PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120

2019 Amendments to Policy Statement on Customer Assistance Program, 52 Pa Code §§ 69.261-69.267

Public Meeting - September 19, 2019
3012599-LAW
Docket Nos. M-2019-3012599
M-2017-2587711
M-2017-2596907

JOINT MOTION OF VICE CHAIRMAN DAVID W. SWEET AND COMMISSIONER ANDREW G. PLACE

Before us today for consideration and disposition is the adoption of Customer Assistance Program (CAP) policy changes and amendments to the Commission's existing CAP Policy Statement.[1] This undertaking began nearly two years ago and involved a holistic review of universal service and energy conservation programs,[2,3] including a thorough examination of the Commission's current energy burden thresholds,[4,5] focusing on whether existing Customer Assistance Programs are affordable for low-income customers.

We want to extend our sincere gratitude to the many stakeholders who participated in workgroup meetings, stakeholder meetings and who submitted comments and information at this docket. You are engaged in these fundamental issues daily and we appreciate the time and attention you gave to these dockets. It is a far richer product for your contributions.

We would also like to specifically acknowledge the Commission's Bureau of Consumer Services (BCS) and Law Bureau staff that worked tirelessly on this assignment, particularly Sarah Dewey, Joseph Magee, and Louise Fink Smith. As a result of this docket, Pennsylvania is the first jurisdiction in the nation to complete a comprehensive energy burden and affordability study of households using customer income, billing, and payment information. With this accolade comes some lessons learned, data requests, and delays, but it ultimately delivered empirically derived results, that have informed our decision making and the policies we adopt.

Our Final Policy Statement is comprehensive and reflective of not just the set facts presented by stakeholders, but the years of experience and expertise developed within this

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[1] 52 Pa. Code §§69.261-69.267.

[2] "Universal service and energy conservation" is a collective term for the "policies, protections and services that help low-income customers to maintain service" as mandated by statute. *Electricity Generation Customer Choice and Competition Act*, 66 Pa. C.S. §§ 2801-2816 (1997), and *the Natural Gas Choice and Competition Act,* 66 Pa. C.S. §§2201-2212 (1999)). The four universal service programs are: (1) Customer Assistance Programs, (2) Low-Income Usage Reduction Programs, (3) Customer Assistance Referral and Evaluation Services and (4) Hardship Funds.

[3] *Joint Motion of Commissioner David W. Sweet and Vice Chairman Andrew G. Place, Review of Universal Service and Energy Conservation Programs*, Docket No. M-2017-2596907 (Order entered May 5, 2017).

[4] "Energy burden" is the percentage of household income required to pay for household energy usage.

[5] *Joint Motion of Vice Chairman Andrew G. Place and Commissioner David W. Sweet, Energy Affordability for Low Income Customers*, Docket No. M-2017-2587711 (Order entered May 10, 2017).

Commission in evaluating the successes and opportunities for improvement within universal service programs.

This is not the Commission's first examination of topics such as energy affordability and whether the energy burden ranges first established in the 1992 CAP Policy Statement are adequate to address the energy assistance needs of low-income customers. The record on these issues is expansive and covers all aspects of the program. It is these years of deliberation on this subject matter that have culminated in what we are now adopting, which are final amendments to the existing CAP Policy Statement. As such, we adopt the following amendments:

1) Utilities should implement the following maximum energy burdens and minimum CAP payment requirements.
    a. Establish new maximum tiered CAP energy burden of 6% for natural gas heating, 4% for electric non-heating, and 10% for electric heating for Federal Poverty Income Guideline (FPIG) tiers 51%-100% and 101%-150%. For FPIG tier 0%-50%, the maximum energy burden is 4% for natural gas heating, 2% for electric non-heating, and 6% for electric heating.
    b. Minimum CAP payment requirements should be set in Universal Service and Energy Conservation Plan (USECP) proceedings rather than in the CAP Policy Statement. Utilities may propose alternatives to a flat minimum payment for each account type, such as basing them on the household's FPIG level.

2) Utilities should allow CAP households to retain CAP enrollment when they transfer service within the utility's (or an affiliate's) service territory.

3) Utilities should accept income documentation of at least the last 30 days or 12 months, whichever is more beneficial to the household, when determining CAP eligibility at application or recertification. CAP applications and recertification letters should identify acceptable income timeframes and explain how each may benefit the customer.

4) Utilities should not require that low-income customers be "payment-troubled" to qualify for CAP. Utilities may, however, impose such a requirement to prioritize CAP enrollments and control CAP costs if determined appropriate by the Commission.

