

**VULNERABLE CUSTOMER INFORMATION**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**AMANDA GORDON**

Financial Analyst Supervisor

Bureau of Investigation and Enforcement

[amgordon@pa.gov](mailto:amgordon@pa.gov)

**GRACE MCGOVERN**

Policy Analyst

Bureau of Consumer Services

[gmcgovern@pa.gov](mailto:gmcgovern@pa.gov)

## **Definitions of Vulnerable Customers and Utility Programs:**

**Vulnerable Household**— A household containing at least one member who is elderly (age 60 or over) disabled, or age five and under. The age of the household members is determined by their age at the time their Low Income Home Energy Assistance Program (LIHEAP) application is submitted.

Definition at 55 Pa. Code §601.3:

[http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/communication/s\\_001816.pdf](http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/communication/s_001816.pdf)

**Customer Assistance Programs (CAPs)**— An alternative collection method that provides payment assistance to low-income, payment troubled utility customers. CAP participants agree to make regular monthly payments that may be for an amount that is less than the current bill in exchange for continued provision of electric utility services.

Definition at 52 Pa. Code §54.72:

<http://www.pacode.com/secure/data/052/chapter54/s54.72.html>

**Universal service and energy conservation**—Policies, practices and services that help residential low-income retail gas customers and other residential retail gas customers experiencing temporary emergencies, as defined by the commission, to maintain natural gas supply and distribution services. The term includes retail gas customer assistance programs, termination of service protections and consumer protection policies and services that help residential low-income customers and other residential customers experiencing temporary emergencies to reduce or manage energy consumption in a cost-effective manner, such as the low-income usage reduction programs and consumer education.

Definition at Title 66 Pa. C.S. §2202:

<http://www.legis.state.pa.us/WU01/LI/LI/CT/HTM/66/00.022.002.000..HTM>

## **Universal Service and Energy Conservation Reporting Requirements:**

Electric Utilities: <http://www.pacode.com/secure/data/052/chapter54/subchapCtoc.html>

Gas Utilities: <http://www.pacode.com/secure/data/052/chapter62/chap62toc.html>

Policy Statement on Customer Assistance Programs:

<http://www.pacode.com/secure/data/052/chapter69/s69.261.html>

Jurisdictional Utilities' Universal Service and Energy Conservation Plans:

[http://www.puc.state.pa.us/general/consumer\\_ed/energy\\_asst\\_progs.aspx](http://www.puc.state.pa.us/general/consumer_ed/energy_asst_progs.aspx)

## Universal Service and Energy Conservation Programs

The PUC approves Universal Service and Energy Conservation Programs for the largest electric and gas distribution companies throughout the state.

You can find details of utility implementation of these universal service programs at:

[http://www.puc.state.pa.us/general/publications\\_reports/pdf/EDC\\_NGDC\\_UniServ\\_Rpt2010.pdf](http://www.puc.state.pa.us/general/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2010.pdf)

Each program has four components:

- 1) **Customer Assistance Program (CAP)** is an alternative bill payment program that large utilities offer to eligible low-income customers, those with income at or below 150% of the Federal Income Poverty Guidelines. Most payments are set up as a percentage of customer income. Some are based on a rate discount and others are based on a percent of bill or historic customer payments. To stay on the program, customers must make regular monthly, in full payments and in return, over a three year period, have their pre-program arrearages forgiven.
- 2) **Low Income Usage Reduction Program (LIURP)** is a statewide, utility-sponsored, residential usage reduction program mandated by Pennsylvania Public Utility Commission regulations at 52 Pa. Code, Chapter 58. The primary goal of LIURP is to assist low income residential customers to reduce energy bills through usage reduction (energy conservation) and, as a result, to make bills more affordable.

LIURP is targeted toward customers with annual incomes at or below 150 percent of the federal poverty level. Today's LIURP regulations permit companies to spend up to 20 percent of their annual LIURP budgets on customers with incomes between 150 percent and 200 percent of the federal poverty level. Generally, the EDCs target customers with annual usage of at least 6,000 kWhs, and the NGDCs target customers with annual usage of at least 120 Mcfs. The program is available to both homeowners and renters. LIURP services all housing types, including single family homes, mobile homes, and small and large multi-family residences.

