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October 16, 2017

***VIA ELECTRONIC FILING***

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Columbia Gas of Pennsylvania, Inc.  
USECP – Reply Comments  
Docket No. M-2017-2596907**

Dear Secretary Chiavetta:

Pursuant to the Opinion and Order entered May 10, 2017 by the Pennsylvania Public Utility Commission, enclosed please find the Reply Comments of Columbia Gas of Pennsylvania, Inc. regarding the above captioned matter.

Should you have any questions, please do not hesitate to contact the undersigned at (724) 416-6347.

Very truly yours,

A handwritten signature in blue ink that reads "MB Moore".

Meagan B. Moore  
Counsel for  
Columbia Gas of Pennsylvania, Inc.

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Enclosure

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Review of Universal Service and Energy Conservation Programs : Docket No. M-2017-2596907  
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**REPLY COMMENTS OF COLUMBIA GAS OF PENNSYLVANIA, INC.**

**I. INTRODUCTION**

Columbia Gas of Pennsylvania, Inc. (“Columbia” or the “Company”) submits the following Reply Comments as requested the Pennsylvania Public Utility Commission (“Commission”) in its Opinion and Order entered on May 10, 2017<sup>1</sup>. On May 10, 2017, the Pennsylvania Public Utility Commission (“Commission”) entered an Opinion and Order at the above-captioned docket to initiate a review of the Universal Service and Energy Conservation Programs (“USECP”) and to seek comments from interested stakeholders regarding all aspects of the entire Universal Service and Energy Conservation model. The Commission noted that its review incorporates and expands the Commission’s current work regarding Low-Income Usage Reduction Program (“LIURP”) and energy affordability matters<sup>2</sup>. Specifically, the Commission’s Opinion and Order herein provides interested stakeholders with the opportunity to submit comments regarding issues involving but not limited to program design, implementation costs, cost recovery, administration, reporting and evaluation<sup>3</sup>. The Opinion and Order allowed for initial comments to be filed on August 8, 2017 with reply

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<sup>1</sup> Docket No. M-2017-2596907.

<sup>2</sup> Opinion and Order at 1.

<sup>3</sup> *Id.* at 4.

comments due 30 days after the stakeholder meetings (held September 2017), i.e. October 16, 2017. Columbia incorporates its original comments filed on August 8, 2017 and Columbia also directs the Commission to the reply comments filed by the Energy Association (“EAP”) in this matter.

Columbia appreciates the opportunity to provide additional input on this important issue and commends the Commission for soliciting initial comments, a stakeholder meeting and reply comments. Columbia’s reply comments will address and respond to certain positions and suggestions posed by interested stakeholders in the initial round of comments, as well as those provided during the September 2017 stakeholder meetings on this subject.

## **II. COMMENTS**

### **A. CAP**

#### **1. Use of Social Security Numbers**

In its initial comments, the Office of Consumer Advocate (“OCA”) suggested that utilities should not require the use of SSNs for program participation<sup>4</sup>. Columbia agrees that the use of SSNs should not be *required*, however, Columbia maintains that utilities should still be allowed to use SSNs when voluntarily provided by customers, as is currently the practice.

Currently, the CAP Policy Statement does not mention the use of a SSN for enrollment. Columbia’s current practice for CAP enrollment involves asking a customer for his or her social security number and in the event he or she declines or does not have

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<sup>4</sup> OCA Initial Comments, pgs. 19-20.

one, the Company will then ask for a state-issued identification number (State ID). Columbia uses either the State ID or the SSN to properly identify the participating customer. Further, Columbia is sensitive to the privacy concerns identified by OCA and as such, maintains strict and secure protections for the database in which a customer's SSN is stored.

Columbia suggests that, in the event the CAP Policy Statement is updated to address the use of SSNs, that it clearly define that utilities cannot require a SSN before CAP enrollment, but that utilities may ask for and use a SSN when provided voluntarily by the customer.

## **2. Maximum CAP credits**

In its initial comments, the OCA supports maintaining the use of maximum CAP credits in order to maintain cost control and ensure that there is not unlimited support for affordability assistance. While Columbia acknowledges that the CAP Policy Statement sets maximum CAP credits, Columbia does not support removing customers from CAP once a certain limit is reached. Columbia submits that individual utilities should maintain autonomy with regard to control of CAP participation. While Columbia does not use maximum CAP credits to remove CAP participants, the Company does maintain effective cost control protections to keep its customers below the Policy Statement's CAP maximums.

