



Pennsylvania and PECO

*Meeting the Challenges to
Help Customers Keep the
Heat On!*

November 18, 2008

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Director Regulatory Affairs - PECO



- ✓ Pennsylvania Public Utility Commission's "Prepare Now" campaign



- ✓ PECO's Universal Services Programs and Outreach Strategy



PECO Universal Service Programs



- ✓ “Prepare Now” campaign began in fall/winter 2003-04 when natural gas prices were projected to be high
- ✓ Fresh approach each year
- ✓ Key Messages
 - “Prepare Now” for higher energy costs this winter
 - Save money by learning how to conserve energy
 - Explore Budget Billing options
 - Heat your home safely
 - Look in to programs that help low-income customers

- ✓ Editorial Board visits
- ✓ Energy 101 classes
 - Targeted to media to create statewide awareness of Prepare Now
- ✓ Partner with other organizations to host LIHEAP kick-off events
- ✓ Press release to make customers aware that utilities are conducting the Cold Weather Survey
 - Let customers know why utilities are trying to get in touch with them
 - Why it is important to work toward restoring service prior to the winter months

- ✓ “Prepare Now” Website
 - Prepare Now Fact Sheet
 - General Conservation Tips
 - Need Help Staying Warm
 - Responsible Utility Consumer Protection Act (Chapter 14) Fact Sheet
 - Prepare Now for Higher Gas prices

- ✓ Help Pennsylvanians find the support they may need to keep their homes warm and their families safe
- ✓ Turn Seal Save



- ✓ September 11 – Harrisburg – *en banc* PA PUC Hearing
 - Speakers address issues to increase consumer awareness of rising energy prices and tools that are available
- ✓ September 18 – Pittsburgh – “Be Utility Wise”
 - PA PUC joins more than 200 health and human service agency professionals to work with community based organizations
- ✓ October 22 – Berks County – “BeWise”
 - PA PUC joins more than 200 health and human service agency professionals to work with community based organizations
- ✓ October 30 – LIHEAP Press Release
- ✓ November 10 – Delaware County
 - Partnership of PA PUC, Delco Chamber, United Way to educate social service providers
- ✓ November 12 – Pittsburgh – LIHEAP Rally at Heinz Field
 - PA PUC, utilities and Franco Harris to kick off LIHEAP

✓ October 14 – Statewide Event

- Seven Locations – Philadelphia, Laurel Highlands, Lehigh Valley, Pittsburgh, Erie, Scranton, Harrisburg
- Local United Way Leaders, Cabinet Members, PA PUC Commissioners
- Regional events report to Governor Rendell via internet-based video conference
 - Inventory local resources
 - Identify gaps
 - Create venues to reach those in need
 - Maximize the use of volunteers
 - Develop an ongoing communication structure

- PECO delivers a portfolio of complementary programs that provide situational and continuing assistance to low-income customers
- PECO has the largest Universal Services program in Pennsylvania and one of the largest in the country
- The value of PECO's Universal Services programs now stands at over \$95M including direct grant assistance, rate discounts, counseling, arrearage forgiveness and program administration
 - ✓ **CAP Rate** (*Customer Assistance Program*)
 - ✓ **LIURP** (*Low-Income Usage Reduction Program*)
 - ✓ **MEAF** (*Matching Energy Assistance Fund*)
 - ✓ **LIHEAP** (*Low-Income Home Energy Assistance Program*)
 - ✓ **CARES** (*Customer Assistance Referral and Evaluation Services*)
 - ✓ **Outreach**

PECO's Universal Services Program Growth

- ✓ PECO has actively worked to increase the size and scope of our programs. As the chart below illustrates, PECO has experienced significant growth in all program areas since 2004. (Note: although LIHEAP total dollars decreased in recent years, PECO's percentage share of the total state allocation has increased year over year).

