Universal Services
and
Energy Conservation Plan

2020-2025

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I. Introduction

Duquesne Light Company ("Duquesne Light" or "Company") has a comprehensive Universal Service and Energy Conservation Plan, which consists of its Customer Assistance Program ("CAP"), Customer Assistance and Referral Evaluation Services ("CARES"), Low Income Usage Reduction Program ("LIURP"), and Hardship Fund administered by Dollar Energy. The goals of Duquesne Light's universal service programs are to provide and maintain affordable service for income qualified customers, to assist income qualified customers to conserve energy and reduce residential utility bills, and to operate its universal service programs in a cost effective and efficient manner.

II. Background

Customer Assistance Program

Duquesne Light's CAP was first implemented as a pilot in September 1995. CAP is a special payment program for income qualified, payment-troubled customers. The initial CAP pilot was designed to help customers lower their electric consumption to achieve an affordable electric bill. Eligibility for the initial CAP pilot was limited to customers with 1) a gross household income at or below 150 percent of Federal Poverty Level ("FPL"), 2) at least one year of residency at their address, 3) housing expenses that were more than 45 percent of their gross income, 4) customers who made 3 to 9 payments in the past year, and 5) had at least a $400 arrearage on their electric bill. The program's case management approach offered significant support and in depth guidance to the customers to change their payment and usage behavior patterns.

In January of 2001, Duquesne Light simplified the program by revising eligibility requirements and removing the residency, arrearage and payment history requirements. The Company also eliminated the 3-year program limit requirement in order to allow all income eligible, payment-troubled customers who maintain a satisfactory payment-history under CAP to stay in the program.

In 2004, Duquesne Light simplified the program further by eliminating the customer co-pay of $5 per month. The Company also reduced CAP customers' payment requirements for customers below 50 percent of poverty guidelines, and between 51 percent and 100 percent of poverty guidelines in accordance with the Pennsylvania Public Utility Commission ("Commission") CAP Compliance Guidelines.

In January 2007, Duquesne Light again adjusted CAP customers' payment requirements to provide bill affordability. An analysis was done to determine if CAP percentage levels should be adjusted in accordance with FPL guidelines released in February 2006. This analysis was completed using income and occupant information provided to Duquesne Light by the CAP customer. It was found that CAP customers in certain income categories were able to afford a higher percentage of their budget bill. Accordingly, CAP customers' required payments were increased between 5 percent and 10 percent for the following three income levels.

101%-150% non-heat CAP customers (RS)	(5% Increase)
51%-100% heat CAP customers (RH)	(5% Increase)
101%-150% heat CAP customers (RH)	(10% Increase)

In January 2011, Duquesne Light initiated the "Automatic Enrollment" feature into the CAP Program. Upon receipt of a Low Income Home Energy Assistance Program ("LIHEAP") grant, customers were automatically enrolled in the Company's CAP program at 100% of their budget amount and collections were temporarily halted to permit customers time to complete the CAP enrollment process including income verification. Consistent with the Company's commitment to encouraging energy conservation, in January 2012, Duquesne Light piloted the installation of Smart Strip surge protectors in collaboration with its Energy Efficiency and Conservation Act 129 program, "Watt Choices."

In its 2014-2016 plan and as approved by the Commission in the Company's Rate Case Settlement at Docket No. R-2013-2372129, Duquesne Light increased its maximum annual CAP credits to assist income qualified customers in managing their energy burden. Duquesne Light increased the maximum CAP credit from $560 to $700 for non-heating customers and from $1,400 to $1,800 for heating customers. The Company also eliminated the requirement for customers to provide their social security number as a requirement for CAP participation provided that customers can provide sufficient alternative identification.

The 2017-2019 Universal Services Three Year Plan, as amended by Commission order entered July 20, 2017, at Docket No. M-2016-2543423, included several program enhancements and modifications, including:

- Allowing customers to complete CAP enrollment via telephone interview;
- Implementing a targeted CAP outreach program for customers that receive a LIHEAP grant in lieu of auto-enrollment; and
- Requiring all CAP customers to recertify their income once every two years.
- An increase in the percentage of budget discounts for CAP customers; and
- An increase in the CAP maximum credits from $700 to $1500 per program year for non-heating customers.

In addition, the Percent of Budget Plan CAP tiers were also updated as follows:

Income (% FPL)	Non-Electric Heating	Electric Heating
Up to 50%	15%	25%
51% - 100%	40%	60%
101 – 150%	80%	80%

In that proceeding, the Commission also approved the joint proposal of the Company, the Office of Consumer Advocate and CAUSE-PA to make further changes to the Company's CAP program beginning July 2020.[1]

With this 2020-2025 plan, the Company will transition CAP from a Percent of Budget program to a Percent of Income Payment Plan (PIPP), with CAP credit maximums tailored to specific income tiers; increase the minimum bill for non-electric heating customers from $15 to $20; require zero-income customers to recertify their income every 6 months; and provide an opportunity for customers to earn forgiveness on existing in-program debt when they transition to the new PIPP. The Company will track and report the average annual deficiency for non-electric and electric heat customers in connection with its universal service and energy conservation filings.

This 2020-2025 Universal Services Plan includes additional program enhancements and modifications, including:

- The CARES budget will be increased by $10,000 annually to extend support to the Company's most vulnerable customers.
- Community Based Organizations administering the CAP program will establish offices in underserved areas in the south and eastern portions of the service territory.
- LIURP will be expanded and updated, consistent with the Company's Rate Case Settlement at Docket No. R-2018-300124.

III. Customer Assistance Program (CAP)

A. Objectives

Duquesne Light has redesigned its CAP with the goal of developing and implementing a program that will:

- Make electric service affordable for income eligible customers

[1] *See Duquesne Light Company Universal Service and Energy Conservation Plan,* Order on Reconsideration, at Appendix A (entered April 19, 2018, at Docket No. M-2016-2543423).

- Be mindful of the burden shared by other residential customers
- Ensure accuracy, clarity and simplicity in customer billing
- Be easy to explain and understand
- Provide a consistent bill amount
- Encourage and support energy conservation
- Be promoted to consumers who are likely to qualify

B. Summary of Proposed Changes

The Company is proposing a redesign of CAP that would become effective July 2020 and remain in place for a five year period after implementation. Effective July 2020 the Company will:

- Change from a Percent of Budget program to a Percent of Income Payment Plan (PIPP);
- Increase the minimum payment for non-electric heating customers from $15 to $20;
- Require zero-income customers to recertify income every 6 months;
- Provide an opportunity for customers to earn forgiveness on existing in-program debt when they transition to the new PIPP in order to maintain affordable energy burdens;
- Develop and implement a revised and simplified bill design;
- Allow customers to submit an online application for enrollment; and
- Track and report the average annual deficiency for non-electric and electric heat customers in connection with its triennial universal service and energy conservation filings.[2]

C. Program Description

Given the primary goals of enhancing affordability for income eligible customers, minimizing cost to other residential customers, and strengthening the program's integrity, Duquesne Light's proposed program will ultimately depart from the current Percent of Budget Program to a Percent of Income Payment Plan (PIPP). The Company believes that doing so will result in monthly energy bills that are affordable across all income tiers, provide customers with a consistent and manageable bill and an overall better experience.

[2] This section also incorporates non-substantive changes for the purposes of clarity and readability.

The primary features of CAP include:

- An affordable, consistent monthly payment based on income;
- An opportunity for arrearage forgiveness over a 24 month period of time;
- CAP credit write off;
- Protection against loss of electric service;
- Referrals to other Duquesne Light and community programs and services.

1. 2020-2025 Percent of Income Payment Plan

Effective July 2020, CAP customers are billed in one of three ways: 1) a percentage of their monthly gross household income, as outlined in the chart below 2) the average monthly bill; or 3) their actual usage if less then PIPP and average monthly bill.

Method 1: PIPP

Income Category	Residential Service Percent of Income Payment:	Residential Electric Heat Percentage of Income Payment:
Up to 50% FPL	2%	6%
51% to 100% FPL	4%	10%
101% to 150% FPL	4%	10%
*Minimum Payment	$20	$40

For example, a single customer with gross annual income of $10,000 (or $833/month) would fall into the 51% to 100% FPL level, based on 2019 guidelines. The customer's monthly electric bill would be $33, which is 4% of $833.

Method 2: Average Monthly Bill

If the customer's average monthly bill (based on a 12 month rolling average that would otherwise be the budget billing payment) is less than what the CAP bill would be as determined in Method 1 (above), the customer's monthly payment will equal the 12 month average bill. The monthly payment is reviewed and updated (if necessary) every four months to determine whether the customer is best served in the PIPP or in the Average Monthly Bill plan. The average monthly bill is not the budget amount and is not subject to reconciliation.

In the same example used above in Method 1, if the customer's average monthly bill is $28 – which is less than $33 – then the customer's CAP payment would be set to $28 *for 4 months, until the average bill is again compared to the PIPP payment.*

Method 3: Actual Usage

If the customer's bill based on their actual usage is less than what the CAP bill would be as determined in Method 1 or Method 2, the customer's payment will be based on their actual usage for that month. Customers whose actual usage in any given month results in a bill that is less than the Minimum Payment are billed based on actual usage.

In the same example used above in Method 1 and Method 2, if the customer's actual usage for the month is $17 – which is less than the average monthly bill and the PIPP – the customer's CAP payment will be $17 monthly until the actual usage is higher than the average monthly usage or the PIPP.

Customers Reporting $0 Income
Customers who report $0 income are required to make the minimum CAP payment.

*As a cost containment measure, the Company requires a monthly minimum CAP payment amount of $20 for residential service customers, and $40 for residential heating customers (except where a customer's actual usage in a given month results in a bill that is less than the minimum payment; in which case, the customer is billed based on actual usage). The mandatory minimum payment ensures that CAP customers pay a portion of their energy costs while helping to control costs borne by non-CAP residential service customers.

2. Calculation of CAP Discounts and Maximum Annual CAP Discount

Effective July 2020, the CAP discount amount is the difference between what the bill would be based on actual usage at the full tariff rate and the monthly payment as determined by either the PIPP or the Average Monthly Bill method.

To encourage energy conservation and maintain the cost efficiency of the program, customers will be subject to a maximum annual CAP discount amount. The maximum is set according to income level as follows:

FPIG Level	**Non-Heating Customers**		**Electric Heat Customers**	
	Through 1/14/22	Effective 1/15/22	Through 1/14/22	Effective 1/15/22
0%-50%	$1,600	$1,700	$2,350	$2,500
51%-100%	$1,400	$1,500	$1,800	$2,000
101%-150%	$900	$1,000	$1,300	$1,400

When a customer reaches the maximum annual discount within twelve months of the anniversary of the enrollment month, the customer is required to pay the actual bill at the full tariff rate. (The discount will be reset annually after bill month 12.)

The Company's new CAP bill design includes a thermometer bar graph that will display on the front of the bill the amount of the customer's discount used year to date, the amount of the discount remaining, and the date when the discount will be reset. The Company will communicate the annual CAP discount limit to CAP customers during their CBO interviews and in their CAP welcome letter, and will also communicate how CAP customers may qualify for exceptions to the limit.

In the next quinquennial filing, the Company will include information regarding the average annual deficiency for heating and non-heating customers.

<u>Exceptions to Income Categories</u>
Percent of income payments and maximum annual CAP discount amounts for CAP participants may be adjusted for extenuating circumstances including, but not limited to, the following:

- Addition to the household;
- Serious illness or medical condition;
- Consumption increase beyond control of customer (health related);
- Severe weather conditions; and
- Structural damage to home.

3. Pre-Program Debt Forgiveness

A major benefit to customers who make full payments in accordance with their CAP payment plan is the complete forgiveness of their pre-program arrears. Customers who enroll in CAP with an outstanding balance have an opportunity to eliminate their pre-program arrears by making full payments of the CAP bill. Initially, Customers will receive debt forgiveness of 1/24th of their pre-program arrears with each full monthly payment. No later than January 1, 2023, the Company will transition to a 36 month pre-program forgiveness timeframe, such that customers will then receive debt forgiveness of 1/36th of their pre-program arrears with each full monthly payment. Customers also have the ability to receive arrearage forgiveness on catch-up payments made for past due monthly CAP balances. Customers will be granted one pre-program debt forgiveness opportunity, which will remain with the customer as along as he/she is enrolled in CAP. Except for the one-time transition in-program debt forgiveness described in section 5 below, delinquencies acquired within CAP are not eligible for forgiveness. If a customer is terminated or discontinues services prior to earning total forgiveness of their Pre-Program Arrears amount, the customer may resume the pre-program arrears opportunity. For example.-

- A customer enrolls in CAP with $240 pre-program delinquency. While enrolled in CAP, the customer earns $140 in arrears forgiveness.

Service is subsequently terminated or discontinued. The customer also has $100 in CAP rate arrears at the time service ends. The customer subsequently establishes new service and has a total unpaid balance of $200, which includes $100 in CAP rate arrears and $100 prior frozen arrears. When the new service is established and the customer is enrolled in CAP, he or she would be eligible for $100 in pre-program arrears forgiveness. The $100 billed at the CAP rate would not be eligible for forgiveness. The customer would earn forgiveness in increments of 1/24th of the original $240 in pre-program arrears amount. In this example, the customer would receive debt forgiveness in the amount of $10 for each full payment, up to $100.