Columbia does not support either a raising of the CAP payment or removal from CAP if a customer hits a maximum CAP credit. Doing so will create a crisis for a customer and result in that customer being unable to afford their energy bill.

Columbia reviews CAP accounts that have CAP credits from the prior year

totaling over \$1,000. In this instance, Columbia refers customers to LIURP or the remedial energy efficiency program for follow up. Columbia's average CAP credit for all CAP customers is less than \$900 per year.

The CAP Policy Statement recommends broad exemptions that utilities should consider before penalizing a customer for high usage. Accordingly, Columbia implemented a two-year pilot several years ago to review accounts that were over \$1,000 in CAP credits. Customers on this list were prioritized for weatherization or the remedial energy efficiency program. The remaining customers were surveyed to determine why their usage was high and to establish whether the household met one of the policy guideline exemptions.

Columbia surveyed over 2,200 customers during the pilot. After all contact attempts were made, there were 117 accounts that did not meet a policy guideline exemption. Of those accounts, Columbia was able to increase the monthly CAP payment obligation of 30 customers, within the existing payment plan options that are available in the design of Columbia's CAP<sup>5</sup>. While Columbia has not calculated the precise costs associated with administrative resources, time and labor involved in this process, the Company is confident that those costs were substantially greater than the benefits of overall reduced CAP credits. Meanwhile, the 30 customers whose monthly CAP obligations were raised were dealing with increased hardship of higher payments that did not necessarily align with Columbia's CAP program design that is meant to match a CAP participant's payment with his or her ability to pay. Columbia believes it is prudent

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<sup>5</sup> Columbia calculates a customer's CAP bill utilizing five different payment options, and selects the option that is closest to the customer's ability to pay.

to review these accounts and work individually with the customers to decrease their usage. However, Columbia submits that removal from the program or increased payments are contrary to the philosophy of CAP and should not be mandated.

**B. Customer Assistance and Referral Evaluation Services (“CARES”)**

**1. Columbia’s CARES program**

During the stakeholder meeting held on September 13 and 14, the Bureau of Consumer Services (“BCS”) requested a review of the status and scope of each utility’s CARES program. Specifically, BCS sought information as to improvements that could be made to CARES at little to no cost. BCS also requested CARES program spending data.

Columbia’s CARES program is the case management and outreach arm of all Universal Service Programs. The Company employs two social service professionals that handle the following:

- CRISIS intervention;
- Caseload of short term payment-troubled customers with established payment plans;
- Oversight of accounts with active protection from abuse orders;
- The final step of the Cold Weather Survey process;
- Vulnerable customers and customers in need of individual assistance that are also enrolled in CAP;
- Referrals to all community resources;

- The training of internal employees on programs including Universal Service representatives at Columbia’s call center; and
- Outreach activities related to all Universal Service Programs.

Columbia is very proud of its CARES program success and finds significant value in its current design.

With regard to overall CARES program spending, Columbia treats all programs as part of the Universal Services umbrella. Columbia does not specifically segment the cost of outreach specifically for the CARES program and, therefore, Columbia is unable to segment CARES outreach efforts. At a minimum, Columbia spends \$45,000 in outreach efforts for all of its Universal Service programs.

## **2. Issues with tracking CARES referral outcomes**

In its initial comments, the OCA recommended that utilities should identify and track the referral outcomes (in terms of payment enrollments) for case management recipients.<sup>6</sup> Columbia respectfully disagrees with OCA’s recommendation. Currently, Columbia’s CARES professionals already track and report payments on, and grants to, customer accounts. However, additional nonpayment assistance is not quantified. Columbia does not recommend tracking nonpayment assistance referrals such as food banks, housing assistance, prescription assistance and other assistance that would require additional follow up and subjective rules on quantification and reporting.

The CARES program is defined as “a program that provides a cost-effective service that helps selected, payment-troubled customers maximize their ability to pay

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<sup>6</sup> OCA Initial Comments, pg. 54.

utility bills. A CARES program provides a casework approach to help customers secure energy assistance funds and other needed services.” 52 Pa. Code § 54.72. As is consistent with the regulatory framework, Columbia’s CARES representatives are trained social service professionals who assist customers in need by referring them to the programs and agencies that can provide support in the form of monetary assistance for the payment of utility bills.

Therefore, because Columbia’s CARES representatives already track the customer’s ability to pay his or her utility bill, no additional tracking is necessary based on the regulatory definition of CARES. Tracking referrals by dollar amount or non-monetary assistance amount would overburden the busy CARES representatives and even create privacy concerns as doing so would involve Columbia CARES representatives soliciting confidential information from various agencies about certain customers.

