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OF MARYLAND**

UTILITY SERVICE PROTECTION PROGRAM

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The Public Utilities Article,
Annotated Code of Maryland

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EXECUTIVE SUMMARY

During the 2015-2016 winter heating season, 49,306 customers participated in the Utility Service Protection Program (“USPP” or “Program”). These participants represented 1.47 percent of total residential customers in the State. During the winter heating season, 2,236, or approximately 4.5 percent, of USPP participants’ services were terminated while on USPP. Table E1 summarizes the number of USPP participants and the terminations for the four most recent winter seasons. The number of USPP participants and the participation rate of total eligible residential customers during the most recent winter heating season were the lowest since the 2012-2013 heating season. The number of USPP participants decreased from 63,389 in the 2012-2013 winter season to 49,306 in the 2015-2016 heating season, a decrease of approximately 22 percent. The number of USPP participants as a percentage of total residential customers also decreased from 1.9 percent in the 2012-2013 heating season to 1.47 percent in the 2015-2016 heating season.

The primary purpose of the USPP is to minimize service terminations during the winter. As shown in Table E1, the number of terminations was 2,236 in the 2015-2016 season, which was higher than the two previous heating seasons (2013-2014 and 2014-2015) and close to the number of terminations during 2012-2013. For the 2015-2016 heating season, three major utilities, Baltimore Gas and Electric Company (“BGE”), Delmarva Power & Light Company (“DPL”), and Potomac Electric Power Company (“Pepco”) reported 2,202 terminations or 529 more than the 2014-2015 heating season, which showed 1,673 terminations. More detailed analysis is provided in the Heating Season. The service termination rate for the USPP participants in the 2015-2016 season was 4.53 percent, the highest percent of USPP participant terminations among the four most recently reported heating seasons. This high termination rate was the result of high termination numbers (numerator) and a decreased number of USPP participants (denominator) for 2015-2016 heating season.

Table E1 USPP Participation and Service Termination

Reporting Season	USPP Participants	Percentage of USPP to Total Residential Customers	Service Termination	Percentage of Termination
2012-2013	63,389	1.90%	2,208	3.50%
2013-2014	59,982	1.80%	1,788	3.00%
2014-2015	55,075	1.70%	1,721	3.10%
2015-2016	49,306	1.47%	2,236	4.53%

Table E2 presents the USPP participants’ average monthly actual usage and average monthly payment obligation from the reporting utilities. During the 2015-2016 heating season, the average monthly actual usage and average monthly payment obligation were \$155.71 and \$113.01, respectively. The average monthly actual usage fluctuated during the recent four reporting seasons but has shown a declining trend from \$188 in the 2012-2013 heating season to \$155.71 in the 2015-2016 heating season. The Average Monthly Obligation almost maintained the same level of \$113 for the recent four heating seasons with a small deviation during the 2014-2015 heating season.

Table E2 Average Monthly Actual Usage and Obligation Payment

Program Year	Average Monthly Actual Usage	Average Monthly Obligation
2012-2013	\$188.00	\$113.15
2013-2014	\$199.99	\$112.50
2014-2015	\$183.72	\$106.50
2015-2016	\$155.71	\$113.01

BACKGROUND

On March 1, 1988, the Public Service Commission of Maryland (“Commission”) issued Order No. 67999 in Case No. 8091,¹ which established the Utility Service Protection Program, as required by Article 78 §54K, which has since been recodified as Section 7-307 of the Public Utilities Article (“PUA”), *Annotated Code of Maryland*. PUA §7-307 directed

¹ *In the Matter of Regulations Governing Terminations of Gas or Electric Service to Low Income Residential Customers during the Heating Season.*

the Commission to promulgate regulations relating to when, and under what conditions, there should be a prohibition against or a limitation upon the authority of a public service company to terminate, for nonpayment, gas or electric service to low-income residential customers during the heating season. Regulations governing the USPP are contained in Section 20.31.05 of the Code of Maryland Regulations (“COMAR”).

The USPP is available to utility customers who are eligible and have applied for a grant from the Maryland Energy Assistance Program (“MEAP”), which is administered by the Office of Home Energy Programs (“OHEP”). The USPP is designed to protect eligible low-income residential customers from utility service termination during the winter heating season, which extends from November 1 to March 31. The USPP helps low-income customers avoid the accumulation of arrearages, which could lead to service terminations, by requiring timely equal monthly utility payments for participants, based on the estimated cost of annual service to the household. The USPP allows customers in arrears to restore service by accepting the USPP equal payment plan, and by lowering any outstanding arrearages to no more than \$400. The Program encourages the utility to establish a supplemental monthly payment plan for customers with outstanding balances to reduce those arrearages. Maryland’s gas and electric utilities are required to publicize and offer the USPP prior to November of each year. *See* COMAR 20.31.05.03C.

PUA §7-307 requires the Commission to submit an annual report to the General Assembly addressing terminations of service during the previous heating season. To facilitate the compilation of this report, the Commission directs all gas and electric utilities to collect specific data under COMAR 20.31.05.09. Through a data request issued by Commission Staff, the utilities are asked to report the following: (1) the number of USPP participants, USPP eligible non-participants among MEAP certified customers, total utility customers, and current participants who also participated in the previous year; (2) the number of customers for whom the utility’s service is the primary heating source; (3) the number of customers making supplemental payments, average supplemental payment amounts, and the amount of arrearage leading to those payments; (4) the number of USPP participating and eligible non-participating customers in arrears, the amount of the arrearage, and the amount

of the average monthly payment obligations; (5) the average MEAP grant amount; (6) the number of customers dropped from the USPP for non-payment of bills; (7) the number of service terminations for USPP participants; (8) the number of USPP customers consuming more than 135 percent of the system average for the heating season; and (9) the average cost of actual usage for the heating season.² Utilities serving residential customers in Maryland submitted data for this report.³ The Commission's April 2016 data request for the 2015-2016 heating season contained the same questions as those in the USPP Data Request issued for the 2014-2015 heating season and was similar to previous USPP data requests.⁴ This report provides an analysis and summary of that information.

