

PULP (NON) FICTION

a Pennsylvania Utility Law Project publication

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Utility Hotline 844-645-2500



WELCOME TO THE FIRST ISSUE OF PULP (NON) FICTION

Thank you for subscribing to our newsletter! We will be using this newsletter to communicate updates about changes in utility policy, law, or procedure resulting from PULP's advocacy on behalf of our clients, as well as other news in the utility world affecting the ability of households with low income to connect to and maintain utility service. We hope to publish 3-4 times per year. If you have ideas about something you would like to see, please email us at pulp@palegalaid.net.

A shout out to Shawn Boehringer, a colleague in legal aid, who is the creative genius behind the newsletter's name. While we can't promise Tarantino-like dialogue, we hope you'll find the information useful.

LIHEAP: Open until April 12, get applications in now!

LIHEAP is a federally funded heating assistance program for low income consumers. The program has three components: a cash grant, a crisis grant, and crisis interface (weatherization). To be eligible for LIHEAP, a household must meet the following requirements: (1) have income at or below 150% of the federal poverty guidelines; (2) have a home heating responsibility; and, (3) be a Pennsylvania resident. To qualify for a crisis grant, a household must meet the guidelines for a cash grant and have an actual or imminent home heating emergency. The crisis grant must be sufficient to resolve the crisis.

If a utility accepts a crisis grant to restore service or prevent termination, they cannot terminate service until May 1, 2019 or 30 days after the crisis grant is accepted whichever is longer. To qualify for crisis interface, a household that would otherwise qualify for a crisis grant must have a home heating system that needs to be repaired or replaced. If renting, the landlord must grant permission for the work to be done. They must also agree not to evict / increase rent for a

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reasonable time period (18 months or more). Applications are available online via DHS's website <https://www.compass.state.pa.us/> or in person at the local county assistance office. If you would like more in depth information about LIHEAP, check out PULP's LIHEAP Advocate's Manual which can be found [here](#).

National Fuel Gas: Greater savings for CAP customers.

In March of 2018, the Public Utility Commission (PUC) approved NFG's Universal Service and Energy Conservation Plan (USECP) for 2017- 2020. The plan contains several important improvements for low income customers. NFG restructured its customer assistance program (CAP) to increase the discount given to vulnerable customers. This change allows low income customers to benefit from both CAP and LIHEAP. Receiving a LIHEAP grant will no longer reduce a customer's CAP subsidy amount. Extremely low income customers will now receive the largest bill discount, in addition to their LIHEAP benefits. LIHEAP will supplement their CAP subsidy, not reduce it. Additionally, NFG established a Universal Service Advisory Committee (USAC). This committee will serve as an open line of communication between advocates and the company regarding all issues related to NFG's USECP. NFG was one of the last Pennsylvania utility companies to adopt a USAC.

Columbia Gas: No increase to fixed residential customer charge.

On December 6, 2018, the PUC approved a partial settlement in Columbia Gas's 2018 Rate Case. Columbia Gas agreed not to increase its fixed residential customer charge, which is set at \$16.75. The parties agreed to a rate increase of \$26 million in revenue, significantly less than the \$46.9 million they initially requested. Columbia also agreed to increase the funding of its low income usage reduction production (LIURP) by \$125,000 in 2020. Their medical certificate policies were modified. They will now accept more than three medical certificates, if certain conditions are met. The requirement that medical professionals must submit medical certificates on a specific form has been removed. Columbia also agreed to revise its termination notices to reflect this policy change. Most importantly, Columbia agreed to engage in biannual reviews of CAP customer accounts that exceed the current maximum energy burden established by the Commission. If a lower payment option is available, Columbia will automatically adjust the customer to a lower rate. These changes will go a long way to ensure that low income customers have access to affordable utility service and energy conservation.

Duquesne Light: Residential customer charge reduced and vulnerable customers protected.