### **C. Hardship Fund**

#### **1. CAP recipients should not be eligible for hardship funds**

In its initial comments, OCA suggests that CAP recipients should be eligible for hardship grants. Columbia respectfully disagrees. Moreover, Columbia submits that whether or not to allow CAP customers to receive Hardship Funds should be left to an individual utility’s discretion, as the utility should determine the distribution of its Hardship Fund dollars.

Currently, Columbia does not provide CAP customers with Hardship Fund dollars since CAP customers already receive other substantial discounts. As mentioned



in Columbia's initial comments,<sup>7</sup> the Hardship Fund is an intermediate level of assistance between LIHEAP and CAP. Customers in CAP are Columbia's neediest low-income customers who receive an average of \$760 in annual CAP credits and \$40 in annual arrearage forgiveness, whereas Hardship Fund recipients are eligible for \$500 in annual funds. As an example, Columbia uses its Hardship Fund dollars to assist customers who need a little more than just LIHEAP help, but reserves Hardship Fund dollars for those customers who are in need, but may not need reduced billing or arrearage forgiveness (as CAP provides).

In conclusion, Columbia maintains that the management of Hardship Fund distributions should be handled by the utilities. Moreover, it should be a utility's decision as to whether or not to allow CAP customers to receive Hardship Fund dollars.

#### **D. Other Issues**

##### **1. Data sharing between Department of Human Services ("DHS") and utilities**

During the stakeholder meeting held on September 13 and 14, the Commission requested information as to what an ideal data-sharing agreement between DHS and utilities might look like. As stated in its Initial Comments, Columbia is in favor of greater coordination and data sharing between utilities and DHS, as well as implementation of a common platform for income acceptance and calculation<sup>8</sup>. Data sharing between DHS and utilities would have a lasting positive impact in the form of

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<sup>7</sup> Columbia's Initial Comments, pg. 5.

<sup>8</sup> Columbia's Initial Comments, pg. 6.

reducing administrative costs, increasing participation rates in various universal services programs and improving customer satisfaction.

A data sharing coordination between DHS and Columbia would entail the ability for Columbia to access DHS records on the number of people in a household, total household income and the household's primary source of income. Columbia could likewise share account balances, termination notice amounts, usage and billing information with DHS.

In addition to data sharing, Columbia supports the implementation of a common income acceptance repository and income-level calculations for DHS and utilities to use to ensure that the data sharing stream is relevant and accurate for each entity using the exchanged data.

## **2. 211**

During the stakeholder meeting held on September 13 and 14, participants from 211 suggested that utilities should substantially fund 211 program services. Columbia maintains that, although 211 services are valuable for many regions in Pennsylvania, 211 services are not available across the entirety of Columbia's service territory. Therefore, Columbia is not in favor of substantially funding 211 services.

Columbia currently uses multiple avenues to reach out to potential Universal Services participants. Columbia's annual outreach efforts include: paid advertising, direct mail, senior and legislative fairs and Company sponsored community meetings. All promotions direct customers to call Columbia's Customer Care Center for assistance, which remains the Company's primary referral source. 211 is a possible outreach

opportunity that the Company has explored in the past and may in the future. However, because one 211 operation does not serve the Company's entire service area and multiple 211 partnerships would need to be established, Columbia does not use 211 as its primary referral source.

In conclusion, Columbia submits that the use of 211 services should not be mandatory and that use of such services should be a Company decision based on need, areas served and cost effectiveness, as are all other outreach opportunities.

### **3. Statewide universal services administration**

At the stakeholder meeting held on September 13 and 14, several low-income consumer advocates supported a statewide administrator for all universal services programs. Columbia respectfully disagrees with using a statewide administrator as it has the potential to encourage cost sharing among service areas, statewide control of disconnections and reconnections as well as universal services dollars being allocated to customers who may not need certain universal service programs. Furthermore, these are mature programs that have been evaluated multiple times at the utility level. They have been improved and fine-tuned for more than twenty years. Such improvements include adjusting programming, building referral and intake networks and establishing best practices with a utility administered platform. The cost and resources to abandon this model would be cost prohibitive and unnecessary. However, as stated in its Initial Comments and above in these Reply Comments, Columbia does support a central repository or statewide administration of certain functions such as income verification.

### III. Conclusion

Columbia Gas of Pennsylvania, Inc. appreciates the opportunity to provide these reply comments to the Opinion and Order. For the reasons set forth above, Columbia Gas of Pennsylvania, Inc. respectfully requests that the Commission enter a Final Order incorporating the Company's reply comments.

Respectfully Submitted,



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