it is unclear which of UGI's CEOP initiatives, beyond the targeted outreach to customers with incomes between 0-50% of the FPIG, are existing practices and which are new proposals. The Commission also noted that UGI did not specify whether it has any outreach initiatives targeting landlords, veterans, persons with disabilities, or victims of abuse in its CEOP.²⁰⁶

The Commission directed UGI to provide the following clarifications regarding its CEOP.

1. Indicate which CEOP initiatives are new (i.e., implemented in 2021 or later) and which initiatives represent existing practices to help its most vulnerable customers (e.g., at or below 50% of the FPIG, LEP, etc.).
2. Explain how it educates customers on how to determine their own "household energy burden" to help encourage interest and participation in CAP and stimulate actions for energy conservation in the household.
3. Explain if targeted education and outreach to landlords is tracked and, if so, whether it has resulted in increased participation of rental properties in LIURP.²⁰⁷

In response, UGI explained that its CEOP initiatives are primarily all new with the exception of several Exhibits it cites in its Supplemental Information.²⁰⁸ UGI also explained that while it focusses on the benefits of CAP including debt forgiveness and a potential discount on monthly bills in its outreach materials, it does not specifically focus on energy burdens.²⁰⁹ The Company then explained that it is not doing any direct outreach to landlords regarding LIURP.²¹⁰

²⁰⁶ July 2025 Order at 40.

²⁰⁷ Id.

²⁰⁸ Supplemental Information at 14.

²⁰⁹ Id.

²¹⁰ Id.

As stated above, CAUSE-PA is not opposed to UGI's CEOP, though we note the CEOP should be amended to fully incorporate the outreach and education provisions agreed to in the Commission-approved 2025 Base Rate Case Settlement. In that Settlement, UGI agreed to significant enhancements to its outreach and education activities, including continuation of its Low Income Customer Outreach and Assessment Pilot initially established in its 2021 Gas Base Rate Case.²¹¹ It is not clear whether and to what extent this Pilot is already incorporated into UGI's CEOP. Of further relevance to this proceeding, the Company agreed to distribute a revised Outreach Plan associated with this Pilot ahead of its December 2025 USAC meeting and to consider recommendations and feedback, including written comments, from USAC members.²¹² UGI also agreed to expand its outreach efforts through in person Winter Assistance Relief Mobilization (WARM) events. UGI has targeted Lancaster, Williamsport, and Wilkes Barre for events in 2026, and will expand to three new cities each year. These cities will be determined through collaboration with its USAC.²¹³ Further, UGI agreed to track the number of attendees, contacts made, materials distributed, and applications completed at each event, and will share these metrics during its USAC meetings.²¹⁴ In addition to tracking participation in its outreach events, UGI will also track the number of disconnections of its CLI customers, the number of payment troubled customers, and the number of CLI customers who do not have functioning heating at the time of the Cold Weather Survey.²¹⁵ If UGI is not seeing reductions in the metrics above, it will submit a plan informed by its own insights as well as the relevant recommendations made in the

²¹¹ Pa. PUC v. UGI Utilities, Inc., Docket No. R-2021-3030218; Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.61.(a), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

²¹² Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.61.(a), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

²¹³ *Id.* at ¶ III.E.61.(b).

²¹⁴ *Id.*

²¹⁵ *Id.* at ¶ III.E.61.(d).

testimony of the OCA and CAUSE-PA in the Rate Case to its USAC with proposals related to additional specific actions it is proposing to implement/modify/discontinue in support of improving such results and will seek written comments on that plan; and will provide written responses to the comments, if any, which are received.²¹⁶

These enhancements to UGI's outreach and education will provide a much needed focus on specific vulnerable populations and will provide UGI and stakeholders with the data needed to properly assess and continue to improve its outreach.

In addition to incorporating the provisions from its 2025 Base Rate Case Settlement into its CEOP, CAUSE-PA recommends that the Commission direct UGI to expand its CEOP to include explicit activities and engagement with landlords and tenants to help increase its LIURP uptake in tenant occupied households. This is particularly important as tenants are often unaware that they may be eligible for universal service programs, including CAP and LIURP, even though they are not homeowners. For landlords, we strongly recommend that UGI implement an outreach plan in consultation with its USAC. This outreach and education should include engagement with local landlord associations, housing providers, and public housing authorities related to LIURP and weatherization services. We also recommend targeted outreach to tenants related to the host of universal service programs for which they are eligible. This could be accomplished through community trainings and targeted outreach materials.

t. Consumer Education Materials

In its Proposed 2026 USECP, UGI provided copies of educational materials including letters, brochures, bill inserts, social media posts, and messaging scripts related to its universal

²¹⁶ Id.

service programs.²¹⁷ The Commission noted that it is not clear whether these materials have been updated to reflect current eligibility criteria, and cited out of date income eligibility information regarding LIURP in a brochure.²¹⁸ The Commission directed UGI to update the document it referenced and to revise any other outreach and education material in Appendix H that are inconsistent with program policies and procedures in its Proposed 2026 USECP.²¹⁹

In response UGI provided its updated outreach materials which appear to be consistent with current universal service program eligibility criteria.²²⁰ UGI further explained that it will provide an updated copy of its Universal Service Programs brochure once revised to include content required in its 2025 Gase Base Rate Case Settlement.²²¹

2. LIURP

LIURP is a vital universal service program that helps lessen deep and longstanding disparities in home energy burdens; improve health, safety, and home comfort; conserve energy; and reduce universal service program costs. A well designed LIURP can help meaningfully reduce the energy burden of low income individuals and families, ultimately contributing to the decrease in costs for ratepayers of all income levels. Customers who received LIURP services in 2020 saw significant energy usage reductions which resulted in significant cost savings. For example, gas heating customers saw usage reduced 13% following participation in the program, resulting in an annual bill reduction of \$247.²²² While more recent data is not yet available, we believe the bill savings potential has likely grown since 2020 in light of the substantial increase in relative rates for service during this same period.

²¹⁷ Proposed 2026 USECP at Appendix H, Exhibits 1-21.

²¹⁸ Id. at Appendix H, Exhibit 9.

²¹⁹ July 2025 Order at 41.

²²⁰ Supplemental Information at Exhibit 4.

²²¹ Id.

²²² 2023 Universal Service Report at 55.

As noted above, utility unaffordability has posed a growing threat to the financial stability of low income families for many years – with low income households regularly paying between 10- 30% of their income on home energy costs, while middle and high income households pay between 2-4% of household income toward home energy costs. The harm caused by high heating costs is not limited to economically vulnerable families – it also contributes to the overall cost of energy for all Pennsylvanians through increased uncollectible accounts and unnecessarily high programmatic costs.

Low income consumers are far more likely to live in poor, inefficient, and potentially unsafe housing.²²³ Many low income households are unable to afford the costs of repairs and improvements necessary to stem high consumption as a result of inefficiencies or other factors in their homes. As the Commission acknowledged in its LIURP Rulemaking NOPR Preamble, “[d]ue to the advanced age of Pennsylvania’s residential building stock, which is the second oldest in the nation, and the increasing need for affordable housing, LIURP is an essential program in reducing energy consumption for low-income households.”²²⁴

According to UGI’s LIURP needs assessment (which, as discussed below, requires substantial revision), it would require an investment of nearly \$100 million dollars to serve the estimated 13,780 gas customers in need of LIURP services.²²⁵ Based on its projected participation rate of 500 UGI gas customers annually for the duration of its USECP, it would take UGI over 27 years to reach all households *currently* in need of efficiency services. Over that nearly 30-year timeframe, the depth and breadth of unmet need will grow more pronounced as homes and appliances continue to age. Therefore, as explained in detail in our comments below, it is essential

²²³ See ACEEE, Data Update: City Energy Burdens (September 2024), available at https://www.aceee.org/sites/default/files/pdfs/data_update_-_city_energy_burdens_0.pdf

²²⁴ LIURP Rulemaking, Docket No. L-2016-2557886, NOPR Preamble at 5.

²²⁵ Proposed 2026 USECP at Appendix B, Table B-1.

that UGI's LIURP be administered efficiently and equitably to meet the need with the resources allotted.

a. LIURP Eligibility Criteria

In its Proposed 2026 USECP, UGI states that to be eligible for LIURP, the customers' gross income must be between 151%-200% FPL.²²⁶ Further, while UGI states that it serves "special needs customers" in the context of its Rehabilitation Program, it does not define a "special needs" customer in the context of its LIURP, generally. Nor does UGI specify whether it utilizes 20% of its LIURP budget for "special needs customers" between 151% and 200% FPL.

The Commission directed UGI to explain the basis for its omission of eligible customers with income between 0-150% FPL to participate in LIURP.²²⁷ The Commission further directed UGI to clarify whether it serves "special needs customers" between 151% and 200% FPL. If so, UGI was directed to clarify its definition of the term "special needs customer" in the context of LIURP eligibility and explain its guidelines for spending 20% of its LIURP funds on "special needs customers" between 151% and 200% of FPL.²²⁸

In response, UGI stated that it had inadvertently excluded customers with income between 0% and 150% FPL from its LIURP eligibility and that it will update this language as part of its compliance filing.²²⁹ UGI further clarified that for UGI Gas customers, it serves all customers in the 151% to 200% FPL range and for UGI Electric, it utilizes 20% of its LIURP budget to serve "special needs customers" between 151% and 200 FPL.²³⁰ UGI then stated that it will comply with any final regulations lawfully adopted and promulgated pursuant to the pending rulemaking

²²⁶ Proposed 2025 USECP at 28.

²²⁷ July 2025 Order at 44.

²²⁸ Id. at 44-45.

²²⁹ Supplemental Information at 15.

²³⁰ Id.

proceeding at Docket No. L-2016-2557886 (LIURP Rulemaking), and will add its definition of “special needs customers” in its Compliance filing.²³¹

CAUSE-PA is relieved to learn this was an inadvertent omission and agrees that UGI’s USECP should be amended to specifically state that LIURP eligibility includes those customers between 0-150% FPL and to add its definition of a “special needs customer” in its Compliance filing. CAUSE-PA further recommends that UGI include the specific categories of “special needs customers” delineated in the LIURP Rulemaking. Under existing LIURP regulations, “special needs customer” is defined as “customers having an arrearage with a public utility and income between 151% and 200% of the FPIG.”²³² However, in the Commission’s near-final revised LIURP regulations, the definition of a “special needs customer” will be expanded to include additional criteria as specified in a public utility’s approved USECP.²³³ That additional criteria may include a household member or members who are age 62 and over or age five and under, have a disability, or are under a Protection From Abuse (PFA) order or other court order that contains clear evidence of domestic violence.²³⁴

This amendment was intended to help improve the availability of usage reduction services to uniquely vulnerable and income constrained households that are unlikely able to afford to invest in energy conservation and weatherization to reduce home energy usage. Households in the special needs populations identified by the Commission often have disproportionately higher home energy

²³¹ Supplemental Information at 15.

²³² Former 52 Pa. Code § 58.2 (relating to definitions).

²³³ The status of the Commission’s pending LIURP rulemaking was discussed at length in the Background Section of our Comments, above.

²³⁴ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 73-74.

burdens, as they are more likely to be homebound, rely on energy-based medical equipment, and/or require stable temperatures in the home.²³⁵

CAUSE-PA recommends that UGI amend the language in its USECP to include the definitions of “special needs customers” delineated in the Revised LIURP Regulations; specifically, UGI include those households with a household member or members who are age 62 and over or age five and under, have a disability, or are a victim of domestic violence, and to build in flexibility to address other uniquely vulnerable households by stating that its list is not exhaustive – without any requirement that the special needs household be in active arrears. This amended definition will allow UGI to extend LIURP to key groups of special needs customers, while allowing itself flexibility to incorporate additional categories of special needs customers that may be identified in their service territory. Furthermore, by explicitly excluding the requirement that a special needs customer must have an arrearage, UGI would help to ensure usage reduction services are available to help uniquely vulnerable households to reduce high usage before they fall behind.

Finally, in addition to incorporating the above definition, UGI should be required to track and report on various LIURP data by tier – separately indicating data for special needs households. This would help to ensure UGI, the Commission, and stakeholders are able to more effectively evaluate whether UGI’s LIURP is equitably reaching eligible households across FPL ranges.

b. LIURP Eligibility – Exceptions

In its Proposed 2026 USECP, UGI states it will allow for exceptions to the LIURP eligibility guidelines, but does not provide any details regarding the circumstances under which a

²³⁵ Carley S, Bansal S, Harak C, Kahn P, Konisky DM, Simon K. The electricity cost burden of durable medical equipment in the United States, NIH National Library of Medicine, (Dec. 28, 2024), <https://pmc.ncbi.nlm.nih.gov/articles/PMC11682084/>.

customer may qualify for an exception and which eligibility requirements may be waived.²³⁶ The Commission directed UGI to describe the circumstances under which a customer could qualify for exceptions to its LIURP eligibility guidelines, including what specific circumstances or situations, if any, qualify a customer for an exception to its current seven-year re-weatherization time limit.²³⁷

In response, UGI explained that it provides exceptions in LIURP eligibility to customers who do not exceed the usage threshold, who do not qualify for the heating system repair program, and who have extenuating circumstances in the home such as elderly, young, or ill household members.²³⁸ UGI further explained that it provides an exception to its seven-year stay out based on the circumstances involved and provided examples regarding customer satisfaction or an issue with weatherization measures installed within the past 12 months.²³⁹

CAUSE-PA supports a level of flexibility being built into LIURP program parameters so that UGI can address the unique needs that may arise in its service territory. CAUSE-PA recommends that UGI explicitly include its stated exceptions to its seven-year stay-out provision regarding customer satisfaction and quality of work performed in its USECP. We also recommend that UGI expand its exception criteria to those homes whose usage remains above the threshold level even after services have been provided – as well as homes that could benefit from the delivery of coordinated services across related programs, such as Whole Home Repairs and the Weatherization Assistance Program. To evaluate how exceptions are being applied, accessibility, and impact, CAUSE-PA recommends the Commission direct UGI to track exceptions made, exceptions requested but denied, and the reasons for such. This recommendation aligns with the

²³⁶ Proposed 2026 USECP at 28-29, Fn. 34.

²³⁷ July 2025 Order at 45.

²³⁸ Supplemental Information at 15.