DATA COLLECTION AND ANALYSIS

There are eighteen companies that submitted 2015-2016 heating season USPP reports to the Commission. Among these companies, four companies did not participate in the USPP: Hagerstown does not participate in the USPP program but implements a Commission approved alternate program;⁵ two small municipal companies (Thurmont and Williamsport),

² The data request was issued to A&N Electric Cooperative ("A&N"), BGE, Chesapeake Utilities Corporation-Cambridge Gas Division ("CUC-Cambridge"), Chesapeake Utilities Corporation-Citizens Gas Division ("CUC-Citizens"), Choptank Electric Cooperative, Inc. ("Choptank"), Columbia Gas of Maryland, Inc. ("Columbia" or "CMD"), Delmarva Power & Light Company ("Delmarva" or "DPL"), The Easton Utilities Commission ("EUC" or "Easton Utilities"), Pivotal Utility Holdings, Inc. d/b/a Elkton Gas ("Elkton" or "Elkton Gas"), Washington Gas Light Company ("Washington Gas" or "WGL"), Hagerstown Municipal Electric Light Plant ("Hagerstown"), Mayor and Council of Berlin ("Berlin"), The Potomac Edison Company ("Potomac Edison" or "PE"), Potomac Electric Power Company ("Pepco"), Somerset Rural Electric Cooperative ("Somerset"), Southern Maryland Electric Cooperative ("SMECO"), Thurmont Municipal Light Company ("Thurmont"), UGI Central Penn Gas, Inc. f/k/a PPL Gas Utilities Corporation ("UGI"), and Williamsport Municipal Light Plant ("Williamsport").

³ Neither A&N nor Somerset responded to Staff's Data Request, and no data were available from these companies for this report.

⁴ The USPP Data Request was expanded in 2007.

⁵ Pursuant to COMAR 20.31.05.01C, Hagerstown operates an approved alternative program that allows MEAP-eligible customers to receive USPP-type assistance as needed during the heating season. As such, Hagerstown does not distinguish between USPP participants and all MEAP-eligible customers and does not maintain records indicating the number of individual customers who received assistance beyond that provided under MEAP.

and UGI reported that they did not participate in the USPP. Therefore, these four companies were not included in the analyses contained in this report. Chesapeake Utilities Corporation - Sandpiper Energy reported USPP participants for the first time, and it is included in the current report. The report includes fourteen companies with USPP data provided.⁶ Companies that serve fewer than 5,000 customers are not required to provide all data requested through Staff's data request. These companies are Chesapeake Utilities Corporation - Cambridge Gas, Easton Utilities, and Berlin.⁷ The remaining eleven companies are required to provide all data requested. However, the data reported have variations. Some utilities indicated that the data were not available by poverty level or were unavailable for various other reasons. The data analyses in this report include fourteen companies that participated in the USPP in the 2015-2016 heating season. The basic information for reporting utilities included in this report's analysis is summarized in Appendix Table A1.

The data in this report provides information on Poverty Levels 1, 2, 3, 4, and 5 grouped by household incomes measured against the federal poverty level ("FPL") as follows.

Poverty Level Classification

Poverty Level	Household Income
Poverty Level 1	0%-75% of the FPL
Poverty Level 2	>75%-110% of the FPL
Poverty Level 3	>110%-150% of the FPL
Poverty Level 4	>150%-175% of the FPL
Poverty Level 5	0%-75% of the FPL and receiving subsidized housing allowance

Poverty Level 5 data previously was reported only by Baltimore Gas and Electric Company, but this year for the first time DPL and Pepco also provided data for Poverty Level 5. Poverty Level 5 data is comprised of participants that receive subsidized housing

⁶ Chesapeake Utilities Corporation reported data separately for three divisions and these three divisions were treated as three companies.

⁷ Easton Utilities serves more than 5,000 customers, but reported limited data as required for a small company and was treated accordingly in this annual report.

allowances. Because residents of subsidized housing receive an allowance to defray the cost of utilities, these participants receive a separate and lower benefit than other USPP participants.⁸ The BGE data is also unique among the reporting utilities in that it includes gas and electric customers and combines the data for these two groups of customers. In 2015-2016 reporting season, DPL and Pepco provided Poverty Level 5 for the first time with participants of 37 and 19, respectively. BGE reported 9,320 participants for Poverty Level 5. In the report, tables include Poverty Level 5 data, but the analysis in this report focuses on Poverty Levels 1 through 4 since participants for Poverty Level 5 are reported only by BGE, DPL and Pepco and may fall into any of the other four Poverty Levels.

