

<b>Regulatory Analysis Form</b>		<b>This space for use by IRRC</b>
(1) Agency  Pennsylvania Public Utility Commission		<b>RECEIVED</b> 2000 FEB -3 AM 10: 24 INDEPENDENT REGULATORY REVIEW COMMISSION <b>Mizner</b> IRRC Number: #2094
(2) I.D. Number (Governor's Office Use)  L-00000146/57-212		
(3) Short Title  Proposed Rulemaking Re: Reporting Requirements for Universal Service and Energy Conservation Programs		
(4) PA Code Cite  52 Pa. Code §§62.1 - 62.8	(5) Agency Contacts & Telephone Numbers  Primary Contact: Kathryn G. Sophy, Law Bureau, (legal), 782-8839  Secondary Contact: Janice K. Hummel, Bureau of Consumer Services, (technical), 783-9088	
(6) Type of Rulemaking (check one)  <input checked="" type="checkbox"/> Proposed Rulemaking <input type="checkbox"/> Final Order Adopting Regulation <input type="checkbox"/> Final Order, Proposed Rulemaking Omitted	(7) Is a 120-Day Emergency Certification Attached?  <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language.  This proposed rulemaking establishes standard reporting requirements for universal service and energy conservation programs. The data collected as a result of the reporting requirements will assist the Commission in monitoring the progress of the natural gas distribution companies (NGDCs) in achieving universal service in their service territories. The reporting requirements will ensure that the data is reported uniformly and consistently.		
(9) State the statutory authority for the regulation and any relevant state or federal court decisions.  Sections 501, 504, 2202, and 2203 of the Public Utility Code (66 Pa. C.S. §§501, 504, 2202, and 2203); Sections 201, 202 and 205 of the Commonwealth Documents Law (45 P.S. §§1202, 1202 and 1205); and regulations promulgated thereunder at 1 Pa. Code §§7.1-7.4		

## Regulatory Analysis Form

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. The Natural Gas Choice and Competition Act (Act) at Sections 2202, 2203, 2203(6), and 2203(8) defines and mandates universal service and energy conservation programs. The Act requires the Commission to ensure that universal service and energy conservation policies, activities and services are appropriately funded and available in each natural gas distribution territory.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

Loss of utility service poses a serious health and safety threat to the citizens of this Commonwealth. Because utility bills may not be affordable for many low-income customers, they face termination of utility service as a result of the inability to pay utility bills. Universal service and energy conservation programs help low-income customers to maintain utility service. The data required by the reporting requirements will assist the Commission in determining if universal service and energy conservation programs are available and appropriately funded to meet the needs of low-income natural gas consumers.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

Utility service is essential to the health and well-being of residents, to public safety and to orderly economic development.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

Low-income customers - In 1998, almost 10,000 customers participated in natural gas universal service and energy conservation programs. These households benefited from payment assistance, usage reduction services, arrearage forgiveness and referrals to other benefits and services. Utilities - Reduction in the amount and the carrying cost of arrearages, collection costs and bad debt expenses. Ratepayers - Reduction in utility expenses related to uncollectible accounts.

## Regulatory Analysis Form

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

None.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

7 natural gas distribution companies

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

None.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

Individual evaluations have found that components of universal service and energy conservation programs are cost-effective alternatives to traditional collection methods. These programs, such as payment assistance programs and usage reduction programs, reduce the costs of carrying arrearages, collection costs and bad debt expenses for regulated natural gas distribution companies.

### **Regulatory Analysis Form**

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

No additional costs or savings.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

No additional costs or savings.

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(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$ N/A	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
Total Savings						
<b>COSTS:</b>						
Regulated Community						
Local Government						
State Government						
Total Costs						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses						

(20a) Explain how the cost estimates listed above were derived.

