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NATIONAL ENERGY & UTILITY AFFORDABILITY COALITION



Improving Energy Affordability: Lessons Learned in Pennsylvania

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PA Universal Service Programs



Programs Offered

- **Customer Assistance Program (CAP)** - Reduced bills and/or debt forgiveness.
- **Low Income Usage Reduction Program (LIURP)** - Weatherization services and energy education.
- **Customer Assistance and Referral Evaluation Services (CARES)** - Case management and referral services. May include company credit.
- **Hardship Fund** – Cash grants to pay utility debt and/or restore/maintain service.

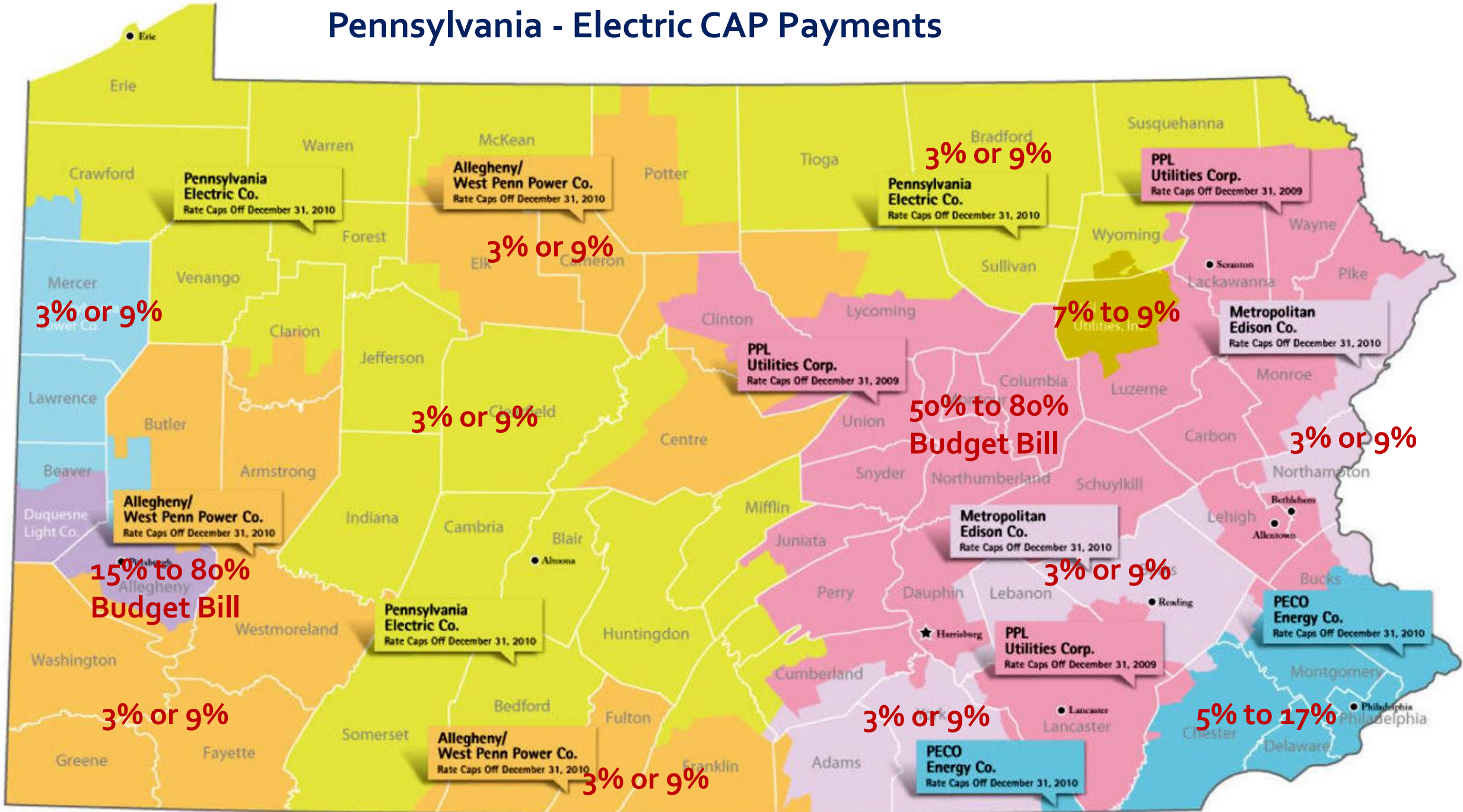
1999-2019: Pennsylvania's Max Energy Burden Levels for CAPs