PROGRAM PARTICIPATION

Table 1 presents the USPP participants, the total customers, and the percentage of USPP participants to the total utility customers. During the 2015-2016 heating season, the utilities reported a total of 49,306 USPP participants, a drop of 5,769, or 10.47 percent compared to the 55,075 participants in the previous heating season. Major utilities reported participation decreases, including BGE, DPL, Pepco, PE, Choptank, Columbia, SMECO, and Washington Gas, resulting in a total decrease of 5,887 participants while the remaining six utilities reported a total participant increase of 118. Table 1 indicates that 1.47 percent of the total residential customers these reporting companies served are USPP participants. The participation rate is lower than the 1.7 percent participation rate reported for the previous heating season and 1.8 and 1.9 percent, respectively, for the 2013-2014 and 2012-2013 heating seasons. Among major utilities, Columbia Gas reported a 3.91 percent USPP participation rate, followed by DPL with a 3.79 percent participation rate. BGE, Pepco, and PE each have a participation rate below two percent. Washington Gas reported the lowest participation rate for the recent two consecutive reporting seasons, 0.19 percent for the 2015-2016, and 0.46 percent for the 2014-2015. Among utilities with fewer than 5,000 customers,

⁸ Energy assistance is available to residents of subsidized housing who are directly responsible for paying their own heating costs and who meet all other eligibility criteria for the MEAP.

Berlin reported a 9.33 percent USPP participation rate; Easton had 0.50 percent rate and CUC-Citizens had 0.12 percent of USPP participation rate.

Table 2 shows the number of USPP participants and USPP eligible non-participants for each utility by poverty level.⁹ The number of 2015-2016 USPP participants was the lowest since the heating season of 2012-2013. The 2015-2016 participation decreased by 10.47 percent from the 2014-2015 heating season and by 22.21 percent from 2012-2013 heating season.

The decreases were observed at all poverty levels except Poverty Level 5 and ranged from 15.3 percent at Poverty Level 2 to 11.84 percent at Poverty Level 4. However, despite the fact that all four poverty levels reported decreases, Poverty Level 5 reported a noticeable increase by 333 participants or 3.68 percent in the current report from the previous report. This increase was reported by BGE, DPL, and Pepco. DPL and Pepco for the first time reported Poverty Level 5 with 37 and 19 participants, respectively; the remaining 277 participants increase was reported by BGE.

During the 2015-2016 heating season, major utilities also reported a decrease in participation as compared with the 2014-2015 heating season. Choptank reported the largest decrease by both the number of participants and as a percentage, 1860 fewer participants (2014-2015: 2,679 vs. 2015-2016: 819) and a 69.43 percent decrease from the previous heating season¹⁰; was followed by Washington Gas by 1,141 fewer participants or 57.83 percentage points decrease. BGE decreased 1,197 participants, or a 3.64 percent decrease compared to their respective previous heating season participants. Columbia Gas, DPL, Pepco, PE, and SMECO also reported decreases in the USPP participation. Other utilities reported an increase in USPP participation. However, the magnitude of the increase was

⁹ Terms of USPP eligible non-Participant, MEAP eligible non-Participant, or MEAP certified non-USPP participants are used interchangeably in this report. These persons represent the customers who are certified eligible to receive a MEAP grant but who do not participate in USPP program.

¹⁰ Choptank explained such decreases due to their tracking method change.

much smaller, ranging from 3 (CUC- Citizens) to 69 (Elkton Gas) participants. Therefore, the State-wide USPP participants in the 2015-2016 decreased.

The reported USPP participants varied among the utilities. BGE reported 31,655 USPP participants, accounting for 64.22 percent of the state's total USPP participants; Delmarva reported 6,996, or 14.19 percent, of total USPP participants; Pepco and SMECO reported 2,544 and 2,451 participants, accounting for 5.16 and 4.97 percent of total USPP participants, respectively. The eight major utilities (BGE, Delmarva, Pepco, SMECO, Choptank, PE, Washington Gas, and Columbia Gas) accounted for 99 percent of total USPP participants, a slightly lower level than the previous 99.35 percent in the 2014-2015 season. The number of USPP-eligible non-participants in MEAP was 13,130 during the 2015-2016 winter season, an approximate 4 percent decrease as compared with the 2014-2015 heating season; and approximate 19 percent from the 16,368 reported in the 2013-2014 winter season.

Table 3 presents USPP participation as a percentage of the total number of MEAP-certified customers for the 2015-2016 and 2014-2015 heating seasons by company and by poverty level. The statewide USPP participation rate in MEAP-certified customers for the 2015-2016 winter heating season is 79 percent, one percentage point lower than that in 2014-2015, but the same percentage participation as in the 2013-2014 heating season, indicating that the enrollment in USPP of participants in MEAP has not changed among recent heating seasons. The USPP participation rates by poverty level also remained almost the same between the current and the previous heating seasons. However, the comparison between the two heating seasons shows participation rates varied among the utilities. Choptank's participation rate decreased by 20.4 percentage points from the two previous seasons when it was almost 100 percent. This appears to be due to a change in Choptank's tracking method. Pepco's participation rate decreased by approximately 16 percentage points from its previously reported 73 percent USPP participation rate to the current 57 percent in its MEAP-certified customers for the 2014-2015 heating season, continuing its declining participation rate which was 97 percent in the 2013-2014 winter. BGE and Washington Gas also reported slight decreases in participation rate.

Table 4 shows the percentage of customers who were USPP participants in the 2014-2015 heating season and also participated in the 2015-2016 heating season. Overall, 42 percent of the USPP customers who participated in the 2014-2015 heating season also enrolled in the USPP during the 2015-2016 heating season. This is slightly lower than the 43 percent in the previous season, and also continued a decreasing trend from the 46 percent repeat enrollment rate in the 2013-2014 heating season and the 51 percent rate of 2012-2013 heating season. Based on data availability for the two reported heating seasons, there were three utilities (Choptank, PE, and SMECO) reporting repeat enrollment increases; and five utilities (CUC-Citizens, Delmarva, Elkton, Pepco and Washington Gas) reporting a decrease in repeat enrollment. The utilities with the highest repeat enrollment rate were Choptank at 79 percent, PE at 48 percent, BGE at 45 percent, and Delmarva at 42 percent. These are the same four utilities reporting the highest repeat enrollment in the previous heating season.