N/A

### Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3 1996	FY -2 1997	FY -1 1998	Current FY
LIURP	\$4,588,677	\$4,542,477	\$4,475,135	
CAP	\$7,434,485	\$7,063,964	\$5,682,410	
CARES	N/A	\$ 915,112	\$828,169	
Hardship funds	N/A	\$379,268	\$389,129	
Other	N/A			

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The reports will assist the Commission in ensuring that universal service and energy conservation programs are available and appropriately funded. These programs help low-income consumers maintain utility service. As a result of these programs, regulated natural gas distribution companies benefit from reduced expenditures for collection, termination and reconnection expenses, and the reduced need for bad debt reserves.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

The Commission considered and rejected voluntary reporting guidelines. Voluntary guidelines will not ensure standard and consistent reporting of data. The Commission cannot fulfill its statutory obligation to ensure that universal service and energy conservation programs are appropriately funded and available without the basic data outlined in the reporting requirements.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

See above response to #22.

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no federal standards.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

Several other states have universal service and energy conservation programs. However, only Pennsylvania links cost-effectiveness to universal service and energy conservation programs. Other states implemented these programs to provide affordable payments for low-income customers. Pennsylvania implemented these programs as alternatives to traditional collection methods. Therefore, current data reporting is more comprehensive for Pennsylvania utilities.

No, the regulation should not put Pennsylvania at a competitive disadvantage. The costs of the reporting requirements are balanced by the benefits of universal service and energy conservation programs.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No.

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

The regulation provides for consistent and standard reporting.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

None.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulations will become effective upon final publication in the Pennsylvania Bulletin. Full compliance with the regulation will be required three-years from the date the Commission approves each natural gas utility distribution company's restructuring plan.

(31) Provide the schedule for continual review of the regulation.

The Commission will review the universal service and energy conservation plans every three years. The Commission will review the collection and program reports annually. Each natural gas distribution company must complete an independent evaluation of its universal service and energy conservation programs every six years. The company must submit the evaluation to the Commission for review.



**FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU**

**(Pursuant to Commonwealth Documents Law)**

*# 2094*

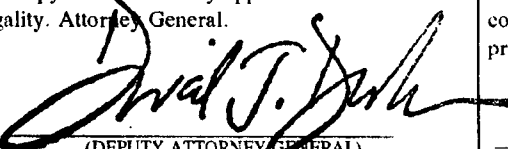
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INDEPENDENT REGULATORY  
REVIEW COMMISSION

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General.

BY   
(DEPUTY ATTORNEY GENERAL)

JAN 26 2000

DATE OF APPROVAL

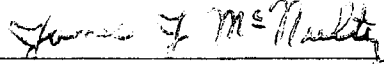
Check if applicable  
Copy not approved. Objections attached

Copy below is hereby certified to be true and correct copy of a document issued, prescribed or promulgated by:

Pennsylvania Public Utility Commission  
(AGENCY)

DOCUMENT/FISCAL NOTE NO. L-00000146/57-212

DATE OF ADOPTION January 12, 2000

BY   
James J. McNulty

TITLE ( SECRETARY)

Copy below is hereby approved as to form and legality. Executive or independent Agencies.

BY 

Bohdan R. Pankiw  
Chief Counsel

1-18-00

DATE OF APPROVAL

Check if applicable. No Attorney General approval or objection within 30 days after submission.

L-00000146/57-212  
Proposed Rulemaking  
Reporting Requirements for Universal Service  
and Energy Conservation Programs  
52 Pa. Code, Chapter 62

The Pennsylvania Public Utility Commission on January 12, 2000, adopted a proposed rulemaking order establishing standard reporting requirements for universal service and energy conservation programs for natural gas distribution companies. The contact persons are Janice K. Hummel, Bureau of Consumer Services (technical), 783-9088, and Kathryn G. Sophy, Law Bureau (legal) 772-8839.

**EXECUTIVE SUMMARY**  
L-00000146/57-212  
Proposed Rulemaking  
Re: Reporting Requirements for  
Universal Service and Energy Conservation Programs  
52 Pa. Code, Chapter 62

On June 22, 1999, Governor Tom Ridge signed into law the *Natural Gas Choice and Competition Act* (Act). The Act revised the Public Utility Code, 66 Pa. C.S. §§101, et seq., by, inter alia, adding Chapter 22, relating to restructuring of the natural gas utility industry. The Act is clear that natural gas distribution companies (NGDCs) are to continue, at a minimum, the protections, policies and services that now assist customers who are low-income to afford natural gas service. Section 2203(8) of the Act requires the Commission to ensure that universal service and energy conservation policies, activities and services are appropriately funded and available in each natural gas distribution service territory.