²³⁹ Id.

reporting requirements included in the revised LIURP regulations Section 58.14.²⁴⁰ Further, if UGI discovers that exceptions are regularly or frequently applied, it should reevaluate the time allotted between re-weatherization to determine if additional exceptions should be added to its USECP.

c. Energy Conservation Kits

In its current 2020 USECP, UGI stated that it began providing UGI Electric LIURP participants with energy conservation kits that contain items to reduce electric consumption.²⁴¹ However, the Commission noted that this provision is not included in UGI's Proposed 2026 USECP and directed UGI to explain the basis for the removal of this provision and clarify whether it will continue providing these customers with Energy Conservation Kits.²⁴² In response, UGI clarified that they omitted the conservation kit provision due to lack of customer demand. UGI explained that it adjusted its methodology and began providing conservation education packets when requested by the customer.²⁴³

CAUSE-PA has long been skeptical about the effectiveness of kits at driving meaningful long-term usage reduction, and likewise questions the cost effectiveness of UGI's conservation education packets – which include coloring books, a magnet, safety steps, a brochure with energy saving tips, and information about assistance programs – as an alternative to providing actual energy savings measures through its energy conservation kits. CAUSE-PA supports providing information regarding assistance programs to low income households whenever possible and is strongly supportive of efforts to screen and enroll all eligible households in available assistance programs. However, given the limited resources available, we submit that time and resources are

²⁴⁰ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 268-273.

²⁴¹ 2020 USECP at 33.

²⁴² July 2025 Order at 46.

²⁴³ Supplemental Information at 16.

likely better spent developing more direct pathways to universal service program enrollment. Indeed, based on available information, it is unclear whether UGI performs any follow-up or tracking of the households that request and receive these education packets to assess whether the packet increased enrollment in available programs and/or reduced usage. CAUSE-PA recommends that UGI monitor accounts that have received education packets for any subsequent reduction in usage and/or enrollment in universal service programs. UGI should also follow up with customers, or direct its CBOs to do so, who have received the conservation energy packets to see if they have any additional questions, or are in need of referral to connect with available assistance.

d. Energy Conservation Education

In its Proposed 2026 USECP, UGI states that eligible electric non-heating customers may receive low-cost energy savings measures or in-home or telephonic energy education sessions.²⁴⁴ The Commission noted that in its 2024 Evaluation, APPRISE stated that none of the agency providers reported discussing training related to high usage education or budget counseling.²⁴⁵ APPRISE also noted that one agency had requested additional meetings with UGI to review program changes because those changes were not always effectively communicated to the agency.²⁴⁶ The Commission directed UGI to explain what a home and telephonic energy education session entails and how it communicates energy education content and requirements to agency providers, including LIURP agency contractors.²⁴⁷

In response, UGI stated that its contracted LIURP agencies conduct the audit and provide education to UGI Electric non-heating customers during the audit, before weatherization measures

²⁴⁴ Proposed 2026 USECP at 28.

²⁴⁵ July 2025 Order at 46.

²⁴⁶ 2024 APPRISE Impact Evaluation at x; 83.

²⁴⁷ July 2025 Order at 46.

are installed. If no weatherization measures can be installed, the LIURP agency will provide energy efficiency education.²⁴⁸ The Commission requested further information from UGI in its Secretarial Letter dated September 10, 2025 (September 10 Letter) stating that UGI’s response suggests that a home and telephonic energy education session entails education provided to the customer by the LIURP agency based on the audit findings or energy efficiency tips when no program measures can be installed at the customer’s home during the audit. The Commission requested that UGI confirm whether that is an accurate description of a home and telephonic energy education session.²⁴⁹ In its response, UGI confirmed that the Commission’s interpretation is accurate and provided more detail regarding the procedure taken by LIURP agencies when performing an energy education session.²⁵⁰

Despite UGI’s additional information, CAUSE-PA remains concerned that UGI is not providing its program administrators with adequately detailed information regarding its energy conservation education process or content and, as such, may not be fully utilizing its LIURP contractors to provide substantive and actionable education to its high usage customers. For example, UGI states that “if no measures can be installed, for example because of, mold, asbestos, rodent infestation or other items that cannot be remediated within the parameters of LIURP, the contractor will provide energy conservation tips to the customer.”²⁵¹ However, UGI has not disclosed the content of the conservation tips provided, and does not appear to provide any baseload measures where more extensive measures are not able to be provided.

The 2024 APPRISE evaluation notes that in the most recent evaluated year, 2021, energy savings for both UGI Gas and UGI Electric customers who participated in LIURP are significantly

²⁴⁸ Supplemental Information at 16.

²⁴⁹ September 10 Letter at 1.

²⁵⁰ Supplemental Clarifications at 1.

²⁵¹ Id.

decreased from 2019.²⁵² UGI Gas customers who participated in LIURP reduced their usage by an average of 20% in 2019 and by an average of 11% in 2021, electric customers similarly saw average savings decline from 9% in 2019 to 6% in 2021.²⁵³ According to the 2022 Universal Service Report, the average savings for gas LIURP jobs in 2021 was 15.2%, markedly higher than the savings that UGI achieved during that program year.²⁵⁴

While we do not have enough information to pinpoint specific causes for this lower level of usage reduction, and educational gaps alone cannot possibly account for this pronounced decline in savings, there are almost certainly opportunities for UGI and its contractors to improve outcomes through enhanced education at the time services are provided in the home. Thus, in addition to other recommendations for program reform and enhancements discussed below, CAUSE-PA recommends that the Commission further review the detailed information and guidance UGI is providing to its contractors to ensure that customers are receiving comprehensive usage reduction education and, in turn, that UGI's contractors are receiving appropriate guidance to pursue the maximum level of comprehensive measures for each home. This additional review could take many forms but should at a minimum include opportunity for stakeholders to further review and offer comment.

e. Minimum Usage Threshold for Electric Baseload

In its Proposed 2026 USECP, UGI proposed a minimum annual usage threshold of 6,000 kWh for electric baseload (non-heating) LIURP jobs and 12,788 kWh for electric heating.²⁵⁵ The Commission directed UGI to explain why UGI had added a minimum usage threshold for baseload participants and the methodology it used to set the threshold at 6,000 kWh. In response, UGI

²⁵² 2024 APPRISE Evaluation at 26-27.

²⁵³ *Id.* at 27, Table II-13.

²⁵⁴ 2022 Universal Service Report at 55.

²⁵⁵ Proposed 2026 USECP at 29.

explained that the minimum usage threshold is based on an analysis of electric baseload low income customers. UGI further clarifies that this minimum has been in place for many years but was not defined in its 2020 USECP.²⁵⁶

CAUSE-PA supports UGI's decision to memorialize its minimum usage threshold for baseload customers, and is not opposed to establishing a threshold of 6,000 kWh - though we recommend UGI to reserve the ability to make exceptions to this usage threshold for smaller homes and/or to address unique hardships where usage reduction is needed. We note that the Commission's pending LIURP regulations, once finalized, will explicitly recognize the ability of LIURP to remediate inefficient space cooling. As these new regulations take effect, UGI should closely evaluate whether to make further adjustments to this baseload usage threshold to ensure households with high cooling costs are effectively served.

Notwithstanding our general support for memorializing UGI's baseload usage threshold, CAUSE-PA is concerned that UGI's high usage threshold for electric heating customers may be too high. Both PPL Electric and Duquesne Light Company set their annual high usage threshold at 6,000 kWh for both heating and non-heating customers.²⁵⁷ CAUSE-PA recommends that UGI utilize a 6,000 kWh usage threshold for both heating and non-heating electric customers, consistent with other EDC electric usage thresholds. This would allow UGI added flexibility to address relative high usage in smaller homes where cost effective savings could be achieved.

²⁵⁶ Supplemental Information at 16.

²⁵⁷ PPL Electric Utilities Corp. 2023-2027 USECP, Revised March 13, 2023, at 29, available at https://www.puc.pa.gov/media/2407/ppl_further_revised_2023-27_usecp.pdf (indicating that, for WARM, a customer must consume at least 6,000 kWh annually); Duquesne Light Co. 2020-2025 USECP, Revised June 28, 2022, at 32, available at https://www.puc.pa.gov/media/2014/duquesne_usecp_2020-2025.pdf (indicating that Smart Comfort targets residential customers whose gross household income is less than 150% of the FPL and senior citizens whose gross household income is less than 200% of the FPL, with base load electric usage more than 500 kWh per month and who have been residing at their current address for at least six months).

f. Incidental Repairs, Health and Safety, and Deferrals

In its 2024 Evaluation, APPRISE concluded that UGI's health and safety allowance may be insufficient to address issues that would otherwise result in deferrals.²⁵⁸ In its proposed 2026 USECP, UGI states that energy savings measures for gas customers and electric space heating customers may include incidental repairs necessary for the effective performance of weatherization measures. However, the Proposed 2026 USECP does not include the parameters, nor an allowance threshold, for performing incidental repairs and/or addressing routine health and safety issues that are necessary to perform comprehensive efficiency services in a home. Further, UGI does not include a process for when a LIURP contractor disqualifies and defers a dwelling from LIURP due to health and safety conditions that cannot be addressed within the scope of LIURP.²⁵⁹

The Commission directed UGI to explain its parameters and allowance thresholds for performing incidental repairs, as well as to clarify whether it performs routine health and safety measures and, if so, to explain its parameters and allowance thresholds for performing that work.²⁶⁰ Further, UGI was directed to identify its process for disqualifying dwellings from LIURP, including how customers are notified of the reasons for disqualification; the number of dwellings disqualified per year from 2022 to 2024 and the reasons for disqualification; what agencies or programs it refers deferred dwellings to; and how long it maintains a list of deferred dwellings.²⁶¹

In response, UGI clarified that it allows up to \$2,000 for homeowners and up to \$1,250 for renters on incidental repairs.²⁶² However, UGI then states that it addresses health and safety measures on a case-by-case basis to adhere to the allowance referenced above. In response to the

²⁵⁸ 2024 APPRISE Impact Evaluation at xi; 85.

²⁵⁹ July 2025 Order at 48.

²⁶⁰ Id. at 48-49.

²⁶¹ Id. at 49.

²⁶² Supplemental Information at 16.

Commission's direction to identify reasons why dwellings may be disqualified for LIURP, UGI cites its list of potential reasons for disqualification, including hoarding, asbestos, rodent infestation, mold, flooding, or other safety hazards.²⁶³ UGI notes that these health and safety hazards are typically discovered during the initial audit, the conditions are explained to the customer as a barrier to providing measures, and the job is deferred until the household can remedy the condition.²⁶⁴

In its September 10 Letter, the Commission requested further information from UGI noting that the intention of this request was for UGI to explain its parameters and allowance thresholds for performing routine health and safety measures and directed UGI to further explain its program parameters.²⁶⁵ UGI responded that it will spend up to \$2,000 for homeowners and up to \$1,250 for tenants on health and safety measures.²⁶⁶ UGI further explained that, regarding parameters for health and safety measures, contractors must install carbon monoxide and/or smoke detectors for each LIURP job. Other health and safety measures include efficiency tests, installation of range hoods and/or dryer vents and/or exhaust fans and repairing minor leaks that may be identified by the contractors during the audit.²⁶⁷

Health and Safety / Incidental Repairs

Based on UGI's response, it appears that UGI is either not separating its parameters and budget for incidentals from its parameters and budget for health and safety measures – or that it does not allow any budget for incidental repairs. The pending LIURP Rulemaking, which will most likely take effect before or soon after a decision is issued in this case, will amend Section

²⁶³ Id.

²⁶⁴ Id.

²⁶⁵ September 10 Letter at 2.

²⁶⁶ Supplemental Clarification at 2.

²⁶⁷ Id.

58.12(b) to state that a public utility *shall* establish separate allowance limits for incidental repairs and for health and safety measures.²⁶⁸ The Commission clarified in its Final Order in the Rulemaking proceeding that “separate allowances thresholds are to be established for each.”²⁶⁹

In line with the pending final LIURP Rulemaking, UGI should be required to establish distinct parameters and budgets to address incidental repairs and health & safety issues through this proceeding. Customers who are otherwise eligible for LIURP live on very limited household budgets and are unlikely to have the resources to remedy incidental repairs or health and safety issues without additional assistance. It is crucial for contractors to have clear and implementable guidance to address incidental repairs and health and safety issues to help reduce costly deferrals and ensure those most in need of usage reduction services are able to access assistance through the program. Without specific parameters and budgets for incidental and health and safety measures, it is impossible for UGI to assess whether those budgets and parameters are sufficient to meet the need in its service territory.

Deferrals

In its September 10 Letter, the Commission requested further information from UGI regarding its process for deferred homes, noting specifically that UGI did not clarify if it refers customers to agencies or programs that could address the deferral/disqualification issue - nor did UGI clarify how long it maintains a list of deferred/disqualified dwellings.²⁷⁰ In response, UGI clarified that LIURP agencies will refer customers with deferrals to area agencies such as the state Weatherization Assistance Program (WAP), Pennsylvania Homeowners Assistance Fund (PAHAF), and county-specific whole home repair programs. If the customer is elderly, LIURP

²⁶⁸ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 210.

²⁶⁹ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 210; CAUSE-PA supported this provision in this proceeding, see [CAUSE-PA Comments](#) at 48.

²⁷⁰ September 10 Letter at 2.

agencies will refer the customer to the local Area Agency on Aging (AAA).²⁷¹ UGI maintains its list of deferred homes for six months, at which point they are withdrawn from the Company’s outreach system.²⁷²

As an initial note, PAHAF was a short-term pandemic relief program and closed to new applicants well over a year ago.²⁷³ PAHAF never provided home repair funds, so it is unclear why UGI is referring deferred/disqualified LIURP participants to this program. This lapse clearly indicates a need for UGI to update its list of referral agencies and programs to more effectively identify potential resources for customers that are deferred from LIURP as a result of conditions with their home.