EQUAL MONTHLY PAYMENTS AND ACTUAL HEATING SEASON USAGE

Table 5 compares the average equal monthly billings to actual energy usage measured in dollars for USPP participants. The average monthly billings represent customers' payment obligations and are based on the average usage during the five billing months of the prior heating season. Unpaid utility bill balances that accrue during the heating season must be paid during the non-heating season to keep arrearage levels from increasing. The 2015-2016 heating season reported an average monthly payment obligation of \$113.26 overall and \$155.71 for average actual monthly usage.¹¹ The average monthly payment obligation increased slightly but the average monthly actual usage is lower than the previous heating season.

By poverty level, the reduction of monthly payment obligations ranged from 2 percent at Poverty Level 2 to 8 percent for Poverty Level 4 while the increase of monthly payment obligations were 10 percent at Poverty Level 1 and 25 percent at Poverty Level 3,

¹¹ The average monthly payment obligation and average monthly actual usage in dollar amounts are weighted calculations adjusted by each utility's USPP participation.

respectively. Among utilities, the statistics are mixed. Seven utilities (BGE, CUC-Citizen, Choptank, CGM, PE, SMECO, and Washington Gas) reported reductions; and three utilities (Elkton, Delmarva, and Pepco) reported increases from the previous heating season. Overall, the statewide monthly obligation increased by six percent in the 2015-2016 heating season as compared to the previous heating season.

The statewide average monthly actual usage in the 2015-2016 season decreased by \$28, a 15 percent decrease from the 2014-2015 heating season. Actual usage across all poverty levels except Poverty Level 1 decreased. The decreases for Poverty Levels 2, 3, and 4 were by 24, 4, and 31 percent respectively. Poverty Level 1 increased by 2 percent. However, all the utilities that provided data reported decreases in average monthly actual usage from the previous heating report. The decreased magnitude ranged from about \$3 (SMECO) to \$78.9 (DPL). Seven utilities reported a reduction of at least \$60, which have contributed to the overall reduction of the monthly actual usage for USPP participants.

The following table summarizes five program years for both monthly actual usage and monthly obligation payment. The average monthly actual usage in dollar amounts in the 2015-2016 was the lowest since the 2012-2013 heating season. With the exception of the 2013-2014 heating season, the average monthly payment obligation had remained at almost the same level since the 2012-2013 heating season. Among four program years, the 2014-2015 winter season has the lowest monthly obligation since the 2011-2012 heating season. The payment obligation for the 2015-2016 reporting season increased by 6 percent from the 2014-2015 but remains almost the same as the 2012-2013 season and is lower than that in the 2011-2012 winter season (not shown here).

Average Monthly Actual Usage and Obligation Payment

Program Year	Average Monthly Actual Usage		Average Monthly Obligation	
	Actual Usage (\$)	% Change of Current Year to Prior Year ¹	Payment Obligation (\$)	% Change of Current Year to Prior Year ¹
2012-2013	\$188.00	-	\$113.15	-
2013-2014	\$199.99	6%	\$112.50	-1%
2014-2015	\$183.72	-8%	\$106.50	-5%
2015-2016	\$155.71	-15%	\$113.01	-6%

¹ The percentage change of current year to prior year is calculated between the present year's number and the number of the previous years.

SUPPLEMENTAL PAYMENTS AND SUPPLEMENTAL ARREARAGES

Table 6 shows the percentage of USPP participants making supplemental payments (also known as alternate payments), the average monthly amount of those payments, and the average “supplemental arrearage” that led to those payments. The USPP encourages utilities to offer customers with outstanding arrearages the opportunity to place all or part of those arrearages in a special agreement to be paid off over an extended period of time. Although the deferred payment arrangements vary, all utilities provide for enrollment in supplemental payment plans. Placing outstanding arrearages in special agreements allows customers to enroll in USPP and to be considered current in their utility payments as long as they continue to make their USPP equal monthly payments and their supplemental payments in a timely fashion.

The number of customers who were participants in USPP and also made supplemental payments in the heating season is 7,245, slightly higher than the 7,176 in the 2014-2015 but a decrease of approximately 38 percent from the 2013-2014 heating season when this number was 11,625. The percentage of USPP participants making supplemental payments increased by 2 percentage points from about 13 percent in the last heating season to 15 percent in the current reporting season. Such an increase may be due to two factors: the number of USPP participants decreased in the current reporting season, and the number of USPP customers making supplemental payments increased. The amount of the average monthly supplemental payment balances during the 2015-2016 heating season was \$69.43,

which is about a 12 percent increase from \$62 in the 2014-2015 heating season, and an approximate increase of 45 percent from \$48 in the 2013-2014 heating season.¹² The average monthly supplemental payment increased across all poverty levels for the second consecutive reporting season. As compared with the 2014-2015 season, the average monthly supplemental payments increased by \$10, \$4, \$10, and \$5 for Poverty Levels 1, 2, 3, and 4, respectively. These amounts represent poverty level increases of 16 percent, 6 percent, 16 percent, and 8 percent, respectively, as compared with the last reporting season.