Universal Services Scorecard	2004	2005	2006	2007	Growth 06 to 07	2008 YTD
CAP Rate - Enrollment level	99,041	102,762	112,403	121,014	8,611	126,830
Special Needs	11,006	21,159	28,245	29,071	826	30,647
LIHEAP						
Grants received (grant season)	36,468	37,394	50,994	41,322	-9,672	42,031
Dollars applied (grant season)	\$8,791,695	\$9,396,115	\$13,623,370	\$10,472,795	-\$3,150,575	\$11,498,656
MEAF - Contribution dollars	\$254,483	\$255,988	\$299,839	\$302,256	\$2,417	\$225,026
LIURP - Number of audits completed	8,136	7,751	7,935	9,318	1,383	7,637

CAP Rate (*Customer Assistance Program*)

- ✓ A discounted residential tariff rate for low-income customers at or below 150% of the Federal Poverty Level (FPL).
- ✓ PECO currently has over 126,000 customers enrolled in CAP.
- ✓ There are currently 5 electric discounted rates and 2 gas discounted rates (*Note: there will be 4 gas discounted rates as of 1/1/09*). CAP discounts currently range from an 85% discount to a 25% discount.
- ✓ Pre-program arrearage forgiveness (PPA) is a key component of the CAP program. PECO will forgive all pre-program arrearages (the delinquency before CAP Rate) if the customer pays his/her CAP Rate bill on time each month for 6 months. The requirement to pay the bill on time for 6 months is intended to establish a positive payment history and to provide a fresh start for the customer
- ✓ PECO employs a separate call center just for CAP customers. Service levels for the PECO CAP call center continue to exceed PUC guidelines.
- ✓ All CAP customers must re-certify every 2 years
- ✓ CAP customers are given first priority for weatherization measures

LIURP (*Low-Income Usage Reduction Program*)

- ✓ LIURP is a usage reduction program for high-use / low-income customers
- ✓ LIURP includes direct weatherization and conservation measures
- ✓ A key component of LIURP is conservation education
- ✓ Certain remediation measures are offered to all LIURP recipients (e.g. CFL's). Other remediation measures (*up to and including a new heating system, refrigerator, or window air-conditioner*) are determined by individual customer needs
- ✓ PECO allocates \$6.475 million to LIURP annually. (*Note: that number will increase to \$7.875 million on 1/1/09 as a result of the recently approved gas rate case*).
- ✓ PECO's LIURP program was the 2007 recipient of the American Energy Efficiency award. Applicants were judged on a national basis on their ability to help customers reduce energy usage through energy efficient practices in addition to operating a program that other utilities could replicate with similar results.
- ✓ LIURP provides post-treatment services via monthly usage checks and continued customer contact

MEAF (*Matching Energy Assistance Fund*)

- ✓ MEAF is a hardship fund for low-income customers whose service has been terminated and/or in threat of termination
- ✓ MEAF contributions come in via non-low-income customer donations as well as other corporate contributions
- ✓ PECO matches all donations dollar-for-dollar – all donations as well as the PECO match are dedicated 100% to the customer. PECO pays all administration fees separately
- ✓ PECO provides free advertising and fund-raising for MEAF
- ✓ MEAF is intended to provide temporary assistance to low-income customers who find themselves in a hardship. There are two self-sufficiency components of MEAF (*thus recidivism is very low*);
 - ✓ Customer is only eligible every 2 years
 - ✓ MEAF grant and any other contributions (e.g. customer payment, other grants, etc.) must bring the total balance to zero
- ✓ Grant amounts are up to \$1000 per customer or \$500 per commodity (*electric and gas*)

LIHEAP (*Low-Income Home Energy Assistance Program*)

- ✓ LIHEAP is a federally funded program that provides financial assistance to low-income customers during the winter months (*typically the first of November to the end of March*)
- ✓ There are 3 components to LIHEAP
 - ✓ **Cash** – provides a direct payment to a vendor or utility
 - ✓ **Crisis** – allocates funding for emergencies to prevent service termination or reinstate service that has been shut-off for non-payment
 - ✓ **Weatherization** – funding for winter emergencies (*i.e. repairing leaking pipes or broken furnace*)
- ✓ PECO applies all LIHEAP Cash and Crisis dollars directly to the individual customer's account
- ✓ PECO provides a LIHEAP hotline for LIHEAP application assistance every LIHEAP season (*1-800-34-HELP-4*)