Once finalized, the pending LIURP rulemaking will amend section 58.12(c) to require that “a public utility may defer a dwelling due to health, safety or structural problems or a combination of such problems that either do not meet the criteria or exceed the maximum budget allowances for incidental repairs or health and safety measures and the deferral problems cannot be addressed through coordination with other available programs.”²⁷⁴ In other words, before a home is deferred, a utility must assess not only whether its budget for health and safety or incidental repairs could be utilized to prevent the deferral – but also whether program services may be coordinated with other available resources. Section 58.12(c)(1) was also revised to specify that utilities must provide “the customer with referral assistance to organizations or other programs that can address the deferral condition or conditions, if such resources are known to be available.”²⁷⁵

²⁷¹ Supplemental Clarification at 2.

²⁷² *Id.* at 3.

²⁷³ See generally PHFA, Pennsylvania Homeowners Assistance Program, www.pahaf.org.

²⁷⁴ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 210.

²⁷⁵ *Id.* at 211.

CAUSE-PA is concerned that when faced with a health and safety issue, UGI only provides general referral information without attempting to coordinate LIURP services with other programs. As noted, the referrals UGI currently provides appear to be incorrect. We note this list also appears to lack comprehensiveness. While WAP and Whole Home Repairs offer a few potential paths to home repair, there are also other potential local referral resources within UGI’s broad geographic footprint that should be explored. UGI should explore whether there are local Habitat for Humanity programs, faith-based home repair initiatives, or local nonprofit initiatives supported by the Neighborhood Assistance Program, the Community Services Block Grant, or the PA Housing Affordability Fund (PHARE). While the revised LIURP rules are not yet final, the underlying policy determinations are sound: UGI should reduce costly deferrals by improving coordination with and referrals to other programs that could address the reason for the deferral. To help improve coordination LIURP with these other funding sources, UGI should not only improve its referrals, it should also explore whether its health and safety budget could be effectively leveraged through more formalized partnerships with other programs – ensuring limited program dollars go further to reduce energy insecurity over the long term.

We also note that while it appears UGI does track deferrals and has provided the number of deferrals in its Supplemental Information,²⁷⁶ it remains unclear whether UGI also tracks the reason for the deferral. Revised Section 58.12(c)(2) states that a utility “shall track and maintain a list of dwellings deferred *and the reason for deferral* within the past three years.”²⁷⁷ (emphasis added). Simply tracking the number of deferrals is not adequate to understand the full scope of the barriers in each household and whether adjustments to deferral processes need to be made.

²⁷⁶ Supplemental Information at 17.

²⁷⁷ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 212, 213.

Accordingly, CAUSE-PA recommends that UGI begin tracking both deferrals and reasons for those deferrals.

Finally with regard to deferrals, CAUSE-PA notes its concern that UGI only maintains deferred homes on the list for 6 months – after which it removes the customer from further outreach. Home repair can be very costly, and the programs available to perform more comprehensive home repairs that cannot otherwise be addressed by UGI’s health and safety or incidental repair budget often have wait lists that take several months, or even years. UGI should maintain a list of deferral homes for at least two years and should check in periodically with customers on the deferral list to check the progress of the repairs and to determine whether additional coordination with the other programs could help resolve ongoing delays. Indeed, the deferral list should be used as an active tool to reach those homes most in need and should not be summarily removed without further attempted contact. As noted, deferred homes are often those in the worst condition and with the highest overall energy use. It is important that UGI make additional efforts to provide comprehensive and coordinated usage reduction services for these household

g. Post-Installation Inspection

In its Proposed 2026 USECP, UGI specifies that its LIURP job inspections are conducted by a third-party company.²⁷⁸ The 2024 APPRISE Evaluation indicated that a third-party company assesses at least 20% of all completed LIURP jobs and all completed jobs with costs exceeding \$2,000 and that approximately 20% of LIURP jobs need to be corrected.²⁷⁹

The Commission noted UGI’s lack of detail regarding its post installation procedures in its Plan, and directed UGI to provide its LIURP quality control guidelines - including the

²⁷⁸ Proposed 2026 USECP at 28.

²⁷⁹ 2024 APPRISE Evaluation at 27-28.

methodology it uses to select a percentage of completed LIURP jobs to receive a post-installation inspection.²⁸⁰ The Commission directed UGI to explain what actions, if any, are taken if an installed program measure is not operating efficiently and/or when a LIURP recipient's energy usage increases after Program measures are installed, including its warranty for covering workmanship. Further, UGI was directed to explain its process for handling complaints from customers when they have an issue with a LIURP contractor's work and/or service.²⁸¹

In response, UGI provided additional information regarding the substance of its post-installation inspection procedures. First, UGI explained that its goal is to inspect all LIURP jobs completed through October of each year, which would cover approximately 71% of all LIURP jobs.²⁸² UGI also provided its standard inspection protocols and explained that the inspector will ensure that there are no health and safety issues that need to be remediated based on the installed measures.²⁸³ If, within a year of installation, an installed measure is not operating efficiently, the LIURP agency is directed to return to the customer's home for remediation and/or correction.²⁸⁴ UGI will also investigate on a case-by-case basis if a customer's energy usage increases after weatherization measures are provided.²⁸⁵ Regarding managing complaints from customers, UGI will send out a different LIURP contractor to remediate work where a customer has an issue with either the LIURP contractor's work or service.²⁸⁶

CAUSE-PA appreciates this clarification and recommends that the details regarding UGI's post-installation inspection and remediation process be included in its 2026 USECP. In turn, we have several recommendations for further clarification. First, it remains unclear how UGI chooses

²⁸⁰ July 2025 Order at 49.

²⁸¹ Id.

²⁸² Supplemental Information at 17.

²⁸³ Id.

²⁸⁴ Id.

²⁸⁵ Id.

²⁸⁶ Id.

the homes that receive a post-installation inspection. The homes being selected for a post-installation inspection should be a suitably representative sample of homes that have received services. A representative sample should include various types of housing, locations, and contractors and should reflect a sample of the LIURP jobs completed throughout UGI's service territory.

Regarding customer complaints, CAUSE-PA recommends that in addition to sending a second contractor to address the customer complaint, UGI should follow up with the original contractor to address the complaint and ensure proper controls are in place to prevent further issues. It is also not clear from UGI's response whether it tracks customer complaints regarding its LIURP contractors. If it does not, CAUSE-PA recommends that UGI begin to track customer complaints by contractor and by substance of the complaint. UGI should be required to analyze the results of this tracking on a regular basis to identify repeat or systemic issues that may warrant further investigation or intervention.

h. Landlord and Customer Consent

In its Proposed 2026 USECP, UGI states that LIURP is available to both homeowners and renters. It further states that landlords are required to provide written permission for renters to qualify for LIURP.²⁸⁷ The Commission pointed out that LIURP regulations at 52 Pa. Code § 58.8 (relating to tenant eligibility), require a public utility to obtain written permission from the landlord prior to the installation of usage reduction measures in a rental property. Additionally, the landlord must agree, in writing, that rents will not be raised unless the increase is related to matters other than the installation of the usage reduction measures and that the tenant will not be evicted for at

²⁸⁷ Proposed 2026 USECP at 29, Fn 38.

least 12 months after the installation of the program measures if the tenant complies with ongoing obligations and responsibilities.²⁸⁸

The Commission noted that UGI has not provided an adequate level of detail regarding its process for obtaining landlord consent and has not provided the documents that UGI uses to obtain landlord consent. The Commission directed UGI to clarify the method by which it documents landlord permission or refusal of LIURP services and provide a copy of the letter or other communication used to request landlord consent.²⁸⁹

In response, UGI stated that its LIURP agencies are responsible for obtaining and storing signed landlord consent letters and clarifies that when a landlord refuses services, there is no document indicating that landlord denial.²⁹⁰ Further, if a landlord does not complete the consent form, there are no referrals or measures provided to a tenant. UGI also stated that it only accepts landlord consent in writing.²⁹¹

Tenants are typically under-served by available energy efficient and weatherization assistance programs, either due to the fact that they are not aware that they can access these programs, or because they are unable to obtain landlord consent. At the same time, renters often face disproportionately high energy burdens, as there is often little to no incentive for a property owner to invest in and install energy efficiency measures to reduce tenant-paid utility bills.

First, CAUSE-PA recommends that UGI develop a process to begin accepting landlord approval for LIURP work by verbal and electronic means as required in revised Section 58.8(a)(1) of the near-final amended LIURP rules.²⁹² Expanding access to LIURP for tenants by reducing

²⁸⁸ July 2025 Order at 51.

²⁸⁹ Id.

²⁹⁰ Supplemental Information at 19.

²⁹¹ Id.

²⁹² LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 155 (section 58.8(a)(1) of the amended rules provide: “A tenant household may be eligible for the installation of program

the administrative burden is a positive step in improving equitable distribution of these services to both homeowners and tenants. Accepting verbal and electronic landlord approval reduces administrative burden on both the landlord and the Company. In turn, reducing the administrative burden expands access, and improves equitable distribution of services for homeowners and tenants.

Additionally, as discussed briefly above with regard to UGI's proposed CEOP, UGI should be required to engage in targeted outreach to tenants and landlords throughout the course of each year. This outreach and education should include engagement with local landlord associations, housing providers, and public housing authorities related to LIURP and weatherization services. We also recommend targeted outreach to tenants related to the host of universal service programs for which they are eligible. This could be accomplished through community trainings, targeted outreach materials, and direct outreach and messaging to housing providers and tenant groups. Targeted and specific messaging for tenants is particularly important as renters are often unaware that they may be eligible for help with home efficiency even though they are not homeowners.

Finally, CAUSE-PA finds it concerning that UGI does not provide baseload measures or referrals to tenants who are not able to obtain their landlord's consent in writing for further work. Revised Section 58.8(a)(2) provides that if a landlord does not grant permission for the direct installation of program measures, the tenant household remains eligible for baseload measures and energy conservation education that do not require landlord permission. Notably, UGI supported this revision to Section 58.8(a)(2).²⁹³ We therefore recommend that the Commission direct UGI to

measures if the landlord has granted permission to the public utility by verbal, written, or electronic means and the public utility documents the landlord's consent for the ESP to perform work on the dwelling.”)

²⁹³ LIURP Final-Form Rulemaking Order at 153.

amend its USECP to explicitly include tenant eligibility for baseload measures and energy conservation regardless of landlord consent. UGI should develop follow-up communications for tenants following a landlord’s refusal and/or failure to respond, explaining that the landlord has refused but that limited measures are still available. This communication should likewise inform the tenant that they will be considered for full LIURP services if the landlord later provides consent. This important clarification will help to ensure that renters are able to receive some level of usage reduction services even if the landlord refuses to consent to deeper, direct installation measures.

i. Contractor Training and Certification Requirements

In its Proposed 2026 USECP, UGI states that it contracts with 15 agencies to provide LIURP services.²⁹⁴ The Commission noted, however, that UGI’s Proposed Plan does not include any details regarding LIURP contractor training and certification requirements in its Proposed 2026 USECP. Thus, the Commission directed UGI to provide details of its contractor training and certification requirements in its USECP.²⁹⁵

In response, UGI stated that it periodically hosts annual hands-on contractor training in conjunction with Penn College and provides training for new employees and/or agencies of its contracted LIURP agencies on an as-needed basis.²⁹⁶ Regarding contractor certification, UGI quoted from its Master Service Agreement that “Contractor represents and warrants that Contractor is duly authorized to enter into the Contract Documents and to perform its obligations hereunder; that Contractor’s employees, agents and contractors performing the Services are fully experienced and properly qualified to perform the Services; and that the Services will be performed with Contractor's best efforts and skills.” In response to the Commission’s September 10 Letter,

²⁹⁴ Proposed 2026 USECP at 28; D-1.

²⁹⁵ July 2025 Order at 52.

²⁹⁶ Supplemental Information at 19.

UGI added that LIURP agency contractors are, at a minimum, Building Performance Institute (BPI) certified to assess environmental health and safety hazards in the home and how to remediate the hazards within the above-described parameters.²⁹⁷

It is unclear what UGI means by periodic annual contractor training and what those trainings consist of. Without this additional information, it is not possible to assess whether UGI's contractor trainings and certification requirements are adequate. That said, CAUSE-PA recognizes that a successful LIURP also requires an adequate number of contractors equitably available across all Counties in UGI's service territory, and supports UGI's use of a broad group of contractors – including several CBOs. We likewise commend UGI for its collaboration with Penn College, which also provides training and certifications for the statewide Weatherization Assistance Program contractor network. We recommend that the Commission require UGI to further specify relevant details about UGI's LIURP certification and training requirements within its USECP, including the frequency of required trainings and any support provided to its contractor network.

j. Inter-Utility Coordination – Exceptions

UGI states that it initiates inter-utility coordination with other public utilities to coordinate comprehensive program services to better serve LIURP customers.²⁹⁸ However, in its 2024 Evaluation, APPRISE reported that UGI faces challenges coordinating LIURP with other programs because of the different program requirements for program eligibility and priority.²⁹⁹ The Commission directed UGI to clarify if it grants exceptions to the LIURP eligibility criteria for LIURP jobs coordinated with other public utility LIURPs and other weatherization programs.³⁰⁰

²⁹⁷ Supplemental Clarification at 2.

²⁹⁸ Proposed 2026 USECP at 30.

²⁹⁹ 2024 APPRISE Evaluation at 29.

³⁰⁰ July 2025 Order at 53.

UGI clarified that it does not grant exceptions to the LIURP eligibility criteria simply because a customer is participating in another utility or state weatherization program.³⁰¹ CAUSE-PA is concerned that UGI's lack of flexibility regarding its LIURP eligibility, specifically its high usage threshold (discussed above), may forego opportunities for cost-effective leveraging and may prevent customers in need from accessing more comprehensive weatherization and efficiency measures capable of reducing overall household energy burden.

CAUSE-PA recommends that UGI allow for limited waiver of its high usage threshold when services can be effectively coordinated with other federal, state, local, or utility weatherization or efficiency programs. This policy will provide needed flexibility through the duration of the Proposed 2026 USECP to coordinate weatherization and efficiency jobs with the implementation of new and existing programs. Utilities must be prepared to leverage program funding through coordination. Flexibility such as high usage waivers and planning will be critical. We also note that revised section 58.14(c) establishes provisions for inter-utility coordination. Subsection 58.14c(a) directs public utilities to pursue opportunities to coordinate their program services, trainings, outreach, and resources with other public utility LIURPs, other conservation programs and energy assistance programs, including DCED's WAP.³⁰²

In addition to allowing for waiver of high usage thresholds to permit coordination, UGI should also be required to define and explain *how* it intends to coordinate LIURP services with WAP and other efficiency programs within its Proposed 2026 USECP. Coordinated service delivery can take many forms, including cost-sharing, coordinated measure delivery, or use of a common application or energy audit. For example, UGI could allow contractors to install certain

³⁰¹ Supplemental Information at 20.