5) Utilities should not require that a customer designate a Low-Income Home Energy Assistance Program (LIHEAP) grant to the utility sponsoring the CAP (Section 69.265(9)(i)) or be penalized for not applying for LIHEAP (Section 69.265(9)(ii) and (iv)). However, all CAP customers should participate in LIHEAP, if eligible. Utilities should also not use a LIHEAP grant to reduce the amount of CAP credits (Section 69.265(9)(iii)).

6) Utilities should exempt CAP customers from late payment charges.

7) Utilities should provide CAP customers with (a) pre-program arrearage (PPA) forgiveness for each on-time and in-full monthly CAP payment regardless of in-CAP

arrears and (b) retroactive PPA forgiveness for any month(s) missed once the household pays its in-CAP/in-program balance/debt in full.

8) Utilities may request Social Security Numbers (SSNs) but not require them for household members when verifying identity for CAP enrollment. Utilities and entities acting on their behalf should offer and explain the options for providing other forms of appropriate identification on CAP applications and at the time of CAP enrollment.

9) Utilities should set maximum CAP credit limits in USECP review proceedings rather than in the CAP Policy Statement and should consist of a tiered structure based on the household's FPIG level (*i.e.*, 0-50%, 51-100%, and 101-150%) which should provide lower income households with higher CAP credit limits. Utilities should notify CAP customers when they approach their CAP credit limits, instruct them to contact the utility if they meet any exceptions, and refer them to LIURP (if eligible).

10) Utilities should establish online CAP applications and allow customers to submit documentation electronically.

11) Utilities should use a standardized zero-income form and develop other industry-wide standardized forms.

12) Utilities should establish new maximum recertification timeframes for CAPs, requiring all households reporting no income to recertify at least every six months; households that participate in LIHEAP annually should recertify at least once every three years; households whose primary source of income is Social Security, Supplemental Security Income (SSI), or a pension should recertify at least once every three years; and all other CAP households should recertify at least once every two years.

13) Utilities should initiate collection activity for CAP accounts when a customer has no more than two in-program payments in arrears. Customers should not be removed or defaulted from CAP as a precursor to termination for non-payment.

14) Utilities should evaluate household CAP bills at least quarterly to determine whether the customer's CAP credit amount or billing method is appropriate.

15) Utilities may address recovery of CAP costs (and other universal service costs) from any ratepayer classes in their individual rate case filings.[6]

16) Utilities should work with stakeholders to develop Consumer Education and Outreach Plans.

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[6] We are not making a final precedential decision regarding cost recovery in this docket.

17) Utilities should use the definition of Household Income as outlined in Chapter 14 of the Public Utility Code.[7]

These changes are consistent with the Public Utility Code and are reflective of numerous comments submitted by the stakeholders in this proceeding.

A few of these decisions bear further discussion:

Energy Burden Thresholds

The Public Utility Code requires that utility service be universally affordable, and that Universal Service and Energy Conservation programs be developed, maintained, and appropriately funded to ensure such affordability.[8] In furtherance of this requirement, in 1992, the Commission published a CAP Policy Statement, which established maximum energy burden ranges for low-income customers by heating source and income level.[9] If a consumer's energy burden fell within these ranges, it was assumed to be affordable for a low-income household.

However, the Commission noted in 2006 that these energy burden levels may be too high. In the Commission's *Final Investigatory Order on CAP Funding Levels and Cost Recovery Mechanisms*, the Commission stated that, "our policy requiring a low-income household to pay 17% of their household income for home energy services compared with an average household who pays about 5% of their income may need to be revised".[10] In that Order the Commission expressed support for limiting customer payments to 10% of household income.[11]

In March 2017, the Commission directed BCS to initiate a study to determine what constitutes an affordable energy burden for Pennsylvania's low-income households and identify what policy changes are needed to bring universal service programs into alignment with any affordability recommendations.[12] In January 2019, the Commission released a staff report titled *Home Energy Affordability for Low-Income Customers in Pennsylvania* (Energy Affordability Report). The Energy Affordability Report noted that CAP customers – despite receiving discounted payments and/or debt forgiveness – had significantly higher energy burdens on average in comparison to non-CAP customers. While non-CAP customers had an average combined energy burden of 4%, the average combined energy burden for a CAP customer was 12% to 14%. The study also illuminated that CAP households with an income at or below 50%