Customers who earn full arrearage forgiveness while enrolled with CAP and voluntarily withdraw from CAP will have the opportunity to reenroll in CAP and earn arrearage forgiveness on up to 3 months of pre-program arrears accrued prior to CAP re-entry. After a customer who voluntarily withdraws from CAP has been out of CAP for 4 years, the customers will be considered a new enrollment, rather than a customer who is re-enrolling in CAP. If a customer is terminated or discontinues services prior to earning total forgiveness of their Pre-Program Arrears amount, the customer may resume the pre-program arrears opportunity upon re-entering CAP. The remaining arrears will be spread over a number of months equal to the difference between thirty-six (36) and the number of months of pre-program arrears already earned.

4. One-time Transitional In-Program Debt Forgiveness

The Company's new PIPP is specifically designed to provide greater affordability for CAP customers. The Company's prior CAP plan resulted in unaffordable energy burdens for many income qualified customers. Resultantly, approximately one-quarter of Duquesne Light's CAP customers have accumulated delinquent balances within the CAP program. Requiring existing CAP customers to pay the delinquency, either in full or over time, in addition to the new PIPP amount, would substantially negate the benefits of the new program.

Accordingly, customers will be granted forgiveness on their past due balances that exist at the time of enrollment in the new PIPP. The existing delinquency will be forgiven at the rate of 1/24th for each full monthly CAP payment. Providing an opportunity for forgiveness will provide customers who make payments the opportunity to maintain electric service at affordable rates.

5. Intake Processes

<u>Application via Community Based Organizations</u>

Recognizing customers' need for convenience and flexibility in their interactions with the Company, CAP enrollment will be supported in-person, over the phone, and via an online application. The online application allows for submission of electronic documentation. The Company's website and the online CAP Application are accessible though mobile phones, and the online CAP applications is compatible with mobile devices.

Customers can also choose to mail or fax in applications and recertifications, and instructions for doing so will be provided to customers upon request.

Regardless of the channel through which the customer initiates enrollment, a Community Based Organization (CBO) agent may conduct a follow-up interview with the customer. This interview allows the customer to receive an explanation of CAP, CARES, and other relevant programs such as LIHEAP. The agent will ensure that the customer understands their responsibilities to remain in the program, and will thoroughly explain the various components of the CAP bill. Follow-up interviews are not mandatory for customers to remain in CAP. Follow-up interviews are provided within one to three business days to those who applied online. CBOs will conduct follow-up interview with any customers who apply in-person when requested.

At the time of the application, Duquesne Light requests that the applicants provide social security numbers on the application; however, in lieu of providing a social security number, an applicant may provide another acceptable form of identification such as a driver's license or other government issued identification. Customers applying for CAP will be informed that a social security number is not required to complete the application.

CBOs may accept a customer's income documentation for a 30-day timeframe preceding the application or for twelve months preceding the application, whichever is more beneficial for the customer, for purposes of confirming eligibility. CBOs will contact the customer directly if further documentation is required. The customer can choose to provide documentation by mail, email, fax or in person.

Customers Reporting $0 Household Income
Customers who report $0 household income at the time of enrollment are required to complete the "Zero Income Form" and give Duquesne Light permission to verify the income with government agencies such as the Internal Revenue Service ("IRS") and through bankruptcy proceedings. Third party information used to verify customer income will apply to the timeframe at issue. A copy of the Zero Income Form is attached hereto as Appendix B.

The Company will provide customers with an opportunity to challenge or correct income information provided by third parties prior to dismissal from the program. The Company requests that the customer identify all household members, the address where service is provided and a brief explanation of how household expenses are met on the form. The customer must sign and date the form; however, the Company does not require that the form be notarized. The customer's income status may be reviewed every six months to determine if employment or income status has changed. However, if the customer's income status changes, the customer is required to notify the Company of the change. Unearned income of minor children will be excluded when determining CAP eligibility beginning January 1, 2023.

Current LIHEAP outreach efforts

A copy of the Company's current Consumer Outreach and Education Plan is attached hereto as Appendix C. This Outreach and Education Plan may be modified and enhanced during the duration of the 2020-2025 USECP.

The Company conducts LIHEAP outreach through a variety of channels, including:

- The publication and dissemination of "Here to Help" flyers and brochures
- Email and text campaigns to raise awareness of LIHEAP benefits and eligibility
- Participation in Community Events, including events at Food Bank Distribution Centers and Farmers Markets
- The mailing of an annual outreach letter to all customers who received a LIHEAP grant in the previous season CBO's events

LIHEAP Grant Recipients not currently enrolled in CAP

Duquesne Light will conduct targeted outreach for customers who receive LIHEAP grants for enrollment in CAP. These customers will receive a mailing explaining the benefits of CAP and instructing the customer on how to apply. A Benefits Brochure will also be included; this brochure outlines the benefits and responsibilities associated with the CAP program. After a period of one month, if the customer has not enrolled in CAP, a second outreach will be made by the CBO –via phone, mail or electronic mail where the customer has consented to electronic communication. Customers are encouraged to set up an appointment with the CBO – via phone or in-person – to complete the CAP enrollment.

6. Cost Recovery – Rider No. 5

Universal Service Program costs, including CAP costs, are recovered through a reconcilable surcharge found in Duquesne Light's Tariff.

7. Security Deposits

Customers and/or Applicants who are confirmed eligible for CAP are not required to pay a security deposit.

Security deposits collected prior to a customer being confirmed low-income will be refunded as the Company receives the low-income confirmation, either with or without enrollment into CAP.

The Company shall refund security deposit payments to customers who are confirmed eligible for CAP upon enrollment into CAP after service restoration.

8. Customer Obligations

All customers remain in the program for as long as they are income qualified and comply with the CAP requirements and guidelines. Energy conservation plays an important role in helping CAP customers control their energy costs. Accordingly, customer obligations under CAP include:

<u>Full, on-time monthly payments</u>

- Customers are required to pay their bill each month, on time and in full.

<u>Smart Comfort Visits</u>

- Customers who meet the following criteria must schedule a Smart Comfort (LIURP) visit within 90 days of enrollment:
    - All customers with electric heat
    - All residential service customers who own their home and have a base load usage in excess of 500 kWh per month
    - All residential service customers who are renters, have a base load usage in excess of 500 kWh per month, and have resided at the premise for at least six months. Landlord approval is required prior to any structural modifications. A copy of the revised Landlord Approval Form is attached hereto as Appendix D.

Additionally, CAP customers whose base load usage exceeds 500 kWh and who have not had a Smart Comfort (LIURP) visit within the last seven years may be required to complete a Smart Comfort visit.

<u>Recertification</u>

Customers reporting $0 household income are required to recertify their income and occupancy information every six months.

All other CAP customers are required to recertify their income and occupancy information once every other year.

The Company accepts recertifications in-person, online, by mail or by fax. The Company mails out recertification letters at least 15 days prior to the recertification deadline. Instructions for submitting information will be provided to customers upon request. If the requested information is not timely provided, the Company or the CBO will call the customer 30 days before the recertification deadline in an attempt to obtain the income update.

CAP Shopping

Duquesne Light's CAP customers currently are not able eligible to shop for an Electric Generation Supplier ("EGS"). A customer that has an EGS and wishes to participate in CAP will be advised that Duquesne Light can switch the customer back to default service; however, the customer may be subject to a cancellation fee. The customer should check his/her EGS agreement to determine whether there are any fees associated with cancellation.

9. Application of Customer Payments and Assistance Grants

All CAP customers will be encouraged to apply for appropriate grants. Funds received through grants will be applied first to past-due amounts and then to future amounts due. Grant monies will not be used to reduce frozen arrearage.

10. Energy Conservation

Through CAP, Duquesne Light attempts to increase customers' awareness about using energy wisely and to offer ideas for reducing kWh consumption. Company representatives provide consumer education in the following areas:

- Low cost/no cost energy conservation tips;
- Explanation of weatherization measures;
- Home heating and cooling systems; and
- Electric bill and analysis of usage.

The Company analyzes all CAP customers' usage monthly to identify customers whose usage increases to levels outside established norms. This High Consumption Report is provided to Low Income Usage Reduction Program ("LIURP") representatives and the Company's Smart Comfort contractor, who will analyze customer bills, contact the affected customers with additional consumption reduction information and may enroll the customers in Smart Comfort, Act 129 Low Income programs (Watt Choices), or other programs to proactively assist in reducing energy usage to normal levels. Customers participating in CAP consent to share their usage information with third party providers.

The CAP Representatives are responsible for analyzing the individual situations and for recommending changes to consumption or to the Percentage of Income Payment Plan if warranted by the circumstances. At enrollment, CAP Representatives explain the customer's responsibility related to annual kWh usage and their billed charges should they exceed their maximum annual CAP Discount allowance. This matter is analyzed and discussed again, if appropriate, during bi-annual program re-certification.

11. Defaulting from CAP

Duquesne Light extends every reasonable consideration to CAP customers to avoid dismissal from the program. Program requirements and benefits are clearly explained during the initial enrollment interview. Extenuating circumstances are carefully evaluated. However, CAP cannot function properly without the commitment and cooperation of customers, social service agencies, and Duquesne Light. Customers' non-compliance with CAP obligations may lead to dismissal from the program. The grounds for default are summarized in the chart below:

Grounds for Default	Required 1 Year Stay-out	Opportunity to Cure
Failure to recertify	No	Yes
Failure to complete Smart Comfort Visit	No	Yes
Termination for non-pay	No	Yes
Voluntary Removal from Program	No	Yes
Removal for fraud, material misrepresentation, etc.	Yes	No

Customers who have a past-due CAP balance at the time of default may be required to pay the past-due catch-up amount in conjunction with curing the reason for default to be reinstated in CAP.

CAP customers are required to pay their CAP amount in full and on time each month. If payment is not received within five business days after the bill due date, the collection process will begin. If a CAP account is terminated, the customer may be required to pay their entire past due balance as a condition of restoration unless eligible for a payment arrangement. CAP customer restoration agreements will generally be issued in accordance with 66 Pa. C.S. § 1407.

No late payment charges are imposed on CAP customers.

If a CAP account is terminated and service is not restored within 30 days, the account will be removed from CAP. CAP customers will be permitted to be reinstated in CAP if service is restored within 30 days.

When a CAP customer's base load usage exceeds 500 kWh per month and the customer refuses to complete a Smart Comfort (LIURP) visit, the customer may be defaulted from the CAP program until the cause of the default has been satisfied.

If a customer fails to provide updated household information, the account may be defaulted from CAP. Customers will be provided an opportunity to provide documentation of their income prior to any adverse action. If the Company determines that the information provided is insufficient, the customer may be removed from CAP. All applicants and CAP customers may appeal the Company determination. Upon receipt of a dispute related to a default or removal from CAP, the Company will investigate and provide the customer with its final position and rights to file a complaint with the Commission.

Customers may also request to be removed from CAP. If a customer requests to be removed from CAP, the customer is advised that she/he will not be able to re-enroll in CAP again unless the customer shows that she/he has paid amounts equivalent to the CAP payment for the time period outside of CAP.

> *For example: A customer with a monthly CAP payment of $33 asks to be removed from the program. Two months later, the customer wishes to re-enroll in CAP. The customer has made no payments in the interim. A catch-up payment of $66 will be required to re-enroll in CAP.*

Customers who are determined to have income levels exceeding program limits will be removed from CAP. Customers may also be removed from CAP for fraud, theft, or tampering.

Under the Company's CAP Final Billing Policy, when a CAP customer ends service the final CAP Bill includes actual services charges, minus a final CAP discount adjustment and any remaining balance from the frozen arrearage.

D. Eligibility Requirements

Duquesne Light's CAP is available to residential customers whose total gross household income is at or below 150% of the FPL, and have demonstrated or expressed an inability to pay their electric service bill.

1. Grandfathered Seniors

Certain senior CAP customers who are over the age of 62 at the time of enrollment with household income between 150% and 200% of the FPL had previously been grandfathered so that they would not be removed from CAP. Continued participation in CAP is permitted for those customers as long as the customer's income levels remains at or below 200% of the FPL and provided they continue to adhere to the requirements of the CAP.

2. Move / Transfer of Service

Customers may not receive the benefits of CAP at multiple service locations simultaneously, except for in the case of a transfer of service. In this case, the customer will be billed at the CAP discounted amount at both premises for a maximum of thirty (30) days to accommodate the move. CAP enrollment is not interrupted when a program participant transfers service from one property to another within 30 days. After 30 days, a CAP customer will be treated as an applicant and required to apply for new service and CAP enrollment.

Outside of a move/transfer situation, a customer with concurrent service at multiple locations may only be billed at the CAP rate for a single location.

E. Projected Needs Assessment (based on Census data)

Enrollment levels are based on data from the U.S. Census Bureau and information identified from the Company's internal billing system.