³⁰² LIURP Final-Form Rulemaking Order at 254.

LIURP measures while performing work for a low income customer through WAP or one of the federal, state or EDC LIURP programs.

Finally, UGI should be required to track and report on the number of coordinated jobs completed each year to help identify successful collaboration efforts and inform future policy amendments.

k. Rehabilitation Program

UGI's Rehabilitation Program was approved by the Commission as a Universal Service Program through its 2014-2017 USECP proceeding.³⁰³ The stated aim of the program is to achieve usage reduction by installing energy efficiency measures in low-income housing at the construction/rehabilitation phase, with the expectation that those homes will eventually receive LIURP. Measures include the installation of upgraded insulation, energy efficient windows, and ENERGY STAR-rated high efficiency natural gas furnaces and hot water heaters.³⁰⁴

Despite having been approved as a permanent Universal Service Program, the Rehabilitation Program has not been evaluated since UGI's 2014-2017 USECP Proceeding. The Commission notes that UGI is required to report the actual number of completed jobs and spending data for this program annually.³⁰⁵ As such, the Commission has requested several data points from UGI.³⁰⁶ In response, UGI stated that it had not completed any Rehabilitation Program jobs in the 2022-2024 timeframe.³⁰⁷

CAUSE-PA is concerned that UGI has failed to utilize its Rehabilitation Program, despite the alleged benefits of this Program. UGI explains that its Rehabilitation Program, theoretically,

³⁰³ UGI 2014-2017 USECP Order, Docket No. M-2013-2371824 (Issued January 15, 2015), at 35-41; 80.

³⁰⁴ Proposed 2026 USECP at 30.

³⁰⁵ See 52 Pa. Code § 62.5(a)(2)(ii)(A)(II) (relating to annual residential collection and universal service and energy conservation program reporting requirements).

³⁰⁶ July 2025 Order at 56.

³⁰⁷ Supplemental Information at 20.

achieves usage reduction by: (1) allowing identified low income and special needs customers to benefit from a variety of energy efficient measures which will avoid future high usage, and (2) maximizing the LIURP dollars spent on installed weatherization measures. In short, this program is rooted in prevention and treats low income housing at the construction/rehabilitation phase in order to maximize material and labor dollars.³⁰⁸ UGI also notes that it periodically joins forces with rehabilitation projects within its service area to assure energy efficiency in low income housing.³⁰⁹ CAUSE-PA supports the aims of this Program, which has the potential to help UGI's low income customers avoid future high usage and the attendant arrearages. We note that this program has great potential to support enhanced coordination with low income Act 129 programming provided by PPL Electric and FirstEnergy, which has substantial overlapping service territories with UGI Gas.

It is unclear why UGI has not utilized its Rehabilitation Program in at least the last three years. We note that in 2024, UGI had \$156,296 unspent LIURP dollars.³¹⁰ It is possible that had it built relationships with housing providers or others working on rehabilitation programs, it may have been able to utilize those funds to meaningfully improve the energy costs for some number of housing units, and ensured that those homes would be eligible for further comprehensive LIURP services in the future.

Consistent with our recommendations above, CAUSE-PA recommends that the Commission direct UGI to engage in targeted outreach to develop relationships with individuals and organizations who develop and restore affordable housing for low income individuals. This outreach should include engagement with local landlord associations, housing providers, and

³⁰⁸ Proposed 2026 USECP at 30.

³⁰⁹ *Id.* at 31.

³¹⁰ 2024 UGI Base Rate Case, Docket No. R-2024-3052716, CAUSE-PA Direct Testimony at 43; citing CAUSE-PA to UGI II-6.

public housing authorities related to LIURP and weatherization services. UGI should use these contacts to identify rehabilitation projects that would fit into its Rehabilitation Program.

1. April 2025 Petition for Regulatory Waiver (Docket No. P-2025-3054381)

CAUSE-PA is generally supportive of UGI's Petition for Regulatory Waivers, filed concurrently with its USECP, for the purpose of operating a furnace repair or replacement program. CAUSE-PA agrees with UGI's assertions in paragraphs 13-15 of its Petition, that waiver of the currently-effective LIURP regulations regarding the prioritization of high use customers (Section 58.10(a)(1)) and the standard payback period of 7 or 12 years (Section 58.11(a)) are in the public interest and are necessary to allow UGI to provide furnace repair or replacement services to low income customers as an available LIURP measure. Specifically, CAUSE-PA believes that approval of UGI's request for limited waiver of these currently effective regulations will enable UGI to reach vulnerable households that are without a central heating system. Low income households with an inoperable heating system are often unable to be served through traditional LIURP services, as their usage is often too low (given their lack of an operable heating system) and repairs are often too costly to meet the usage threshold and payback period requirements included in the existing LIURP regulations.

By approving limited waiver of the high usage threshold and payback period for the narrow purpose of implementing the furnace repair or replacement program, UGI will be better able to address critical health and safety issues, as households with inoperable heating systems often resort to unsafe and inefficient alternatives such as electric space heaters, portable generators, or ovens to heat their homes. In addition to improved health and safety, overall efficiency of both natural gas and electric systems will also be improved, as the program will reduce reliance on inefficient

alternatives, which drive up overall energy costs for the home, leading to greater unaffordability and financial instability. Providing UGI with regulatory flexibility to provide immediate relief to households with inoperable or inefficient heating systems is particularly important given the uncertainty concerning the future of LIHEAP benefits and programming.

3. CARES

a. CARES Program Funding

In its Proposed 2026 USECP, UGI states that its Universal Service Programs (USP) Rider is used to recover costs for its LIURP, CAP, Operation Share, and any other Commission-mandated program, but does not specifically identify the CARES budget as a recoverable cost.³¹¹ The Commission directed UGI to clarify how the CARES program is funded and how costs are recovered.³¹² UGI clarified that CARES is not included as a part of the USP Rider and that it is funded through the Company's operating expense budgets.³¹³ CAUSE-PA believes this is an appropriate cost recovery method for CARES costs, and notes that any future changes should be addressed in a base rate proceeding.

b. LIHEAP Outreach

In its Proposed 2026 USECP, UGI proposes to maintain six Customer Outreach Representatives but reduce the number of LIHEAP Outreach Representatives from four to two.³¹⁴ This decision is contrary to findings in the APPRISE evaluation, which notes that survey respondents stated that they did not know about LIHEAP and did not know how or where to apply

³¹¹ Proposed 2026 USECP at A-4.

³¹² July 2025 Order at 59.

³¹³ Supplemental Information at 21.

³¹⁴ Proposed 2026 USECP at 3; FN 4.

for LIHEAP and recommended that UGI consider implementing calling campaigns to increase customer awareness about the availability of the program and the process to apply.³¹⁵

The Commission notes that UGI's Proposed CEOP does not include implementing a general calling campaign for LIHEAP³¹⁶ and directed UGI to explain whether it would consider expanding its LIHEAP outreach to include additional initiatives such as a general calling campaign.³¹⁷ Additionally, the Commission directed UGI to explain what factors may have resulted in the increase in CAP enrollees participating in LIHEAP as indicated in the 2024 APPRISE Evaluation,³¹⁸ as well as how it plans to increase LIHEAP participation with a reduced LIHEAP outreach staff.³¹⁹

In response, UGI indicates that it will be using its 'dialer' to inform CAP customers that have not received LIHEAP about the Program and how to apply.³²⁰ UGI then explains that it has cross-trained personnel and implemented measures to accommodate LIHEAP calls from County Assistance Offices during LIHEAP season through a separate phone line that is staffed accordingly to handle the volume of calls.³²¹ UGI also has a "confirmed low-income email campaign" to customers not enrolled in the Company's programs that references LIHEAP in two emails and directs customers to apply for LIHEAP on the COMPASS website.³²²

CAUSE-PA recognizes that UGI has improved its efforts to reach CAP enrollees who are not accessing LIHEAP over the last several years and those efforts have increased the number of CAP enrollees who receive LIHEAP.³²³ However, we believe additional improvements are still

³¹⁵ 2024 APPRISE Impact Evaluation at xi, 16, and 84-85.

³¹⁶ Proposed 2026 USECP at 3 and Appendix H, 5

³¹⁷ July 2025 Order at 60.

³¹⁸ 2024 APPRISE Evaluation at vi, 78.

³¹⁹ July 2025 Order at 60.

³²⁰ Supplemental Information at 21.

³²¹ Id.

³²² Id.

³²³ See 2024 APPRISE Impact Evaluation at vi, 78.

necessary. According to the 2024 APPRISE Evaluation, the percent of new CAP enrollees who received LIHEAP increased from 37% to 47% following enrollment for electric CAP participants and from 35% to 42% for gas CAP participants.³²⁴ Regarding CAP participants overall, merely 28% percent of all electric CAP participants and 39% percent of all gas CAP participants received LIHEAP.³²⁵ While the increase in LIHEAP uptake for new CAP enrollees is a positive step, even these improved numbers still show a majority of new and existing CAP participants are not receiving LIHEAP. In order to further increase LIHEAP uptake for CAP participants. CAUSE-PA recommends that the Commission direct UGI to form a sub-committee of its USAC members to specifically address outreach to CAP customers regarding LIHEAP enrollment.

We also note that UGI does not specify whether its “confirmed low-income email campaign” also encourages enrollment in UGI’s CAP – in addition to encouraging these households to apply for LIHEAP. As identified earlier in these comments, UGI’s CAP reaches a small percentage of its confirmed low income customer group. If UGI is expending time and resources to encourage LIHEAP enrollment, it should use the opportunity to promote enrollment in CAP as well to help provide low income households with ongoing rate assistance necessary to promote long term stability.

4. Operation Share Energy Fund

a. Eligibility – CAP Customers

In its Proposed 2026 USECP, UGI sets forth several criteria for eligibility for its Operation Share grant.³²⁶ UGI states as part of its summary of changes that CAP customers will be eligible to receive Operation Share grants.³²⁷ However, the program description further elaborates that

³²⁴ 2024 APPRISE Evaluation at vi.

³²⁵ Id.

³²⁶ Proposed 2026 USECP at 8-9.

³²⁷ Id. at 4-5.

CAP participants are eligible to receive Operation Share for their past due CAP amounts *under circumstances that warrant a grant being awarded, such as death, loss of job, increased medical costs, protection from abuse orders, etc.*³²⁸ In its July 2025 Order, the Commission directed UGI to clarify whether all CAP customers would qualify or if it is limited to those with a special circumstance.³²⁹ In response, UGI clarifies that a CAP customer would be eligible to receive an Operation Share grant as long as the customer meets program guidelines.³³⁰

CAUSE-PA recommends that the Commission direct UGI to clarify in its USECP that CAP customers are eligible for an Operation Share grant without having to prove an additional significant hardship. While CAP customers may be receiving a lower monthly bill than they would be if they were not enrolled in CAP, they are still susceptible to acute financial hardship. An unexpected medical expense, car repair, or reduction in hours at work could cause a CAP customer to face significant challenges in meeting their monthly bill. It is critical that UGI ensure its CAP customers have equitable access to hardship fund grants if and when they experience a financial hardship.

b. Operation Share Donations

In its Proposed 2026 USECP, UGI states that it anticipates a 6.2% decrease in customer contributions to Operation Share compared to its 2020 USECP.³³¹ In its July 2025 Order, the Commission notes that it has no concerns regarding the Company contributions to Operation Share, but it is concerned about the anticipated decrease in UGI Gas and Electric customer contributions.³³² The Commission directed UGI to explain the reasons why it anticipates a

³²⁸ Proposed 2026 USECP at 10.

³²⁹ July 2025 Order at 62.

³³⁰ Supplemental Information at 22.

³³¹ Proposed 2026 USECP at Appendix A, A-2.

³³² July 2025 Order at 63.

decrease in UGI Gas and Electric cash donations for Operation Share and what steps it is taking to solicit more donations from customers and employees.³³³

In response, UGI explains that it anticipates a decrease in public cash donations based on historical trends. UGI indicates that, from 2022 to 2024, donations to Operation Share decreased by 63%.³³⁴ UGI asserts that it has increased its efforts to solicit donations through various efforts, including encouraging customers to donate via PayPal, utilizing a bill insert over the Christmas season, and soliciting its employees for donations annually.³³⁵ UGI also notes that in its 2025 Gas Base Rate Case settlement it agreed to increase its Operation Share contribution by \$500,000 (54%) for a total of \$1,084,500 in annual contribution for UGI Gas.³³⁶

CAUSE-PA is deeply troubled by UGI's anticipated decrease in customer contributions to Operation Share. Reviewing past Universal Service Reports, we note that in the 2013-2014 program year, UGI reported donations of \$0.34 per customer.³³⁷ Ten years later, in 2023, that amount was down to \$0.16 per customer.³³⁸ We are alarmed by the significant 63% decrease over the short term, since 2022, as well as the long term decline in customer donations – in the face of rapidly rising rates and ever-growing need for assistance. Indeed, the critical need for hardship fund assistance is even more critical in this moment, as we grapple with the potential devastating impact of the state and federal budget impasse on the timely start to the 2025/2026 LIHEAP season. CAUSE-PA acknowledges UGI's efforts to increase donations for its hardship fund, but does not find the current efforts to expand the availability of relief to be sufficient. A single bill insert,

³³³ July 2025 Order at 64.

³³⁴ Supplemental Information at 22.

³³⁵ *Id.*

³³⁶ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.62(a), (Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025).

³³⁷ 2014 Universal Service Report at 58.

³³⁸ 2023 Universal Service Report at 77-79.

coupled with an annual employee solicitation and “encouragement” of donations through PayPal is nice, but it does not match the urgency or seriousness necessitated by the alarming decline. CAUSE-PA urges the Commission to require UGI to expand its efforts to solicit voluntary donations to support its hardship funds and to work with its USAC to develop a plan to do so. Programs such as voluntary round-up and “add-a-buck” campaigns have the potential to generate significant funds to UGI’s Operation Share program, and should be seriously considered in order to reverse the downward trend in support.