The purpose of this rulemaking is to establish standard reporting requirements for universal service and energy conservation programs. The data collected as a result of the reporting requirements will assist the Commission in ensuring that universal service and energy conservation programs are appropriately funded and available in each NGDC's service territory. The reporting requirements will also ensure that the data is reported uniformly and consistently.

The regulations establish that the NGDCs will report the following information to the Commission: 1) annual reports on residential low-income collections and universal service and energy conservation programs; 2) plans every three years for universal service and energy conservation programs; and 3) every six years an independent third-party evaluation that measures the degree to which an NGDC's universal service and energy conservation programs are working to provide affordable utility service at reasonable rates. The contact persons are Janice K. Hummel, Bureau of Consumer Services (technical), (717) 783-9088 and Kathryn G. Sophy, Law Bureau (legal), (717) 783-8839.

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Harrisburg, PA 17105-3265**

**Public Meeting held January 12, 2000**

**Commissioners Present:**

**John M. Quain, Chairman**  
**Robert K. Bloom, Vice-Chairman**  
**Nora Mead Brownell**  
**Aaron Wilson, Jr.**  
**Terrance J. Fitzpatrick**

**Rulemaking Re:**  
**Reporting Requirements for Universal Service**  
**And Energy Conservation Programs**  
**52 Pa. Code Chapter 62**

**Docket No. L- 00000146**

**PROPOSED RULEMAKING ORDER**

**BY THE COMMISSION:**

On June 22, 1999, Governor Tom Ridge signed into law the *Natural Gas Choice and Competition Act* (Act). The Act revised the Public Utility Code, 66 Pa. C.S. §§101, et seq., by inter alia, adding Chapter 22, relating to restructuring of the natural gas utility industry. The Pennsylvania Public Utility Commission (Commission) is the agency charged with implementing the Act.

The Act is clear that natural gas distribution companies (NGDCs) are to continue, at a minimum, the protections, policies and services that now assist customers who are low-income to afford natural gas service. Section 2203(8) of the Act requires the Commission

to ensure that universal service and energy conservation policies, activities and services are appropriately funded and available in each natural gas distribution service territory.

The purpose of this rulemaking is to establish standard reporting requirements for universal service and energy conservation programs. The data collected as a result of the reporting requirements will assist the Commission in monitoring the progress of the NGDCs in achieving universal service in their service territories. The reporting requirements will also ensure that the data is reported uniformly and consistently. The proposed reporting requirements are set forth in Annex A.

Information from NGDCs about universal service programs and low-income customers is more critical now so the Commission can determine if universal service and energy conservation programs comply with the Act. The Act requires that programs be appropriately funded and available to low-income customers. The Commission is not insensitive to the problems that NGDCs will encounter in gathering and reporting the data required as a result of these regulations. The NGDCs currently provide much of the program related data we are requesting in these regulations. However, NGDCs report the data at various times throughout the year in different reports. These regulations will establish a uniform and standard reporting format and time schedule. The reporting requirements of these regulations will replace certain program related reports, such as hardship fund and CARES reports, that the NGDCs provide to the Commission.

These regulations introduce new collection reporting requirements that identify costs specifically associated with low-income customers. The Commission acknowledges that the NGDCs will need time to make programming changes to collect this data. Therefore, the Commission proposes that each NGDC should be able to report complete data to the Commission no later than April 1, 2003. For the purposes of low-income collections reporting the Commission requests information on confirmed low-income groups.

Confirmed low-income accounts are those accounts where the NGDC has obtained information that would reasonably place the customer in a low-income designation. Examples of such information are receipt of Low-Income Home Energy Assistance Program (LIHEAP) grants, income source noted as TANF or General Assistance on an application for service; or the customer's self-report of income in conjunction with establishing a payment arrangement or application for a utility low-income program.