On December 20, 2018, the PUC approved settlement of the Duquesne Light rate case. As part of the settlement, Duquesne Light agreed to an overall reduction in their fixed customer charge from \$14.17 to \$12.50. Duquesne Light also agreed to modify their medical certificate policy. They will now allow vulnerable customers to obtain more than three medical certificates. In order to receive more than three, the customer must pay their current charges by the due date each month.

Additionally, victims of Domestic violence within Duquesne Light's service territory now have increased PFA protection. Duquesne will now accept a PFA from any household member instead of only the

account holder or their children. Duquesne also agreed to continue to target its high usage CAP customers for the Low Income Usage Reduction Plan (LIURP). This resulted in an increase of \$140,740 to their LIURP budget.

Duquesne will be transitioning from a Percent of Budget program to a Percent of Income Payment Plan (PIPP) for CAP customers. This transition may provide an opportunity for customers to earn forgiveness on existing in-program debt. It will also change their level of benefits, possibly reducing their monthly payments.

PECO Energy: Increased funding for CAP in the face of its most recent rate increase.

On December 20, 2018, the PUC approved a partial settlement of PECO Energy's Rate case filing. PECO wanted to increase their residential customer charge by 48%, from \$8.45 to \$12.50 per month. After settlement, the customer charge was limited to \$10, for an increase of only \$1.50 per month. This remains the lowest fixed customer charge in the state.

PECO Energy increased funding for its low income customer assistance programs by increasing their LIURP budget by \$1 million per year. These funds are in addition to the previous budget and may be used to resolve health and safety issues, along with structural issues in the homes. They also agreed to several necessary modifications to the customer assistance program (CAP). They will increase their CAP maximums by \$200. This increase will reduce the number of low income customers who could potentially exceed their CAP maximum from 7000 to 200. PECO agreed to refund \$600,000 in security deposits that had been inadvertently collected from low income households. PECO will also conduct a language assessment of the service territory and develop a plan to address its limited English proficiency customers.

First Energy: Low income advocates secure CAP customer protections.

On February 28, 2019, the PUC issued a Final Order in the First Energy default service and procurement case. In this proceeding, the Commission reviewed how electricity was procured and the price customers pay for that service. As a result of participating in the competitive electric market (shopping), over a 56 month period, CAP Customers paid \$18.3 million more for electricity than they would have paid if they had received generation directly from their utility company (default service). In recognition of the vulnerability of CAP customers and the harm created by unrestricted access to the competitive market, the PUC approved price protections for CAP customer shopping. Beginning June 2019, CAP customers cannot be charged more by an alternative supplier than the utility would charge for default service.

Pittsburgh Water and Sewer Authority (PWSA): Now under PUC's jurisdiction.

PWSA is now under the jurisdiction of the PUC. As a result of this new oversight, there are significant benefits for customers, including access to additional protections from termination, standardized payment arrangements, the ability to file informal and formal complaints with the PUC, and protections for victims of domestic violence.

The PUC also recently approved a settlement in PWSA's first rate case after coming under the jurisdiction of the PUC. While rates will increase, PWSA made several concessions which will improve the ability of low income customers to access and maintain safe service, including:

- Increased bill discount (75% off the minimum service charge) through the Bill Discount Program, available to households with income at or below 150% of the federal poverty level (FPL).
- Free water filters for low income households with a lead service line, and the possibility of free lead service line replacement.
- Grant assistance (up to \$300) for households with income at or below 150% FPL.
- The creation of a Low Income Assistance Advisory Committee (LIAAC), which includes members from local community groups to help improve PWSA's low income programs.
- A moratorium on the transfer of debts to Jordan Tax Service, a debt collector which levied high fees onto already unaffordable debts.

Contact the Pennsylvania Utility Law Project:

Contact for Advocates

Advocates can contact PULP with questions about how to assist a client to connect, maintain, or prevent termination of their electric, natural gas, or water utility account.

717-236-9486 / pulp@palegalaid.net

Contact for Clients

Low income clients who are unable to connect to service or are facing a utility termination can call the Utility Hotline for assistance with resolving their utility issue.

Toll Free: 1-844-645-2500 / utilityhotline@palegalaid.net

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