[7] Chapter 14 defines Household Income as, "[t]he combined gross income of all adults in a residential household who benefit from the public utility service". 66 Pa.C.S. §1403 (relating to definitions).
[8] 66 Pa. C.S. §§ 2203(7) and 2804(9).
[9] 52 Pa. Code §§ 69.265(2)(i)(A-C).
[10] *Final Investigatory Order on CAP Funding Levels and Cost Recovery Mechanisms*, Docket No. M-00051923 (Order entered December 18, 2006) at 48.
[11] "The highest minimum payment reflects 10% of a typical public assistance grant for a household of three who receives $403 per month from a Temporary Assistance to Needy Families [TANF] grant. Considering that an average household in Pennsylvania has an energy burden of 4.8%, it is unreasonable to expect the poorest households to pay more than 10%". *Id.* at 59.
[12] *Joint Motion of Vice Chairman Andrew G. Place and Commissioner David W. Sweet, Energy Affordability for Low Income Customers*, Docket No. M-2017-2587711 (Order entered May 10, 2017) *(Affordability Order).*

of the FPIG, regardless of heating or non-heating status and energy type, often had energy burdens well above the limits established in the CAP Policy Statement – for some utilities, as high as 20%.[13] To put this into perspective, under existing policies, a customer with an annual household income of $10,000 can spend anywhere from $1,200 to $2,000 a year on electric and gas service combined.[14]

This vulnerable subset of customers is at greater risk of defaulting from utility customer assistance programs, and faces higher rates of service termination due to late or missed payments, particularly for electric utility service.[15] In recent years, the Commission has noted this trend in various USECP proceedings and subsequently directed utilities to work with interested parties to restructure CAPs in order to provide more affordable energy bills, particularly targeting customers in the greatest need of assistance.[16]

For the aforementioned reasons, we firmly believe that a maximum energy burden threshold of six percent for customers at or below 50% of the FPIG is warranted and agree with the joint comments filed by TURN, CAUSE-PA & Action Alliance of Senior Citizens of Greater Philadelphia that, "[c]ustomers at the lowest tiers of the Federal Poverty Level cannot afford to pay 10 percent of monthly income for their home energy bills. Such a high energy burden for the lowest income customers will fail to satisfy the statutory objectives of universal service and continue to lead to disproportionate termination numbers."[17]

Under our amendment, with a 6% maximum energy burden for the most vulnerable customers, a household with an annual income of $10,000 could potentially save an average of $1,000 annually on electric and gas service.[18] This action will have a meaningful impact for the approximately 95,000 households with income from 0-50% of poverty enrolled in Pennsylvania utility CAPs,[19] and all future households that would be income-eligible and in need of energy assistance.

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[13] See *Home Energy Affordability for Low-Income Customers in Pennsylvania,* at 22-25.
[14] Low-income average energy burdens vary from 12% to 20%. When based on an annual Household Income of $10,000 this results in $1,200 to $2,000 in annual energy costs.
[15] *See 2017 Report on Universal Service Programs & Collections Performance*, at 53.
http://www.puc.state.pa.us/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2017.pdf.
[16] *Joint Motion of Commissioner David W. Sweet and Vice Chairman Andrew G. Place, Duquesne Light Company's Universal Service and Energy Conservation Plan for 2017-2019*, Docket No. M-2016-2534323 (Order entered February 8, 2018) *(Duquesne's USECP 2017-2019).*
[17] *Affordability Order*, Joint Comments, TURN, CAUSE-PA & Action Alliance of Senior Citizens of Greater Philadelphia, at 38-39.
[18] Per the Energy Affordability Study, under existing policies, customers with annual incomes at or below 50% of the FPIG have an energy burden of 12% to 20% – roughly $1,200 to $2,000, annually. Under the new policy, the maximum combined energy burden for this subset of customers with an annual household income of $10,000 is 6%, or $600. This results in a hypothetical annual reduction of $600 to $1,400, or an average savings of $1,000.
[19] 95,534 represents the number of households in 2017 participating in CAP in the 0-50% poverty tier. This number represents the sum of 57,587 Electric CAP participants plus the 37,947 Natural Gas CAP participants. *See 2017 Report on Universal Service Programs & Collections Performance*, at 52.