We are also interested in comments regarding the reporting format for the NGDCs. We believe that all reporting should be uniform and by electronic submission and would appreciate comments in this regard.

The Commission reserves the right to waive any or all requirements of these regulations upon petition by an affected party pursuant to §5.43 (relating to petitions for issuance, amendment, waiver or repeal of regulations).

**ACCORDINGLY**, under Section 501 of the Public Utility Code, and the Commonwealth Documents Law (45 P.S. §§1201, et seq.) and regulations promulgated thereunder at 1 Pa. Code §§7.1-7.4, we amend the regulations at 52 Pa. Code §§62.1-62.8 as noted above and as set forth in Annex A; **THEREFORE**,

**IT IS ORDERED:**

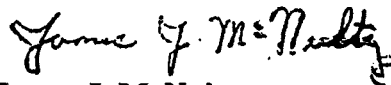
1. That a Rulemaking Docket shall be opened to consider regulations set forth in Annex A.
2. That the Secretary shall submit a copy of this order and Annex A to the Office of Attorney General for review as to form and legality.
3. That the Secretary shall submit a copy of this order and Annex A to the Governor's Budget Office for review of fiscal impact.
4. That the Secretary shall submit this order and Annex A for review by the designated standing committees of both Houses of the General Assembly, and for formal review and comments by the Independent Regulatory Review Commission.
5. The Secretary shall duly certify this order and Annex A and deposit them with the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

6. That a copy of this final Proposed Rulemaking Order and any accompanying statements of the Commissioners be served upon all jurisdictional natural gas companies, the Office of Consumer Advocate, the Office of Small Business Advocate, and the Natural Gas Competition Legislative Stakeholders.

7. That, within 45 days of this order's publication in the Pennsylvania Bulletin, an original and 15 copies of any comments concerning this order and Annex A should be submitted to the Pennsylvania Public Utility Commission, PO Box 3265, Harrisburg, PA 17105-3265.

8. That the contact persons are Janice K. Hummel, Bureau of Consumer Services (technical), (717) 783-9088 and Kathryn G. Sophy, Law Bureau (legal), (717) 772-8839.

**BY THE COMMISSION,**



**James J. McNulty**  
Secretary

**(SEAL)**

**ORDER ADOPTED: January 12, 2000**

**ORDER ENTERED: JAN 14 2000**



**Annex A**  
**Title 52. Public Utilities**  
**Part I. Pennsylvania Public Utility Commission**  
**SUBPART C. FIXED UTILITIES**  
**CHAPTER 62. NATURAL GAS SUPPLY CUSTOMER CHOICE**

**SUBCHAPTER A. Universal Service and Energy Conservation  
Reporting Requirements**

**§62.1. Statement of purpose and policy.**

The requirements of 66 Pa. C.S. §2203(8) mandate that the Commission ensure universal service and energy conservation policies, activities and services for residential natural gas customers are appropriately funded and available in each natural gas distribution company (NGDC) territory. This subchapter requires covered NGDCs to establish uniform reporting requirements for universal service and energy conservation policies, programs and protections and to report this information to the Commission.

**§62.2. Definitions.**

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

*CAP--Customer Assistance Program--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 natural gas utility services.*

CAP benefits - The average CAP bill, average CAP credits, and average arrearage forgiveness.

CARES - A program that provides a cost-effective service that helps selected payment-troubled customers maximize their ability to pay utility bills. A CARES program provides a casework approach to help customers secure energy assistance funds and other needed services.

CARES benefits - The number and kinds of referrals to CARES.

Classification of accounts - Accounts are classified by the following categories: all residential accounts and confirmed low-income residential accounts.

Code - The Public Utility Code, 66 PA.C.S. §§ 101-3316.

Collection operating expenses - Expenses directly associated with collection of payments due for residential accounts.

Confirmed low-income residential account. - Accounts where the NGDC has obtained information that would reasonably place the customer in a low-income designation.