	0-50% FPIG	51-100% FPIG	101-150% FPIG
Gas heating	5%-8%	7%-10%	9%-10%
Electric non-heat	2%-5%	4%-6%	6%-7%
Electric heating	7%-13%	11%-16%	15%-17%

CAP Energy Burdens



Pennsylvania - Electric CAP Payments



Rethinking Universal Service Programs in PA



Questions Asked

- What is an affordable payment for low-income electric and natural gas customers?
- How can we make these programs more accessible (*i.e.*, easier to access and qualify)?
- How can we do better at making customers aware of these programs and how it can help them?

Rethinking Universal Service Programs in PA



Our Approach

2017 - 2019 - PA PUC initiated a comprehensive review of its universal service programs, including:

- Stakeholder comments and meetings

Conducted an Energy Affordability Study for low-income utility customers in PA, which included reviewing:

- Utility data on residential and low-income customers
- Available Studies/Paper
- Surveying other states

Stakeholder Feedback

Stakeholder Assessments

- PA utilities want flexibility in designing and administering their programs.
 - Rural vs. urban customers - one size does not fit all
- Low-income advocates want more consistency in accessibility and benefits in utility programs.

Proposals included: (Non-consensus)

- Reduce CAP energy burdens (*i.e.*, what the customer must pay)
- Standardize forms
- Increase outreach and education



Energy Affordability Study



Study Findings

CAP customers still pay a significantly higher percent of income for electric and gas service than the average residential account.

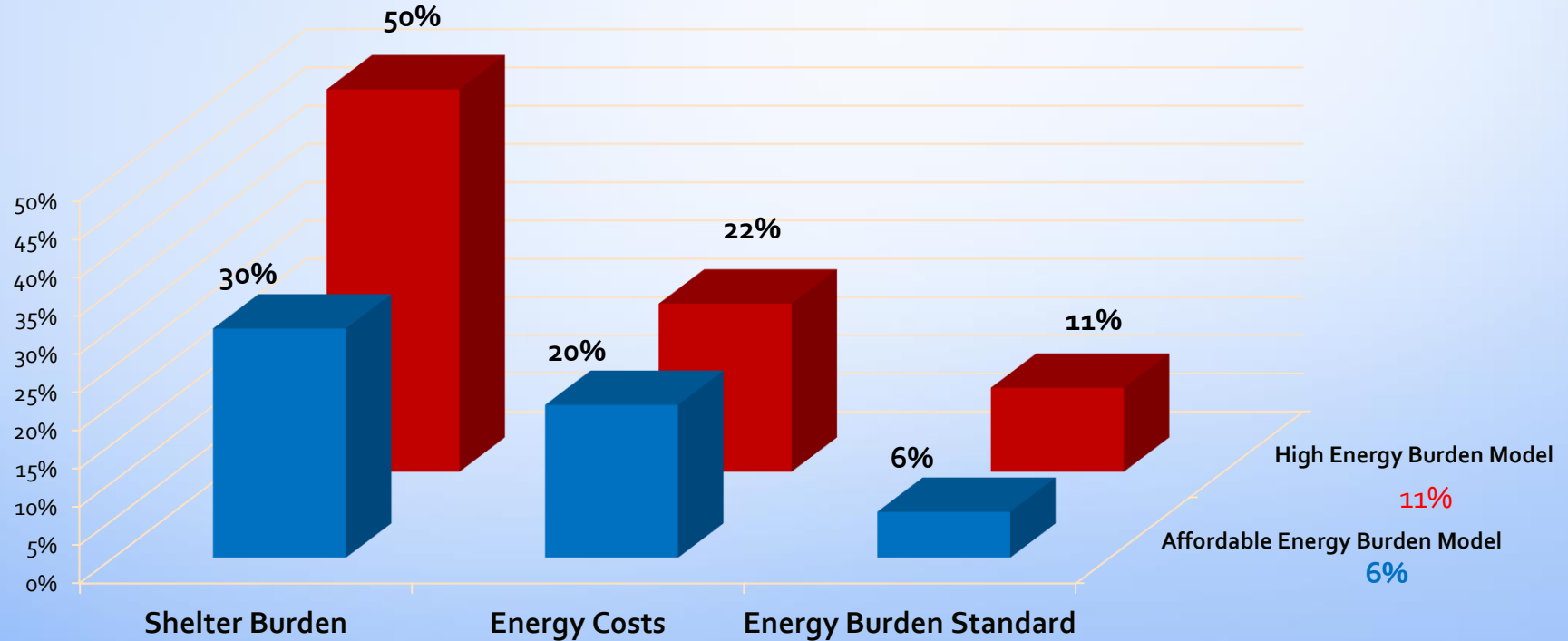
- CAP customers in the 0 to 50% Poverty level had energy burdens as high as **30%**.