At the end of the 2015-2016 heating season, the supplemental arrearages Statewide increased by approximately 12 percent, from \$1,189 in the 2014-2015 heating season to \$1,336 in the 2015-2016 heating season.¹³ The weighted average of supplemental arrearages increased across all poverty levels ranging from 6 percent to 22 percent as follows: 6 percent for Poverty Level 4; 10 percent for Poverty Level 2; 16 percent for Poverty Level 1; and 22 percent for Poverty Level 3. Four utilities (CUC-Citizens, DPL, PE, and Pepco,) reported supplemental arrearage increases, and four companies (BGE, CGM, SMECO, and Washington Gas) reported supplemental arrearages reduction. Pepco reported the largest increase, which was 32 percent increasing from \$1,292 in the 2014-2015 to \$1,670 in the 2015-2016 winter heating season, and that company was followed by DPL with a 24 percent increase from \$1,647 in the 2014-2015 to \$2,049 in the 2015-2016 heating season. Pepco and DPL reported an increase for all of four poverty levels. On the other hand, BGE continued reporting a reduction in supplemental arrearages resulting in a 35 percent decrease from \$1,053 in the 2014-2015 to \$689 in the 2015-2016 winter. BGE was followed by Washington Gas reporting a 21 percent decrease from \$556 in 2014-2015 season to \$437 in the 2015-2016 heating season. BGE and Washington Gas reported the decrease in all four poverty levels in the current reporting season compared to the previous reporting season.

¹² This is a weighted average calculation for all poverty levels across all utilities weighted by number of USPP participants.

¹³ *Id.*

PARTICIPANT ARREARAGES AND PROGRAM COMPLIANCE

Table 7 presents the percentage of USPP participants, MEAP-certified non-USPP participants, and all other residential customers who were in arrears on their utility bills as of March 31, 2016.

As was the pattern experienced over the previous four heating seasons, USPP participants were more likely to be in arrears than either MEAP-certified non-USPP participants or non-MEAP customers of the utility. This pattern continued in the 2015-2016 winter season. Non-MEAP eligible customers exhibited the lowest percentage of customers in arrears during the 2015-2016 heating season. For all reporting utilities, the percentage of customers in arrears was 47 percent for USPP participants, 35 percent for MEAP-certified non-USPP participants and 24 percent for non-MEAP-eligible customers as of March 31, 2016. The proportion of USPP participants that were in arrears was almost the same as last season, about one percentage point lower than the previous 48 percent.

Among the utilities in 2015-2016 heating season, seven utilities reported an average arrearage reduction as compared with the previous heating season, and four utilities reported higher levels of average arrearages from the 2014-2015 heating season. Pepco reported an arrearage rate that was 25 percentage points lower for USPP participants, decreasing from 48 percent in 2014-2015 to 23 percent in the 2015-2016 season. This was the largest decrease among the reporting utilities. The other six utilities had a range decreasing from one to nine percentage points, respectively. On the other hand, Choptank and SMECO reported an increase of 28 and 15 percentage points, respectively, for the USPP participants in arrears in the 2015-2016 heating season as compared with the previous heating season.

Table 8 presents the average dollar amount of arrearages for USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers. Compared to the 2014-2015 data, average arrearage balances for both USPP customers and MEAP-certified non-USPP participants decreased. For the 2015-2016 heating season, the overall average arrearage for USPP participants was \$571, decreasing by \$45 or 7 percent from \$615.90 in

the 2014-2015 heating season and \$142 or 20 percent from \$713 in the 2013-2014 winter season. In 2015-2016, the average arrearage balance for MEAP eligible non-USPP participants was approximately \$429, decreasing by \$36 or 8 percent from the 2014-2015 heating season and \$57 or by 12 percent from the 2013-2014 season.

Across all poverty levels, the average arrearage balances decreased by 4 percent for Poverty Levels 1 and 3 and, 7 percent for Poverty Levels 2, and 4, respectively, from that reported for the previous heating season. Among the utilities, the average arrearage ranged from a high of \$900 (Pepco) to a low of \$104 (CGM) in the 2015-2016 winter heating season. Delmarva, Pepco, and Washington Gas reported that the average arrearage balance for USPP participants increased, whereas BGE, Choptank, CGM, PE, and SMECO reported an arrearage decrease in the 2015-2016 season as compared with the 2014-2015 heating season. Among the utilities reporting increases, Delmarva reported \$768 for its average arrearage balance for the 2015-2016 heating season, a \$338 increase or a 79 percent increase from the 2014-2015 winter season, accounting for the largest dollar amount increase among all reporting utilities. DPL was followed by Pepco and Washington Gas, reporting \$213 and \$195 increases, respectively, from the previous season. Among the utilities reporting decreases, Choptank reported a \$277 decrease from the last reporting season. SMECO, BGE, Columbia Gas, and PE reported \$132, \$82, \$40, and \$26 decreases, respectively.

Table 9 presents the percentage of USPP participants who complied with the payment provisions of the program for the 2015-2016 heating season and compares those to the previous season's results. According to the USPP provisions, a customer can be removed from the program and a customer's service may be terminated if the amount due on two consecutive monthly bills is not paid. As in previous years, BGE and Columbia Gas reported that, as a matter of company policy, neither removed customers from the program if the customer did not comply with the USPP payment rules during the 2015-2016 heating season. Because these companies do not enforce this provision of the program, they do not track the percentage of customers who complied with the program rules. Also, for that reason, the statewide compliance percentage of approximately 95 percent shown on Table 9 may overstate the proportion of customers that comply with the USPP payment provisions. When

compared with the previous heating seasons, the statewide compliance rate decreased by 1 percentage point from 96 percent in 2014-2015. This resulted in compliance rates across all poverty levels that were almost identical at 98 percent in 2015-2016.¹⁴ Among the data reported by major utilities, DPL and Pepco reported a 100 percent compliance rate and were followed by SMECO and Elkton with a compliance rate of 99 and 98 percent, respectively.