1. Census Data for Households at or Below 150% of Poverty

County:	Allegheny	Beaver	Total
Census Total Households:	596,504	79,150	**675,654**
% Low Income per 2013-2017 Census Estimates	19.60%	18.90%	**19.25%**
Est # Low Income Households	116,915	14,959	**130,063**
Duquesne Light Residential Households in County:	474,793	64,014	**538,807**
Est. # Low Income Duquesne Light Households in County	93,059	12,099	**103,720**

2. Confirmed Low-Income Customers

	CAP:	Non-CAP Low Income :	Confirmed Low-Income:
2016	40,514	6,784	47,298
2017	34,420	14,184	48,604
2018	36,010	13,251	49,261
Average	36,981	11,406	48,387

F. Projected CAP Enrollment

Duquesne Light's average CAP enrollment from the past five years is displayed below:

Year	CAP Enrollment
2015	35,778
2016	40,514
2017	34,420
2018	36,010
2019	36,223
Avg	36,589

Based upon past performance and the needs assessment, the estimated projected net enrollment of active CAP customers by year is shown below:

Year	CAP Enrollment Level
2019	36,223
2020	36,585
2021	36,951
2022	37,320
2023	37,694
2024	38,070
2025	38,451

G. Projected CAP Budget

A summary of the Company's projected CAP budget is presented below. This summary contains a breakdown of CAP customer arrearages, provided for consistency with the CAP Program Transition Plan (see Addendum A).

Program Budget:	Admin	CAP Credits	Traditional Frozen Arrearage	IPA converted to Frozen Arrearage: Ratepayer[1]	Total Cost to Ratepayers	IPA Converted to Frozen Arrearage: Shareholder[1]	TOTAL CAP Costs
2020	$1,877,211	$24,068,006	$6,012,272	$534,233	$32,491,722	$437,100	$32,928,822
2021	$1,933,527	$24,549,366	$6,132,517	$534,233	$33,149,644	$437,100	$33,586,744
2022	$1,991,533	$25,040,353	$6,255,168	$534,233	$33,821,287	$437,100	$34,258,387
2023	$2,112,817	$26,051,984	$6,507,876		$34,672,677		$34,672,677
2024	$2,176,202	$26,573,023	$6,638,034		$35,387,259		$35,387,259
2025	$2,241,488	$27,104,484	$6,770,795		$36,116,766		$36,116,766

(1) based on historical data, customers receive ~62% of the total annual frozen arrearage write-off opportunity due to inconsistent payment habits. The model distributes 62% of the IPA (est $4.7 million) over three years.

H. Plans to use Community Based Organizations

Holy Family Institute and Catholic Charities currently administer Duquesne Light's CAP and CARES Programs. These organizations oversee a network of CBOs with 27 full time employees (FTEs) at 7 sites (main office location and satellite offices). Duquesne Light worked with the CBOs to ensure that the offices were located in areas with concentrations of confirmed income qualified customers and relative proximity to transportation and other such factors.

In 2018, the Company surveyed CAP customers and learned that – while most customers find CAP office locations to be easily accessible -- some felt that the existing locations were not convenient. Additional analysis confirmed that the existing CAP office locations are centrally located near concentrations of low-income customers, but that there are customers in the southern and eastern suburbs of Pittsburgh who could be better served with a more convenient, nearby location.

The Company is currently working with resources in these suburbs to identify locations where a pilot could be conducted to test customer receptivity to these new locations. Existing staff from Holy Family Institute would staff the locations on a limited but consistent basis, allowing customers to enroll or recertify in CAP as well as apply for grants through the Dollar Energy Fund and LIHEAP.

Duquesne Light continues to utilize CBOs in the same manner as in its prior plans. CBOs serve as the CAP administering agencies and accept referrals from various sources. CBOs also contact customers to perform an initial screening for potential program participation and arrange personal interviews at CBO locations and phone interviews. Though CBOs have scheduled hours, customers unable to visit the CBO within those hours will be accommodated outside of normal business hours by appointment and also by phone. For customers with special needs preventing them from visiting the CBO for an interview, home visits or telephone appointments may also be scheduled.

CBOs serve as a primary Universal Services contact with the customer, which is maintained throughout the customer's participation in CAP and other Universal Services programs. CBOs will be responsible for attempting to schedule CAP appointments, making timely reminder calls prior to the scheduled appointment and other various assignments that streamline the CAP application/enrollment process and increase efficiency.

CBOs will return calls to customers within two (2) business days. Customers may be provided with a temporary hold and stay of collection to enroll in CAP.

Current administering organizations and the counties they serve are listed below:

Community Based Organizations:	Counties Served:
Catholic Charities	Allegheny
Holy Family Institute, Northside	Allegheny
Holy Family Institute, McKees Rocks	Allegheny
Holy Family Institute, Swissvale	Allegheny
Holy Family Institute, Aliquippa	Beaver
Holy Family Institute, McKeesport	Allegheny
Holy Family Institute, Beaver Falls	Beaver

I. Organizational Structure

Duquesne Light's Universal Services Department is typically staffed by three dedicated individuals. The department is headed by the Manager of Universal Services, who is supported by Universal Service Analysts as follows:

- Manager Universal Services (1)
- Universal Services Analyst (2)

Duquesne Light continues to evaluate staffing as needs arise and augments staffing as necessary.

IV. Customer Assistance Referral and Evaluation Services (CARES)

A. Program Description

Duquesne Light's Customer Assistance Referral and Evaluation Services ("CARES") program assists payment-troubled and special needs customers obtain necessary social service support and assistance. The primary objectives of the CARES program are to:

- Help customers experiencing payment hardships to manage their electric bills by providing them with information, resources and encouragement;
- Make tailored referrals to company and community assistance programs; and
- Maintain and/or establish partnerships and alliances with social service agencies, government offices, and community organizations to ensure maximum and timely assistance for customers who have personal or family hardships.

The program focuses on residential customers whose income is at or below 150% of the FPL and senior citizens over the age of 62 at the time of enrollment whose income is at or below 200% of the FPL. Customers may be referred to CARES by internal and external sources including but not limited to other Duquesne Light departments, other utility companies, CBOs (e.g., Holy Family and Catholic Charities), the PUC, or word of mouth. An outreach worker or community agency acts as an intermediary between the customer and the Company in an effort to link the customer to the necessary social service programs that will enhance the customer's ability to pay for electric service.

CBOs refer customers to CARES during the initial interview for universal services programs. The CBOs assist these customers in obtaining all available energy assistance for which the household qualifies (e.g., LIHEAP, Crisis, and Dollar Energy Fund) and also make referrals to other programs and services based upon need and availability. For customers with special needs preventing them from visiting the CBO for an interview, home visits may also be scheduled. During home visits, CBO representatives can more quickly determine the basic causes of customers' hardships, as well as verify customers' statements concerning sources of household income. CARES Case Managers also visit identified low-income, multi-family dwellings as well as other gathering places to hold events that encourage and assist CAP enrollment.

B. Program Eligibility

CARES is designed specifically to assist customers who are facing a hardship, such as a loss of income from an illness, the loss of the primary wage earner, or some other household or family problem that prevents them from paying their electric service bills in full. Duquesne Light makes every effort to avoid turning any customer away, regardless of income level.

C. Enrollment Levels

As customers are provided with information on all programs including CARES as part of the CAP enrollment process, Duquesne Light estimates that the enrollment for CARES should approximate the total of CAP new enrollments and eligible customers seeking assistance. Analysis of customer participation shows that enrollment levels for CARES are consistently around 12,000 customers per year.

From 2016 through 2018, an average of 11,745 customers are served each year by enrolling into the CAP program. The CAP Case Managers enroll customers and during the interview also assess their needs and connect them to other resources in their community. Additionally, CARES Case Managers average 641 distinct CARES visits to customers. The CARES program included 1.5 FTE employees distributed throughout the service territory.

D. Program Budget

The specific funding level for 2020 through 2025 is shown below:

Year	Funding Level
2020	$145,000
2021	$145,000
2022	$145,000
2023	$145,000
2024	$145,000
2025	$145,000

E. Needs Assessment

The projected participation and funding for 2020 through 2025 is shown below:

Year	Estimated Budget	Projected Participation[3]
2020	$145,000	12,640
2021	$145,000	12,640
2022	$145,000	12,640
2023	$145,000	12,640
2024	$145,000	12,640
2025	$145,000	12,640

F. Community-Based Organizations

Duquesne Light recognizes the importance of establishing and expanding its network of contacts and working relationships with CBOs. Simply put, CARES could not function without the cooperation and assistance of local organizations. The CBOs refer customers to CARES at the time of the CAP intake interview. CARES is administered by the CBOs listed in the section related to CAP.

These organizations act as "brokers" who attempt to match customers' needs with existing company and/or community programs. The CARES counselors analyze customer accounts and circumstances to determine the basic cause(s) of their bill-payment problems. They refer customers to appropriate programs and services that are offered by social service agencies, community organizations, and

[3] Reflects distinct customer contacts related to the CARES program specifically, to eliminate double-counting of those customer contacts related to CARES as well as other programs (e.g., CAP).

Duquesne Light. In addition, they initiate follow-up to determine the outcome of referrals to social agencies and company programs. CARES Counselors can also help customers bridge short-term gaps, including assistance with immediate needs including food, household products and clothing and temporary shelter.

Another key responsibility of the CARES Counselors is to establish close working relationships with external organizations and internal departments at Duquesne Light. Social service agencies and other community groups are essential to the success of CARES because they provide the needed services for payment-troubled customers. The relationship between the CARES counselors and the other agency caseworkers is carefully nurtured and strengthened because the program cannot function effectively without the cooperation of social service organizations.

G. Organizational Structure of Duquesne Light Staff

Please see Section III (I) on page 22 for staffing information.

V. Hardship Fund

A. Program Description

Duquesne Light's Hardship Fund is administered by the Dollar Energy Fund ("DEF"). Begun in March 1983, Dollar Energy was one of the first utility-sponsored fuel funds in the nation and Duquesne was one of the founding utilities. Customers may contribute to the program by pledging monthly to their electric bill payments, by sending in a check or by electing to contribute online.

The primary features of the Dollar Energy Fund include:

- Direct financial assistance for overdue energy bills
- Protection against shutoffs
- Referral to other programs and services

The Hardship Fund operates from October 1st of each year and continues until funds are depleted.

The Company promotes the program through bill inserts, Company website, radio advertisements, direct referrals by Duquesne Light Customer Service Representatives, community based events and the Dollar Energy Fund itself.

1. Key Objectives

The overall objectives of Dollar Energy are as follows:

- Provide financial assistance to qualified low-income families who are having difficulty paying their energy bills.
- Offer financial assistance to low-income households who may be ineligible for the Low Income Home Energy Assistance Program ("LIHEAP").
- Coordinate and expand the activities of community-based organizations that provide energy-related assistance.
- Help customers understand and access community resources to solve energy payment problems as a step toward greater self-sufficiency.

B. Eligibility

Dollar Energy is designed specifically for lower-income residential customers (household income at or below 200% of the FPL) who are unable to pay their electric service. The program focuses on lower-income customers who have overdue balances and an inability to pay the full amount of their energy bills. From January 1, 2022 through December 31, 2023, the income eligibility is 300% of FPL. The Company will direct existing Hardship Funds and 75% of additional Hardship monies to household with incomes at or below 200% of the FPIG. Any dollars not spent will be carried over into the following year.

To be eligible, customers must:

1. Have a residential account and reside at the premise address.
2. (*After 12/31/2023*) Have paid a minimum of $150 toward their utility bill within the last 90 days or made three consecutive CAP payments.(*In 2022 and 2023*) Have paid a minimum of $50 toward their utility bill within the last 90 days or made one CAP payment within the last 90 days. (Senior citizens (age 62 and over) must have paid at least $100.
3. Have a balance on their electric bill of at least $100. Senior citizens (age 62 and over at the time of application) may have a zero balance, as long as there is no existing credit on the account. Hardship Fund balance requirements will not be imposed during 2022 and 2023.
4. Provide proof of monthly household income (FPL guidelines apply).

The respective operating dates and service status criterion for each timeframe is as follows:

- October 1 to November 30 – Electric service off or in threat of termination.
- December 1 to January 31 – (*After 12/31/2023*) Electric service off only. (*In 2022 and 2023*) -Electric service off or in threat of termination
- February 1 to February 28 – Electric service off or in threat of termination.
- March 1 until funds reach 10% budget remaining – Open to all eligible applicants regardless of service status
- Once budget has 10% remaining, open to applicants whose service has been terminated

- On July 1 of each year, unused Hardship Funds will be made available to all eligible customers.

The Dollar Energy Fund becomes the "fund of last resort" when the customer has applied to LIHEAP, if LIHEAP is open and the customer qualifies for LIHEAP. After December 31, 2023, approved applicants will receive a grant of up to $500 based on overdue balance. In 2022 and 2023, approved RS customer applicants will receive a grant of up to $1,000 per year, and approved RH/RA customer applicants will receive a grant of up to $2,000 per year. After December 31, 2023, a household can receive only one Dollar Energy Fund grant during a program year. In 2022 and 2023, a household can receive two grants per calendar year. Upon receipt of the grant, a 30-day stay on termination is placed on the account and the grant amount will be applied to the customer's past and current "asked to pay" amounts. Excess payments will be applied to the next month's billed amount. A Dollar Energy grant may create an excess credit if the customer makes a payment prior to receiving the grant.