LIHEAP had a measurable impact on energy burdens (up to 9%) for CAP customers, especially those at the lowest income tier.

- Even after LIHEAP, customers at or below 50% poverty level often had energy burdens exceeding the PA CAP guidelines.

Energy Affordability Study: Research

- Fisher, Sheehan & Colton: **Affordable Energy Burden Model: 30% Shelter X 20% Energy Bill = 6% of Income**
- APPRISE: **High Energy Burden Model: 50% Shelter X 22% Energy Bill = 11% of Income**



Resource: APPRISE: LIHEAP Energy Burden Study & Home Energy Affordability Gap Report
Fisher, Sheehan & Colton: Home Energy Affordability In New York



Commission Action - November 5, 2019 Order



Affordability Recommendations

- New recommended maximum CAP Energy burden levels for combined electric and natural gas service
 - Maximum 6% energy burden – 0-50% FPIG
 - Maximum 10% energy burden – 51% to 150% FPIG
- Minimum CAP payment requirements and maximum CAP credits should be established in utility universal service plans.
- No late payment charges for CAP customers

Commission Action



Accessibility Recommendations

- Allow customers to apply online
- Encouraging the use of standardized forms
- Count adult income only – exclude unearned income for minors (SSI, SSA, etc.)
- Accept income for past 30 days or 12 months to determine eligibility and payments
- Not requiring SSNs or that customers be “payment troubled”
- Allowing customers to remain in the program when transferring service
- Extend income recertification timeframes

Commission Action Consumer Education and Outreach Directives



Consumer Education Enhancements

“When You Know Better – You Do Better”

Commission Directives to Utilities:

- File Consumer Education and Outreach Plans (E&O Plans) for Commission review to provide feedback, recommended changes and final approval.
- Continue utility universal service meetings and assure Commission participations from the Bureau of Consumer Services and the Office of Communications.

Education and Outreach Plan Reporting Recommendations

E&O Plan Components

- Report programs and services offered to customers in the service territory.
- Describe established and new E&O activities, programs, and initiatives.
- Identify targeted audience for consumer education events, programs, and outreach activities.



E&O Plan: Community Engagement Recommendations

Consumer Education and Outreach

Enhance Community Engagement:

- Identify community partners who will be offered consumer education services and trainings.
- Establish a comprehensive plan to educate their most vulnerable and hard-to-reach customers.
- Report plans to train and educate human service professionals (e.g., conferences, workshops, train-the trainers).

“When You Know Better – You Do Better”



E&O Plan: Advocacy Opportunities and Utility Partners

Consumer Education and Outreach

Utilities should explore opportunities to partner with:

- Community Advocates
- Community Groups, Leaders and Businesses
- Human Service Professionals
- Legislatures
- PUC, other Government Agencies and Stakeholders.



Consumer Education and Outreach

Utility Advertising, Social Media and Media Messaging Strategies:

- Identify how educational and outreach events are advertised and promoted.
- Identify and target key and at-risk audiences.
- Describe a plan to implement and execute messaging and branding.
- Explain how the utility will measure the effectiveness of its outreach advertising and media campaigns (e.g., television, radio, or social media ads).