HEATING SEASON TERMINATIONS

Table 10 presents the number of USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers whose services were terminated during the heating season. Of the 49,306 USPP participants, Maryland's utilities collectively terminated 2,236 USPP participants, a number higher than the 1,721 terminations experienced in the 2014-2015 heating season and 1,788 terminations in the 2013-2014 season, but close to the 2012-2013's 2,208 terminations. Winter termination policies vary among utilities. Columbia and Washington Gas each implement a no-termination policy during the winter season. Berlin, CUC-Sandpiper, Elkton, and SMECO did not report any terminations during the 2015-2016 heating season. Eight utilities reported USPP terminations. Among those utilities reporting terminations during the 2015-2016 winter season, three major utilities (BGE, DPL, and Pepco) reported 2,202 terminations, accounting for 98.48 percent of the total terminations, and an increase of 529 terminations from these same three companies that reported 1,673 terminations in the 2014-2015 heating season. BGE reported 1,983 terminations, an increase of 365 from the previous heating season (1,618). Compared to the previous heating season, BGE's termination numbers in the current reporting season increased at all poverty levels except for Poverty Level 4 with 173 more terminations for Poverty Level 1 and 42, 38, and 122 more for Poverty Level 2, 3, and 5, respectively as compared with the previous heating season. DPL reported 170 terminations in the current heating season, 130 more than last heating season's 40 terminations. Pepco also reported a slight increase from 15 terminations in the 2014-2015 season to 49 in the current reporting season. The three utilities that provided Poverty Level 5 data reported 518 service terminations of that poverty category: BGE reported 511; DPL reported 5, and Pepco reported two terminations of Poverty Level 5

¹⁴ The percentage numbers are rounded up to the nearest integer.

participants. If terminations for Poverty Level 5 were excluded, the total terminations would be 1,716. The remaining five utilities together reported 34 terminations. Compared to the previous heating season, the termination rate of USPP participants went up to 4.53 percent for the current season from 3.1 percent in the 2014-2015 heating season.

HIGH ENERGY CONSUMPTION

Table 11 presents the percentage of USPP participants who consumed more than 135 percent of their utility system's respective average usage. Data in this table show the proportions of USPP customers who consume higher than average levels of energy by Poverty Level.¹⁵ Due to this higher consumption, these customers will have higher than average heating bills. These higher bills may tend to generate higher arrearages, thereby creating a higher risk of defaulting on payment plans and a greater risk of termination.

For the 2015-2016 heating season, approximately 26 percent of USPP participants consumed more than 135 percent of their respective utility's system average usage, which was 12 percentage points lower than in the 2014-2015 heating seasons. Even though the percentage decreased from the previous heating season, USPP participants reported higher than average system consumption, thereby presenting an upward trend since the 2010-2011 heating season when only 12 percent of USPP participants exceeded the system average usage.

Compared to the previous heating season, the reported high usage at all poverty levels decreased by 13, 11, 12, and 3 percentage points for Poverty Levels 1, 2, 3, and 4, respectively. As indicated in Table 11, the proportion of USPP customers reporting more than 135 percent of system average use does not vary much by poverty level. Pepco, SMECO, and Potomac Edison reported over 50 percent of USPP customers consumed more

¹⁵ The data did not include those customers with high usage who were referred to local weatherization agencies for the Weatherization Assistance Program and also do not include the three small utilities serving less than 5,000 customers since they are not required to report this information.

than 135 percent of the system average in the both 2015-2016 and 2014-2015 heating seasons.

PRIMARY HEAT SOURCE

Table 12 presents the percentage of USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers whose primary heat source is provided by the indicated utility.

For all utilities in the 2015-2016 heating season, 72 percent of USPP customers, 60 percent of MEAP-certified non-USPP participants, and 68 percent of non-MEAP customers received their primary heating source from the utility responding to the data request. These figures were almost the same as those recorded during the previous heating season (73 percent for USPP, and 61 percent for MEAP-eligible non-participants) with the exception of non-MEAP customers 61 percent of whom reported receiving their primary heating source from the utility responding to the data request. The data for primary heating source vary across utilities. The percentages of USPP customers whose primary heating source was provided by the reporting utilities ranged from 24 percent to 100 percent among utilities. This variation was primarily due to the three types of services the utilities provide: electric only, gas only, and electric and gas. The lowest percentages reported are the utilities that provide electric service only. Five gas companies reported that they were the sole heating source for their entire customer base (99 to 100 percent). These gas utilities are CUC-Citizens, CUC-Sandpiper, CMD, Elkton, and WGL. Choptank, an electric-only company also reported 100 percent of its USPP participants using electricity as their heating source. Pepco, an electric-only utility reported an increase of 19 percentage points from 62 percent in 2014-2015 to 81 percent in the 2015-2016 season while it was 41 percent in the 2013-2014 heating season. SMECO also reported a 4 percent increase from the previous heating season.