- 3) **CARES**, the primary purpose of a CARES program is to provide a cost-effective service that helps payment troubled customers maximize their ability to pay utility bills. A CARES program helps address health and safety concerns relating to utility service by providing important benefits. CARES staff provide three primary services: case management; maintaining a network of service providers; and making referrals to services that provide assistance.

CARES representatives provide case management services to a limited number of customers with special needs for about a six month period. If a customer's hardship is not resolved within that time, a utility will transfer a customer from the CARES program to their CAP.

- 4) **Hardship Funds**, utility company hardship funds provide cash assistance to utility residential customers who need help in paying their utility bill or to those who still have a critical need for assistance after other resources have been exhausted. The funds make payments directly to companies on behalf of eligible customers.

Utility shareholders contribute the bulk of utility contributions. Ratepayer contributions are those from utility employees, ratepayers and special contributions. Special contributions include monies from formal complaint settlements, overcharge settlements, off-system sales and special solicitations of business corporations. Utility contributions are shareholder or utility grants for program administration, outright grants to the funds, and grants that match contributions of ratepayers.

## Winter Termination Procedures:

<http://www.pabulletin.com/secure/data/vol41/41-41/1761.html>

(b) *Electric distribution and natural gas distribution utilities.* Unless otherwise authorized by the Commission, during the period of December 1 through March 31, an electric distribution utility or natural gas distribution utility may not terminate service to customers with household incomes at or below 250% of the Federal poverty level except as provided in this section or in § 56.98. The Commission will not prohibit an electric distribution utility or natural gas distribution utility from terminating service in accordance with this section to customers with household incomes exceeding 250% of the Federal poverty level.

(c) *City natural gas distribution utility.* In addition to the winter termination authority in subsection (b), a city natural gas distribution operation may terminate service after January 1 and before April 1 to a customer whose household income exceeds 150% of the Federal poverty level but does not exceed 250% of the Federal poverty level, and starting January 1, has not paid at least 50% of charges for each of the prior 2 months unless the customer has done one of the following:

(1) Proven in accordance with Commission rules, that the household contains one or more persons who are 65 years of age or older.

(2) Proven in accordance with Commission rules, that the household contains one or more persons 12 years of age or younger.

(3) Obtained a medical certification, in accordance with Commission rules.

(4) Paid to the city natural gas distribution operation an amount representing at least 15% of the customer's monthly household income for each of the last 2 months.

(d) *City natural gas distribution utility notice to the Commission.*

(e) *Identification of accounts protected during the winter.* Public utilities shall determine the eligibility of an account for termination during the period of December 1 through March 31 under the criteria in subsections (b) and (c) before terminating service. Public utilities are to use household income and size information they have on record provided by customers to identify accounts that are not to be terminated during the period of December 1 through March 31. Public utilities are expected to solicit from customers, who contact the utility in response to notices of termination, household size and income information and to use this information to determine eligibility for termination. Public utilities who intend to require verification of household income information submitted by consumers relating to this subsection shall include, in their tariffs filed with the Commission, the procedures they intend to implement to obtain verification. The procedures should specify the proof or evidence the utility will accept as verification of household income.

(f) *Landlord ratepayer accounts.* During the period of December 1 through March 31, a public utility may not terminate service to a premise when the account is in the name of a landlord ratepayer as defined in 66 Pa.C.S. § 1521 (relating to definitions) except for the grounds in § 56.98.

(g) *Right of public utility to petition the Commission for permission to terminate service to a customer protected by the prohibitions in this section.*

(h) *Survey of terminated heat related accounts.*

(i) *Reporting of survey results.*

(j) *Reporting of deaths at locations where public utility service was previously terminated.*

(h) *Survey of terminated heat related accounts.* For premises where heat related service has been terminated within the past year for any of the grounds in § 56.81 (relating to authorized termination of service) or § 56.98, electric distribution utilities, natural gas distribution utilities and Class A water distribution utilities shall, within 90 days prior to December 1, survey and attempt to make post-termination personal contact with the occupant or a responsible adult at the premises and in good faith attempt to reach an agreement regarding payment of any arrearages and restoration of service.