We also recommend that the Commission expressly require UGI to improve solicitation of its e-bill customers. Voluntary ratepayer contributions to hardship fund programs declined sharply around the time utilities rolled out e-billing. While bill inserts may be sent to e-billing customers as an attachment, customers are far less likely to open and review those inserts when delivered via email. Auto-payment customers are even less likely to donate, as there is no longer a convenient way to make a donation at the time of payment. Customers who can afford to donate are often the same people who will set up autopay because they are in no danger of overdrawing their accounts due to lack of funds. Additional outreach to this subset of customers would help improve dwindling donations rates. For example, if auto-pay customers receive an email receipt, that email should include information about how to donate to UGI’s hardship fund and a link to donate electronically. Solicitation could additionally be run through strategic social media campaigns, and consideration should be made to support direct solicitation from commercial and industrial customers within UGI’s service territory. These are only a few easily implementable ideas.

CAUSE-PA recommends that the Commission direct UGI to work with members of its USAC to identify other innovative ways to increase hardship fund donations.

c. Exceptions to Maximum Grant Amounts

In its Proposed 2026 USECP, UGI states that it may approve exceptions to the maximum grant amount for “special circumstance customers.”³³⁹ UGI provides a definition for “special circumstance customers” in the context of its CARES program description as including, but not limited to, a need for help in paying their utility bill.³⁴⁰ However, the Commission noted that UGI does not provide any clarification on what special circumstances would qualify someone for an Operation Share grant amount that exceeds the stated limit of \$600 per year per customer. Therefore, the Commission directed UGI to outline the circumstances under which a customer would qualify for an exception to the maximum grant amount for Operation Share.³⁴¹ In response, UGI states that it does not provide exceptions to maximum grant amounts.³⁴² The Commission then followed up with its September 10 Letter stating that if UGI does not provide exceptions to maximum Operation Share grant amounts, it is directed to provide an explanation of why the provision was included in the 2020 USECP and why UGI proposed to maintain this provision in the Proposed 2026 USECP. Further, if UGI does not intend to provide exceptions to its maximum grant amount, to explain when it stopped allowing exceptions to maximum grant amounts and the reason for it.³⁴³ In response, the Company proposed to remove this provision from its 2026 Proposed USECP.³⁴⁴

CAUSE-PA does not support removal of this important discretionary feature. Where circumstances warrant, UGI should retain discretion to approve grants that may exceed the \$600 maximum grant amount. Rather than remove this provision, we recommend that UGI identify

³³⁹ Proposed 2026 USECP at 11.

³⁴⁰ Id. at 7.

³⁴¹ July 2025 Order at 64.

³⁴² Supplemental Information at 22.

³⁴³ September 10 Letter at 2.

³⁴⁴ Supplemental Clarification at 3.

general parameters for when an exception will be made. Specifically, CAUSE-PA supports the application of reasonable exemptions when needed to prevent a shut-off or facilitate reconnection of medically vulnerable households or households with young children or seniors.

d. Regional Operation Share Budget Reallocation

In its proposed 2026 USECP, UGI proposes to include flexibility to reallocate up to 25% of the regional annual Operation Share budget between the South, North, and Central regions.³⁴⁵ The Commission directed UGI to detail the criteria, data, and methodologies it employs to assess the need for reallocation of up to 25% of the regional Operation Share budget and determine the amount of funding to be reallocated.³⁴⁶

In response, UGI clarified that pursuant to its 2025 Rate Case Settlement, UGI is permitted to increase the annual budget reallocation limitation across the geographic footprint of its former three rate districts from 5% to 50%. Further, if any reallocation of funds from one of the former rate districts to another exceeds 25%, UGI Gas will file a letter with the Commission at this docket explaining the reason for the reallocation.³⁴⁷

As a party to the 2025 UGI Gas Base Rate case, CAUSE-PA supports UGI's criteria for Operation Share reallocation so that customers are not denied assistance based solely on the County or region they reside in. We note that there are safeguards built into this provision to ensure equitable distribution of funds across the service territory based on relative need – and to prevent the distribution of assistance based solely on the performance of administering agencies. To that end, we reiterate here our earlier recommendation that UGI improve training and support for its CBO network, as outlined in detail above. Additional training and support will help to ensure that

³⁴⁵ Proposed 2026 USECP at 5.

³⁴⁶ July 2025 Order at 65.

³⁴⁷ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.3.62(b), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

each agency is effectively and efficiently administering Operation Share funds so that customers in need are able to equitably access relief and are not disadvantaged based on where they live.

B. Projected Needs Assessment

a. Estimated and Confirmed Low Income Count

The Commission noted in its July 2025 Order that UGI’s Needs Assessment reflects a *reduction* of over 11% of estimated low-income customers and a reduction of more than half of confirmed low-income customers, compared to its 2023 data.³⁴⁸

Table 4: UGI Gas: Projected Needs Assessment vs 2023 Data

	2023	2026 USECP Needs Assessment	% Change
Estimated # of Low Income Customers	166,366	147,552	-11.3%
Confirmed Low Income Customers	89,293	40,897	-54.5%

The Commission directed UGI to explain the reason for this reduction in their estimated and confirmed customer counts and to update its count of estimated low-income customers based on 2019-2023 Census data.³⁴⁹ The Commission has also directed UGI to update its confirmed low-income customer count, if needed, and identify separately the number of estimated and confirmed customers with incomes between 151% to 200% of the FPIG.³⁵⁰

In response, UGI explained that the identified low-income customer count (40,879) includes only those for whom UGI has *verified* income and were determined by UGI to be eligible for enrollment in a Universal Service Program.³⁵¹ UGI further asserts that the higher estimated low-income count (166,336) erroneously included non-residential accounts, and that the information included in 2026-2030 USECP filing correctly included only residential customer

³⁴⁸ See 2023 Universal Service Report at 7-8; Proposed 2026 USECP B-1.

³⁴⁹ July 2025 Order at 66.

³⁵⁰ Id.

³⁵¹ Supplemental Information at 23.

counts.³⁵² UGI also states that it is unable to segment customer level data between 151% and 200% FPL.³⁵³

In its September 10 Letter, the Commission requested that UGI further explain why it was not able to provide a breakdown of potentially eligible LIURP customers by income tier and directed UGI to provide a more detailed justification for why they could not provide the information requested.³⁵⁴ In response, UGI stated that it did not previously provide the breakdown of customers between 151-200% FPL because the data for that customer segment is largely based on self-certified income collected during phone calls with UGI Call Center Representatives, therefore they could not confirm LIURP eligibility for these customers.³⁵⁵ Based on the Commission's request for further information, UGI estimated the number of potential LIURP eligible customers using the self-reported income information they have, as well as those who exceeded the high usage level, maintained 12 months of consecutive service, and had not received LIURP in the prior seven years.³⁵⁶ Based on this criteria, UGI determined that approximately 4,836 customers between 150-200% FPL may be eligible for LIURP.³⁵⁷

In the 2025 UGI Gas Base Rate Case Settlement, UGI agreed to modify its definition of "confirmed low income customers" to include all households for which UGI has information that would make it "reasonably likely" that the household has income at or below 150% FPL, consistent with the Commission's definition of the term in 52 Pa. Code 62.2 and 69.262.³⁵⁸ Households that fit this criteria include: 1) self-certification; 2) Participation in any of the Company's income

³⁵² Id.

³⁵³ Id.

³⁵⁴ September 10 Letter at 3.

³⁵⁵ Supplemental Clarification at 4.

³⁵⁶ Id.

³⁵⁷ Id.

³⁵⁸ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.3.67(a), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

verified programs, including but not limited to CAP, Operation Share, or LIURP, where income is verified to be at or below 150% FPL; and/or 3) Receipt of LIHEAP funds in the prior 12 months.³⁵⁹

CAUSE-PA urges the Commission to require that UGI recalculate its confirmed low income customer count and its subsequent needs assessment based on the definition approved in the 2025 Settlement. UGI's attempt to narrow the scope of its definition for confirmed low income customers was inconsistent with the explicit definition of that term, and if allowed to stand will result in a circular needs assessment – permitting UGI to assess the *need* for assistance based only on the number of customers that already participate in UGI's programs. A needs assessment must fairly assess the full scope of customers likely to require assistance in the future, not those who have already been verified for assistance in the past.

An accurate count of low income customers is essential to determining the adequacy and efficacy of UGI's universal service programs in meeting the needs of its low income customers and other vulnerable customer groups. UGI's errors and limitations in identifying and reporting confirmed low income customers make it more difficult to analyze UGI's universal service program performance relative to its universal service reporting data and the reporting data of other Natural Gas Distribution Companies (NGDCs). Adoption of the appropriate definition of "confirmed low income" customers is a good first step in obtaining an accurate assessment of UGI's low income population; however, CAUSE-PA submits that a necessary second step is for UGI to update its needs assessments based on its correct CLI definition.

³⁵⁹ Id. at ¶ III.E.67(b).

b. Customers in Need of LIURP

The Commission notes that in its 2020 USECP, UGI documented the estimated number of customers in need of LIURP and identified the eligibility criteria used to account for the estimated number of customers in need of LIURP but did not include the LIURP eligibility criteria it used to determine that number.³⁶⁰ Thus, the Commission directed UGI to explain how it calculated its number of potentially eligible LIURP customers and to explain how it will prioritize customers between 0% and 150% FPL for LIURP services.³⁶¹

UGI explained that in order to determine the estimated number of customers in need of LIURP, it evaluated customers whose usage exceeded thresholds and were income verified, further stating that it follows the factors under 52 Pa. Code 58.4(c)(1)-(4) – though it did not provide further detail about the assumptions or conclusions included in its application of these factors.³⁶² Regarding prioritization, UGI stated that the LIURP agencies themselves prioritize work and have been instructed to prioritize those households at or below 150% FPL as only 20% of the LIURP budget can be used for households between 151% and 200% FPL.³⁶³ UGI also states that it is not able to segment out its customers between 150% and 200% FPL.³⁶⁴

As discussed in detail above, UGI's assessment of its confirmed low income customers was inaccurate, which in turn resulted in an inaccurate assessment of need from which to project enrollment and establish associated budget needs. While UGI references that it followed the factors in sections 58.4(c)(1)-(4), it did not provide further information necessary independently assess UGI's assertion that it properly assessed the regulatory factors. Targeted enrollment levels

³⁶⁰ July 2025 Order at 67; 2020 USECP at B-1, Fn 73.

³⁶¹ July 2025 Order at 68.

³⁶² Supplemental Information at 23.

³⁶³ Id. at 24.

³⁶⁴ Id. at 23.

and associated budgetary needs cannot be set until these critical factual details regarding UGI's needs assessment are better known and understood.

c. Projected Needs Assessment for UGI Electric

Consistent with its above recommendations, CAUSE-PA asserts that the Commission should require UGI to update its needs assessment for UGI Electric based on the definition of confirmed low income in 52 Pa. Code §§ 54.72 and 69.262, as well as its census-based estimated low income customer count. While the 2025 UGI Gas Settlement only expressly applies to UGI Gas, the basis of that Settlement provision is rooted in the regulatory definition that UGI must use to track and report on its confirmed low income customers and to assess the need for assistance. As such, UGI should apply consistent definitions of the term confirmed low income for both its gas and electric divisions. In turn, the near-final LIURP rules, which UGI has agreed to follow in its 2025 Base Rate Case Settlement, provides that a LIURP needs assessment must be based on both the utility's census-based estimated low income customer count and its confirmed low income customer count.³⁶⁵ As explained above, an accurate assessment of need is critical, and must not be superficially suppressed by applying a circular assessment of those already verified for UGI's programs.

C. Projected Enrollment Levels

CAUSE-PA asserts that UGI should be required to adjust its projected enrollment levels to serve all eligible customers over a reasonable period of time based on its revised assessment of need, as discussed above. Moreover, as discussed further below, these enrollment projections should in turn be used to establish UGI's LIURP budget for the 2027 program year and beyond.

³⁶⁵ LIURP Final-Form Rulemaking Order at 127-128; amending section 58.4(c)(1)-(2)).

CAUSE-PA submits that it is unreasonable to set projected enrollment levels at a pace that will not reach all eligible customers for 27 years, as UGI proposed to do in its flawed needs assessment. Indeed, this is not a “reasonable period of time” as contemplated in section 58.4(c) of the Commission’s current *and* pending regulations.³⁶⁶ Nevertheless, while CAUSE-PA is able to conclude that the current 27-year trajectory for reaching all eligible customers is unreasonable, it is not able to determine what constitutes a reasonable period of time without more factual information and data.

Given the complexity of the issue, and the need for further factual information to fully assess the reasonableness of projected enrollment levels and corresponding budget, CAUSE-PA submits that this issue should be referred to the Office of Administrative Law Judge to develop a factual record from which to make a determination. At the very least, following revision of UGI’s confirmed low income customer count and associated needs assessment, the parties should be provided with an opportunity to provide further comment regarding the “reasonable period of time” UGI should utilize to project enrollment.

D. Program Budgets

a. LIURP Budget

UGI proposes to increase its LIURP budgets in its Proposed 2026 USECP corresponding with rate increases approved in any UGI Gas or UGI Electric base rate case within the term of the Proposed 2026 USECP. If there are no intervening rate proceedings, UGI proposes to increase its LIURP budget by 3% over the prior year’s budget. UGI further states it will not carry over unspent LIURP funds to the following program year but will reallocate up to 25% of UGI Gas’s regional

³⁶⁶ 52 Pa. Code 58.4(c) (current and proposed).

funding as needed.³⁶⁷ The Commission noted that UGI's proposed budgets as provided in its Proposed 2026 USECP are flat year over year³⁶⁸ and directed UGI to clarify whether it intends to increase its LIURP budgets as stated in its USECP.³⁶⁹ The Commission also directed UGI to explain how reallocated LIURP funds unspent at the end of the year will be used and whether the LIURP budgets provided include the 10% designated for the Rehabilitation Program.³⁷⁰

In response, UGI clarified that it does intend to increase its budget by 3% year over year.³⁷¹ UGI also notes that in its most recent Gas Rate Case Settlement,³⁷² it agreed to rollover its unspent LIURP budget and make its best efforts to spend any rollover budget within the first six months of the following year. This carryover requirement is also contained in the Commission's pending amendments to its LIURP rules.³⁷³ Of particular relevance here, UGI explicitly agreed in the Settlement that it would comply with the Commission's pending revisions to its LIURP regulations.³⁷⁴ UGI also clarified that funding for its Rehabilitation Program is included in the budget provided.³⁷⁵

Consistent with the rate case settlement, as well as the revised LIURP rules, CAUSE-PA supports UGI's proposal to rollover unspent LIURP funds and add them to the budget for the following program year. As such, we recommend that the Commission direct UGI to update its USECP to clearly state that unspent LIURP funds will be rolled over and added to the subsequent program year's budget.