MEAP GRANTS

Table 13 presents the average MEAP grant payable to the utility at the time of the customer's enrollment in the USPP program. OHEP's benefit calculation methodology

provides larger MEAP grants at poverty levels reflecting lower incomes. The data indicates that the overall level of average benefit was \$429 in 2015-2016, which was increased from \$305 in the 2014-2015 season and also increased from approximately \$340 in the 2013-2014 heating season. As seen in the previous years, the size of the MEAP benefit awarded to customers decreased as the poverty level increased except for the 2014-2015 heating season. During the 2015-2016 heating season, the same pattern as in 2013-2014 was observed. Customers in Poverty Level 1, at the lowest household income level, received the highest benefit, an average MEAP benefit of \$497; however, those in Poverty Levels 2, 3, and 4, reported almost the same size MEAP grant: \$454, \$448, and \$431, respectively. Customers of Choptank and SMECO received the largest average grant at \$558 and \$537, respectively, followed by CGM and WGL, \$493 and \$486, respectively.

CONCLUSION

The data reported to the Commission from the utilities for the 2015-2016 winter heating season show that the USPP participation rate has continued to decrease since 2011-2012. There were 49,306 USPP participants during the 2015-2016 heating season, which represents 5,769 fewer than the USPP participants, or 10.5 percent decrease in the previous heating season, and approximately 1.47 percent of USPP participants as compared with the total residential customers served by these reporting utilities, a slight decrease from the 2014-2015's 1.7 percent participation rate. Thus, USPP participation was at the lowest level since the 2012-2013 heating season. Of the total USPP participants for the most recent heating season, 2,236 customers were terminated during the 2015-2016 heating season, which is the highest level of termination since 2011-2012 heating season.

The monthly actual usage and monthly average obligation payment were \$155.71 and \$113.01, respectively, in the 2015-2016 heating season. The monthly actual usage declined from the previous heating season and was the lowest since the 2012-2013 heating season. However, the monthly average obligation payment increased slightly from the 2014-2015 heating season but was lower than that in the 2011-2012's heating season.

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In addition to the winter protections offered by the USPP to low-income customers and the financial assistance to low-income customers from the MEAP and Electric Universal Service Program, some utilities providing electric and/or gas service in Maryland operated other specific programs dedicated to assisting low-income customers during the 2015-2016 heating season. These programs vary from utility to utility, but all focus on helping low-income customers with billing and related issues.

TABLE 1 USPP PARTICIPANTS, PERCENTAGE OF USPP PARTICIPANTS TO UTILITY CUSTOMERS

UTILITY	USPP	Total Customer	USPP to Total Customer
Baltimore Gas & Electric	31,665	1,756,789	1.80%
Chesapeake Utilities - Cambridge Division	40	2,451	1.63%
Chesapeake Utilities - Citizens Division	11	8,882	0.12%
Chesapeake Utilities - Sandpiper Energy	1	9,568	0.01%
Choptank Electric Cooperative	819	46,841	1.75%
Columbia Gas of Maryland	1,155	29,542	3.91%
Delmarva Power & Light	6,996	184,551	3.79%
Easton Utilities	41	8,150	0.50%
Elkton Gas	174	6,027	2.89%
Mayor & Council of Berlin	208	2,229	9.33%
Potomac Electric Power Company	2,544	512,449	0.50%
Southern Maryland Electric Power Co.	2,451	142,869	1.72%
The Potomac Edison Company	2,369	216,581	1.09%
Washington Gas Light Company	832	438,207	0.19%
TOTAL	49,306	3,365,136	1.47%

TABLE 2 NUMBER OF USPP CUSTOMERS AND ELIGIBLE NON-PARTICIPATING CUSTOMERS BY POVERTY LEVEL

UTILITY	USPP Participants						USPP Eligible Non-Participants						Grand Total
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	
Baltimore Gas & Electric	8,826	5,253	5,683	2,583	9,320	31,665	566	304	244	103	275	1,492	33,157
Chesapeake Utilities - Cambridge Gas Division	15	14	9	2	*	40	106	65	49	18	*	238	278
Chesapeake Utilities - Citizens Gas Division	5	3	2	1	*	11	233	203	138	68	*	642	653
Chesapeake Utilities - Sandpiper Energy	1	0	0	0	*	1	21	28	26	9	*	84	85
Choptank Electric Cooperative	265	248	200	106	*	819	62	66	68	17	*	213	1,032
Columbia Gas of Maryland, Inc.	347	326	333	149	*	1,155	229	274	278	104	*	885	2,040
Delmarva Power & Light	2,578	2,057	1,722	602	37	6,996	271	309	256	103	39	978	7,974
Easton Utilities	12	8	15	6	*	41	137	174	175	47	*	533	574
Elkton Gas	61	34	39	40	*	174	50	62	31	13	26	182	356
Mayor & Council of Berlin	64	57	71	16	*	208	2	2	2	2	*	8	216
Potomac Electric Power Company	915	708	629	273	19	2,544	707	533	438	186	58	1,922	4,466
Southern Maryland Electric Cooperative	949	695	596	211	*	2,451	1,008	780	670	233	*	2,691	5,142
The Potomac Edison Company	757	663	683	266	*	2,369	698	680	591	193	*	2,162	4,531
Washington Gas Light Company	352	211	181	88	*	832	430	295	259	116	*	1,100	1,932
TOTALS	15,147	10,277	10,163	4,343	9,376	49,306	4,520	3,775	3,225	1,212	398	13,130	62,436

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data.