C. Projected Budget

Duquesne Light's Hardship Fund is a partnership with Dollar Energy Fund. Duquesne Light will match customer contributions up to $375,000 annually. In addition, up to $75,000 will be provided for administrative support.[4]

Year:	Estimated Budget	Participation:	Average Grant:
2020	$750,000	1,880	$399
2021	$750,000	1,880	$399
2022	$1,750,000	3,500	$399
2023	$1,750,000	3,500	$399
2024	$750,000	1,880	$399
2025	$750,000	1,880	$399

D. Needs Assessment

Estimates for the Hardship Fund are based on past program participation levels as shown below:

Year:	Funding:	Participation:	Average Grant:
2013	$750,000	1,751	$ 428
2014	$750,000	1,843	$ 407

2015	$750,000	1,845	$ 400
2016	$750,000	1,858	$ 409
2017	$750,000	1,555	$ 373
2018	$750,000	1,984	$ 378
2019[5]	750,000	845	$ 228
Average	$750,000	1880	$ 399

[4] Administrative support is recovered through the Universal Service Charge.
[5] As of January 22, 2019.

E. Community-Based Organizations

The Dollar Energy Fund utilizes community based organizations in Duquesne Light's service territory to validate household income and process applications. These organizations have solid reputations and experience in delivering services to low-income households in the Duquesne Light service area. The administration of the program is a collaborative effort between Dollar Energy and the organizations listed below.

Community Based Organizations:	**Counties Served:**
Allegheny Center Alliance Church	Allegheny
Allegheny Valley Association of Churches	Allegheny
Brashear Association's Neighborhood Employment Center	Allegheny
Brashear Center	Allegheny
Catholic Charities – Beaver	Beaver
Catholic Charities – Pittsburgh	Allegheny
Coraopolis Community Development Foundation	Allegheny
Energy & Environment Community Outreach (EECO) Center	Allegheny
Goodwill of Southwestern Pennsylvania – McKeesport	Allegheny
Goodwill of Southwestern Pennsylvania – Southside	Allegheny
Hazelwood YMCA	Allegheny
Holy Family Institute – Aliquippa	Beaver
Holy Family Institute – Beaver Falls	Beaver
Holy Family Institute – Edgewood Towne Center	Allegheny and
Holy Family Institute – McKees Rocks	Allegheny and Beaver
Holy Family Institute – Northside Common Ministries	Allegheny
Housing Opportunities of Beaver County	Allegheny and Beaver
Jubilee Association, Inc.	Allegheny
Lincoln Park Family Center	Allegheny
Lutheran Service Society	Allegheny
Ministerium Social Services	Beaver
Mt. Washington Community Development Corporation	Allegheny
Nabhi Christian Ministries – Lincoln Ave	Allegheny
NHCO – Allison Park	Allegheny
NHCO – Millvale	Allegheny

Community Based Organizations:	Counties Served:
NHCO – North Boroughs	Allegheny
Northern Area Multi-Service Center	Allegheny
Primary Care Health Services – Hill House Health Center	Allegheny
Pittsburgh Community Services Inc.	Allegheny
Roots of Faith	Allegheny
Salvation Army – Beaver Falls	Beaver
Salvation Army – Brackenridge	Allegheny
Salvation Army – Braddock	Allegheny
Salvation Army – Carnegie	Allegheny
Salvation Army – Forbes Avenue	Allegheny
Salvation Army – Homewood/Brushton	Allegheny
Salvation Army – McKeesport	Allegheny
Salvation Army – North Side Community Worship Center	Allegheny
Salvation Army – Pittsburgh Temple	Allegheny
Salvation Army – Steel Valley	Allegheny
Salvation Army – West Side Corps	Allegheny
Society of St. Vincent de Paul	Allegheny
South Hills Interfaith Ministries	Allegheny
St. Mark's Lutheran Church	Allegheny
St. Paul Cathedral	Allegheny
Sto-Rox Neighborhood Health Council	Allegheny
The Franklin Center	Beaver
Veterans Leadership Program	Allegheny
Wilkinsburg Community Ministry	Allegheny

F. Organizational Structure of Duquesne Light Staff

Please see Section III (I) on page 22 for staffing information.

VI. Smart Comfort (LIURP)

A. Program Description

Smart Comfort is Duquesne Light's Low-Income Usage Reduction Program ("LIURP"). The program targets residential customers whose gross household income is less than 150% of the FPL and senior citizens whose gross household income is less than 200% of the FPL, with base load electric usage more than 500 kWh per month and who have been residing at their current address for at least six months.

Smart Comfort key objectives are:

- To reduce the energy usage and electric bills of low-income customers.
- To increase the ability to pay for low-income customers.
- To provide safer living conditions for low-income customers through the reduction of secondary heating devices.
- To educate the customer on current conservation practices.
- To make tailored referrals to company and other assistance programs such as CAP, Dollar Energy Fund or private funds, LIHEAP, Watt Choices and other weatherization programs.

Smart Comfort has evolved from strictly weatherization to an "end use" strategy. Usage reduction measures include cost effective appliance and lighting replacements in addition to determining if weatherization is warranted.

1. Summary of Program Process and Installation Measures

The Company, through its service providers, will provide Smart Comfort services generally according to the following procedure, as applicable to each participating customer:

- Prior to entering the home
  - Conduct an energy bill assessment of the home's previous 12 months of usage.
  - Perform bill disaggregation to determine Baseload, winter, and summer kWh usage.
    - This disaggregation will guide the auditor through the audit process as well as determine the areas of focus for the energy education process.

- Perform walk through audit
  - Investigate potential saving areas within the home.
  - Measure usage of targeted electrical equipment within the home, which may include:
    - Refrigerators
    - Freezers
    - Dehumidifiers
    - Window AC units
    - Electric Water Heaters elements and temperature setting

- Electric Baseboard Heaters / Wall mount digital thermostats
- Thermostats
  - Digital wall mounted thermostats for electric baseboard units.
  - Programmable/Connected thermostats for electric heating systems.

- Provide energy education
  - Explain Smart Comfort program.
  - Explain (using the bill disaggregation) current electricity bill in detail to ensure the customer understands the concepts such as monthly kWh usage and usage comparisons.
  - Provide education on ways to reduce electric usage.
  - Explain CAP.

- Determine Smart Comfort measures to provide
  - Health and safety testing to be completed on all homes that qualify for air sealing measures.
  - A blower door test will be conducted if it is determined to be beneficial in ascertaining measures to be installed.
  - Provide standard measures, which may include LEDs, refrigerators and freezers, electric hot water tanks, window/central air-conditioning units, heat pumps, air infiltration measures, smart strips and home insulation.
  - At the discretion of the energy manager, potential measures may also include furnaces, electric dryers, electric ranges and water pumps.
  - The minimum usage requirement for a refrigerator change-out is as follows:

Refrigerator Size	kWh/Hour Minimum	Replacement
15 ft^3 or less	.08 kWh	15 ft^3
16 – 19 ft^3	.10 kWh	17 or 18 ft^3
20 – 21 ft^3	.11 kWh	21 ft^3
22 ft^3 or larger	.12 kWh	20 – 25 ft^3

  - The program may include window air-conditioning unit change-outs if the life of the replacement of the unit as well as life of the dwelling will exceed 12 years.
  - The program may include central air-conditioning change-out if the life of the unit as well as the life of the dwelling exceeds 12 years.

    - The program may also include air conditioning load reduction measures such as window film, roof coat, air conditioner replacement.

- Customer monitoring and follow up
    - Energy managers may contact Smart Comfort recipients to discuss their usage and the resulting increase in consumption.
    - Energy Managers may also contact Smart Comfort recipients to reinforce energy education.

Additionally, low-income customers, whose usage is less than 500 kWh per month, are referred to Watt Choices (Duquesne's Energy Efficiency / ACT 129 program.

The Company has established an allowance for health and safety that authorizes LIURP contractors to spend up to $200 per electric baseload Smart Comfort visit without prior Company approval on incidental repairs including health and safety items when necessary to allow for conservation measures to be installed.

For electric heating customers, the Company will authorize the Smart Comfort contractor an allowance up to $1000 per Smart Comfort visit without prior Company approval where the inclusion of health and safety and incidental repair will remedy situations that would otherwise impede the installation of conservation measures.

Incidental repairs and health and safety items may include the installation of carbon monoxide detectors and smoke alarms. Where a smoke alarm is present, the installer will check for a functioning smoke alarm and replace batteries as necessary. Additional health and safety items or measures that may be installed by Smart Comfort Contractors include minor roof repairs, plumbing leaks, minor basement moisture mitigation, knob-and -tube mitigation, and electric panel upgrades.

Additional health and safety measures up to $2,000 may be authorized by the Company, with priority given to CAP customers that have reached at least 50% of their maximum CAP credit threshold.

Duquesne Light Company will report annually health and safety measure costs as a separate category.

2. Third Party Inspections:

Duquesne Light will contract with a third party to perform independent inspections of sampled completed Smart Comfort visits. The Company will sample a minimum of 10% of completed electric heating jobs and a minimum of 5% of electric baseload jobs after Smart Comfort measures are installed.

B. Program Eligibility

The following are eligibility requirements for Smart Comfort:

- Low-income customers with a household income at or below 150% of FPL;
- Electric usage monthly average of 500 kWh or more and
- Resident at that premises for at least six months.

Exceptions from the above eligibility requirements:

- Residency and base load requirements are waived for total-electric homeowners;
- Residency requirements are waived for non-heating CAP homeowners.
- Base load requirements are waived, and Smart Comfort visit priority given for households that reach maximum CAP credit limits prior to end of the program year
- CAP customers that have reached at least 50% of their maximum CAP credit threshold in less than six months and households exceeding their maximum credit limit within 12 months are given priority in Smart Comfort visit and base load requirements are waived;
- CLI heating customers exceeding the system-wide average usage for residential heating customers,
- CLI non-heating customers exceeding the system-wide average usage for residential non-heating customers;
- Senior customers over the age of 62 at the time of enrollment with household income at or below 200% of FPL; [6]

Special needs customers with a household income at or below 200% of FPL;[6]Duquesne Light will continue to focus on total-electric, low-income, multi-family premises as a source to provide conservation measures and education. Duquesne Light will use its best efforts to ensure that at least 10% of its completed LIURP jobs are for electric heat customers. The Company will provide reports on its progress on electric heating jobs to the Income Eligible Advisory Group.

[6] Not more than 50% of Smart Comfort participants will be households between 150% and 200% of the FPL and not more than 20% of the budget will be utilized for these customers.

Each year, Duquesne Light will review lists of customers with high CAP credits (over $1,000) from the prior year and prioritize those customers for LIURP treatment when possible. The Company will also use the high usage CAP customer list as well as eligible customers requesting weatherization.

In order to target outreach to high-use customers, the Company provides two reports to the Contractor. The Contractor uses these lists to prioritize customers. The first list is a CAP MAX list which includes all CAP customers that are at or above 50% of their CAP Max within the first 6 months or have exceeded their CAP max within their program year. In addition, this list includes confirmed low-income customers (both heating and non-heating) who have exceeded the average usage levels for those heating types. The customers that meet or exceed the above listed criteria are prioritized for a Smart Comfort visit regardless of usage thresholds and prior visits within seven years. This list is sent monthly, and to help reach customers who are at risk of exceeding their CAP Max and try to prevent that from happening. The second list contains customers that have recently enrolled in the DLC CAP program and have an average usage over 500 kWh. This list is sent to the Contractor on a weekly basis, and the Contractor begins outreach to these customers that week, to prevent customers from becoming part of the CAP Max list. The Company will also work with the Income Eligible Advisory Group to develop additional outreach strategies.

C. New Initiatives

The Company proposes to implement the following new initiatives as part of its LIRUP programming. The Company plans to advertise its Smart Comfort Initiatives through its marketing materials and website.:

1. De Facto Heating Remediation

The Company proposes provide heating remediation services to income-eligible customers (i.e., customers at or below 150% FPL or, 200% FPL for senior or special needs customers) using inefficient supplemental electric heating ("de- facto heating"). The Company will identify potential candidates for outreach based on winter electric usage patterns, and will prioritize customers enrolled in CAP. A De Facto Heating Remediation intervention will occur when a customer's usage on the residential non-electric heat rate is over 1,000 kWh in a winter month, or if the customer tells the Company that they use electric space heaters. The Company will provide heating remediation services and education to eligible customers found to be using de-facto heating. Where applicable, the Company may also engage with local Natural Gas Distribution Companies to coordinate heating remediation services for qualifying customers. The Company will spend up to $100,000 per year on this initiative. The Company will make efforts to spend its full program budget each year.

2. Emergency Repair Fund

The Company proposes to establish an Emergency Repair Fund for income eligible customers whose homes are unsafe and are in immediate need of repair. The Emergency Repair Fund will only be available to customers who own their home. The Company or its agents may refer customers to the

Emergency Repair Fund where they observe unsafe conditions, and customers may also apply directly to the Company. Customers can directly apply to the Emergency Repair Fund by contacting the Company via the call center, a dedicated email address, or the online application on the Company's website. The Company will prioritize customers enrolled in CAP, but will not turn away any qualifying customer so long as funds are available.

Services funded by the Emergency Repair Fund may include, but are not limited to: whole house air conditioner repair/replace when deemed medically necessary, repair of frayed/unsafe service line drops, upgrades of unsafe/inadequate electrical service panels, and remediation of other health and safety conditions (including electrical inspection) when electric service has been off for a year or more.

The Company will allocate up to $50,000 of LIURP funding to the Emergency Repair Fund each year. The Company will make efforts to spend its full program budget each year.