³⁶⁷ Proposed 2026 USECP at 6; 28.

³⁶⁸ Proposed 2026 USECP, Appendix A, Table A-3.

³⁶⁹ July 2025 Order at 73.

³⁷⁰ *Id.*

³⁷¹ Supplemental information at 25.

³⁷² Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.60(c), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

³⁷³ LIURP Final-Form Rulemaking Order, Docket No. L-2016-2557886 (Issued March 13, 2025) at 129.

³⁷⁴ *Id.* at 129 (requiring unspent LIURP funds to be rolled over into the following year's budget).

³⁷⁵ Supplemental Information at 25.

CAUSE-PA is also supportive of UGI’s proposal to increase LIURP funding each year, though we believe the percentage increase is more appropriately tied in this case to UGI’s ability to meet identified need. We submit that the minimum annual increase in LIURP funding should be set based on targeted enrollment – which in turn should be rooted in UGI’s needs-based assessment. Once UGI reassesses its estimated need and targeted enrollment, as discussed above, UGI should set an appropriate percentage increase necessary to serve the number of households targeted for enrollment. At a minimum, the annual increase in funding (following the 2026 program year) should be no less than the annual rate of inflation to ensure UGI LIURP services and enrollment levels do not decline over time.

Of particular importance, in its 2025 Gas Base Rate Case Settlement, UGI agreed to increase its Gas LIURP budget by \$1,000,000 annually, effective January 1, 2026.³⁷⁶ Pursuant to the terms of the Settlement, the parties agreed that they would not “affirmatively proposed further changes to UGI Gas’s LIURP funding for the 2026 LIURP program year.”³⁷⁷ The LIURP increase in the Settlement is intended to mitigate the impact of UGI’s substantial rate increase on low income customers, and to help meet the expanded need for comprehensive usage reduction services as a result of rising rates – not to address the inadequacy of the existing program to serve already identified need.³⁷⁸ As such, and consistent with the terms of the Commission-approved Settlement, CAUSE-PA submits that the increase in funding approved in UGI’s rate case should not be construed to supplant its proposal to increase LIURP funding annually following the 2026 program year.

³⁷⁶ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.60(a), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

³⁷⁷ Id.

³⁷⁸ Pa. PUC v. UGI Utilities, Inc., Docket No. R-2024-3052716, CAUSE-PA Statement in Support at 12-15.

E. Use of Community-Based Organizations (CBOs)

CAUSE-PA is strongly supportive of UGI’s ongoing use of CBOs in the delivery of services, and – as explained above – recommends UGI provide CBOs with additional ongoing training and support.

F. Organizational Structure of Universal Service Staff

CAUSE-PA has no comment at this time regarding the organizational structure of UGI’s Universal Service Staff but reserves the right to file responsive Comments if appropriate.

G. Issues Not Addressed in the July 2025 Order

5. CAP Shopping

In its most recent Base Rate Case Settlement, UGI agreed to several provisions regarding CAP applicants who are shopping with a supplier. Specifically, UGI agreed to add a checkbox to its CAP application so that a CAP applicant who is shopping can indicate that they intend to cancel that supplier to enroll in CAP allowing UGI to place a 45 day hold on the applicant’s account to give them time to do so. UGI also agreed to amend the language in its CAP Removal letter to include accurate information regarding CAP shopping and to direct the customer to call UGI for more information regarding re-enrolling in CAP.³⁷⁹ CAUSE-PA strongly supports these important reforms. However, more must be done to protect low income customers from excessive prices in the competitive market and corresponding higher rates of collections and terminations – and to prevent additional costs from increasing universal service costs for other consumers.

The excessive generation prices in the residential retail market are alarming, especially for confirmed low income customers. In 2024, residential shopping customers in UGI’s service

³⁷⁹ Joint Petition for Approval of Settlement of All Issues, Docket No. R-2024-3052716, (Filed July 9, 2025) at ¶ III.E.66.(b)-(c), Final Order approving the Joint Petition for Settlement without modification issued September 11, 2025.

territory were charged in the aggregate over \$20 million more than the applicable default service rates.³⁸⁰ On a per customer basis, UGI’s residential shopping customers were charged, on average, \$244.98 more than the default service price.³⁸¹ Excessive charges in the residential retail gas markets were even more pronounced for UGI’s confirmed low income shopping customers. In 2024, UGI’s confirmed low income shopping customers were charged, on average, \$421.64 more than the default service price – over \$175 more than residential shopping customers.

Table 5: Residential vs. Confirmed Low Income Shopping Rates in Excess of Default³⁸²

	Average Per Customer Confirmed Low Income Shopping Charges Over Default	Average Per Customer Residential Shopping Charges Over Default	Difference
2024	\$ 421.64	\$ 244.98	\$ 176.66

The disparity in charges between shopping and non-shopping customers – especially amongst low income customers – are likely driving substantial additional collections costs and higher termination rates, and underscore the need for improved efforts to ensure low income customers are given sufficient information to protect themselves from excessive rates.

UGI prohibits CAP customers from shopping while in CAP, which has likely prevented millions of dollars of unnecessary programmatic costs and higher charges for CAP customers. However, excessive prices in the competitive market – especially for confirmed low income customers – are likely impacting the level of debt that low income customers enter the program with. This, in turn, is likely increasing the cost of providing arrearage forgiveness through CAP. While we do not have access to the data necessary to quantify the cost impact, we are nevertheless

³⁸⁰ Pa. PUC v. UGI Utilities, Inc., Docket No. R-2024-3052716, CAUSE-PA St. 1-SR at 41-43.

³⁸¹ *Id.* at 41.

³⁸² *Id.* at 42; citing CAUSE-PA to UGI V-1, Attachment; V-6, Attachment; CAUSE-PA to UGI V-3, Attachment; and V-6, Attachment.

concerned based on the data outlined above that broader costs of excessive pricing in the competitive market are substantial.

As the Commission is well aware, gas switching is not automatic and can take a month or more to verify meter readings and perform the switch. Given the lengthy time it takes to drop a gas supplier and return to default service, shopping customers seeking CAP enrollment are sometimes forced to wait 2-3 billing cycles before they can successfully enroll. During this time, bills continue to accrue at excessive rates, in some cases adding hundreds of dollars to arrears. As noted, the terms in UGI's 2025 Gas Rate Case provide a start to help improve education for low income consumers and smooth the process for shopping customers to return to default service in order to access critical rate assistance through CAP, but more must be done to speed the switching process. CAUSE-PA implores the Commission to take action to reduce the gas switching timeframe, to modernize the marketing regulations, and to empower consumers to act more quickly to get out of a bad deal. Indeed, given the impact on low income consumers and universal service costs, these are issues that the Commission is obligated to address in its oversight of universal service and energy conservation programs, which by definition include the programs, policies and services which help ensure that low income households and other vulnerable customer groups can maintain service to their home – as well as the cost effectiveness of those programs, policies, and services.³⁸³

b. Service Restoration for CAP Eligible Customers.

In its Proposed 2026 USECP, UGI states that one of the eligibility requirements for CAP is that the customer must be a residential heating or non-heating customer *with active energy*

³⁸³ 66 Pa. C.S. §§ 2202, 2204(8); 2803; 2804(8)-(9).

service from UGI.³⁸⁴ This provision deviates from the Commission’s definition of “customer” and, as a practical matter, means that CAP enrollment is not sufficient to restore a customer whose service has been terminated within the last 30 days – even if the customer has never participated in the program and would otherwise be eligible for their full arrears to be set aside and eligible for forgiveness through the program. Instead, following involuntary termination, CAP eligible customers are often required to pay substantial charges to reconnect.

CAUSE-PA is concerned about the disparate treatment between customers whose service is active and those who have had their service terminated within the last 30 days. A customer is defined in regulation, as “(i) A natural person in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested. (ii) *The term includes a person who, within 30 days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the public utility.*”³⁸⁵

In its most recent Cold Weather Survey in late 2024, UGI identified 15,280 households without heating services, 12,985 of those households were restored and service reconnected through a payment arrangement or some other means.³⁸⁶ UGI’s updated data as of February 1, 2025 indicate that there were still 1,966 households without heat-related service in UGI’s Service territory.³⁸⁷ This means that nearly 2,000 households in UGI’s service territory were either without heat through a brutally cold winter, or they were relying on unsafe and expensive electric space

³⁸⁴ Proposed 2026 USECP at 14.

³⁸⁵ 52 Pa. Code 56.2 (definition of customer) (emphasis added).

³⁸⁶ 2024 Pennsylvania Cold Weather Survey, https://www.puc.pa.gov/media/3326/cold_weather_survey_results-2024v2.pdf.

³⁸⁷ *Id.*

heating. Even among the 12,895 households whose service was restored, we have no way of knowing what sacrifices that household had to make to have their service restored during an extreme and sustained cold snap last winter.

Because UGI does not accept CAP enrollment to restore service, the difference between a safe heated home in the winter and the dire consequences of no heating system may be dependent on the time it takes to process a CAP application, mail delays, or any number of reasons outside the control of a customer. CAUSE-PA submits that one low income customer should not be treated differently from another simply because the home was scheduled for termination on a different day. According to the Commission's regulations, a customer is still a customer for 30 days after service is terminated, and CAUSE-PA submits that they should be treated as such for the purposes of enrollment in CAP. This interpretation is consistent with the statutory definition of universal service and energy conservation, which defines the term as the "[p]olicies, practices and services that help residential low-income retail customers ...to maintain natural gas supply and distribution services."³⁸⁸

CAUSE-PA recommends that the Commission direct UGI to amend its USECP to allow all customers – including those within 30 days of termination – to qualify for CAP as a means of restoring service, provided they meet all other eligibility requirements for the program. CAUSE-PA also recommends that UGI develop outreach materials for customers whose service has been terminated to inform them that service may be restored by enrolling in CAP if they are otherwise eligible for the program and providing them instructions on how to do so. UGI should be directed to coordinate with its USAC to develop these materials and its outreach plan.

³⁸⁸ 66 Pa. C.S. 2202; see also 66 Pa. Code 2803.

c. Protections for Victims of Domestic Violence

Customers who are survivors of domestic violence are entitled to special protections if they have a Protection From Abuse Order (PFA) or other court order that contains clear evidence of domestic violence.³⁸⁹ In its Proposed 2026 USECP, UGI explains that “all customers who provide UGI with a copy of a PFA Order are handled by the smaller number of CARES representatives for specific program referrals and payment options”.³⁹⁰

CAUSE-PA supports UGI’s policy of directing victims of domestic violence to UGI’s CARES team. This policy helps to protect sensitive documents and information provided by survivors of domestic violence – and helps survivors connect with CARES representatives who may have greater experience working with particularly vulnerable customers. However, we recommend several revisions to improve adherence to the applicable legal requirements and to better protect survivors from harm.

First, consistent with the applicable legal standard, we recommend that the Commission direct UGI to explicitly state in its Proposed 2026 USECP that the Company accepts PFAs *and other court orders issued in the Commonwealth that provides clear evidence of domestic violence*.³⁹¹ This will help to clarify which survivors of domestic violence can access these important protections.

Second, we recommend that UGI be directed to clarify its processes related to retention of PFAs and other orders, and monitoring of survivor accounts. We specifically recommend that UGI should be directed to develop processes whereby 1) a customer who has provided a PFA or other court order to UGI should have their account marked as having the requisite protections, and 2)

³⁸⁹ 52 Pa. Code Ch. 56, Subch. L-V.

³⁹⁰ Proposed 2026 USECP at 7.

³⁹¹ 52 Pa. Code § 56.251.

those marked accounts should be enhanced privacy protections, including limits on who can receive account information, and notices to the account holder if there any changes to the account. CARES representatives should discuss with the survivor whether they would like to password protect their account, or to restrict their information from disclosure on the Eligible Customer List or to other third parties that may previously have been authorized to receive their information.

Finally, we recommend that the Commission direct UGI to ensure that the employees who are responsible for survivor engagement and monitoring receive specialized training related to survivor's particular rights and needs. We recommend that UGI reach out to PCADV to arrange for appropriate training for its staff.

IV. CONCLUSION

CAUSE-PA appreciates the opportunity to submit comments concerning the July 2025 Order regarding UGI's Proposed 2026 USECP. We urge the Commission to act in accordance with these Comments and to adopt the recommendations contained therein. Doing so will help to ensure that all customers – regardless of income – are able to access and maintain safe and affordable services within UGI's service territory, consistent with statutory mandates enshrined in the Public Utility Code.

Respectfully submitted,

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October 6, 2025

CAUSE-PA Comments
UGI USECP 2026-2030

Appendix A

Response to CAUSE-PA Informal
Inquiries

Docket Nos.

M-2025-3054362

M-2025-3054366

P-2025-3054381

**CAUSE-PA’s Informal Questions Concerning UGI Proposed 2026-2030 USECP (Plan)
(Docket Nos. M-2025-3054362 and M-2025-3054366) for Stakeholder Meeting on April 29,
2025**

*Note that the following questions were developed to help us better understand UGI’s programs and how they are currently functioning. It is not intended to convey the full range of potential issues or recommendations we may outline in formal comments.

CAP

1. See page 11, FN 14. When determining an average bill for a CAP participant who does not have 12 months of historical data to determine an average bill, UGI relies on the average bill for all residential customers.
 - a. What is the current average bill among all residential households? The current average bill among all residential customers will vary based on customer type (e.g., heating vs non-heating).