The PAPUC sends a letter to utility companies during these 90 days before December 1, as part of the PUC's **Prepare Now for Winter Campaign**.

[http://www.puc.state.pa.us/naturalgas/pdf/Prepare\\_Now\\_Ltr110810.pdf](http://www.puc.state.pa.us/naturalgas/pdf/Prepare_Now_Ltr110810.pdf)



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

November 8, 2010

To: Utility CEO

Winter months and winter heating bills are approaching. As a result of the nation's economic status, we are entering the winter months with low natural gas prices, but rate caps are expiring for a majority of electric customers. The economic conditions continue to put many families in difficult financial positions. Many families are struggling as they face the routine costs of winter energy bills.

As part of our 2010 "Prepare Now" campaign, we are urging consumers on limited or fixed incomes to "Call Now." We want people to call their utility about programs to help heat their homes or pay their energy bills such as Customer Assistance Programs (CAPs) and Low Income Usage Reduction Programs (LIURP).

Unfortunately, many utility consumers who need help are still unaware of the programs available to help them restore or maintain utility service. Just as we at the PUC will be reminding consumers who call us about the availability of such programs, we urge all utilities to increase their outreach efforts to make sure that all customers receive information about any program for which they may be eligible.

As we again work to raise consumer awareness through "Prepare Now" the Commission will focus on increasing consumer awareness of winter heating costs; exploring ways to reduce energy usage; educating consumers about the availability of low-income programs and budget billing; and increasing awareness for safe home heating.

We are hoping that the "Prepare Now" campaign – in its eighth year – will continue to help more customers prepare for high heating bills associated with cold winter weather.

Low-income households also may be eligible for grants under the federal Low Income Home Energy Assistance Program (LIHEAP). We actively support LIHEAP and are taking an active role in ensuring the viability of this program as a companion to the utility-based programs.

Also, utilities have more flexibility under the law to make allowances for customers, many of whom find they are asking for help for the first time in these difficult financial times.

In addition to providing information and referrals, we ask that you consider the following actions as we head into the winter heating season:

1.) Redoubling efforts to link consumers to programs that are available to help them restore and maintain service such as CAP, LIHEAP and utility or local hardship funds.

2.) Referring low-income customers to CAP when they call to make payment arrangements. We expect the company to do everything possible to get these customers into CAP, especially if it is a termination-related problem.

3.) Giving consideration to significantly increasing corporate donations to utility Hardship Funds and increasing corporate donations to other local programs that assist consumers who need help paying their utility bills. In addition, review company procedures to ensure that automatic payments and on-line payments allow for customer contributions to Hardship Funds.

4.) Restoring service to low-income customers upon enrollment into the company's Customer Assistance Program (CAP) for the first time.

5.) Limiting the number of terminations of confirmed low-income customers by scaling back the company's termination program as the cold weather approaches. We ask for all utilities to review their termination and reconnection procedures to allow customers, who may appear to be making a good faith effort to pay their bills to keep utility service whenever possible.

6.) Waiving or reducing security deposits, reconnection fees and late payment charges if they are a barrier to restoration of service or establishing a payment arrangement. Utilities have more discretion in waiving these fees than does the Commission. If a security deposit or reconnection fee is necessary, consider adding it to the customer's bill instead of making it a condition of providing service.

7.) Accepting any combination of LIHEAP grant, crisis grant, and Hardship Fund grant as sufficient funds to turn on or reconnect service for low-income customers. If a customer payment is also necessary, we encourage you to be as lenient as possible.

8.) Exercising more leniency in establishing payment arrangement plans for all customers. Again, utilities have more discretion in making payment arrangements than does the PUC. We ask for more responsiveness to the needs of all customers.

9.) Providing information about home heating safety and working to get customers who have been “red tagged” the assistance or information needed to help in obtaining repairs to furnaces or heating systems. Low-income customers may be referred to the LIHEAP crisis program for emergency repairs.

10.) Continue to promote the use of budget billing programs and third-party notification forms.