E&O Plan: Advertising, Social Media and Media Messaging Strategies



Consumer Education and Outreach

We ask utilities to share:

- Examples of educational materials – such as brochures, fact sheets, posters, educational advertising, bill inserts and program enrollment letters.
- Brochures and other materials crafted for customers with limited English proficiency (*e.g.*, Spanish speaking).
- Educational videos

E&O Plan: Educational Materials



PA PUC signature
Consumer Education
Program – ***Be Utility
Wise*** is a FREE
professional
development conference
promoting consumer
awareness of utility
programs, education and
healthy living in
Pennsylvania.

Be
UtilityWise



Consumer
Education and
Outreach
Video



PUC Consumer Education Fact Sheets

PUC Responsible Utility Customer Protection Act

In 2014, The General Assembly passed and the Governor signed House Bill 939/Act 155 of 2014, to reauthorize the 10-year-old "Responsible Utility Customer Protection Act," Chapter 14 of the Public Utility Code for another 10 years. The new law revised some Chapter 14 provisions related to low-income programs, Protection from Abuse Orders and medical certificate filings, and added some new regulations and reporting requirements. Chapter 14 rules apply to cash deposits; execution of service; termination of service; payment arrangements; and the filing of termination complaints by consumers for electric, gas and water. Under the law, a customer can only establish one payment arrangement with the PUC. The utility company has the discretion to offer more than one payment arrangement. The Public Utility Commission will work beginning in early 2015 to implement the new law with new amended regulations, and continue to work with all parties to ensure compliance with the law, as well as protect the health and safety of Pennsylvania. The Act protects responsible bill-paying customers from bill increases attributable to the uncollectible accounts of customers that can afford to pay their bills, but choose not to pay.

This fact sheet is designed to provide you with very important information regarding how the Act affects you and your utility service.

Your utility company can **SHUT OFF** your service if you **FAIL** to do the following:

- ✓ **PAY YOUR BILL**
- ✓ **FOLLOW THROUGH ON PAYMENT ARRANGEMENTS AND A DEPOSIT IF REQUIRED**
- ✓ **ALLOW THE COMPANY ACCESS TO ITS EQUIPMENT**

Before your service is shut off, your utility company will take the following steps:

- Send you a 10-Day Notice. Once you get the notice, the utility company has up to 60 days to shut off your service.
- Attempt to contact you three days prior to your shut-off date.
- During winter months (December 1 through March 31), if the utility company cannot reach you at the time of termination, they will leave a 48-hour notice at your residence.

Medical Certification
Your utility service will not be shut off if you or someone living in your home is certified as seriously ill by a licensed physician, physician's assistant or nurse practitioner. The utility company will require you to provide a letter from a licensed physician, physician's assistant or nurse practitioner, stating that shutting off your utility service will harm the ill person in the home.

The initial medical certification can be up to 30 days, with renewals possible. You are still responsible to pay your bill even if there is a medical certificate for someone in your home.

2022 Monthly Federal Poverty Income Guidelines

Size of Household	100%	250%
1	\$1,495	\$2,498
2	\$1,995	\$3,191
3	\$2,715	\$4,325
4	\$3,275	\$5,458
For each additional person	\$660	\$993

Source: Monthly Federal Poverty Income Guidelines as updated every January.

Do You Know?

Many Electric Companies Offer Energy Efficiency Programs and Rebates

The General Assembly charged the Pennsylvania Public Utility Commission (PUC) with implementing Act 128 of 2008 and guiding consumers and electric utilities toward achieving the legislation's overall goals of reducing energy consumption and peak electric demand. The PUC is implementing the Act in phases to ensure that electric utilities provide energy efficiency and conservation programs to customers in the most cost-effective manner possible.

The Act directs only the state's seven largest electric distribution companies (EDCs) with more than 100,000 customers to provide EERC plans, although UGI Electric, which has less than 100,000 customers, does offer similar energy efficiency programs and rebates.

Find out how your electric company can help you lower your energy bill and put **MONEY** back in your pocket!

Contact your Electric Distribution Company today!