3. Knob and Tube Remediation

The Company proposes to remediate knob and tube home wiring ("K&T") for income eligible customers referred by local NGDCs, where (i) the NGDC requires the K&T to be remediated to allow for the customer to participate in the NGDC's gas weatherization programs, (ii) the customer's home has a central air conditioner that is less than or equal to a 12 Seasonal Energy Efficiency Ratio (SEER)[7]; and (iii) the customer owns the home. At present, local NGDCs are often unable to provide such services at a home with K&T until the K&T is remediated. By remediating the customer's K&T through this initiative, the Company would remove barriers to the customer's participation in NGDC programs, and would also enable the Company to achieve electric savings through its other Smart Comfort programs by upgrading the customer's air conditioning systems.

The Company will allocate up to $100,000 of LIURP funding to this initiative each year. The Company will make efforts to spend its full program budget each year.

D. Program Integration

Duquesne Light has and will continue to coordinate its Smart Comfort program

[7] Smart Comfort is a usage reduction program, and in order to qualify, K&T must achieve electrical savings. The Company determined that to provide the K&T program to support NGDC weatherization, in order to achieve savings on the electrical side the customer must have central air conditioning. Based upon minimal federal standards of 13 SEER, putting in a central air conditioner greater than 12 SEER would not achieve sufficient savings and not be a prudent use of customer dollars.

with its Watt Choices programs, as well as with gas company LIURP programs. The Company refers confirmed low-income customers who participate in any of its general residential programs to its Watt Choices low-income programs, its Universal Service programs, and LIHEAP. Duquesne Light will facilitate this coordination by inviting representatives from the Natural Gas Distribution Companies ("NGDCs") with overlapping service territories and representatives of the Commonwealth's Weatherization Assistance Program ("WAP") to its Act 129 Stakeholder meetings to discuss existing and possible enhancements to its coordination efforts.

When possible, a common weatherization contractor performs an integrated electric and natural gas energy audit at the customer's home. The cost of the audit is shared and measures installed are financed by the utility benefiting from the energy efficient measure installed. In those situations when the energy audit is scheduled for a household eligible for Smart Comfort, the energy auditor inquires if the customer also would like a referral to the natural gas utility for possible energy-efficient gas heating measurers. If the response is affirmative, the customer is required to sign a consent form permitting Duquesne Light to provide the necessary information to the natural gas utility.
The Company will also coordinate its Smart Comfort Program with its other programs that offer similar services, such as Watt Choices. For example, where a customer is not eligible for services under Smart Comfort, the Company may refer them to a similar service provided through Watt Choices. Additionally, all customers enrolled in the CAP program will be offered enrollment in the Watt Choices Points & Rewards Program (P&R), a marketing program that rewards customers for energy-saving behaviors (such as taking advantage of LIURP offerings).

Several CBOs participate in Smart Comfort administration or service provision. Rebuilding Pittsburgh Together performs LIURP post-installation third-party inspections; Pittsburgh Community Services performs in-home audits; and Catholic Charities and Holy Family Institute refer customers to Smart Comfort through CAP enrollment, but do not provide Smart Comfort services directly.

The Company will continue to use a competitive procurement process to select a LIURP vendor and invite PWPTF member agencies and other CBOs to participate in the selection process upon the existing contract's expiration.

E. Projected Enrollment & Needs Assessment

Duquesne Light Company's Smart Comfort enrollment levels are based upon the Rate Case Settlement Agreement at Docket No. R-2013-2372129. Duquesne Light proposes to continue providing Smart Comfort services to up to 3,100 households annually. The Company will track the number of households deferred for Smart Comfort and the reasons for those deferrals.

Year:	Enrollment Level
2020	3,100
2021	3,100
2022	3,100
2023	3,100
2024	3,100
2025	3,100

The following needs assessment methodology was provided by BCS in early 2001.

2. Determine the percentage of residential customers by county based on 2017 Census data poverty rates for households at or below 150 percent of poverty:

Residential Accounts:	Accounts:	Census Data Poverty Rate:
Allegheny County	453,471	18.19%
Beaver County	61,139	19.48%
Total Residential Accounts	514,610	18.83%

3. Determine the number of households using less than 500 kWh.

Base Load Month:	Accounts <500 kWh:	Total Accounts:	Percent <500 kWh:
April	322,937	529,416	61.0%
May	338,119	531,923	63.57%
September	242,618	510,344	47.54%
October	285,025	531,575	53.62%
Total	1,188,699	2,103,258	56.52%

4. Determine eligible households.

Total Residential Households	514,610
- Households Using <500 kWh	(290,858)
= Net Base Load Eligible Households	223,752
* Average Poverty Rate by Census Data	18.83%
= Eligible Households by Poverty Rate	42,132
- Completions in last 6 years	(17,638)
= Net Eligible Households	24,494
* Average Job Cost	$585
= Total Costs for All Eligible LIURP Jobs	$14,328,990

The total costs for completing LIURP jobs for the 24,494 eligible customers would be $14,328,990.

F. Program Budget

Budget levels for the years 2020 through 2025 shown below indicate current levels and increased levels based upon the Rate Case Settlement at Docket No. R-2018-3000124 and the Rate Case Settlement at Docket No. R-2021-3024750. The three year average job costs $4,425, and $425 for electric heat and base load service, respectively. The Company estimates the average cost for incidental repairs, new programs, and post inspections would be an additional $289 per job, which is included in the cost shown below.

	Electric Heat: $4,714 ea.		**Baseload: $714 ea.**		**TOTAL**	
	# Jobs	Budget $	# Jobs	Budget $	# Jobs	Budget $
2020	310	1,421,350	2,790	1,632,150	3,100	3,053,500
2021	310	1,421,350	2,790	1,632,150	3,100	3,053,500
2022	310	1,461,340	2,790	1,992,060	3,100	3,453,500
2023	310	1,461,340	2,790	1,992,060	3,100	3,453,500
2024	310	1,461,340	2,790	1,992,060	3,100	3,453,500
2025	31	1,461,340	2,790	1,992,060	3,100	3,453,500

Note: the 2020 and 2021 budget amounts remain in effect until the 2020 USECP is fully implemented. See Order issued on April 21, 2022 in Docket No. M-2019-3008227, et al. The Budget amounts for 2026 are expected to remain the same as 2025. Funds in any given year carry over to the following year. The Company will use its best efforts to fully expend its annual LIURP budget in the year in which the funds are budgeted.

G. Organizational Structure of Duquesne Light Staff

The Smart Comfort Program is staffed by a Manager of Universal Services and two analysts who are supported by the Act 129 Energy Efficiency & Conservation income eligible staff. The Act 129 staff consists of a senior manager and program analyst that help coordinate the joint jobs with NGDCs. Please see Section III (I) on page 22 for additional staffing information.

APPENDIX A

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17105-3265

Public Meeting held April 19, 2018

Commissioners Present:

Gladys M. Brown, Chairman
Andrew G. Place, Vice Chairman
Norman J. Kennard
David W. Sweet, Statement
John F. Coleman, Jr.

Docket No. M-2016-2534323

Duquesne Light Company Universal Service and Energy Conservation Plan for 2017-2019 Submitted in Compliance with 52 Pa. Code §§ 54.74.

ORDER ON RECONSIDERATION

BY THE COMMISSION

Before the Commission for consideration and disposition on the merits is the February 23, 2018 Petition for Reconsideration (Petition or Petition for Reconsideration) filed by the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) relative to the Commission's February 8, 2018 Order (February 2018 Order) in the above-captioned proceeding. Reconsideration was granted on March 1, 2018, pending our further review on the merits.

The February 2018 Order, *inter alia*, deferred consideration of proposed changes to Duquesne's Customer Assistance Program (CAP) that would not be implemented until 2020 through 2022 and directed Duquesne Light Company (Duquesne or Company) to file a revised 2017-2019 Universal Service and Energy Conservation Plan (USECP) within 30 days of the February 2018 Order, consistent with the changes approved or directed by the Commission. On March 12, 2018, Duquesne filed a further revised 2017-2019 USECP on March 12, 2018, in compliance.

This Order addresses the merits of CAUSE-PA's Petition for Reconsideration and Duquesne's further revised 2017-2019 USECP filed in compliance with the February 2018 Order.

HISTORY

Duquesne submitted its Proposed 2017-2019 Plan on March 16, 2016.[1] On August 11, 2016, the Commission entered a Tentative Order, identifying issues requiring further attention, tentatively approving Duquesne's Proposed Plan for 2017-2019, and requesting comments. CAUSE-PA, the Officer of Consumer Advocate (OCA), and Duquesne individually filed comments to the Tentative Order on August 31, 2016, and reply comments on September 12, 2016. On October 31, 2016, Duquesne filed an Amended Proposed 2017-2019 Plan, which made revisions to its original proposal.

By order entered March 23, 2017, *inter alia*, the Commission questioned the affordability of Duquesne's current CAP design. The March 2017 Order directed Duquesne to work with stakeholders to come to a consensus on the Company's CAP design issues within 90 days from the entry date of the March 17 Order. March 2017 Order at 28-31.

The Commission also determined that the Company's CAP bills and communication should be enhanced for clarity through a collaborative process. The March 2017 Order directed the Company to file and serve proposed changes to its CAP

[1] Electric distribution companies (EDCs) such as Duquesne are required to maintain USECP pursuant to 66 Pa. C.S. § 2804, 52 Pa. Code §§ 54.71 – 54.78, and Pa. Code §§ 69.261 – 69-267. *See* our February 2018 Order for a more complete background on the history and requirements relative to USECPs.

bills and communications at this docket no later than June 30, 2017. March 2017 Order at 32-34.

On June 30, 2017, Duquesne requested a six (6)-month extension, until December 29, 2017, to submit its new CAP bills and communications plan for review and approval. The Company proposed to implement a new CAP bill and communications plan concurrently with its new CAP design. On July 3, 2017, the Commission issued a Secretarial Letter granting the extension.

On July 20, 2017, the Commission entered an Opinion and Order approving Duquesne's revised 2017-2019 Plan.

On September 15, 2017, Duquesne filed a Joint Petition (Joint Petition) on behalf of itself, CAUSE-PA, and OCA. The Joint Petition sought, *inter alia*, to further amend Duquesne's 2017-2019 Universal Service and Energy Conservation Plan (USECP or Plan) by modifying Duquesne's CAP. The Joint Petition also requested a waiver from 52 Pa. Code § 54.74(a)(1-2) to allow its Amended Proposed Plan to be effective through 2022.

On December 29, 2017, Duquesne filed a Petition (December 29 Petition) for approval of a new CAP bill design and customer communication plan (December 29 Petition). Duquesne's December 29 Petition requested approval of a new CAP bill design and customer communication plan that would begin in 2020. On January 18, 2018, OCA filed a Notice of Intervention and Answer to the December 29 Petition. CAUSE-PA has also filed a Petition to Intervene regarding the December 29 Petition.

On February 8, 2018, the Commission entered its February 2018 Order, which approved only those aspects of the proposed CAP design that would be effective through 2019. The February 2018 Order deferred consideration of the Joint Petition's proposed

2020-2022 CAP design and Duquesne's December 29 Petition until the Company files its 2020-2022 USECP. Finally, the February 2018 Order noted the Joint Petition's proposed 2018-2022 USECP did not reflect that Hardship Fund applicants need not provide Social Security Numbers (SSNs) to qualify. Duquesne was directed to file a revised 2017-2019 USECP within 30 days of the February 2018 Order, consistent with the changes approved or directed by the Commission.

On February 23, 2018, CAUSE-PA filed the instant Petition. Pursuant to Rule 1701 of the Pennsylvania Rules of Appellate Procedure, Pa. R.A.P. Rule 1701, Pa. R.A.P. Rule 1701(b)(3), the Commission granted reconsideration of the February 2018 Order on March 1, 2018, to preserve jurisdiction pending review of, and consideration on, the merits of the Petition. On March 5, 2018, Duquesne and OCA individually filed Answers to the Petition.

On March 12, 2018, Duquesne filed both clean and red-lined versions of its further revised 2017-2019 USECP.

STANDARD FOR RECONSIDERATION

On February 23, 2018, CAUSE-PA filed its Petition for Reconsideration of our February 2018 Order. Commission jurisdiction has been preserved in this proceeding pursuant to our March 1, 2018 Order.

In order to reach the substantive issues raised in CAUSE-PA's Petition, we must address the standard for rehearing, reargument, reconsideration, clarification, rescission, amendment, supersedeas, or the like. Such petitions are reviewed pursuant to 66 Pa. C.S.

§ 703(g), relating to rescission and amendment of orders,[2] and 52 Pa. Code § 5.572, relating to petitions for relief[3].

Duick v. PGW, 56 Pa. P.U.C. 553 (1982), (*Duick*) elaborates on the application of Section 703(g) and Section 5.572. "A petition for reconsideration, under the provisions of 66 Pa. C.S. § 703(g), may properly raise any matters designed to convince the Commission that it should exercise its discretion . . . to rescind or amend a prior order in whole or in part." A party may not raise the same questions in a petition for reconsideration that were raised in a prior pleading. Such questions raised ought to be those that "appear to have been overlooked or not addressed by the Commission." If "new and novel" questions are not raised, a party will not succeed in persuading the Commission that the "initial decision on a matter or issue was either unwise or in error." *Duick* at 558.