11.) Providing information to customers on how they can reduce their heating costs through conservation including information on weatherization programs available as well as cost-effective steps they can do themselves.

We ask that you join us in trying to help all Pennsylvania citizens learn how to “Prepare Now” for the higher energy costs that accompany winter’s chill and our efforts to encourage customers to “Call Now” to learn more about programs that will help them restore and maintain service. We want customers to know their rights when it comes to utility shut-offs and to feel comfortable working with utilities and the PUC in order to restore and maintain service.

We ask that you inform the Commission of any of the above suggested actions your company implements in order to assist in the “Prepare Now” campaign by Nov. 30, 2010. Also, feel free to offer any suggestions you may have that would improve our efforts. Send your comments to Grace McGovern in the Bureau of Consumer Services at [gmcgovern@state.pa.us](mailto:gmcgovern@state.pa.us). Thank you for your cooperation.

Sincerely,

James H. Cawley  
Chairman

Tyrone J. Christy  
Vice Chairman

John F. Coleman, Jr.  
Commissioner

Wayne E. Gardner  
Commissioner

Robert J. Powelson  
Commissioner

# 2011-2012 LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

## Fact Sheet

The Fiscal Year (FY) 2012 Final State Plan has been approved. However, funding is still subject to finalization and change. Right now we do know that:

- Income must be at or below 150% of Federal Poverty Income Guidelines (FPIG), must be a Pennsylvania resident, must be responsible for the main source of heat as a home owner or renter to be eligible for Cash or Crisis benefits.

### Cash Program

- *Opening:* November 1, 2011 and *Closing:* March 30, 2012
- \$100 Minimum Cash benefit
- \$1,000 Maximum Cash benefit

The Amount of a CASH Payment is based on: Household Size, Fuel Type, Household Income, and Heating Region--County of Residence.

- Household Income (prior to the month of application)
  - **Income that does not change monthly** – provide past month
  - **Income that changes monthly** – provide past three months
  - **Significant changes in income** – provide past 12 months
- Heating responsibility
  - **Utility customers** - copy of utility bill in past two months.
  - **Fuel customers** – letter from dealer or copy of bill in 2011.
  - **Roomer or renting with heat included** – lease agreement or letter from the landlord
- To apply, customers will need to provide:
  - Names of all people in the household
  - Dates of birth for all household members
  - Social Security Numbers for all household members
  - Proof of income for all household members
  - A recent heating bill

### Regular Crisis Program

- *Opening:* January 3, 2012 and *Closing:* March 30, 2012
- \$25 Minimum Crisis benefit
- \$300 Maximum Crisis benefit
- For utility customers – must have a valid termination notice or be without service. For deliverable fuel customers – must have already run out of fuel or have less than a 15 day supply.

### Crisis Exception Program

- *Opening:* November 1, 2011 and *Closing:* January 2, 2012
- Crisis Exception Payments (3 conditions)
  - The household must be determined eligible for a LIHEAP cash grant.
  - The household must verify that the main or secondary heating source has been completely shut-off or that they are completely without their main heating fuel.
  - LIHEAP cash grant alone cannot resolve emergency



## LIHEAP Eligibility – Income Limits at or Below 150% of FPIG

Household Size	Cash & Crisis Income Limits for 2011-2012
1	\$16,335
2	\$22,065
3	\$27,795
4	\$33,525
5	\$39,255
6	\$44,985
7	\$50,715
8	\$56,445
9	\$62,175
10	\$67,905
For each additional person add: \$5,730	

### LIHEAP Changes:

Public utilities that operate Customer Assistance Programs (CAPs) must apply the LIHEAP cash payments to the customer's account in full:

- To resolve any past due CAP payments
- To the current CAP payment
- To future CAP payments
- Some application questions have been reordered.
- LIHEAP Helpline: 1-866-857-7095
- LIHEAP Mailbox: [LIHEAPmail@state.pa.us](mailto:LIHEAPmail@state.pa.us)