Average Residential bill for Non-Choice customers:

 - \$45 Gas General
 - \$123 Gas Heating
 - \$100 Electric General
 - \$155 Electric Heating
 - b. Why not use the average bill for usage at the residence for the prior tenant? Footnote 14 states “A customer’s average bill will be determined based upon 12 months of historical usage for the residence or, if usage data is not available for the residence, the customer’s average bill will be set using the average bill for all residential customers.” The Company is utilizing usage for the residence which would include the prior tenant. If there was no prior tenant, then the average residential bill is based on all residential customers.
 - c. Does UGI use a different residential average for non-heating vs. heating?
Yes.
 - d. If an average bill is initially calculated using overall residential average, when does UGI begin factoring in actual usage?
Subsequent quarterly review periods would begin to factor in actual usage.
2. See page 13 regarding “energy education sessions” for high users. How is that information provided to customers? Is it in-person, over the phone, in writing? *Do we know if that process ever acts as a barrier to enrollment?*

CBOs utilize in-person, over the phone and in-writing communication relative to “energy education sessions”; it is the preference of the CBO and customer as to which method of communication is utilized.

3. See page 13 regarding direct solicitation to CAP-eligible customers:

- a. How does UGI solicit these customers (e.g. phone calls, emails, etc.)?
The Company utilizes email & USPS letters for solicitations.
- b. Is UGI tracking response and/or enrollment rates from these solicitations? If so, can you provide response and/or enrollment rates related to these solicitations? Yes, the Company tracks solicitations to self-reported low-income customers and enrollment rates for the same audience.

Spring 2024				
Channel	Sent		Enrolled as of 8/1/24	
	Gas	Electric	Gas	Electric
USPS	546	229	69	25
Email	3,226	827	267	97

Winter 2024				
Channel	Sent		Enrolled as of 2/1/25	
	Gas	Electric	Gas	Electric
USPS	488	193	35	4
Email	3,801	802	202	51

- c. Are these solicitations the same as outlined in Tables 1 and 2 of the CEOP?
Yes.
4. See page 13 regarding LIHEAP data sharing.
- a. How will LIHEAP recipients “opt-in” to enroll in CAP? Are they able to call, or is this a paper/online form?
Customers who receive an email solicitation can email UGI to indicate opt in. Customers receiving a letter are given options to email or return the signed letter. The Company is evaluating utilizing the dialer now that data sharing has resumed.
 - b. Will households that receive the opt-in notice be required to complete any additional paperwork or provide further documentation of income?
Assuming the Company receives income from LIHEAP data sharing, no additional paperwork or documentation is required.
 - c. How often and with what frequency will UGI send this communication to LIHEAP recipients?
The Company is receiving data sharing files, and plans to send solicitation letters every 2 weeks to non-CAP customers who have received LIHEAP. These efforts are scheduled to begin in August 2025, and will continue every two weeks as long as we receive data sharing files from DHS.
5. See page 15, regarding the UGI Electric Auto-Enrollment Pilot.

- a. Does UGI have any data to share regarding the pilot? How many households have been enrolled? What is the Opt-Out rate? Have auto-enrolled households followed through with income documentation? Statistics for CAP auto enrollment campaigns completed to date are below.

	Initially Eligible	Opt-Out # (%)	Eligible After Opt-Out	Not Enrolled*	Auto Enrolled # (%)
Spring 2025	242	28 (12%)	214	38	176 (73%)
Winter 2023/Spring 2024	658	56 (9%)	602	69	533 (81%)

Of the customers auto enrolled in Spring 2024 (173 out of 217 eligible accounts), 67% (116) recertified and remained enrolled in CAP a year after they were auto enrolled. 33% (57) were removed from CAP for various reasons (11 requested removal; 1 failed to recertify; 5 chose payment arrangement, 4 were over income, 1 was no benefit, and the remaining 35 moved.

*Could not enroll due to account being shut off, customer moved out, etc.

- b. What is the current CAP average bill and how often is it recalculated?
 CAP average bills are calculated on a customer-by-customer basis and would be done consistent with the customer’s quarterly recertification date. Each customer has a different schedule for quarterly recertification that depends upon their enrollment date.
 As of July 2025, the average CAP Payment is \$101 for the group of electric auto enrolled customers from April 2024.

6. See page 15 regarding Identification for CAP Eligibility.

- a. Why does UGI require Identification of customers, when they have presumably already proven identity to become a customer?
 To minimize fraud. Customers may have established service years prior, so proof is needed to ensure all things have remained the same as when service was initially established.
- b. Are applicants informed at the time of application that a SSN is optional, and not required to be eligible for CAP? If so, how are they informed?
 The SSN is on the application; it is not indicated that it’s optional or required. As referenced on page 15 of the Universal Service Plan, an applicant’s Social Security Number (“SSN”) is requested on UGI Universal Service Program application(s) but is not required for enrollment into any Universal Service

Program.

- c. What is the Company's income verification process referenced here ("UGI customers who have not participated in LIHEAP, or who have not gone through the Company's income verification process...")?

UGI customers who have not participated in LIHEAP, or who have not gone through the Company's income verification process, must provide identification as described herein to enroll in a Universal Service Program, except for the CARES program. These identification eligibility requirements are being standardized across all of UGI's USECP programs, except for CARES, to streamline the application process, except as specified herein. An applicant's Social Security Number ("SSN") is requested on UGI Universal Service Program application(s), except Customer Assistance and Referral Evaluation Services ("CARES"), as a form of customer identification but is not required for enrollment into any Universal Service Program (Low Income Usage Reduction Program ("LIURP"), Customer Assistance Program ("CAP"), Operation Share). UGI will accept Individual Tax Identification Numbers ("ITIN") in lieu of the applicant's SSN. For those applicants who do not provide either an SSN or ITIN, UGI will waive this requirement provided that the customer provides two other acceptable forms of identification, one of which must be a valid photo identification. If a customer does provide a SSN or ITIN, then the customer also must provide either one permitted government issued photo identification or in the alternative two permitted forms of alternative identifications, one of which must be a photo identification. The permitted forms of identification are set forth below:

1. One government issued photo identification such as:
 - Driver's License;
 - Passport;
 - Military ID card;
 - ID cards issued by the Federal, State, or Local Government; or
 - Any valid foreign government ID.
2. Two alternative forms of identification if a government issued photo identification is not available, such as:
 - College student ID card;
 - Social security card;
 - Voter registration card;
 - Birth Certificate;
 - U.S. Citizen ID card/ Permanent Resident Card;
 - Native American Tribal Card; or
 - ITIN (individual Taxpayer Identification Number).

All forms of identification must be valid and not expired.

7. See page 17, regarding denial of enrollment:
 - a. How many applicants have been denied enrollment based on allegations that the applicant lacks good faith, honesty, or fair dealing while working with the CAP CBO or UGI during application process? The Company does not track CAP enrollment denials. But there have been 3 CAP customers removed from January 2022 to June 2025 for fraud.
 - b. How many applicants have been denied enrollment based on failure to “engage in good faith efforts to conserve energy”? There have been 7 CAP customers removed for failure to conserve energy from January 2022 to June 2025.
 - c. How does UGI determine whether an applicant has failed to “engage in good faith efforts to conserve energy”? The Company evaluates an applicant’s usage and if there is no corresponding reduction, and/or if the applicant fails to participate in LIURP, that may be an indication that the applicant has failed to engage in good faith efforts to conserve energy. We have a high usage threshold that triggers a task for the CBO to contact the customer to complete a high usage questionnaire; in addition, the customer is referred to LIURP and the CBO reviews energy-saving options with the customer.
 - d. How are customers notified that they have been denied enrollment in CAP because they were accused of either fraud or theft of service or for failure to engage in good faith efforts to conserve? The CBOs or the Company sends out a letter when customers are removed due to fraud or failure to conserve energy
 - e. Is there a dispute process regarding accusations of theft / fraud, or failure to engage in good faith efforts to conserve? The Company has a dispute process regarding theft through our revenue protection department. Customers are instructed to contact the utility to review their options or discuss reasons why they were denied.

8. See page 17, FN 25. How many CAP participants have an alternative payment schedule? Can UGI provide examples of exceptions to either the payment schedule and/or grant application process that have been granted or may be granted to individuals and under what circumstances? Is there any specific criteria or circumstances that would allow an alternative payment schedule?

The Company has not granted exceptions or created any additional payment plans for any circumstance known to date. The Company offers a due date extension program, for customers on a fixed income, please visit <https://www.ugi.com/payments-billing/fixed-income-program/> for more details. As of 8/1/2025, there are 785 CAP customers on the due date extension program.

9. See page 18. Why has UGI decided to adjust CAP rates on a quarterly basis, as opposed to a monthly basis? Which months does UGI adjust CAP rates? Is the

quarterly CAP rate review specific to the CAP participant, or are all CAP rates reviewed in the same months? CAP rates are adjusted on a quarterly basis as a result of the Company's 2019 Base Rate Case Settlement, paragraph 47. The Company has built IT systems and job specific procedures around a quarterly CAP review process. The quarterly review is specific to each CAP participant based upon the participant's enrollment date.

10. See page 19, regarding household income documentation.
 - a. Does UGI use any further detailed guidance to CBOs for acceptable forms of income and/or to guide income determinations? CBOs are provided with training materials that review acceptable forms of income and how to determine CAP eligibility.
 - b. Will CBOs processing CAP applications be permitted to access LIHEAP household income data from DHS (once available) to verify household income? The Company will need to evaluate the final data format before engaging with CBOs to develop a process to share LIHEAP data sharing income. However, CBOs can contact the Company at any time to receive income verification if the customer has shared income data with the Company.
 - c. How does UGI verify earned income from non-traditional sources, such as "gig work", where a worker does not receive a traditional paycheck? For example, does UGI accept a letter from an employer? A bank statement showing regular deposits? UGI will accept a letter from an employer, bank statements, award letters, etc. – any documentation that proves income can and has been used, even for non-traditional sources.

11. See page 19-20, regarding use of LIHEAP grants. Does UGI have a standard arrearage threshold for which it will accept a LIHEAP Crisis Grant? If not, what factors does UGI use to determine whether to accept a LIHEAP Crisis grant to stop termination and/or reconnect service?

The Company does not have an arrearage threshold for which it will accept a LIHEAP Crisis Grant. The Company will accept a LIHEAP Crisis grant of any amount which is then applied to the customer's account. Any remaining balance is subject to the Company's collections provisions.

12. See page 20, regarding pre-program arrearage forgiveness.
 - a. Why does UGI impose a timeliness requirement? Has UGI considered providing forgiveness for each in-full payment, regardless of timeliness, to incentivize participants to catch up? The Company provides pre-program arrearage forgiveness over a 36-month period for CAP participants who continue to make payments in full each month.

- b. If a CAP participant falls behind by one month, but pays the next CAP bill on time and in full (without paying the bill that was missed), would the household receive forgiveness? Or, alternatively, would they only receive forgiveness if they catch up on all missed payments and remain on time with their bill. The customer receives forgiveness for each CAP bill paid in full.
- c. What percentage of CAP participants with PPA receive debt forgiveness each month?

For the month of July 2025, 61% of CAP customers with PPA balances received PPA forgiveness.

- d. How many months does it take the average CAP participant with PPA to earn full debt forgiveness? The Company is evaluating the ability to retrieve and analyze this data.
- e. Has UGI conducted any evaluation of its arrearage forgiveness program? No, the Company has not specifically conducted an evaluation of its CAP arrearage forgiveness benefit.

13. See page 21, regarding CAP Credit High Usage Criteria.

- a. How many CAP participants meet or exceed the high usage criteria? Please see the table below:

CAP High Usage LIURP Referrals			
Month	2023	2024	2025 CYTD
January	9	1	5
February	10	7	2
March	4	6	1
April	8	6	6
May	7	3	3
June	5	2	
July	8	1	
August	3	0	
September	1	3	
October	5	1	
November	2	0	
December	3	2	
Total	65	32	17

- b. How many high usage referrals resulted in LIURP services, and were those LIURP services successful in reducing usage below the high usage thresholds?

Customers who Reduced Usage			
Month	2023	2024	2025
January	1	0	N/A
February	1	0	N/A
March	0	1	N/A
April	1	1	N/A
May	1	0	N/A
June	1	0	
July	1	0	
August	0	0	
September	0	0	
October	1	0	
November	1	0	
December	1	0	
Total	9	2	N/A

We do not have 12 months post usage for any customer weatherized after May 2024.

14. See page 22.

- a. How many households have been removed from CAP for refusal to participate in LIURP? Please see the tables below for removal reason through April 30, 2025.

Gas - January 1 through April 30, 2025 (CYTD)					
Removal Reason	January	February	March	April	Grand Total
Failure to make CAP payments	-	-	-	-	-
Failure to comply with any customer obligation	-	-	-	-	-
Failure to comply with good faith, honesty, etc.	-	-	-	-	-
Household income over 150% FPIG	8	33	41	34	116
Failure to comply with established high usage controls	-	-	-	-	-
Refusal to participate in LIURP	-	-	-	-	-
Any reason (Chapter 14)	-	3	-	3	6
Failure / refusal to recertify	39	185	137	399	760
Bankruptcy	-	-	-	-	-
Legal action	-	-	-	-	-
Other	33	143	168	449	793
Grand Total	80	364	346	885	1,675

Electric - January 1 through April 30, 2025 (CYTD)					
Removal Reason	January	February	March	April	Grand Total
Failure to make CAP payments	-	-	-	-	-
Failure to comply with any customer obligation	-	-	-	-	-
Failure to comply with good faith, honesty, etc.	-	-	-	-	-
Household income over 150% FPIG	17	10	14	14	55
Failure to comply with established high usage controls	-	-	-	-	-
Refusal to participate in LIURP	-	-	-	-	-
Any reason (Chapter 14)	-	1	-	-	1
Failure / refusal to recertify	81	62	78	98	319
Bankruptcy	-	-	-	1	1
Legal action	-	-	-	-	-
Other	64	68	61	65	258
Grand Total	162	141	153	178	634

- b. How many households have been removed from CAP for failure to comply with high usage controls? Please see table in 14(a).
- c. How are households notified on their program removal? Are they provided an opportunity to appeal? The customer is mailed a letter within 2-3 business days of the removal. The Company provides its 1-800 number that the customer can call if they have any questions or concerns regarding their removal.