Current Maximum Energy Burden Thresholds[20]

Utility Service Type	0-50% poverty	51-100% poverty	101-150% poverty
Non-Electric	2%-5%	4%-6%	6%-7%
Gas Heat	5%-8%	7%-10%	9%-10%
Electric Heat	7%-13%	11%-16%	15%-17%

New Maximum Energy Burden Thresholds

Utility Service Type	0-50% poverty	51-100% poverty	101-150% poverty
Non-electric	2%	4%	4%
Gas Heat	4%	6%	6%
Electric Heat	6%	10%	10%

Recertification Timeframes

The current CAP Policy Statement instructs Electric Distribution Companies and Natural Gas Distribution Companies to reestablish a participant's eligibility for CAP benefits annually.[21] However, in recent USECP proceedings, the Commission has approved some CAP recertification timeframes exceeding one year. The most common reason customers are removed from CAPs is due to failure to recertify.[22]

In situations where the household receives LIHEAP annually or has a fixed income (i.e. Social Security, SSI or a pension), the Commission has allowed utilities to use alternate recertification requirements. The table below reflects the current CAP recertification timeframes for EDCs and NGDCs.

[20] 52 Pa. Code §§69.265(2)(i)(A-C).
[21] 52 Pa. Code §69.265(8)(viii).
[22] For example, *see* FirstEnergy 2017 APPRISE Universal Service Impact Evaluation at 22. http://www.puc.pa.gov/general/pdf/USP_Evaluation-FirstEnergy.pdf. Of customers removed from FirstEnergy CAPs in 2013-2015, 63% were removed for failing to recertify and 8% were removed because their income was too high, on average.

Current CAP Recertification Timeframes for EDCs and NGDCs

	No Income	Receive LIHEAP Annually	Primary Income: Social Security, SSI, or Pension	All other CAP Participants
Duquesne[23]	Every 6 months	Every 2 years	Every 2 years	Every 2 years
FirstEnergy Utilities[24]	Every 6 months	Every 3 years	Every 2 years	Annually
PECO[25]	Every 2 years	Every 3 years	Every 2 years	Every 2 years
PPL[26]	Every 9 months	Every 3 years	Every 3 years (SSI only)	Every 18 months
Columbia[27]	Every 3 months	Never (Includes receipt of DEF grants and other US programs)	Every 2 years (Social Security and SSI only)	Annually
NFG[28]	Every 3 months	Upon Request	Every 2 years	Every 2 years
Peoples Utilities[29]	Annually	Every 2 years	Every 2 years	Annually
PGW[30]	Every 6 months	Every 3 years	Annually	Annually
UGI Utilities[31]	Annually	Every 3 years	Annually	Annually

In this proceeding, stakeholders offered various proposals for amending the recertification timelines for CAP customers who report zero income or receive LIHEAP grants.

With respect to CAP customers who report zero income at the time of enrollment, we agree with the Energy Association of Pennsylvania (EAP), PPL, and PGW, that these CAP customers should recertify more frequently[32] as it does not seem reasonable that a household can maintain housing/living expenses for an extended period of time with no source of income.

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[23] *See* Duquesne's *2017-2019 USECP* at 9.

[24] *See Joint Universal Services and Energy Conservation Plan of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for 2019-2021*, Docket Nos. M-2017-2636969, M-2017-2636973, M-2017-2636976, and M-2017-2636978 (Order entered May 23, 2019) at 16.

[25] *See PECO Energy Company's Universal Service and Energy Conservation Plan for 2016-2018*, Docket No. M-2015-2507139 (Order entered December 8, 2016) (*PECO USECP 2016-2018*) at 7–8.

[26] *See PPL Electric Utilities Corporation's Universal Service and Energy Conservation Plan for 2017-2019*, Docket No. M-2016-2554787 (Order entered April 19, 2018) at 13, 16.

[27] *See Columbia Gas of Pennsylvania, Inc. Universal Service and Energy Conservation Plan for 2015-2018*, Docket No. M-2014-2424462 (Order entered July 8, 2015) (*Columbia USECP 2015-2018*) at 23–24.

[28] *See National Fuel Gas Distribution Corporation's Universal Service and Energy Conservation Plan for 2017-2020*, Docket No. M-2016-2573847 (Order entered May 3, 2018) at 16.

[29] Includes Peoples Natural Gas and Peoples Equitable Gas. *See Peoples Natural Gas Company LLC and Peoples Natural Gas Company LLC- Equitable Division Universal Service and Energy Conservation Plan for 2015-2018,* Docket No. M-2014-2432515 (Order entered December 8, 2016) at 12.

[30] *See Philadelphia Gas Works Universal Service and Energy Conservation Plan for 2017-2020*, Docket No. M-2016-2542415 (Order entered October 5, 2017) (*PGW USECP 2017-2020*) at 17–18.