EDCs that offer Energy Efficiency and Conservation Programs:

FirstEnergy Companies: firstenergy.com/save-at-home
(Met-Ed, Penelec, Penn Power, West Penn Power)

Duquesne Light: duquesnelight.com/energy-money-saving/least-choices

PG&E Electric: pgandeelectric.com/ways-to-save/all-rebates

PECO: peco.com/smart-ideas

UGI Electric: ug.com/save-energy-history

EDCs that offer Energy Efficiency and Conservation Information:

Citizens' Electric: citizenselectric.com/energy-resource-center

Pike County Light & Power: pcolpc.com/energy-and-safety/energy-efficiency

Wellsores Electric: wellsoreselectric.com/news/info/energy-saving-tips

Pennsylvania Public Utility Commission Outreach and Education Services

The PUC's Office of Communications offers statewide utility education and outreach services. Our dedicated outreach and education team are an essential component in our community by providing tools, utility resources and education services. Our mission and goal is to increase awareness and understanding of the many utility programs and services available to consumers.

The outreach and education team partners with a variety of community groups, state government agencies, legislators, human service providers, utility companies, community based organizations, and many other interested stakeholders to help educate, share many useful tools, resources and programs to help consumers make informed utility choices.

Educational programs, workshops, seminars, forums, library tours, roundtable discussions, training sessions and conferences are available on a variety of utility topics and are tailored to reach each audience.

These educational topics and programs include:

- PUC Regulations
- PUC Consumer Protections & Complaint Process
- How to Prepare for Public Input Hearings
- P&G/Switch
- P&G/Switch
- Prepare Now
- Be Utility Wise Events
- Limited Income Customer Assistance Programs
- Energy Efficiency Programs
- PUC Educational Games
- PUC Utility Careers
- Other Utility-Related Programs and Services

To Set Up a Workshop with a PUC Consumer Educator:

Write: PA Public Utility Commission, Bureau of Consumer Services, 400 North Street, Harrisburg, PA 17120

Call: 1-717-787-5724

Website: www.puc.pa.gov

PUC

NEED HELP WITH YOUR ENERGY BILLS?

The Public Utility Commission requires utilities to have programs and protections that help limited-income customers keep their utility service. These programs may help you to pay utility bills or lower the amount of electricity or natural gas you use.

The local electric or natural gas company may call them by different names, but each company has the following programs listed below. Here are some tips to help you stay warm, lower your heating bills, and tell you who to call when you need help.

Budget Billing: All residential customers may contact their electric or natural gas company to request budget billing at any time. The fees will be based on the customer's past 12 months of energy usage to arrive at a fixed "average" amount to bill each month. The utility company can adjust this average four times a year higher or lower depending on the customer's usage.

Customer Assistance Programs (CAP): This program is set up between the utility company and a limited-income, payment-troubled customer to pay utility bills that are based on household size and gross household income. CAP customers agree to make regular monthly payments, which are usually less than the current bill, in exchange for continued utility service.

Customer Assistance Referral and Evaluation Program (CARE): The CARES program will help customers with special needs. Special needs customers are consumers who are experiencing family emergencies, divorce, unemployment, or medical emergencies. The program's goal is to provide support and direction to help customers pay their utility bill.

Low-Income Charge Reduction Program (LICR): LICR helps limited-income residential customers lower the amount of electricity or natural gas used each month. The utility company may provide free home weatherization. A utility company representative may come to your home to install energy saving features to help reduce your monthly bill.

Ways to Save Energy

Find out more about Smart Meters and Act 128, and shop for your supplier. www.P&GPowerSwitch.com

Sealing air leaks is the first and most important step to home comfort.

You can keep hot water use to a minimum by washing only full loads in washers and dishwashers.

If your clothes dryer has an automatic cycle, use it, because drying more than needed wastes energy and wears out clothes.

You should check and clean your dryer exhaust vent occasionally and remove lint after each load.

You should weather-strip all doors and windows or install storm windows and doors to prevent drafts.

If you keep your thermostat set on 68 degrees in the winter, for every degree you raise or lower the setting, you can see a difference of up to 3 percent in energy costs.

If you block or restrict air flow by placing furniture over heating and cooling registers, your heating system and air conditioner will have to work harder.

You can set up a payment plan for your winter bills that is spread out over the year, not just the winter months. Call your electric or gas company and ask to be set up on Budget Billing.

You will get significant savings by lowering the water temperature setting to 120 degrees on your water heater.

Consider wrapping the hot water tank in a thermal blanket, which will help regulate the temperature and cut down on heat loss.