LIHEAP - Program Year 2009 Highlights

- ✓ LIHEAP received full funding this program year (*Funding Year 2009*) - **\$5.1 billion on the federal level**
- ✓ **Pennsylvania's allocation** of the federal fund is **\$308 million** (*almost double the PA state allocation from last year*)
- ✓ LIHEAP eligibility for both cash and crisis has increased from 150% FPL to 210% FPL
- ✓ LIHEAP grant amounts increased this program year;
 - ✓ *Cash - \$300 minimum*
 - ✓ *Crisis - \$800 maximum*
- ✓ *Last season LIHEAP grants were \$100 minimum for cash and \$500 maximum for crisis. (Note: Crisis was increased to \$500 at the end of the last LIHEAP season)*
- ✓ *PECO stops termination activity for all LIHEAP crisis customers for up to 60 days*
- ✓ *PECO restores service for all LIHEAP crisis customers whose service is terminated at the time the LIHEAP grant is approved*

CARES (*Customer Assistance Referral and Evaluation Services*)

- ✓ CARES provides one-on-one social service consultation for customers with “extenuating” circumstances
- ✓ CARES is a referral and information service designed to assist customers who have financial hardship(s) that hinder their ability to pay their utility bills
- ✓ The goal is to educate and inform PECO customers of available resources (*energy and non-energy assistance*) in an effort to help them to pay their PECO bill
- ✓ CARES includes referrals to non-utility based assistance programs (e.g. food stamps, CHIP, etc.)
- ✓ CARES provides direct services for about 20,000 customers a year
- ✓ CARES has 2 primary components:
 1. PECO's extensive referral network of community organizations, government agencies and social service agencies that assist low-income customers
 2. An in-house staff of customer assistance case workers. CARES representatives assist customers on a personal level and also provide direct follow-up to the customer

Outreach

- ✓ PECO's outreach uses a multi-faceted strategy to generate awareness and increase enrollment in its Universal Services Programs:
 - ❑ Mass Media
 - ❑ Organizational partnerships
 - ❑ Grassroots outreach
 - ❑ Religious organizations
- ✓ PECO's outreach team is designed to;
 - ❑ Create a consistent and far-reaching awareness of program benefits
 - ❑ Provide tools for a streamlined and complete enrollment process
 - ❑ Maintain PECO's image to its customers as a complete community partner
- ✓ PECO hosts a minimum of 10 outreach events in each county it serves per year
- ✓ PECO conducts numerous Outreach training sessions for a variety of community groups as well as the Department of Public Welfare
- ✓ PECO receives numerous awards, citations and certificates of appreciation for its extensive outreach programs each year.
- ✓ Outreach efforts are proactive, deliberate, coordinated and targeted. A large portion of PECO's success can be directly attributed to our outreach efforts.

Questions?



**Need Help
Staying Warm this
Heating Season?**

There is help available!

If you or someone you know is without utility service,
or has received a utility shut-off notice,
first call your local utility company for help!

**Most utility companies have Home Energy Assistance
Programs available to assist customers in need.**

Your utility company will work with you and explain programs
that may help you depending on your income or hardship
situation.

For More Information.... CALL US !!!
The Pennsylvania Public Utility Commission
1-800-692-7380

Don't forget about LIHEAP (Low-Income Home Energy Assistance Program)
To find out if you qualify, low-income customers should contact their County
Assistance Office for information about how and where to apply.
Please visit the following website for a list of county assistance phone numbers.
<http://www.dfw.state.pa.us/General/AboutDPW/DPWOrganization/CIIM003870281.htm>

 **PUC**
Revised 9/08

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