[31] Includes UGI North, UGI South, UGI Central, and UGI Utilities, Inc.-Electric Division. *See* UGI Gas, UGI PNG, UGI CPG and UGI Electric Companies' Universal Service and Energy Conservation Plan for 2014-2017, Docket No. M-2013-2371824 (Order entered June 11, 2015) at 19.

[32] *Affordability Order,* EAP Reply Comments at 7, PPL Reply Comments at 3 and PGW Reply Comments at 4.

Therefore, we expect that households reporting zero income should be required to recertify no less than once every six months.

Furthermore, regarding LIHEAP, while we recognize the benefits of allowing LIHEAP recipients to remain in CAPs without frequent recertification of income, we find that receipt of the grant itself is insufficient income documentation for the purposes of CAP. A LIHEAP grant only establishes that the household has income at or below 150% of the FPIG, and therefore qualifies for CAP. However, it does not provide the utility with the household specific information necessary for the proper determination of CAP benefits. This is especially important as CAP benefits are tied to annual income, so by overextending the recertification period of LIHEAP recipients, we inadvertently run the risk of preventing otherwise eligible households from receiving greater payment assistance from their utility if, for example, their income was to decline in the interim.

We, therefore, establish new maximum recertification timeframes for CAP customers, requiring all households reporting no income to recertify at least every six months; households who participate in LIHEAP annually to recertify at least once every three years; households whose primary source of income is Social Security, SSI, or a pension to recertify at least once every three years; and all other CAP households to recertify at least once every two years.

While the most common reason customers are removed from a CAP is due to failure to recertify, we acknowledge that frequency of recertification is a significant but not sole determinant of this suboptimal outcome. Another barrier is the process itself. Utilities should endeavor to find more effective ways of communicating their recertification policies and procedures and develop more efficient ways of collecting appropriate income information from customers in order to minimize disruption in CAP participation.

Definition of Household Income

Participation in a utility's CAP is dependent on a customer's income. However, the *definition* of income is absent from the current CAP Policy Statement, and, as a result, needlessly disparate policies exist in defining the parameters of qualification, creating a lack of uniformity in program implementation. To standardize this practice, we adopt the definition of income as prescribed in Chapter 14 of the Public Utility Code.[33]

Chapter 14 defines Household Income as, "[t]he combined gross income of all adults in a residential household who benefit from the public utility service."[34] This is the definition that guides the Commission on how household income is calculated for the purposes of payment arrangement requests and arguably this should inform the utility calculation of household income as well.

Adopting the Chapter 14 definition will ensure consistency among utilities and provide a singular definition to be used by both the Commission and regulated entities. Regulated entities

[33] 66 Pa.C.S. §1403 (relating to definitions).
[34] *Id.*

should update their USECPs to reflect the Chapter 14 definition of Household Income, which excludes earned and unearned income of minors.

Consumer Education and Outreach Plans

While through these CAP Policy Statement amendments we are eliminating some barriers to Universal Service participation, we believe that education and outreach are paramount to awareness of, and enrollment in, these programs. While the current CAP Policy Statement provides some guidance on consumer education[35] and outreach,[36] we are expanding the current text in order to provide more guidance on this central matter.

As part of USECP filing requirements, electric and gas utility companies submit a Needs Assessment, which uses census information and other available sources to identify the number of estimated low-income individuals in each service territory. These data are then overlaid with the number of customers enrolled in a utility's CAP to identify the gap or the potential need in the service territory for low-income programming. While there is not a specific regulatory mandate that each utility must reach, expressed as the percentage of low-income households enrolled in CAP, the near uniform disparity between the total number of potential income qualifying households and those actually receiving assistance, calls into question the overall adequacy of consumer education and outreach.

Historically, within Pennsylvania, only 30% of eligible households have been enrolled in their utility's CAP – regardless of likely correlates such as economic performance, unseasonably hotter summers, or unemployment rates.[37, 38] We are not convinced that this fact pattern is indicative of a need being met, but rather, that it illuminates the need for increased awareness. We have noted in various USECP proceedings the necessity for utilities to develop a more robust effort to reach consumers, particularly the very marginal, for enrollment in universal service programs.[39] This determination is further bolstered by the Commission's Emerging Leaders 2016 final recommendations to the Commission which align with our action today.