STAY CONNECTED

with the Lifeline Telephone Assistance Program

PUC

Pennsylvania Public Utility Commission
1-800-692-7380
www.puc.pa.gov



PUC Consumer Education Infographics

WE ARE HERE FOR YOU
Spreading Awareness and Sharing Valuable Services & Resources as We Respond to and Recover from COVID-19

PUC CONSUMER-EDUCATION SERVICES ARE AVAILABLE

FREE We are a resource to everyone	FLEXIBLE We meet when, where and how you want	FOCUSED We offer programs tailored to you
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OUR PUC EDUCATION & OUTREACH TEAM WORKS WITH STAKEHOLDERS STATEWIDE

COMMUNITY GROUPS • GOVERNMENT AGENCIES • HUMAN SERVICE PROVIDERS • UTILITY COMPANIES • COMMUNITY BASED ORGANIZATIONS • REGIONAL AND NATIONAL ORGANIZATIONS

PROGRAMS AND RESOURCES AVAILABLE

FINANCIAL ASSISTANCE CAPs, LIHEAP, Hardship Funds, Lifeline	CONSUMER RIGHTS & RESPONSIBILITIES Safety, PUC Complaint Process, PUC Oversight	WAYS TO SAVE Conservation, Energy Efficiency & Shopping
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REACH OUT TO OUR CONSUMER EDUCATORS

Shari Williams 717-562-2912	Christina Chase-Pettis 717-480-7293	Juanita Gale 717-216-6535
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ConsumerEd@pa.gov
PA PUBLIC UTILITY COMMISSION
1-800-692-7380
www.puc.pa.gov

Do You Need Help Paying Utility Bills?

WE ARE HERE FOR YOU

Call your utility.
Review your options.
Enroll in the programs that fit your needs.

PUC Bureau of Consumer Services
1-800-692-7380
WWW.PUC.PA.GOV

#CallUtilitiesNow

 PAST-DUE BALANCES Call utilities to address overdue bills and accumulated balances.	 ASSISTANCE PROGRAMS Call utilities to enroll in utility-run customer assistance programs & discuss other aid.	 PAYMENT PLANS Call utilities to review payment plan options to stay current & connected.
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PAPUC
PENNSYLVANIA PUBLIC UTILITY COMMISSION

WE ARE HERE FOR YOU
Spreading Awareness and Sharing Valuable Services & Resources as We Respond to and Recover from COVID-19

FOLLOW THE YELLOW BRICK ROAD TO UTILITY ASSISTANCE & OTHER HELPFUL RESOURCES

CASTLE OF HOPE

RECOVERY 2021-2024

HELP ASSISTANCE GUIDANCE SUPPORT ADVICE

TAKE ACTION: CALL YOUR LOCAL UTILITY COMPANY FIRST FOR PROGRAM DETAILS AND TO SEE IF YOU QUALIFY.

REACH OUT TO OUR CONSUMER EDUCATORS

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www.puc.pa.gov

PA PUC Universal Services:

Lessons Learned

- Allow flexibility in program design and establish standards to ensure consistency.
- Provide customers the best chance to succeed with programs designed to be affordable and accessible.
- Simplify the process: Make it easier for customers to apply and remain in these programs.
- Implement robust Utility E&O Plans to strengthen consumer awareness and increase enrollment of these vital programs.





Thank you!



PA PUC Resources

www.puc.pa.gov

www.PAPowerSwitch.com

www.PaGasSwitch.com

Consumer Services Hotline: 1-800-692-7380

ConsumerEd@pa.gov



Continue the Learning

Energy Affordability Study

<http://www.puc.pa.gov/pcdocs/1602386.pdf>

Review of Universal Service and Energy Conservation Programs

<http://www.puc.pa.gov/pcdocs/1559325.pdf>

November 2019 Order Amending the CAP Policy Statement

<https://www.puc.pa.gov/pcdocs/1643025.docx>

PUC Consumer Education and Outreach Services

<https://www.puc.pa.gov/about-the-puc/consumer-education/consumer-education-and-outreach-services/>

Utility Assistance Programs

<https://www.puc.pa.gov/about-the-puc/consumer-education/utility-assistance-programs/>

www.puc.pa.gov