With this in mind, we shall first recap the underlying Joint Petition, our February 2018 Order, the waiver request re Section 54.74(a)(1-2), the Petition for Reconsideration, and the Answers thereto.

JOINT PETITION

The Joint Petition proposed to convert Duquesne's CAP from a percent of budget bill (POB) program to a percent of income payment plan (PIPP). The Joint Petition also requested a waiver from Section 54.74(a)(1-2), which establishes a three-year timeline

[2] Section 703(g) provides that "[t]he commission may, at any time, after notice and after opportunity to be heard as provided in this chapter, rescind or amend any order made by it. Any order rescinding or amending a prior order shall, when served upon the person, corporation, or municipal corporation affected, and after notice thereof is given to the other parties to the proceedings, have the same effect as is herein provided for original orders."

[3] Section 5.572(a) provides in that "[p]etitions for rehearing, reargument, reconsideration, clarification, rescission, amendment, supersedeas or the like must be in writing and specify, in numbered paragraphs, the findings or orders involved, and the points relied upon by petitioner, with appropriate record references and specific requests for the findings or orders desired."

for USECPs. The Joint Petitioners asserted that this waiver would allow Duquesne to implement the two phases of its CAP redesign over a five-year period (2018-2022). Joint Petition at 9.

The first phase would make modifications to Duquesne's current POB CAP. This phase was scheduled to begin on January 1, 2018, and run through December 31, 2019.[4] The second phase would place all Duquesne CAP customers into a PIPP CAP. This phase was scheduled to begin on January 1, 2020 and run through December 31, 2022. Joint Petition at 5-6.

Phase One (2018-2019)

The reconsideration process does not change any aspect of Phase One. Beginning on March 28, 2018, the POB changed, as shown in Table 1, pursuant to the revised USECP:

Table 1
Percent of Budget Bill CAP Categories for 2018-2019

Income Category:	**Non-Electric Heat Residential Service Percentage of Budget Bill Payment**	**Residential Electric Heat Percentage of Budget Bill Payment**
0% to 50 % of FPIG*	15%	25%
51% to 100% of FPIG	40%	60%
101% to 150 % of FPIG	80%	80%

* Federal Income Poverty Guidelines
Source: Joint Petition at 6.

[4] We approved this proposal in the February 2018 Order. The further revised 2017-2019 USECP that Duquesne filed on March 12, 2018, implemented the first phase. That aspect of the February 2018 Order has not been challenged.

The maximum CAP credit for non-electric heating customers increased from $700 to $1,500. The maximum CAP credit for electric heating customers remains $1,800. Joint Petition at 6.

Duquesne estimates that implementing these changes will increase annual CAP costs by over $6 million in 2018 and by over $7 million in 2019, compared to the 2017 CAP budget. Joint Petition, Proposed 2018-2022 Plan at 18.

Proposed Phase Two (2020-2022)[5]

As part of a unified USECP that would be effective through 2022, the Joint Petitioners proposed that Duquesne convert its POB CAP to a PIPP CAP and establish the following percentages and income tiers for CAP customers beginning on January 1, 2020, as shown in Table 2:

Table 2
Proposed Percent of Income CAP Payments

Income Category:	**Residential Service Non-Electric Heat Percentage of Income Payment**	**Residential Electric Heat Percent of Income Payment**
0% to 50 % of FPIG	3%	7%
51% to 100% of FPIG	4%	8%
101% to 150 % of FPIG	5%	9%

Source: Joint Petition at 7.

If the customer's average monthly bill (based on a 12-month rolling average) is less than the PIPP amount, the customer would be charged the average bill. The average bill is not a budget bill and would not be subject to reconciliation. The CAP payment

[5] In its Proposed 2018-2022 Plan, Duquesne states that it would also begin requiring CAP households that report zero income to recertify income every six months beginning January 1, 2020. Proposed 2018-2022 Plan at 5. However, Duquesne's approved 2017-2019 Plan already stated that zero-income CAP customers may be reviewed every six months. Duquesne 2017-2019 USECP at 5-6 (filed May 12, 2017).

would be reviewed every four (4) months to determine which CAP amount (*i.e.*, PIPP or average bill) is most beneficial to the customer. Joint Petition at 7.

Duquesne would have the ability to adjust the percent of income payments or maximum CAP credit limits if there are extenuating circumstances, including the addition of a family member, a serious illness, consumption beyond the control of customer due to health conditions or severe weather, and structural damage to home.[6] Joint Petition at 7.

Duquesne would provide monthly notices to customers to identify how many CAP credits remain, what would happen when the customer exceeds the CAP credit limit, and exceptions to this limit.[7] Joint Petition at 7-8.

The Joint Petition proposed to give CAP customers a "fresh start" when they are transitioned to the PIPP on January 1, 2020, by writing-off or forgiving any existing in-program arrears (IPA). Duquesne would assume responsibility for 45% of the IPA and not seek recovery of that amount. The remaining 55% of the IPA[8] would be deferred and combined with the customer's pre-program arrears (PPA). CAP customers would receive 1/24th forgiveness of their combined deferred balance (*i.e.*, any remaining PPA plus the 55% of their individual IPA) with each monthly payment after transition to the PIPP CAP.[9] Duquesne would recover the forgiven IPA balance (*i.e.*, the 55% of the total IPA) in the same manner as it currently recovers forgiven PPA through its Universal Service

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6 These "extenuating circumstances" are consistent with the exceptions to the CAP control features in the CAP Policy Statement at Section 69.265(3)(vi).

7 Duquesne would report the average annual deficiency (CAP credits) for non-electric heating and electric heating customers in its next USECP filing (*i.e.*, its 2023-2025 filing). Joint Petition at 8.

8 At the time of the Joint Petition filing, Duquesne reported that the total IPA balance of all CAP customers was approximately $12 million. The Company would continue to collect and mitigate CAP arrears until the PIPP is implemented. Addendum A at 1-2. Thus, the deferred IPA that could be combined with PPA and eligible for forgiveness would be limited to a maximum of $6.6 million (i.*e.*, 55% of $12 million).

9 Although not explained in the Joint Petition, we see no reason why Duquesne should treat any unforgiven IPA balance any differently than it would treat an unforgiven PPA balance if a customer leaves CAP for any reason during the 24 months.

rider. The Joint Petitioners estimate non-CAP ratepayer bills would increase by $0.50 per month if the maximum IPA amount of $6.6 million is recovered through the universal service rider. Joint Petition at 8.

Pursuant to the Joint Petition, Duquesne would establish tiered limits for PIPP CAP credits based on the CAP customer's income and account type, as shown in Table 3:

Table 3
Proposed CAP Credit Limits for PIPP CAP

Income Category:	**Residential Non-Electric Heat**	**Residential Electric Heat**
0% to 50 % of FPIG	$1,600	$2,350
51% to 100% of FPIG	$1,400	$1,800
101% to 150 % of FPIG	$900	$1,300

Source: Joint Petition at 8.

Duquesne would increase the minimum monthly payment for non-electric heating customers from $15 to $20. The minimum payment for electric heating customers would remain $40. In instances where actual usage charges are lower than the minimum payment amount, the customer would be billed for actual usage. Joint Petition at 8.

The Joint Petitioners estimated these changes could result in the CAP budget increasing up to $31 million by 2022. This is an increase of approximately $11 million from Duquesne's 2017 estimated CAP budget of over $20 million. Joint Petition, Proposed 2018-2022 USECP at 18.

Request for Waiver of Section 54.74(a)(1-2)

As noted above, the Joint Petition requested a waiver from Section 54.74(a)(1-2), relating to the three-year time line for USECPs. The Joint Petitioners asserted that this waiver would allow Duquesne to implement the two phases of its CAP redesign over a five-year period (2018-2022).[10] Joint Petition at 9.

To address the non-CAP aspects of its USECP during this five-year period, the Joint Petition stated that Duquesne would complete a needs assessment for its Low-Income Usage Reduction Program (LIURP), Customer Assistance and Referral Evaluation Services (CARES) program, and Hardship Fund program by December 2019. The Company would consult with CAUSE-PA, OCA, and members of its Income Eligible Program Advisory Group about the results of this needs assessment and discuss any USECP changes that may be required prior to 2022.[11] Joint Petition at 11.

FEBRUARY 2018 ORDER

The February 2018 Order (1) approved Duquesne's amended POB CAP design for 2018-2019 and the maximum CAP credit of $1,500 for non-electric heating customers; (2) withheld consideration and approval of the Joint Petition PIPP CAP design for 2020-2022 until Duquesne's 2020-2022 USECP filing; (3) denied the Joint Petitioners' request for waiver of 52 Pa. Code § 54.74(a)(1-2); and (4) deferred consideration of Duquesne's proposed PIPP CAP bill design and customer communication plan until Duquesne's 2020-2022 USECP filing.[12]

The February 2018 Order directed Duquesne to file a revised 2017-2019 USECP with the approved and requested changes within 30 days of the entry date of the Order.

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[10] Section 54.74(a):

> (1) Each EDC shall submit to the Commission for approval an updated universal service and energy conservation plan every 3 years beginning February 28, 2000, on a staggered schedule.
>
> (2) The plan should cover the next 3-calendar years.

[11] The Joint Petition noted that, if necessary, Duquesne could petition the Commission for a modification of its 2018-2022 USECP prior to 2022. Joint Petition at 11.

[12] The February 2018 Order also directed Duquesne to clarify the Social Security Number policy for its Hardship Fund program. That directive is not under reconsideration in this Order.

CAUSE-PA's PETITION FOR RECONSIDERATION

CAUSE-PA filed it Petition for Reconsideration on February 23, 2018. CAUSE-PA is not seeking reconsideration of the Commission's decision to approve revisions to Duquesne's POB CAP beginning in 2018 or the deferral of consideration of Duquesne's CAP bill design and communication plan. Instead, CAUSE-PA seeks reconsideration of the components of the Joint Petition which the Commission did not approve, *i.e.*, the proposed CAP changes that would begin in 2020 (*i.e.*, Phase Two). CAUSE-PA Petition at 1.

CAUSE-PA maintains that the Commission's decision to approve only the changes to Duquesne's POB CAP (*i.e.,* Phase One) was not based on record evidence; there is no showing that this interim change would be sufficient to address the unaffordability or energy burden issues identified in the Commission's March 2017 Order. Further, CAUSE-PA claims that the revised POB CAP does not address the approximately $12 million in CAP arrears accrued by customers due to the unaffordability of Duquesne's program. CAUSE-PA Petition at 2, 10. CAUSE-PA also argues that the Commission overlooked the fact that the two phases of the agreed-upon five-year re-design of Duquesne's CAP described in the Joint Petition were never intended to be considered separately:

> [T]he Joint Petition was presented as an interdependent and integrated plan, developed over more than 6 months of meetings, negotiations, and careful planning by the parties to address the striking levels of unaffordability produced by Duquesne's current CAP program design. The parts of this consensus cannot easily be removed and approved without upsetting the whole. The [February 2018] Order has, in effect, made permanent (at least through 2023) what was intended to be an interim percentage of bill structure that is not certain to address unaffordability and or mitigate the over $12 million in past due CAP arrears attributable to the unaffordability of Duquesne's current CAP design.

CAUSE-PA Petition at 2.

CAUSE-PA asserts that the Joint Petition was not seeking approval of separate USECPs (*i.e.*, a revised 2017-2019 USECP and a proposed 2020-2022 USECP). Instead, it presented a multi-component plan to address the unaffordability issues in Duquesne's CAP. CAUSE-PA Petition at 9-10.

Further, if the Commission felt the Joint Petition's proposal to provide updated needs assessment information in 2019 in place of a 2020-2022 USECP was insufficient, it could have required more robust data requirements in that proposed future filing. CAUSE-PA Petition at 9-10.

While Duquesne could propose a new CAP design in its 2020-2022 USECP, CAUSE-PA notes that any changes approved in that proceeding may not be ready until the end of that triennial period. This would leave vulnerable households who have accrued CAP arrears due to the unaffordability of Duquesne's program with no relief for years to come. If the Commission does not approve all of the Phase Two components at this time, it should at least approve the proposed IPA component. CAUSE-PA Petition at 13.

CAUSE-PA maintains the Commission should not wait until the results of the *Energy Affordability for Low Income Customers* (Energy Affordability Study) [13] and *Review of Universal Service and Energy Conservation Programs* (Universal Service Review) [14] proceedings are released before making necessary adjustments to universal service programs. CAUSE-PA Petition at 11.

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[13] *Energy Affordability for Low Income Customers*, at Docket No. M 2017-2587711.
[14] *Review of Universal Service and Energy Conservation Programs*, Docket No. M-2017-2596907.

CAUSE-PA notes that the March 2017 Order stated that any CAP design issues the parties cannot reach consensus on will be referred to the Office of the Administrative Law Judge (OALJ) for an evidentiary proceeding and recommended decision. CAUSE-PA Petition at 13, *citing* the March 2017 Order at 31. CAUSE-PA asserts that, once the Commission determined it would not approve the Joint Petition in full, it should have either remanded this matter to the OALJ or rejected the entire Joint Petition and allowed the parties to try again with guidance from the Commission. CAUSE-PA Petition at 13-14.

