

**PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120**

**Initiative to Review and Revise the
Existing Low-Income Usage Reduction
Program (LIURP) Regulations at 52 Pa.
Code §§ 58.1-58.18**

**Public Meeting held May 18, 2023
2557886-LAW
Docket No. L-2016-2557886**

STATEMENT OF COMMISSIONER KATHRYN L. ZERFUSS

Before the Commission today is the Notice of Proposed Rulemaking (NOPR) that proposes amendments to our existing Low-Income Usage Reduction Program (LIURP) regulations, 52 Pa. Code §§ 58.1-58.18, and seeks comments on these proposed amendments. As the LIURP regulations have not been amended since 1998, now is the appropriate time to revisit our regulations based on the knowledge and experience this Commission, public utilities, customers, and vested partners have gained over the years. As the Commission staff aptly notes, this update to the regulations is important to keep up with the changing energy landscape and technology improvements, to ensure proper coordination among Commonwealth energy reduction programs, and to ensure the energy usage reductions are fair, effective, and efficient to the benefit of customers and utilities.

For those unfamiliar with LIURP, it is, simply put, a program sponsored by electric and natural gas public utilities that provides weatherization and energy usage reduction services to help low-income customers. The utilities' LIURPs are significant programs, because consumers can see positive impacts in a variety of ways, such as in energy savings, bill reduction, improved health, safety and comfort levels, arrearage reduction, reduced collection activity, improved bill payment behavior, reduced use of supplemental fuels and secondary heating devices, more affordable low-income housing, reduction in homelessness, and less housing abandonment. For their LIURPs, electric utilities completed 14,176 jobs in 2021, and natural gas utilities completed 3,091 jobs in 2021 to assist low-income customers.¹

I would like to commend the Law Bureau and the Bureau of Consumer Services for their diligent work in creating such a comprehensive regulatory package, as well as the many commenters whose views enriched these proposed amendments. These comprehensive proposed amendments contain numerous customer benefits as well as various coordinated and streamlined processes that will assist low-income customers in enrolling in energy reduction programs and enhancing the efficiencies of these programs.

I take this opportunity to highlight some of the many beneficial proposed amendments in this NOPR, as follows:

¹ See 2021 Report on Universal Service and Collections Performance at 54-55, 56.

- Requires a public utility’s LIURP to be designed to operate in conjunction with the public utility’s other universal service programs and public/private programs that provide energy assistance to the community. Consistent with this proposed amendment, a public utility shall directly, or through an assigned third-party, assist LIURP participants in applying for energy assistance programs, such as LIHEAP, based on income eligibility.
- Requires a public utility to coordinate its LIURP services, trainings, outreach, and resources with other public utility LIURPs and with other energy assistance programs. Coordinated program services may include a single energy audit and post-installation inspection when two public utilities are providing program services to the same dwelling.
- Permits public utilities to increase the spending limit for special needs customers² to 25% of the LIURP budget to provide flexibility to serve more special needs customers who are ineligible for a utility’s customer assistance program but still need help with their utility bills. This proposal also increases the pool of potential LIURP referrals and provides more opportunities for coordination with other weatherization programs.
- Requires a public utility to carry-over unspent LIURP funds to the LIURP budget for the following program year unless the Commission approves an alternative use of the funds. This will incentivize utilities to use all available LIURP funds each year or seek out more eligible LIURP participants for the following year.
- Requires a public utility to provide targeted outreach and communication about LIURP services and eligibility rules to its customers who appear to be eligible for the program. A public utility shall also consider a wider range of media outlets and platforms, including social media, and shall advertise LIURP in a language or method of communication appropriate to the utility’s target audience to ensure potential LIURP recipients have an equal opportunity to access energy resources.

² The NOPR defines a “special needs customer” as follows:

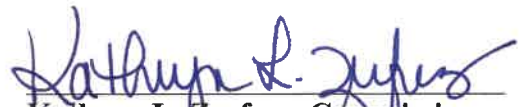
A customer whose household income is between 151% and 200% of the FPIG with one or more household members who meet any of the following criteria:

- Are age 62 and over or age five and under.
- Need medical equipment.
- Have a disability.
- Are under a protection from abuse order.
- Are otherwise defined as a special needs customer under the public utility’s approved USECP.

These proposed amendments are consistent with the Commission's recent interests in improving coordination and efficiencies within our public utilities' universal service programs and maximizing the allocated dollars for these programs to the benefit of residential customers.

As part of this proposed rulemaking process, I look forward to receiving comments from all interested parties during the public comment period following publication of this NOPR in the *Pennsylvania Bulletin*. In addition to comments on the proposed amended language in Annex A, the Commission is seeking comments on specific questions, including the ways in which LIURP has helped or can help to reduce or eliminate the accumulation of high public utility arrearage balances (in excess of \$10,000) that some households carry. These comments will aid our consideration in crafting final regulations that continue to assist LIURP participants in decreasing energy usage and utility bills, which, in turn, will create cost savings and reduce uncollectible accounts expenses, as well as improve the health, safety, and comfort levels for recipient households.

DATE: May 18, 2023


Kathryn L. Zerfuss, Commissioner