Direct dollars - Dollars which are applied to a CARES customer's natural gas utility account, including all sources of energy assistance applied to utility bills such as LIHEAP, hardship fund grants, and local agencies' grants.

Energy assistance benefits - The total number and dollar amount of LIHEAP grants, hardship grants, and local agencies' grants.

Hardship fund - A fund that provides cash assistance to utility customers to help them pay their utility bills.

Hardship fund benefits - The total number and dollar amount of cash benefits or bill credits.

Impact evaluation - An evaluation that focuses on the degree to which a program achieves the continuation of utility service to program participants at a reasonable cost level and otherwise meets program goals.

LIURP - Low-income usage reduction program - An energy usage reduction program that helps low-income customers to conserve energy and reduce residential energy bills.

Low-income customer - A residential utility customer whose household income is at or below 150% of the federal poverty guidelines.

Natural gas distribution company (NGDC) - The public utility providing facilities and related services for the jurisdictional distribution of natural gas to retail customers.

Outreach Referral Contacts - Address and telephone number that a customer would call or write to apply for the hardship fund. Contact information should be specific to each county in the NGDC's service territory, if applicable.

Payment rate - Payment rate is the total number of full monthly payments received from CAP participants in a given period divided by the total number of monthly bills issued to CAP participants.

Payment troubled - A household that has failed to maintain one or more payment arrangements in a one-year period.

Residential account in arrears - A residential account that is at least thirty days overdue. This classification includes all customer accounts which have payment arrangements.

Successful payment arrangements - A payment arrangement in which the agreed upon number of payments have been made in full in the preceeding twelve months.

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.

**§ 62.3. Universal service and energy conservation program goals.**

(a) The Commission will determine if the NGDC meets the goals of universal service and energy conservation programs.

(b) The general goals of universal service and energy conservation programs include the following:

(1) To protect consumers' health and safety by helping low-income customers maintain natural gas service.

(2) To provide for affordable natural gas service by making available payment assistance to low-income customers.

(3) To help low-income customers conserve energy and reduce residential utility bills.

(4) To ensure universal service and energy conservation programs are operated in a cost-effective and efficient manner.

**§ 62.4. Universal service and energy conservation plans.**

**(a) *Plan Submission.***

(1) Each NGDC shall submit to the Commission for approval an updated universal service and energy conservation plan every three years beginning February 28, 2001 on a staggered schedule.

(2) The plan should cover the next three-calendar years.

(3) The plan should state how it differs from the previously approved plan.

(4) The plan should include revisions based on analysis of program experiences and evaluations.

(5) If the Commission rejects the plan, the NGDC must submit a revised plan pursuant to the order rejecting or directing modification of the plan as previously filed. If the order rejecting the plan does not state a timeline, the NGDC must file its revised plan within 45 days of the entry of the order.

(6) The Commission will act on the plans within 90 days of the NGDC filing date.

(b) Plan contents. The components of universal service and energy conservation may include the following: CAP, LIURP, CARES, Hardship Funds and other programs, policies and protections. For each component of universal service and energy conservation, the plan shall include but not be limited to the following:

- (1) Program description.
- (2) Eligibility criteria.
- (3) Projected needs assessment.
- (4) Projected enrollment levels.
- (5) Program budget.
- (6) Plans to use community-based organizations.
- (7) Organizational structure of staff responsible for universal service programs.

(8) Explanation of any differences between the NGDC's approved plan and the implementation of that plan. The NGDC should include a plan to address those differences.

**§62.5. Annual residential collection and universal service and energy conservation program reporting requirements.**

(a) Each NGDC shall report annually to the Commission on the degree to which universal service and energy conservation programs within its service territory are available and appropriately funded. Annual NGDC reports shall contain information on programs and collections for the prior calendar year. Unless otherwise stated, the report shall be due April 1 each year, beginning April 1, 2003. Where noted, the data shall be reported by classification of accounts. Each NGDC's report shall contain the following information:

- (1) Collection reporting shall be categorized as follows:

(i) The total number of payment arrangements and the total number of successful payment arrangements. To ensure that successful payment arrangements are not overstated, NGDCs should report on the the calendar year prior to the reporting year.