In summary, CAUSE-PA asks the Commission to approve the Phase Two (*i.e.*, 2020-2022) components of the revised CAP design in the Joint Petition or to at least approve the proposed IPA component. Alternatively, CAUSE-PA requests the Commission allow the parties to continue to work together to address the issues raised in the February 2018 Order or refer this matter to OALJ. CAUSE-PA Petition at 13-14.

ANSWERS TO THE INSTANT PETITION

OCA supports CAUSE-PA's Petition, noting that the Commission's February 2018 Order did not specifically reject the Joint Petition's proposed forgiveness of accumulated CAP arrears from 2020 through 2023. OCA contends that the arrearage forgiveness mechanism is necessary to allow program participants to begin the 2020-2023 CAP without the burden of CAP arrears accumulated to the unaffordability of Duquesne's Prior CAP. OCA Answer at 3-5.

Duquesne asserts that the CAUSE-PA Petition falls short of the standards in *Duick* for reconsideration. Further, Duquesne asserts CAUSE-PA erroneously assumes (1) that the denial of the PIPP CAP has made POB CAP design permanent and (2) that the Commission must act immediately to address the $12 million in CAP arrears accrued through its current CAP design. Duquesne Answer at 2. Duquesne states that "[i]t is impossible for CAUSE-PA to predict or dictate what Duquesne Light will propose in its 2020-2022 [USECP], and perhaps more importantly, whether that proposal will be accepted by the Commission." Duquesne Answer at 2.

Duquesne notes that even if the Joint Petition were approved by the Commission, CAP customers would not receive the benefit of CAP arrearage forgiveness until 2020. Since Duquesne will file its 2020-2022 USECP in less than twelve months, the Company recommends the Commission reject CAUSE-PA's request for hearings or further stakeholder meetings on this matter. Duquesne Answer at 2.

DISCUSSION

The February 2018 Order approved and directed implementation of Phase One (2018-2019) of the joint proposal. Phase One revises the percent of budget bill amounts to be paid by CAP customers and increases the CAP credits for non-heating accounts from \$700 to \$1,500. We found this interim approach of increasing the ceiling for CAP credits and reducing POB CAP bills a good step forward to achieving affordability for Pennsylvania's low-income and fixed-income residents. That finding and directive to implement remains unchanged regardless of reconsideration of our determination regarding Phase Two.

The Commission's decision in the February 2018 Order to defer approval of the Phase Two components of the Joint Petition proposed to begin in 2020 was based primarily on procedural concerns stemming from the Petitioners' concurrent request to extend the amended USECP through 2022. The Commission deferred consideration of the PIPP CAP design until Duquesne filed its 2020-2022 USECP because (1) additional information and updated CAP budget/enrollment projections could be provided in the next USECP filing; (2) by approving a five-year CAP design and waiving Duquesne's 2020-2022 USECP filing, the Commission would be granting *de facto* approval of

Duquesne's other universal service programs until 2022; and (3) the Energy Affordability Study, at Docket No. M-2017-2587711, may result in, *inter alia*, changes to the energy burden levels in the CAP Policy Statement prior to 2022. For these non-CAP-specific reasons, we approved only those aspects of the Joint Petitions' proposed CAP design that fell within the Company's 2017-2019 USECP.

CAUSE-PA and OCA argue that the different components of the Joint Petitions' proposed CAP design are interdependent and were never meant to be evaluated separately. CAUSE-PA contends that the Commission erred in approving only one phase of the CAP design (*i.e.*, Phase One for 2018-2019) and that the Commission should have approved or rejected all aspects of the proposed two-phase, five-year CAP design as a whole.

As summarized in the February 2018 Order, the Joint Petition was the result of a collaborative process established by the Commission to address unaffordability issues in Duquesne's current CAP design:

> The Commission has previously found that Duquesne's current POB CAP design "is not adequate in providing reasonable assistance to those living below 50% of the FPIG." March 17 Order at 30.[15] According to the 2015 universal service evaluation conducted by the Applied Public Policy Research Institute for Study and Evaluation (APPRISE Evaluation), Duquesne CAP customers at this income level had an average energy burden that is three to four times higher than the maximum threshold in the CAP Policy Statement.[16] APPRISE Evaluation at 66. The March 17 Order directed Duquesne to work with stakeholders to developing a mechanism to address its CAP design energy burdens levels, especially for those at or below 50% of the FPIG.

[15] 52 Pa. Code § 69.265(2)(i)(A-C) of the CAP Policy Statement identifies maximum energy burden levels that should be factored into CAP payment designs.
[16] APPRISE is the independent third-party reviewer of Duquesne's universal service programs. *See* 52 Pa. code § 54.76. The APPRISE Evaluation can be reviewed at http://www.puc.pa.gov/general/pdf/USP_Evaluation-Duquesne.pdf

February 2018 Order at 12.

The proposed two-phase, five-year CAP in the Joint Petition was clearly the result of the strong commitments and concerted efforts from Duquesne, OCA, and CAUSE-PA to find a workable solution to the problems identified in March 2017 Order. Agreement among parties alone does not, however, mean that the substance of an agreement is in the public interest. The parties currently are not in agreement, however, regarding the justification and the need for reconsideration or the consequences of our having only approved Phase One of the proposed two-phase, five-year CAP.

There appears to be no disagreement as to the parties' preference for full implementation of the proposed two-phase, five-year CAP.

Resolution: Upon further review, we agree that the February 2018 Order could be construed to have overlooked the integrated nature of the two phases in the Joint Petition proposal, which seeks to address the unaffordability and energy burden issues raised in the Commission's March 2017 Order by transitioning into a PIPP CAP by 2020 and offering CAP arrearage forgiveness for debt accrued in Duquesne's POB CAP design. While we maintain that consideration of a proposed CAP design should not be conflated with a waiver of reporting requirements or approval of any other universal service program, we find that the Joint Petition's two-phase, five-year CAP design could have been evaluated as a whole and did not need to be approved or rejected piecemeal. Therefore, we find that CAUSE-PA has met the standards of *Duick*, and we will re-consider the Joint Petition's proposed two-phase, five-year CAP design on its merits.

As a point of clarification, we did not reject the proposed elements of the second phase of the proposed CAP design on their merits but rather on the position of the Joint Petitioners that approval of the design elements would negate any need for significant review of a 2020-2022 USECP. In fact, many of the Phase Two CAP elements are already in effect for other utilities. What we have not approved before is a five-year CAP or a five-year USECP. We have, however, approved four-year USECPs to accommodate scheduling and review.[17]

We note that the Joint Petitioners sought to address the unaffordability issues in Duquesne's current POB CAP design by (1) reducing the percentage of budget bill most CAP customers are currently required to pay and increasing the maximum CAP credits for non-electric heating customers through 2019 and (2) in 2020, changing to a PIPP CAP, establishing a tiered CAP credit limit, increasing minimum payment for non-electric heating customers, and allow forgiveness of accrued CAP arrears

As noted in the February 2018 Order and above, the Commission has previously approved many of the components of the second phase (2020-2022) of the Joint Petition's proposed CAP design in USECP proceedings for other utilities, including (1) charging CAP customers either a PIPP or budget/average bill amount, whichever is lower;[18] (2) establishing tiered CAP credit limits based on the household's poverty level;[19] and (3) deferring or in-program arrears when a customer transitions into a new CAP design.[20] February 2018 Order at 17.

We have also found the PIPP levels proposed by the Joint Petitioners are at or below the maximum energy burden levels in the CAP Policy Statement at Section 69.265(2)(A-C). February 2018 Order at 16.

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[17] *See* June 27, 2014 Secretarial Letter at: http://www.puc.pa.gov/pcdocs/1294169.docx

[18] *See* UGI Companies' 2014-2017 USECP, Docket No. M-2013-2371824, at 14-15; Peoples Natural Gas Company's 2015 2018 USECP, Docket No. M-2014-2432515, at 9-10; and Philadelphia Gas Works (PGW) 2017-2020 USECP, Docket No. M-2016-2542415, at 6-7.

[19] *See* PECO 2016-2018 USECP, Docket No. M-2015-2507139, Addendum A at 32; and PPL 2017-2019 USECP, Docket No. M-2016-2554787, at 17.

[20] *See* PECO 2016-2018 USECP, Addendum C at 36-44.

We further conclude that CAUSE-PA's arguments against piecemeal approval of this two-phase, five-year CAP design mitigate against approving components of the second phase on a piecemeal basis. In that regard, we are not motivated to approve only the IPA portion of Phase Two independent of the remaining components of Phase Two.

We recognize that the Phase Two CAP changes proposed in the Joint Petition will require Duquesne to make significant system changes prior to transitioning to a PIPP CAP. Duquesne, and other interested entities, will need time after the Phase Two implementation to measure the impact on customers, billings, costs, and payment habits.

Having reconsidered, we find that the Joint Petition's proposed two-phase, five-year CAP design addresses the unaffordability issues raised in the Commission's March 2017 Order. The proposed CAP design particularly benefits customers at or below 50% of the FPIG by significantly lowering the percent of budget bill they will pay through 2019 and then limiting their CAP payments to 3% (non-heating) or 7% (heating) of their income beginning in 2020. They will also benefit from the proposed tiered CAP Credit limits, which provided a higher amount of CAP credits to the lowest income customers. Finally, we find it appropriate to allow customers to enroll in the PIPP CAP without significant in-program debt by allowing a portion of the in-program arrearage to be set aside for forgiveness.

Therefore, all things considered, we are persuaded to approve the appropriate elements of the Phase Two CAP design for 2020 through 2022 now rather than defer approval until the 2020-2022 USECP is reviewed. Accordingly, we shall approve the Joint Petition's proposed CAP design for 2018-2022, consistent with this Order. The specific details approved are set forth in Appendix A to this Order.

We are impressed by the strong commitment of parties in this proceeding to collaborate on a CAP design that addresses the unaffordability concerns raised in the

March 2017 Order. The parties are reminded, however, that the results of the ongoing Energy Burden Study proceeding may lead to, *inter alia*, changes to the recommended energy burden levels for CAP participants, which in turn may require further adjustments of the Duquesne's PIP levels when the Company files its 2023-2025 USECP.

Our conclusion herein is that the parties do not need to attempt further consensus or prepare for OALJ proceedings relative to the directives in the March 2017 Order regarding CAP design. Our recognition that the two-phase, five-year CAP design meets the directives of the March 2017 Order does not, however, justify granting the Petitioners' request for a waiver from Section 54.74(a)(1-2).

Accordingly, we do not find it appropriate to approve Duquesne's other universal service programs or its needs assessments and budgets through 2022 based on acceptance of the proposed two-phase, five-year CAP design. The Joint Petition's proposal to file an updated needs assessment in 2019 in lieu of a triennial USECP is not sufficient. To preserve the Commission's ability to review and revise Duquesne's plan to provide LIURP, CARES, and Hardship Fund programs to eligible customers in pursuant to a 2020-2022 USECP, as well as its USECP needs assessment and enrollment and budget projections, we shall require Duquesne to file and serve its 2020-2022 USECP on or before February 28, 2019. Duquesne shall include the Joint Proposal provisions of the Phase Two CAP design, consistent with Appendix A to this Order, in that filing. We may require Duquesne to provide additional updates on its implementation progress as part of that proceeding. However, in our review of Duquesne's 2020-2022 USECP, we shall not request changes to the elements of Duquesne's CAP design that we have approved in this Order.

Proposed Cap Bill and Customer Communication Plan

The CAUSE-PA Petition did not seek reconsideration of the February 2018 Order's provision to defer consideration of Duquesne's December 29 Petition regarding the proposed PIPP CAP bill and communication plan until the next USECP proceeding. However, we encourage Duquesne to work with CAUSE-PA, OCA, and its Income Eligible Program Advisory Group to collaborate on its CAP bill and communications plan prior to filing its 2020-2022 USECP.

REVISED 2017-2019 USECP COMPLIANCE FILING

The February 2018 Order directed Duquesne to file a revised 2017-2019 USECP within 30 days of the entry date of that Order – with an effective date on or before April 1, 2018 – with the following changes:

1. Revised POB categories for CAP customers;
2. A maximum CAP credit of $1,500 for non-electric heating customers; and
3. Clarification that Social Security Numbers (SSNs) are not required to qualify for a Hardship Fund grant.

On March 12, 2018, Duquesne filed both clean and red-lined versions of its further revised 2017-2019 USECP. The further revised USECP contains the revised POB categories and sets the maximum CAP credits for non-heating accounts at $1,500. The effective date for these changes is March 28, 2018. Further Revised 2017-2019 USECP at 5-6. The further revised USECP also clarifies Duquesne allows customers to provide alternative forms of government-issued identification in lieu of SSNs to qualify for a hardship fund grant. Further Revised 2017-2019 USECP at 19. We have received no exceptions from parties to this proceeding relative to whether the further revised 2017-2019 USECP is consistent with the February 2018 Order.

Resolution: BCS has reviewed Duquesne's further revised 2017-2019 USECP and determined it contains all the clarifications and changes requested by the Commission. Accordingly, we find that Duquesne's further revised 2017-2019 USECP is consistent with the February 2018 Order and shall be effective as of the entry date of this Order.