### Policy Clarifications:

- Those operating a licensed business out of the LIHEAP household will not be eligible for LIHEAP if it is using the cost of utility bills as a tax deduction for their business.
- Someone incarcerated is not eligible for benefits.
- If appliance in the home is not installed properly or not up to code, home can't get LIHEAP.
- For customers whose service has been disconnected at their previous address and need services to be connected at their new address, Pennsylvania Department of Public Welfare (DPW) will allow a regulated utility to request 50 percent of the customer's back balance from the previous address and a reconnection fee in order to restore service. If a LIHEAP Cash grant is over the 50 percent of the customer's back balance and reconnection fee, the regulated utility must apply the remainder of the Cash grant to a household's future bills. Utilities must also agree to keep service on through the moratorium and enroll the client in a CAP or budget program if the customer is eligible.
- Persons who are responsible for paying their main source of heat directly to a vendor, but have the bill paid by someone outside of the household because the household has zero/minimal income, are considered to have a heating responsibility and are therefore eligible for LIHEAP benefits.

**Tariff Sheets for UGI Electric and National Fuel Gas**

**RATE R  
RESIDENCE SERVICE**

**AVAILABILITY**

Available to Customers located on Company's distribution lines and desiring service for household and non-residential uses (where the non-residential use(s) is limited to less than 2 KW) in a single private dwelling, or an individual dwelling unit in a multiple dwelling structure, and its appurtenant detached buildings.

**CHARACTER OF SERVICE**

Alternating current, 60 cycles, single phase; 120 volts, 2 wire; 120-208 volts, 3 wire; or 120-240 volts, 3 wire.

**RATE TABLE**

Net rates per kilowatt-hour of energy used each month:

	Transmission (¢/KWH)	Distribution (¢/KWH)	Generation (¢/KWH)	(C)
Customer Charge	\$5.50			
First 500 KWH	0.370	3.165	See Generation Supply Rate below.	
Next 500 KWH	0.370	2.684	See Generation Supply Rate below.	
Over 1,000 KWH	0.370	1.971	See Generation Supply Rate below.	

**GENERATION SUPPLY RATE**

The quarterly GSR rate stated in Section 34 is applicable to all customers served under this rate schedule and taking Default Service from the Company through May 31, 2011. The quarterly GSR rate stated in Section 36 is applicable to all customers served under this rate schedule and taking Default Service from the Company on and after June 1, 2011. (C)

**MINIMUM MONTHLY CHARGE**

The Minimum Monthly Charge shall be the Customer Charge in the above Table.

**TAX ADJUSTMENT SURCHARGE**

The Tax Adjustment Surcharge included in this Tariff is applied to charges under this Rate.

**EDUCATION CHARGE RIDER**

The Education Charge included in this Tariff shall apply to the kilowatt-hour of energy used each month under this Rate.

**CUSTOMER ASSISTANCE PROGRAM (CAP)**

The CAP Charge as set forth in the Rules and Regulations shall apply to customers receiving service under this Rate.

In accordance with the Company's Customer Assistance Program (CAP), the above energy charges shall be reduced by no more than \$1,200 per year for qualifying low income residential heating customers and no more than \$700 per year for qualifying low income residential non-heating customers who take service under this Rate. CAP is available to a maximum of 2,500 customers.

**PAYMENT TERMS**

A late payment charge of 1.25% per month of the unpaid balance of all charges due on a bill will be made for failure to make payment in full by the due date. These charges are to be calculated on the overdue portions of the bill only. Such interest rate, when annualized, shall not exceed 15% simple interest per annum.

(C) Indicates Change

RATE SCHEDULE LIRAS  
FOR LOW INCOME RESIDENTIAL ASSISTANCE SERVICE

(C)

AVAILABILITY OF SERVICE

Service under this rate schedule shall be available to residential customers. The residential customers shall be the residential heating customers who have a gross household income less than or equal to 150% of the Federal Poverty level, are payment troubled (i.e. must have an arrearage on the account at the time of application or must have at least one current, canceled, or defaulted arrangement on the account at the time of application) and execute a LIRA Service Agreement with the Company. Customers under the Company's CARES program that meet the income qualifications shall be eligible for this rate.

