

Universal Service Coordination Working Group Report

November 18, 2009

Docket No. M-2009-2107153

Report of the Universal Service Coordination Working Group

- 1. Joint Delivery of Low Income Usage Reduction Program (LIURP), Act 129, Weatherization Assistance Program (WAP), and American Recovery & Reinvestment Act (ARRA) WAP** – Joint delivery of multiple programs is more likely when there is a shared/common contractor, such as a Community-Based Organization (CBO) that delivers both LIURP and WAP services. These programs could benefit from a centralized energy audit so that determinations could be made about which energy reduction/conservation measures are installed by which programs. Additionally, a decision tree should be established to ensure consistent treatment of similar customer situations, and billing protocols must be developed to ensure that the correct program is charged for the completed program measures. In regard to evaluation issues relating to the crediting of certain completed program measures to a utility's obligations under LIURP or Act 129, a proposal was introduced to consider pro-rata savings on the basis of kWh saved per dollar invested. Further discussion should center on how a joint delivery system will affect the utilities' evaluation requirements under LIURP, Act 129 and ARRA WAP. There was also a suggestion that a neighborhood-by-neighborhood approach to weatherization should be utilized. A further suggestion is that the prioritization between electric Customer Assistance Program (CAP) high users and Low Income Home Energy Assistance Program (LIHEAP) high users be reviewed. Due to the complexity of these issues, the Working Group recommends that a subgroup be formed to further consider these issues.
- 2. De facto Heating** – The term “de facto heating” is used to describe when customers use portable space heaters as their primary heating source because they do not have use of their central heating system. The situation most often occurs when the customer's central heating system is broken and in need of repair, or when the delivery of natural gas or other non-utility delivered heating fuel, such as fuel oil, wood or coal has been terminated or depleted. Using portable space heaters for whole-house heating is a potentially unaffordable and unsafe alternate central heating source. The number of customers doing so has risen dramatically over the past several years, especially with the dramatic increase in the cost of home heating oil. Consumer education needs to play an important role, along with or part of a possible expanded role of outreach and referrals.

There are insufficient funds earmarked to help these customers repair their central heating systems. Alternate funding methods should be explored, such as the use of utility escheat funds for the repair or replacement of central heating systems.

Addressing the issue of de facto heating goes beyond simply the need to repair or replace the central heating system. Affordability issues exist and include the amount of money needed to restore and maintain service. The Working Group recommends that a subgroup be formed to address these safety and affordability issues.

3. **Communications and Coordination** – The Public Utility Commission (PUC) should update its standard pamphlet of Universal Service programs and encourage the development of regional/joint utility brochures on a utility-overlapping regional/county basis. Next, the PUC and electric, natural gas and telecommunications utilities should combine efforts to provide information about Universal Service programs to the public, legislative offices and CBOs. In addition, the PUC should coordinate with legislative-directed energy fairs and CBO-sponsored events. Finally, this effort should include the PUC’s development and use of a standard kit of Universal Service program information containing a description of services and an explanation of program eligibility.
4. **Websites** – The PUC should link its Universal Service program information to other Websites, such as Department of Public Welfare’s (DPW) LIHEAP and the Commonwealth of Pennsylvania Access to Social Services (COMPASS), Department of Environmental Protection (DEP), Department of Community and Economic Development (DCED), the Department of Aging, its Office of Long Term Living, and the official PA state Website (www.pa.gov).
5. **Expanded/Additional Outreach of Universal Service Programs** – It is recommended that the PUC and other key stakeholders take a more active role in the legislative and regulatory initiatives that are in process regarding 2-1-1 implementation. In addition, the Working Group recommends that a subgroup be formed that will examine other ways to improve outreach, such as utilities contracting with CBOs to perform LIHEAP outreach.