CONCLUSION

In accordance with the foregoing discussion, CAUSE-PA's Petition for Reconsideration is granted in part and denied in part on the merits, consistent with this Order. In accordance with the foregoing discussion, having already approved Phase One, we shall now approve the remainder of Joint Petition's two-phase, five-year CAP design for 2018-2022, as set forth in Appendix A to this Order. Duquesne shall file its proposed 2020-2022 USECP by or before February 28, 2019 for Commission review. However, that review shall not seek changes to those aspects of the two-phase, five-year CAP design approved in our February 2018 Order and this through this Order. In particular, we are approving the elements of Phase Two of the CAP design as described in Appendix A to this Order. Further, we require that Duquesne clarify in its 2020-2022 Plan that any remaining combined unforgiven deferred balance (*i.e.*, both the PPA and the IPA) will become part of the household's "balance due" if a customer leaves CAP for any reason during the 24 months.

The proposed 2020-2022 USECP shall update the Commission on Duquesne's progress in transitioning to a PIPP CAP, including updated needs assessment and enrollment and budget projections, which will be reviewed as part of our evaluation of Duquesne's proposed 2020-2022 USECP. The request for a waiver of Section 54.74(a)(1-2) is denied.

We also find that Duquesne's further revised 2017-2019 USECP, filed on March 12, 2018, is consistent with the February 2018 Order. Accordingly, we shall approve it through this Order. We do not require the Company to make any further revisions to its 2017-2019 USECP at this time; **THEREFORE,**

IT IS ORDERED:

1. The Petition for Reconsideration pursuant to 66 Pa. C.S. § 703(g) and 52 Pa. Code § 5.572 filed by Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania is granted in part and denied in part on the merits, consistent with this Order.

2. That the Joint Petition's proposed two-phase, five-year 2018-2022 Customer Assistance Program design, as submitted on September 15, 2017, is hereby approved, consistent with this Order. Specifically, Duquesne Light Company shall incorporate the changes to its Customer Assistance Program for 2020-2022 as described in Appendix A.

3. That the Joint Petition's request for a waiver of Section 54.74(a)(1-2) is denied. Duquesne Light Company shall file its proposed 2020-2022 Universal Service and Energy Conservation Plan by or before February 28, 2019.

4. That the proposed 2020-2022 Universal Service and Energy Conservation Plan shall contain (1) an update on its progress on transitioning to a Percent of Income Customer Assistance Program beginning on January 1, 2020; (2) updated needs assessment and enrollment and budget estimates for its 2020-2022 Customer Assistance Program; and (3) updated costs estimates regarding the in-program arrearage forgiveness.

5. That the Duquesne Light Company's Further Revised Universal Service and Energy Conservation Plan for 2017-2019, as filed on March 12, 2018, is approved as

consistent with Title 66 of the Pennsylvania Consolidated Statutes, Title 52 of the Pennsylvania Code, and Commission practice.

6. That a copy of this Order be served on Duquesne Light Company, the Office of the Consumer Advocate, the Bureau of Investigation and Enforcement, and the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania. A copy

shall also be served on the parties to Duquesne Light Company's Universal Service and Energy Conservation Plan for 2014-2016 at Docket No. M-2013-2350946.

BY THE COMMISSION,

Rosemary Chiavetta
Secretary

(SEAL)

ORDER ADOPTED: April 19, 2018

ORDER ENTERED: April 19, 2018

Appendix A (Excerpted from Joint Petition at 6-8)

35. Beginning on January 1, 2020, Duquesne Light's CAP would change to a Percentage of Income Plan ("PIPP"), with the following percentages and income tiers:

Income Category:	**Residential Service Percentage of Income Payment:**	**Residential Electric Heat Percentage of Income Payment:**
0% to 50 % of Poverty	**3%**	**7%**
51% to 100% of Poverty	**4%**	**8%**
101% to 150 % of Poverty	**5%**	**9%**

36. Furthermore, under the PIPP, if the customer's average monthly bill (based on a 12 month rolling average that would otherwise be the budget billing payment) is less than what the CAP bill would be as determined under the PIPP table above, the customer's monthly payment will equal their 12 month average bill. The monthly payment will be reviewed and updated (if necessary) every four months to determine whether the customer is best served in the basic PIPP or in the PIPP- Average Monthly Bill plan. The average monthly bill is not the budget amount and is not subject to reconciliation.

37. Percent of income payments and maximum annual CAP discount amounts for CAP participants may be adjusted for extenuating circumstances including, but not limited to, the following:

- Addition to the household;
- Serious illness or medical condition;
- Consumption increase beyond control of customer (health related);
- Severe weather conditions; and
- Structural damage to home.

38. Duquesne Light will also provide monthly notices to customers regarding how much of their CAP credit remains, what will happen if the maximum credit amount is exceeded, and what exceptions might be available. In its next triennial USECP filing, Duquesne Light will include a report regarding the average annual deficiency for non-electric and electric heating customers.

39. Concurrent with the transition to the PIPP, all in-program debt will be forgiven, giving all customers who are delinquent at that time a "fresh start", as a one-time accommodation.

40. The company will assume responsibility for 45% of the in-program debt to be forgiven, and will not seek rate recovery on this amount. The remaining 55% – not to exceed 55% of $12 million, or $6.6 million – will be recovered over a period of 24 months via Duquesne Light's Universal Services rider (Rider No. 5).

41. The estimated bill impact for recovering the maximum $6.6 million over a 24 month period is expected to be approximately $.50 per customer per month.

42. Under the PIPP, the Maximum Annual CAP Discounts would be as follows:

Income Category:	**Residential Service**	**Residential Electric Heat**
0% to 50 % of Poverty	**$1600**	**$2350**
51% to 100% of Poverty	**$1400**	**$1800**
101% to 150 % of Poverty	**$900**	**$1300**

43. Under the new CAP design, beginning on January 1, [2020], the monthly minimum payment required of non-heating CAP customers will be $20, and the monthly minimum payment required of heating CAP customers will be $40. However, customers whose actual usage in any given month result in a bill that is less than the CAP Minimum Payment will be billed based on actual usage.

APPENDIX B

APPENDIX B

Zero Income Claim Form

Customer Information:

Customer Name: ____

Service Address: ____

______________________________, PA ______

Household Zero Income Claim:

I, ____________________, state that no adult member of my household is currently
(Print name)
receiving income from any source.

Please note, you will have to recertify your income every 6 months when claiming zero income.

Household Expenses:

Identify how you and your household meet monthly living expenses, such as those expenses for housing (mortgage or rent), food, and utilities (electric, gas, water, and/or phone bill). Check all that apply.

☐ I am using money from savings

I receive financial support from friends/family/community

☐ Other. Please explain below:

Affidavit:

I certify that the information presents in this application is true and accurate to the best of my knowledge. I understand that providing false information in this application is grounds for denial and dismissal of my application. I acknowledge that I am responsible for notifying Duquesne Light Company if my household or income changes.

Signature: ____________________________ Date: ____________________

APPENDIX C

Duquesne Light

Universal Services Customer Education and Outreach Plan

Duquesne Light Company (the "Company") has a variety of programs that are designed to provide customers in need of assistance with the support they need. The Company utilizes Bill Messages, Service Line Publications, Video and Social Media to reach customers about available programs. The Company works with Community Based Partners, including Holy Family Institute, Catholic Charities and Dollar Energy Fund, using their networks to reach out to customers. We have also completed presentations to a wide variety of governmental and community organizations.
The Company employs ongoing efforts to reach out to customers through its Call Center and network of Community Based Partners, Social Media, bill messaging and inserts, and targeted emails. The goal is to increase customer participation in universal services programs, and to that end, the Company will continue to make it easy to do business with us by offering multiple channels for customer interaction.

Target audiences identified

Immigrant Populations
Single Head of Households
Landlords
Disabled Veterans
School Districts/Parents
Early Intervention Programs
Food Banks
Housing Authority Offices
Faith Based Communities
Visiting Nurses
Transitional Services
Unemployment Offices
Mental Health and Social Workers

External Outreach

All Programs: There are multiple opportunities for the Company to promote all programs, including:

- Sponsorship and participation in senior and community events
- Representation on local community assistance boards and task forces
- Participation in and coordination of Be Utility Wise events
- Provision of program information on the Duquesne Light website
- Promotion of programs through multiple Company social media channels
- Semi-annual Income Eligible Advisory Group meetings
- Customer Care Center referrals
- Press Releases at the start of the LIHEAP and Dollar Energy Fund season
- Targeted agency training

Internal Outreach

The Company recognizes the value of employees as ambassadors for promoting programs to customers, neighbors, family and community groups. Therefore, the Universal Services Team engages in multiple activities to promote programs internally.

- Call Center

- Detailed explanation of each program including guidelines, application process and benefits
    - Reminders to refer to programs at appropriate points in the scripting
    - Up to the minute dates, income guidelines, eligibility guidelines, agency partner hours and contact information
- Training
    - Customer Service Representatives
    - CBO and Universal Service Representatives
- Company Internal website articles about programs and customer testimonials
- Solicit employee volunteers for Hardship Fund fundraisers and other events.
-

The Company also conducts frequent meetings with internal and external stakeholders to leverage additional outreach and education channels, including:

- Quarterly Universal Services All Staff Meetings
- Weekly Meetings with CBO staff and administration
- Income Eligible Advisory Group Bi-Annual meeting
- Cold Weather Survey update meeting prior to survey annually

Education

Duquesne Light Company blends outreach with education. The best form of promotion is to help a potential customer understand the benefits and how to access the program. However there are specific education components to specific programs the Company has developed.

LIURP
LIURP is explained to CAP customers the time of enrollment. The CAP representative provides an overview of LIURP so the customer knows what to expect. The Company provides a packet of information at the time of the audit that includes an energy usage reference guide, smart comfort book containing conservation tips and an electric safety booklet. The Company also provides posters that can be placed at worship sites, medical clinics and other venues with tear off tabs with contact numbers. In addition, a brochure is available at tabled and sponsored events to raise awareness of the program. CAP enrollees are provided copies of several of these resources at time of enrollment.

Contact Center
Customer Service Representatives are trained to help customers understand what programs may be the most beneficial for them, and then guide them through the process of applying. These representatives are trained to identify and address any underlying payment problems in addition to the identifying concern. The representatives also make referrals to community resources as needed.

CARES
CARES Representatives assist all customers that need additional assistance to apply for programs. Financial Counseling can be a part of the CARES enrollment process. CARES Representatives also provide referrals to community resources as needed.

APPENDIX D

WHRP / Smart Comfort Program
Homeowner Authorization and Release Form

Homeowner Name: ___________________________________
Premises Address: ____

This agreement is made on the________day of_________________, 20____between CLEAResult or its subcontractor, herein called the *Contractor*, and the owner of the premises, hereafter called *Owner*. If the contractor does not receive this Form within 30 days of the date listed above, then any offer becomes null and void.

Whereas the *Owner* desires to benefit from Duquesne Light's *WHRP* ***OR*** *Smart Comfort* being offered by the *Contractor*, the *Owner* agrees to permit the *Contractor* to enter their premises in accordance with the following terms and conditions: The *Owner's* approval is only required for structural and/or weatherization changes to the property greater than direct install measures, and/or replacement of *Owners'* appliance.

1. *Contractor* agrees to provide the *Owner* a *WHRP* ***OR*** *Smart Comfort* audit to help reduce tenant electric consumption. Measures provided may include but are not restricted to: re-lamping with LED bulbs, refrigerator change-outs, weatherization measures (insulation, air sealing), heat pumps; and in the case of electric hot water heating: water-saving faucet aerators and shower heads, water pipe insulation, and tank wrap insulation.
2. *Contractor* agrees to maintain insurance to protect the *Owner* and any third parties from injuries or damages directly resulting from the actions of the Contractor while in, or on, the premises.
3. The *Owner* agrees to hold the *Contractor* blameless for any damage or injury not directly caused by the *Contractor* while on the premises.
4. The *Owner* certifies that any refrigerator or freezer was in working order during the audit and releases *Duquesne Light* and its *Contractor* from any and all present and future claims, expenses and causes of action as a result of energy conservation services performed by the *Contractor*.
5. All tools, equipment, and other Property used by the *Contractor* in carrying out the *WHRP* ***OR*** *Smart Comfort* audit remains owned by the *Contractor*.
6. There will be no charge, lien or judgment placed against the *Owner* for participation in the *WHRP* ***OR*** *Smart Comfort* or for any measures installed by the *Contractor*.
7. If any equipment or goods provided by the *Contractor* are defective or non-conforming, I understand that the manufacturer or seller will provide or honor warranties. I agree that *Duquesne Light Company* will not be responsible for any damages, including without limitation, punitive, direct, indirect, consequential or special. **DUQUESNE LIGHT COMPANY EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES.**
8. In the event that any new, energy efficient appliance(s) is/are offered, then I agree to accept it/them in exchange for my old/existing appliance(s). Old appliance(s) will be removed and responsibly recycled, therefor all exchanges are final.

In witness hereof and intending to be legally bound hereby, the parties express their agreement by executing the same on the date and year listed above. I HAVE READ THIS DOCUMENT AND UNDERSTAND ITS PROVISIONS. TO INDICATE MY AGREEMENT WITH THESE PROVISIONS, AND TO ATTEST THAT I AM THE LEGAL OWNER OF THIS PROPERTY LISTED IN "PREMISES ADDRESS" ABOVE, I AVE SIGNED BELOW.

____
Homeowner (print)

_______________________________________   _______________
Homeowner Signature   **Date**