RESPONSIBILITY OF A LIRA CUSTOMER

1. All adult members of the household must become ratepayers, excluding children of the ratepayers who are dependents and dependents over 65 under federal tax rules.
2. All household income must be verified.
3. Monthly payments (budget) are required to avoid termination of service.
4. No extensions or arrangements (to avoid termination of service) will be offered to LIRA customers.
5. The ratepayer must agree to receive weatherization services, if qualified.
6. The ratepayer must agree to apply annually for LIHEAP, if qualified.

APPLICATION PROCESS

Prospective LIRA customers must complete the application form and agree:

1. To be enrolled in the Budget Plan.
2. To provide satisfactory verification to prove income eligibility. In addition, an applicant must provide the name and social security numbers or other verifiable form of identification of all persons residing with the applicant. Adult residents in the household (over the age of 18), excluding children of the ratepayers who are dependents and dependents over 65 under federal tax rules, will be required to become ratepayers as a condition of participation in LIRA. In addition, applicants must have their income verified periodically and advise the company if their income or household size changes. A copy of the household's mortgage, deed, or lease will be required.
3. To receive the services of the Low Income Usage Reduction Program if they meet the eligibility requirements.
4. To apply annually for LIHEAP, if qualified.

(C) Indicates Change

MONTHLY RATE

(C)

After completion of selection of the customers to receive service under this rate schedule, the following percentage discounts shall be applied to the Residential Rate Schedule Basic Service Charge, Distribution Charge, Gas Adjustment Charge and Natural Gas Supply Charge:

Program changes associated with the Order at Docket Nos. R-00072420 and M-00072019 will be implemented the first calendar day of the month following the entry date of the Commission Order if the entry date is at least 5 days prior to the first calendar day of the month. If the entry date is within the 5-day window, program changes will become effective the first day of the subsequent calendar month.

ANNUAL INCOME	HOUSEHOLD SIZE						
	1	2	3	4	5	6	7
\$0 - \$999	10.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
\$1,000 - \$1,999	20.0%	20.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$2,000 - \$2,999	20.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$3,000 - \$3,999	30.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
\$4,000 - \$4,999	40.0%	40.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$5,000 - \$5,999	40.0%	40.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$6,000 - \$6,999	30.0%	40.0%	40.0%	40.0%	50.0%	50.0%	50.0%
\$7,000 - \$7,999	20.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
\$8,000 - \$8,999	20.0%	20.0%	30.0%	40.0%	40.0%	40.0%	40.0%
\$9,000 - \$9,999	10.0%	10.0%	30.0%	30.0%	30.0%	30.0%	40.0%
\$10,000 - \$10,999	10.0%	10.0%	10.0%	30.0%	30.0%	30.0%	30.0%
\$11,000 - \$11,999	10.0%	10.0%	10.0%	20.0%	20.0%	20.0%	30.0%
\$12,000 - \$12,999	10.0%	10.0%	10.0%	10.0%	20.0%	20.0%	20.0%
\$13,000 - \$13,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	20.0%
\$14,000 - \$14,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$15,000 - \$15,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$16,000 - \$16,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$17,000 - \$17,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$18,000 - \$18,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$19,000 - \$19,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$20,000 - \$20,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$21,000 - \$21,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$22,000 - \$22,999	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$23,000 - \$23,999	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$24,000 - \$24,999	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$25,000 - \$25,999	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$26,000 - \$26,999	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$27,000 - \$27,999	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$28,000 - \$28,999	0.0%	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%
\$29,000 - \$29,999	0.0%	0.0%	0.0%	10.0%	10.0%	10.0%	10.0%

(C) Indicates Change

Issued: July 29, 2011

Effective: August 1, 2011

NATIONAL FUEL GAS  
DISTRIBUTION CORPORATION

Supplement No. 119 to  
Gas - Pa. P.U.C. No. 9  
Thirty-Eighth Revised Page No. 37B  
Canceling Thirty-Fifth and Thirty-Seventh Revised Page No. 37B

MONTHLY RATE (con't)

(C)