(ii) Annual collection operating expenses by classification of accounts. Collection operating expenses include administrative expenses associated with termination activity, negotiating payment arrangements, budget counseling, investigation and resolving informal and formal complaints associated with payment arrangements, securing and maintaining deposits, tracking delinquent accounts, collection agencies' expenses, litigation expenses other than Commission related, dunning expenses, and winter survey expenses.

(iii) Total dollar amount of the gross residential write-offs and total dollar amount of the net residential write-offs, by classification of accounts.

(iv) Total number of residential customers by month for the twelve months covered by the report, by classification of accounts.

(v) Total number of residential revenues by month for the twelve months covered by the report, by classification of accounts.

(vi) The total number of residential accounts in arrears and on payment agreements by month for the twelve months covered by the report, by classification of accounts.

(vii) The total number of residential accounts in arrears and not on payment agreements by month for the twelve months covered by the report, by classification of accounts.

(viii) Total dollar amount of residential accounts in arrears and on payment agreements by month for the twelve months covered by the report, by classification of accounts.

(ix) Total dollar amount of residential accounts in arrears and not on payment agreements by month for the twelve months covered by the report, by classification of accounts.

(x) Total number of residential customers who are payment troubled by month for the twelve months covered by the report, by classification of accounts.

(xi) Total number of terminations completed by month for the twelve months covered by the report, by classification of accounts.

(xii) Total number of reconnections by month for the twelve months covered by the report, by classification of accounts.

(xiii) Total number of low-income households. NGDCs may estimate this number using census data or other information the NGDC finds appropriate.

(2) Program reporting shall be categorized as follows:

(i) For each universal service and energy conservation component, program data shall include information on the following:

(A) Program costs.

(B) Program recipient demographics, including the number of family members under age 18 and over age 62, family size, income, and source of income.

(C) Participation levels by month for the twelve months covered by the report.

(ii) Additional program data for individual universal service and energy conservation components shall include the following information:

(A) LIURP. Reporting requirements as established at 52 Pa. Code §58.15 (relating to program evaluation).

(I) LIURP reporting data shall be due by April 30.



(II) Actual production and spending data for the recently completed program year and projections for the current year shall be due annually by April 1.

(B) CAP.

(I) Energy assistance benefits.

(II) Average CAP bills.

(III) Payment rate.

(IV) CAP benefits.

(V) Total cash payments by CAP customers.

(VI) Number of full, on-time payments

(VII) Percentage of CAP bill paid by customer.

(C) CARES.

(I) Energy assistance benefits.

(II) Direct dollars applied to CARES accounts.

(III) CARES benefits.

(D) Hardship funds.

(I) Ratepayer contributions.

(II) Special contributions.

(III) Utility contributions.

(IV) Outreach contacts.

(V) Hardship fund benefits.

**§62.6. Evaluation reporting requirements.**

(a) Each NGDC shall have an independent third-party conduct an impact evaluation of its universal service and energy conservation programs and provide a report of findings and recommendations to the Commission and NGDC.

(b) The first impact evaluation will be due beginning August 1, 2004 on a staggered schedule. Subsequent evaluation reports shall be presented to the NGDC and the Commission at no more than six year intervals.

(c) To ensure an independent evaluation, neither the NGDC nor the Commission shall exercise control over content or recommendations contained in the independent evaluation report. The NGDCs may provide the Commission with a companion report that expresses where they agree or disagree with independent evaluation report content or recommendations.

(d) An independent third-party evaluator shall conduct the impact evaluation.

§62.7. Natural gas distribution companies with less than 100,000 residential accounts.

(a) Beginning June 1, 2003, each NGDC with less than 100,000 accounts shall report to the Commission every three years the following information in lieu of §54.74-§54.76:

(1) The universal service and energy conservation plan.

(2) Expenses associated with low-income customers.

(3) A description of the universal service and energy conservation services provided to low-income residential customers.