As such we expect that utilities will develop a Consumer Outreach and Education Plan to be included as part of USECP filings. In reviewing USECPs, we also expect BCS to collaborate with the Commission's Office of Communications. While utilities have flexibility as to the contents of their plans, they should reflect a focused education and outreach effort, specific to the demographics of their individual service territory, spanning the duration of the universal service

[35] CAP consumer education programs should include information on benefits and responsibilities of CAP participation and the importance of energy conservation. Referrals to other appropriate support services should also be a part of consumer education. *See* 52 Pa. Code § 69.265(6)(vi).

[36] Outreach may be conducted by nonprofit, community-based organizations and should be targeted to low income payment-troubled customers. The utility should make automatic referrals to CAP when a low-income customer calls to make payment arrangements. *See* 52 Pa. Code § 69.265(6)(i).

[37] See *2011 – 2017 Reports on Universal Service Programs & Collections Performance.*

[38] Fisher, Sheehan & Colton. "The Home Energy Affordability Gap 2015: Pennsylvania," *Public Finance and General Economics.* http://www.homeenergyaffordabilitygap.com/.

[39] *Joint Motion of Commissioner David W. Sweet & Vice Chairman Andrew G. Place, Duquesne Light Company's Universal Service and Energy Conservation Plan for 2017-2019*, Docket No. M-2016-2534323; Statement of Vice Chairman David W. Sweet, *Columbia USECP 2019-2021*; and, *Statement of Commissioner David W. Sweet, PGW USECP 2017-2020.*

plan period. Specifically, these plans should identify efforts to educate and enroll eligible and interested customers at or below 50% of FPIG.

Additionally, Consumer Education and Outreach Plans should identify resources and make available translation services and translated materials for those customers who are of Limited English Proficiency (LEP) – which also applies to the services, materials and technical assistance provided by partners or community-based organizations involved in the enrollment or service delivery associated with universal service programs.

We believe these amendments to the current CAP Policy Statement will improve the delivery of assistance and be inclusive and comprehensive for meeting the needs of low-income residents across this Commonwealth.

THEREFORE, WE MOVE THAT:

1. The Policy Statement on Customer Assistance Programs at 52 Pa. Code §§ 69.261-69.267 is amended consistent with this motion.

2. The Law Bureau shall prepare a Final Policy Statement Order consistent with this motion.

3. Following the entry of the Final Policy Statement Order, the Law Bureau shall deposit the Final Policy Statement Order and Annex A with the Legislative Reference Bureau for publication in the *Pennsylvania Bulletin.*

4. The Final Policy Statement shall become effective upon publication in the *Pennsylvania Bulletin.*

5. A copy of this Order, together with Annex A, be served on parties to *Energy Affordability for Low-Income Customers*, Docket No. M-2017-2587711, and *Review of Universal Service and Energy Conservation Programs*, Docket No. M-2017-2596907.

6. The Electric Distribution Companies and Natural Gas Distribution Companies at this docket shall file and serve addendums to their existing and proposed (if applicable) Universal Service and Energy Conservation Plans, at their respective dockets, in response to this Order, within 60 days of entry date of this Order. The addendums are to indicate how the Electric Distribution Companies and Natural Gas Distribution Companies intend to implement the policy changes specified in the amended CAP Policy Statement, numbered as in the discussion herein, by or before January 1st, 2021. The Electric Distribution Companies and Natural Gas Distribution Companies should indicate in the cover letter to their addendums any provisions with which they are already compliant.

7. The addendums to the Universal Service and Energy Conservation Plans shall be filed in both clean and redline copies and served on the parties at the utilities' respective existing and pending (if applicable) USECP dockets.

8. The addendums to the Universal Service and Energy Conservation Plans shall be provided electronically in Word®-compatible format to Joseph Magee, Bureau of Consumer Services, jmagee@pa.gov; Jennifer Johnson, Bureau of Consumer Services, jennifjohn@pa.gov; and Louise Fink Smith, Law Bureau, finksmith@pa.gov.

9. The Electric Distribution Companies and Natural Gas Distribution Companies referenced in *Energy Affordability for Low-Income Customers*, Docket No. M-2017-2587711, and *Review of Universal Service and Energy Conservation Programs*, Docket No. M-2017-2596907 be prepared to address recovery of customer assistance program costs (and other universal service costs) in their next individual rate case proceedings, recognizing that non-residential classes need not be routinely considered exempt from universal service obligations.

10. Docket Nos. M-2017-2587711 and M-2017-2596907 be marked closed.

DATE: September 19, 2019

David W. Sweet, Vice Chairman

Andrew G. Place, Commissioner