ANNUAL INCOME	HOUSEHOLD SIZE						
	8	9	10	11	12	13	14
\$0 - \$999	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
\$1,000 - \$1,999	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$2,000 - \$2,999	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$3,000 - \$3,999	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
\$4,000 - \$4,999	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$5,000 - \$5,999	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$6,000 - \$6,999	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$7,000 - \$7,999	40.0%	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
\$8,000 - \$8,999	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
\$9,000 - \$9,999	30.0%	40.0%	40.0%	40.0%	40.0%	40.0%	40.0%
\$10,000 - \$10,999	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$11,000 - \$11,999	20.0%	30.0%	30.0%	30.0%	30.0%	30.0%	30.0%
\$12,000 - \$12,999	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
\$13,000 - \$13,999	10.0%	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
\$14,000 - \$14,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$15,000 - \$15,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$16,000 - \$16,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$17,000 - \$17,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$18,000 - \$18,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$19,000 - \$19,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$20,000 - \$20,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$21,000 - \$21,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$22,000 - \$22,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$23,000 - \$23,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$24,000 - \$24,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$25,000 - \$25,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$26,000 - \$26,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$27,000 - \$27,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$28,000 - \$28,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
\$29,000 - \$29,999	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%

(C) Indicates Change

Issued: July 29, 2011

Effective: August 1, 2011

The above rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge as set forth in this tariff but shall not be subject to Rider D - Transition Costs. The above rates shall be changed to reflect changes to purchased gas cost rates.

#### REAPPLICATION FOR LIRA AT A NEW ADDRESS

When one or more LIRA customers move to a new address, it will be necessary for each of them to be identified on a new LIRA application. Reapplication is necessary in order to verify the household income and to determine each adult household member who will become responsible for paying the bills at the new address. If a ratepayer, or any of the adult members of the household, has an overdue balance from a previous account, that balance will be reflected on the first LIRA bill at the new address. If a previous account was terminated for nonpayment, the ratepayer(s) must, in addition, pay a reconnection charge and a down payment toward an arrangement covering pre-LIRA Program unforgiven balances. A customer who moves to a new premise can continue with the arrearage forgiveness component of the program for the remaining months not used.

#### ARREARAGE FORGIVENESS

Holds are established for the preprogram arrearages. These arrearages will be shown on LIRA customer's bills. Each month the Budget Plan amount is paid on time, one twenty-fourth of the amount eligible for forgiveness is eliminated. Once a Budget Plan payment is missed, the customer has forfeited the opportunity to have this amount forgiven.

After a LIRA customer has failed to make a monthly Budget payment, they must catch up on all monthly Budget payments to obtain further forgiveness.

When a LIRA customer moves to a new address and has paid all previous LIRA monthly bills, the remaining months for arrearage forgiveness can be utilized at the new address. The hold would be placed on the new account indicating the original amount of the arrearage forgiveness and the current amount to be held or considered for forgiveness.

#### LIHEAP

(C)

All LIHEAP grants will be applied to the customers' LIRA program responsibility in accordance with applicable Department of Public Welfare vendor requirements.

(C) Indicates Change

Voluntarily Suspended to June 4, 2011

Issued: February 3, 2011

Effective: ~~April 4, 2011~~

#### TERMINATION PROCESS

(C)

During the period April 1 through November 30:

1. If a LIRA customer fails to pay a monthly LIRA budget billing, the Company's collection process will begin. This process includes all required regulatory notification and procedural steps. The actual termination notices mailed to LIRA customers will reflect the means for avoiding termination of service.
2. To avoid termination of service, the LIRA customer must pay the amount set forth in the termination notice prior to the scheduled termination date.
3. The delinquent LIRA participant will not be offered a payment arrangement or an extension to avoid termination of service.
4. Medical Certificates will be honored for LIRA customers.
5. When a customer contacts the Company and states that he or she is unable to pay the notice amount prior to the termination date, an extension beyond the termination date will not be granted.
6. Service will be terminated if the customer fails to pay the notice amount (and no certified medical condition exists).