6. **Connect CAP Eligibility with LIHEAP Eligibility** – Utilities and customers could benefit by the exchange of specific customer information with DPW that would facilitate CAP customer enrollment or recertification. Utilities and DPW will need to develop a list of specific data elements required by each. The Bureau of Consumer Services (BCS) will facilitate the exchange of this data. Other DPW programs such as Food Stamps, Medicaid, and Temporary Assistance for Needy Families (TANF) can also be cross-referenced as long as income eligibility matches. PECO Energy Company and FirstEnergy Corporation reported that some degree of coordination has taken place with DPW. The Working Group recommends that the PUC support this initiative on both a short- and long-term basis and offer to assist DPW, if needed.

7. **Customer Information Waiver & Confidentiality of Customer Information** – The Working Group recommends that all Universal Service and low-income program applications include a standard waiver clause that will allow all low-income programs to share confidential customer information with each other to be used solely for the purpose of enabling program enrollment. Towards that end, the Working Group recommends that the PUC establish a subgroup to develop a standard waiver clause for low-income applications, to identify confidentiality issues throughout the coordination process, and to propose remedies and options to maximize the benefits to individual households while ensuring and serving a beneficial public purpose. Typically, waivers that allow confidential customer information to be shared are written in a way that allows for private customer information to be shared within a program, not between or among programs.

8. **High Usage LIHEAP Recipient Customer Lists** – On behalf of DCED, DPW should request customer lists for high usage LIHEAP recipients from Natural Gas Distribution Companies (NGDCs) on an annual basis. DCED’s ARRA WAP has \$252.8 million to invest over the next three years. The NGDCs annually serve a relatively small number of customers under LIURP. Thus, the need for weatherization exceeds the LIURP budget levels. The Working Group recommends that the NGDCs provide DPW (who will forward the lists on to DCED) with a list of LIHEAP high users on an annual basis prior to October 1. This initiative will allow more low-income households heating with natural gas to receive the benefits of usage reduction and bill reduction through ARRA WAP. In addition, Electric Distribution Companies (EDCs) should submit lists of electric heating, LIHEAP high-users only if the EDCs cannot treat the customers on the list sometime during the following year with either LIURP or Act 129 dollars. The content of the customer specific information on the utility lists should meet the needs of DCED. The PUC should encourage the NGDCs and EDCs to provide such lists to DPW on an annual basis until DCED indicates that the utilities no longer need to do so.

9. **Single Source of Information and Eligibility Screening** – Statewide Web-based eligibility screening tools provide consumers access to a single source of information. For example, Tennessee’s FindHelpTN is a centralized source of information for state and federal assistance programs that includes eligibility screening, application instructions, and localized information for the administering agency. This initiative can best be described as a single point-of-access to programs. The Working Group recommends that a subgroup be formed to explore feasibility for a comprehensive statewide Web-based single source of information and eligibility screening initiative for Pennsylvania. The Working Group also suggests that subgroup members bring along technical staff to provide expertise and advice to the subgroup. Major issues include ownership, development and maintenance, and funding of the Web-based system for Pennsylvania.

The Working Group recognizes that the single point-of-access described above is a long-term project. In the short-term, the Working Group members have agreed to share information about current intake/eligibility/application/referral processes, capabilities, and systems with other members in an effort to inventory current practices and capabilities. Toward that end, BCS has agreed to survey the Working Group members, compile the survey results, and share the results to the Working Group members. In this manner, Working Group members can review the survey results for best practices for possible incorporation into their programs. Of particular note, FirstEnergy offered to share, at no charge, its Web-based intake software package known as “Chronicles” to other utility companies. A utility will incur costs to adapt Chronicles to its existing information systems if it decides to use this software.

Conclusion – The Working Group’s Report to the Commission contains a number of recommendations for Commission action to either implement an identified solution, or to continue the working group process to further discuss the complex issues involved in coordinating utility and government administered low-income customer programs.

Because current economic circumstances dictate increased efficiency in the delivery of information about these programs, their eligibility requirements and the enrollment process, the Working Group respectfully requests that the Commission promptly consider and adopt the proposed recommendations presented in this report.