15. See page 22. FN 29.

- a. Does UGI recognize any other exemptions, such as medical usage or the addition of a household member? If a customer provides information – such as additional members in the household, an ill household member or another contributing factor beyond their control, UGI would provide an exemption.
- b. How does UGI determine whether a customer has increased/ high consumption beyond the customer’s reasonable control? CBOs will interact with the customer to obtain additional information about the household occupants. The interaction could be a phone call, email, letter or in-person visit to review the

high usage questionnaire.

16. See page 22 regarding recertification. Has UGI exercised this exemption? If so, how many CAP participants have received this exemption? See page 22, regarding recertification.

- a. How many households are removed from CAP for failure to recertify each year? Please see response to question 14(a) above.
- b. What is the nature of the CBO's "contact" at 15 days prior to anniversary date and one month after anniversary date? The CBO contacts the customer by either phone call or mail to remind them it's time to recertify.
- c. Are customers sent any follow-up information explaining how to re-enroll in CAP if they are removed from the program for failure to recertify? The removal letter has a 1-800 number referring to UGI's call center. Call center representatives are trained to advise the customer that they need to reapply with their CBO if LIHEAP was not received on the account within past 12 months.
- d. Can UGI provide copies of the communications to participants regarding recertification? See recertification letter, Exhibit 15 in CEOP.
- e. Regarding recertification for LIHEAP recipients, UGI provides: "When the LIHEAP income guidelines are the same as CAP."
 - i. Does UGI currently consider LIHEAP and CAP income guidelines to match (e.g., is this only referring to the 150% FPL threshold)? Yes.
 - ii. If DHS shares household income and composition data, does it matter whether LIHEAP income guidelines match CAP? No, as long as the information received is accurate.

17. See page 24, regarding reasons for CAP removal.

- a. How many households were removed from CAP for each of the listed reasons? Please see response to question 14(a) above.
- b. The first and 7th bullets each refer to removal from CAP based on termination of service. Please explain the difference between these two reasons. The first bullet is in reference to missed payments, and the 7th bullet is referencing subsection (3) in below.

§ 56.81. Authorized termination of service.

A public utility may notify a customer and terminate service provided to a customer after notice as provided in §§ 56.91—56.100 (relating to notice procedures prior to termination) for any of the following actions by the customer:

- (1) Nonpayment of an undisputed delinquent account.
- (2) Failure to complete payment of a deposit, provide a guarantee of payment or establish credit.
- (3) Failure to permit access to meters, service connections or other property of the public utility for the purpose of replacement, maintenance, repair or meter reading.
- (4) Failure to comply with the material terms of a payment arrangement.

18.

- a. Regarding failure to participate in LIURP as a reason for customer removal from CAP, are exceptions made where a customer who is a tenant is not able to obtain landlord consent to provide weatherization measures? Customers are not removed from CAP if their landlord does not sign LIURP consent.
 - b. How many CAP participants request voluntary removal from CAP and are subject to the 12-month stay-out? For CYTD as of 4/30/25, 57 for Gas and 4 for Electric requested voluntary removal from CAP.
 - c. How many CAP participants request voluntary removal from CAP because they no longer received a benefit from CAP? For CYTD as of 4/30/25, 4 for Gas and 0 for Electric requested voluntary removal from CAP because of not receiving a benefit for CAP.
19. See page 25 regarding amount due following a “voluntary discontinuance”. How does UGI calculate the final bill for these households? The Company calculates the final bill by using the accounts receivable balance minus any outstanding PPA or CAP credit forgiveness.
20. See page 25 regarding removal from CAP if the program is “deemed non-beneficial without having to receive the customer’s consent.” Can UGI provide any examples of where the program would be deemed non-beneficial and thus remove a customer from CAP without their consent? Yes, examples can be provided. How many customers have been removed from CAP for this reason in the last 5 years? From January 1, 2020 through May 31, 2025, the number of gas and electric customers removed from CAP due to no benefit totals 525.

When a customer’s usage-based bill is higher than their CAP monthly payment, the program is deemed to be beneficial to the customer. If a customer’s usage-based bill is less than their monthly CAP payment, CAP is deemed no longer beneficial and there would be no 12 month wait to re-apply if the customer elects to be removed from CAP. As long as the customer has unpaid pre-program arrearage, CAP is a benefit to the customer. Examples below would be based upon the assumption that PPA has been satisfied for the customer prior to the customer making the decision to be removed.

Example 1:

CAP is beneficial and if customer elects to be removed from CAP the customer would need to wait 12 months for re-enrollment into CAP.

Usage based bill winter: \$100

CAP monthly payment winter: \$25

Usage based bill summer: \$22
CAP monthly payment summer: \$25

Example 2:

CAP is not beneficial and if customer elects to be removed from CAP there would be no 12 month wait if they elect to re-enroll.

Usage based bill winter: \$30
CAP monthly payment winter: \$40

Usage based bill summer: \$20
CAP monthly payment summer: \$25

LIURP

1. See page 27 regarding roll-over of LIURP funds. What is the basis for UGI's proposal to not carry over unspent funds at the end of a program year?

UGI Gas shall make its best efforts to spend the remaining unspent budget from the prior year within the first six months of the following year. For any remaining carryover budget from the previous year not spent after the six months, the Company agrees to comply with any final regulations lawfully adopted and promulgated pursuant to the pending rulemaking proceeding at Docket No. L- 2016-2557886.

2. See page 28. How many completed LIURP jobs are designated for third-party review and evaluation? How are jobs designated for review? Are they randomly selected or are there specific factors considered? All LIURP jobs are designated for third-party review and evaluated by a third-party inspection company. The only time jobs are not inspected is at the end of the calendar year due to time constraints that do not permit the third-party inspector to complete inspections by the last day of the program year.
3. See Page 28 regarding LIURP Eligibility. The second bullet point states that "the customer's gross household income is between 151-200% of the FPIG, pursuant to the Household Income Documents provisions set forth in the CAP sections." Our understanding is that eligibility is up to 200% FPL for gas customers (inclusive of households with income between 0-150% FPL), and that 20% of funding is also

available for electric customers between 151-200% FPL. Can UGI clarify what the income eligibility requirements are for both gas and electric customers?

- UGI Gas expanded LIURP eligibility to 200% FPL as a result of the 2022 rate case settlement.
 - UGI Electric expanded LIURP eligibility to 200% FPL (up to 20% of jobs) as a result of the 2023 rate case settlement.
 - As agreed to in the 2023 Electric Base Rate Case Settlement “Effective January 1, 2024, UGI Electric will expand its Electric LIURP heating and baseload job access to customers between 151% and 200% FPL; a limit of 20% of the overall LIURP budget shall apply for jobs related to customers falling between 151% and 200% FPL.”
4. See page 28, regarding maximum per-job budget caps. Please explain how UGI calculated its per-job spending caps, and why it has not made adjustments to account for inflation. The Furnace Replacement maximum of \$14,000 has been determined to be adequate to cover the cost of jobs. For jobs where furnace or boiler replacements are not required, the Company has a proposed the maximum be raised from \$8,000 to \$10,000.
 5. See page 29 regarding usage thresholds. Has UGI considered evaluating energy used per square footage (or some other alternative basis) to determine high usage, to help reach smaller homes with comparatively high usage? The Company does not have information such as square footage of a home in our customer information system, therefore, the Company would not have this level of detail prior to an audit being performed at the premise. Billing is not based on the premise’s square footage, but is based on the customer’s usage.
 6. See page 29, requiring a premise to be “suitable for weatherization services.” Please explain the circumstances in which a premise would be “not suitable” (beyond the potential that the household was previously weatherized, as recognized in the footnote). Circumstances in which a premise is “not suitable” would be situations where a job deferral is appropriate based on specific circumstances in the home. Circumstances may include items such as the customer’s home having moisture or mold issues, rodent infestation, severe damage to the home, or water leaks – where the maximum allowed LIURP budget would not be enough to address the reasons the job was deferred.
 7. How many households have been deferred from receiving LIURP due to health, safety, or other “suitability” reasons? The Company tracks jobs that have been closed with no measures and incomplete jobs but is not specifically tracking jobs that have been deferred due to health, safety or other “suitability” reasons. In calendar year 2024, there were 293 incomplete and closed no measure jobs.

8. See page 29, FN 38 regarding landlord consent for LIURP work. Does UGI track how many LIURP jobs are not completed due to lack of landlord consent? Does UGI do any outreach to landlords that either do not consent or do not respond? The number of LIURP jobs not completed due to lack of landlord consent are included in the closed no measure and/or incomplete job statistics in answer 8. The Company does not track LIURP jobs that are not completed due to landlord consent, however, LIURP agencies are responsible for outreach to landlords.
9. See page 30. How many LIURP jobs were braided with other programs (including federal, state, local, or other utility programs) to provide enhanced services, such as home repairs or additional efficiency or weatherization measures not covered by LIURP? This data is reported in the April 30 LIURP Savings Report(s) on an annual basis; 2-year lag, since the Company needs 12 months pre- and 12 months post-usage in order to calculate savings.
10. See page 31. How many Rehabilitation Program Units were provided with services in the most recent program year? Can UGI provide any details regarding measures provided? The Company has not had any projects that qualified for the Rehabilitation Program in the most recent program year.

FUNDING COMMITMENTS

1. See page A-1. How did UGI arrive at its projected participant levels for CAP? Based on the 2023 USR, UGI has approximately 89,923 confirmed low income customers, but has set its enrollment goals at only around 30% of that number. The Company utilized a compound annual growth rate calculation based on historical CAP enrollment data in order to reach the estimated numbers. Additionally, the 89,923 confirmed low income customers reported on the 2023 USRR includes self-certified customers up to 250%, as well as customers who have not been through the Company's income verification process, therefore, majority of that population is not eligible for CAP enrollment. The Company has notified the Commission's Business of Consumer Services (BCS) that the data submitted in the 2024 Universal Service Reporting Requirements Report, and prior year reports, was overstated, pursuant to the above-described discrepancy.
11. See B-1. LIURP Needs Assessment. Please explain how UGI developed its LIURP budget in relation to projected need and identify the number of years UGI anticipates it will take to serve projected need. The needs assessment is showing the number of confirmed low income customers exceeding LIURP usage thresholds. However, the Company's LIURP Budget is established through various Base Rate Case and USECP settlement terms. The 2025 Gas Base Rate Case Settlement agreement added

\$1,000,000 to the Company's Gas Budget effective 1/1/26. Based on the number of jobs completed for UGI Gas regions in 2024, and the number of premises to be weatherized, it will take an average of 26 years.

12. See page 29. Timeframe. Has UGI considered reducing the number of years customers must stay out of LIURP, particularly where only baseload measures were previously installed? Currently the number of stay-out years is 7 and it is proposed to remain at 7 years. The Company has not considered reducing the 7-year timeframe as part of the 2026-2030 USECP.
13. See page 30. Approximately how many and what percentage of LIURP jobs are coordinated with Act 129 program jobs? With Weatherization Assistance Program jobs? With electric utility LIURP jobs? How does UGI coordinate with these other programs? The Company does not track this data. However, in terms of coordination, the Company's CBOs refer customers to Act 129 companies when applicable.

CEOP

14. How does UGI intend to coordinate with its USAC related to any planned outreach efforts or materials? During USAC meetings, UGI plans to continue to provide updates on variety of topics including its planned outreach efforts as part of its CEOP.
15. See F-1 Zero income form. We are concerned that this form does not have clear instructions on who to contact for questions, reporting changes in income, or identifying the CAP agency it should be submitted. Has UGI considered revising to include this additional information? The Zero income form is filled out in person or via phone call with an agency where the customer would be able to ask any questions in regards to filling out the form. Once a customer is enrolled into CAP, a Welcome Letter is mailed out via USPS, which identifies the customer's assigned CBO and information. In addition, the rules of the program, which the customer receives upon enrollment, states changes in income must be reported to the customer's assigned CBO.
16. See Exhibit 4 – Has UGI considered embedding any links to make them clickable for those who will access these materials online. We also note that the font is quite small and may not be readable for many customers. For those customers that the Company has an email address on file, the Welcome Packet is sent via email which includes embedded links. For those customers without an email address, a hard copy is provided through USPS.
17. See Exhibit 8 – Regarding UGI's social media posts, which analytics, if any, does UGI track? The Company does not track any social media analytics.

18. See Exhibit 10 – Has UGI considered including a phone number in the *self reported low income journey* and *new cap enrollment journey* emails? Further, would UGI consider adding the note regarding the zero-income form with the proof of income bullet as opposed to below the line in italics? The Company will include the CBO’s phone number in the self reported low income emails going forward. The zero-income form note as shown below appears to reference Exhibit 14. The Company will consider and evaluate the necessary IT enhancements required to move italicized content into the bulleted list.

Application Instructions

- Fill out all required information clearly and completely
- Provide proof of income for the most recent 30 days, 90 days, or 12-month period. Proof includes letters, pay stubs, award, employer statements, etc.
- Provide a valid picture ID
- Make sure you have signed the CAP Consent and Release
- Make sure you have signed the CAP Truth of Statement
- Return the application to:

If you told us you have no income or your income is less than the cost of your monthly expenses you may be required to provide additional information. Properties that have higher than average usage will be required to fill out additional forms.

LIHEAP Data Sharing

19. See Page 1. Does UGI intend to use LIHEAP household data to determine income eligibility for the non-CAP universal service programs, LIURP and Operation Share, thereby waiving the need for customers to submit additional income documentation? If so, when will that be implemented and how will that process work? Consistent with 2025 Gas Base Rate Case settlement, the Company will no longer require applicants for its CAP, Low Income Usage Reduction Program (“LIURP”), or Operation Share programs to produce income documentation if the applicant (1) received a LIHEAP grant within the current or prior LIHEAP season and (2) are included within the LIHEAP data shared by DHS. UGI Gas will update all relevant applications and communications to inform applicants of this documentation waiver.
20. See Page 1. Has UGI considered taking steps to streamline the use of tenant-customers' LIHEAP household data to conduct outreach to landlords on the benefits of the LIURP program and information on the permissions needed for tenants to participate? The Company has not considered using LIHEAP household data to conduct outreach to landlords.
21. See Page 2. What communication method will UGI use to inform CAP customers recertified with LIHEAP household data if or how their monthly CAP bill will change

and how to contact the utility if their information has changed since completing the LIHEAP application? CAP customers receive a letter if their CAP amount changes and are advised to call UGI.