Termination notices will not be sent from December 1 until the First cycle billing control that produces a proposed termination date of April 1 or later. Any customer who has missed any payments over the winter months will be sent a notice for termination for the missed payments. The number of missed payments should not exceed 5 months except in extenuating circumstances such as a medical certification or a complaint to the Bureau of Consumer Services.

#### RECONNECTION PROCESS

A ratepayer whose service is reconnected due to the submission of a medical certificate will not be reinstated in the LIRA program until all requirements are met equal to those that would apply for that same customer seeking reconnection without a medical certificate.

Generally, in order to have service reconnected, the LIRA customer must:

1. Pay a reconnection charge.
2. Pay the entire arrearage which accrued while a LIRA Program participant (including the current bill if after the due date).
3. If the account had a preprogram arrearage, they will be eligible for continued arrearage forgiveness opportunities if they completely pay their LIRA program arrears and if they have remaining forgiveness months remaining. If they are not eligible for arrearage forgiveness:
  - a. The customer may be required to pay part or all of the arrearage prior to reconnection in accordance with 66 Pa. C.S.A. §1407(c)(2)(i);
  - b. The Company may negotiate a payment arrangement regarding the preprogram arrearage; and
  - c. The duration of any negotiated payment arrangement will depend upon factors such as size of the unpaid LIRA balance, the ability of the ratepayer to pay, the payment history of the ratepayer, and the length of time over which the balance accumulated.

(C) Indicates Change

Issued: December 18, 2007

Effective: January 1, 2008



RECONNECTION PROCESS (Cont',)

(C)

All customers listed on the account are responsible for the balance accrued while a LIRA participant. The terms for reconnection will apply to each adult resident as a ratepayer, unless the resident can demonstrate to the Company's satisfaction extenuating circumstances including, but not limited to, divorce, abandonment, or spousal abuse, where the spouse has established a separate residence.

Should a LIRA customer be shut off after negotiating a payment arrangement as described in 3(b) and (c) above, he or she would be required to pay the entire arrearage owing to have service restored. No arrangement will be offered on either the missed LIRA payments or the pre-program arrearage.

REVERIFICATION PROCESS

Active LIRA accounts are reverified periodically to determine changes in income or household size that might affect program eligibility.

The LIRA reverification process will require participants to reverify their status every two years unless their household situation changes or they report zero income, inexplicable increased consumption and/or have not received LIHEAP. As recommended by the Universal Service evaluation, those customers would be required to reverify their status upon request.

RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, gas service under this rate schedule.

## **Needs Assessment based on 2010 Universal Service Report**

## Needs Assessment Based on 2010 Universal Service Report

		<b>Electric</b>	<b>Gas</b>	<b>Total</b>
1.	# Residential Customers	4,888,896	2,515,209	7,404,105
2.	Estimated Low Income - Census	1,076,580	616,668	1,693,248
3.	Confirmed Low Income - US Programs, PARS, LIHEAP	551,400	460,316	1,011,716
4.	Not Payment-Troubled	525,180	156,352	681,532
5.	CAP Participants	293,436	191,891	485,327
6.	Non-CAP CLI - US Programs, PARS, LIHEAP	257,964	268,425	526,389

### Notes:

Row 3 + Row 4 = Row 2

Confirmed low income + Non Payment-Troubled = Estimated Low Income from the Census

Row 5 + Row 6 = Row 3

CAP Participants + Non-CAP Confirmed Low Income (PARS, US Programs, LIHEAP) = Confirmed Low Income

### # of CAP Participants

Confirmed Low Income = CAP Participation Rate

Electric CAP Participation Rate = 55%

Gas CAP Participation Rate = 41%

Info taken from the 2010 Universal Service Programs and Collections Performance Report. Is on PUC website at:

[http://www.puc.state.pa.us/general/publications\\_reports/pdf/EDC\\_NGDC\\_UniServ\\_Rpt2010.pdf](http://www.puc.state.pa.us/general/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2010.pdf)

(Home, Publications and Reports, Universal Service Reports, 2010 Report)

Large Electric—those with over 60,000 residential customer accounts.

Large Gas—those with more than 100,000 residential customers

Class A Water – Those with annual revenues of \$1M or more for 3 years in a row. In 2010, there were 9 of these companies.