(4) Number of services or benefits provided to low-income residential customers.

(5) Dollar amount of services or benefits provided to low-income residential customers.

**§62.8. Public Information**

**The Commission will annually produce a summary report on the universal service performance of each NGDC using the statistics collected as a result of these reporting requirements. The reports will be public information. The Commission will provide the reports to any interested party and post the reports on the Commission's Internet website.**

**Appendix**

**Universal service and Energy Conservation Programs**

	<b>Due Date</b>	
<b>NGDC</b>	<b>Plan</b>	<b>Evaluation</b>
Columbia	6/1/2002	8/1/2004
Peoples	6/1/2002	8/1/2004
PECO	2/28/2003	10/31/2008
Equitable	6/1/2003	8/1/2005
PG Energy	6/1/2003	8/1/2005
UGI	6/1/2004	8/1/2006
NFG	6/1/2004	8/1/2006



PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH OF PENNSYLVANIA  
HARRISBURG, PENNSYLVANIA

THE CHAIRMAN

February 3, 2000

The Honorable John R. McGinley, Jr.  
Chairman  
Independent Regulatory Review Commission  
14th Floor, Harristown II  
333 Market Street  
Harrisburg, PA 17101

Re: L-00000146/57-212  
Proposed Rulemaking  
Reporting Requirements for Universal  
Service and Energy Conservation Programs  
52 Pa. Code, Chapter 62

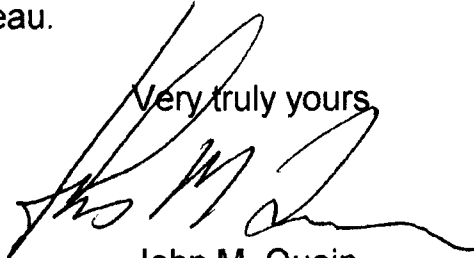
Dear Chairman McGinley:

Enclosed please find one (1) copy of the proposed rulemaking and the Regulatory Analysis Form prepared in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." Pursuant to Section 5(a) of the Regulatory Review Act of June 30, 1989 (P.L. 73, No. 19) (71 P.S. §§745.1-745.15) the Commission is submitting today a copy of the proposed rulemaking and Regulatory Analysis Form to the Chairman of the House Committee on Consumer Affairs and to the Chairman of the Senate Committee on Consumer Protection and Professional Licensure.

The purpose of this proposal is to establish standard reporting requirements for universal service and energy conservation programs for natural gas distribution companies. The contact persons are Janice Hummel, Bureau of Consumer Services (717) 783-9088 and Kathryn Sophy, Law Bureau (717) 772-8839.

The proposal has been deposited for publication with the  
Legislative Reference Bureau.

Very truly yours,

A handwritten signature in black ink, appearing to read 'John M. Quain', written over the phrase 'Very truly yours,'.

John M. Quain  
Chairman

Enclosures

cc: The Honorable Clarence D. Bell  
The Honorable Lisa Boscola  
The Honorable Chris R. Wogan  
The Honorable Keith McCall  
Legislative Affairs Director Perry  
Chief Counsel Pankiw  
Assistant Counsel Sophy  
Regulatory Coordinator DelBiondo  
Ms. Hummel  
Mr. Zogby

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT  
TO THE REGULATORY REVIEW ACT

RECEIVED  
2000 FEB -3 AM 10:25

ID Number: L-00000146/57-212  
Subject: Reporting Requirements for Universal Service and Energy Conservation Programs  
Pennsylvania Public Utility Commission

INDEPENDENT REGULATORY  
REVIEW COMMISSION

TYPE OF REGULATION

- Proposed Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted.
- Final Regulation
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor

FILING OF REPORT

Date	Signature	Designation
2/3/00	<i>Jerry Koplar</i>	HOUSE COMMITTEE Consumer Affairs
2/3/00	<i>Sammy Warner</i>	SENATE COMMITTEE Consumer Protection and Professional Licensure
2/3/00	<i>Kenn C. Garner</i>	Independent Regulatory Review Commission Attorney General Legislative Reference Bureau