TABLE 3 USPP PARTICIPATION AS A PERCENT OF TOTAL ELIGIBLE FOR EACH POVERTY LEVEL FOR EACH OF THE LAST TWO HEATING SEASONS

UTILITY	2015-2016 Participation						2014-2015 Participation					
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall
Baltimore Gas & Electric	94%	95%	96%	96%	97%	96%	96%	97%	97%	98%	98%	97%
Chesapeake Utilities - Cambridge Gas Division	12%	18%	16%	10%	*	14%	10%	9%	13%	0%	*	10%
Chesapeake Utilities - Citizens Gas Division	2%	1%	1%	1%	*	2%	2%	0%	0%	3%	*	1%
Chesapeake Utilities - Sandpiper Energy	5%	0%	0%	0%	*	1%	*	*	*	*	*	0%
Choptank Electric Cooperative	81%	79%	75%	86%	*	79%	100%	100%	100%	100%	*	100%
Columbia Gas of Maryland, Inc.	60%	54%	55%	59%	*	57%	56%	55%	57%	54%	*	56%
Delmarva Power & Light	90%	87%	87%	85%	49%	88%	85%	92%	83%	82%	*	86%
Easton Utilities	8%	4%	8%	11%	*	7%	5%	6%	4%	4%	*	5%
Elkton Gas	55%	35%	56%	75%	*	49%	35%	30%	33%	48%	*	34%
Mayor & Council of Berlin	97%	97%	97%	89%	*	96%	91%	91%	97%	88%	*	93%
Potomac Electric Power Company	56%	57%	59%	59%	25%	57%	75%	72%	73%	68%	*	73%
Southern Maryland Electric Cooperative	48%	47%	47%	48%	*	48%	49%	47%	46%	49%	*	48%
The Potomac Edison Company	52%	49%	54%	58%	*	52%	53%	53%	53%	57%	*	53%
Washington Gas Light Company	45%	42%	41%	43%	*	43%	52%	49%	49%	51%	*	51%
TOTALS	77%	73%	76%	78%	96%	79%	77%	77%	77%	79%	98%	80%

* Data not applicable since only three utilities, BGE, DPL, and Pepco provided Poverty Level 5 data.

**TABLE 4 PERCENTAGE OF 2014-2015 USPP PARTICIPANTS WHO ALSO PARTICIPATED
 IN THE PROGRAM DURING THE PRIOR HEATING SEASON**

UTILITY	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall
Baltimore Gas & Electric	38%	44%	40%	38%	56%	45%
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	0%	0%	50%	0%	*	9%
Chesapeake Utilities - Sandpiper Energy	*	*	*	*	*	*
Choptank Electric Cooperative	79%	82%	76%	80%	*	79%
Columbia Gas of Maryland	*	*	*	*	*	*
Delmarva Power & Light	39%	46%	45%	36%	24%	42%
Easton Utilities	*	*	*	*	*	*
Elkton Gas	18%	12%	13%	0%	*	11%
Mayor & Council of Berlin	*	*	*	*	*	*
Potomac Electric Power Company	26%	30%	24%	20%	21%	26%
Southern Maryland Electric Power Cooperative	44%	38%	40%	38%	*	41%
The Potomac Edison Company	42%	52%	53%	44%	*	48%
Washington Gas Light Company	15%	12%	15%	18%	*	15%
TOTAL	37%	42%	40%	36%	56%	42%

* Data are not applicable for Poverty Level 5 except for BGE, DPL, and Pepco; Columbia and CGM indicated data not available; CUC-Sandpiper was included in this report for the first time. Small utilities, such as CUC-Cambridge, Easton, and Berlin are not required to provide data.

TABLE 5 AVERAGE EQUAL MONTHLY PAYMENT OBLIGATIONS AND AVERAGE ACTUAL MONTHLY HEATING SEASON USAGE FOR USPP PARTICIPANTS BY POVERTY LEVEL

UTILITY	Average Monthly Payment Obligation (\$)						Average Actual Monthly Usage (\$)					
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall
Baltimore Gas & Electric	145	142	143	141	118	137.8	114.5	113	115.5	113.5	97	110.7
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	101	72	121	0	*	73.5	144.4	96.4	179.6	71.6	*	123
Chesapeake Utilities - Sandpiper Energy	162	*	*	*	*	162	424	*	*	*	*	424
Choptank Electric Cooperative	166	139	144	161	*	152.5	143.57	143.57	143.57	143.57	*	143.57
Columbia Gas of Maryland	24.08	24.16	25.51	27.84	*	25.40	130.49	121.78	124.98	127.54	*	126.205
Delmarva Power & Light	163	155	161	166	153	159.6	193	185	191	195	179	188.6
Easton Utilities	*	*	*	*	*	*	*	*	*	*	*	*
Elkton Gas	41	59	47	65	*	53	59	60	64	67	*	62.5
Mayor & Council of Berlin	*	*	*	*	*	*	*	*	*	*	*	*
Potomac Electric Power Company	154	139	149	146	114	140.4	168	152	163	159	127	153.8
Southern Maryland Electric Power Cooperative	154.25	138.29	141.17	159.71	*	148.36	341.49	343.28	351.51	325.82	*	340.53
The Potomac Edison Company	124	106	105	123	*	114.5	189.2	167.2	170.8	157	*	171.05
Washington Gas Light Company	80	81.93	88.33	102	*	88.07	72.314	70.154	74.732	76.964	*	73.54
TOTAL	119.48	105.64	112.50	109.16	128.33	113.01	180.00	145.24	157.87	143.70	134.33	155.71

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; and small utilities, CUC-Cambridge, Easton, and Berlin are not required to provide data.

TABLE 6 PERCENTAGE OF USPP CUSTOMERS MAKING SUPPLEMENTAL PAYMENTS, THE AVERAGE DOLLAR AMOUNT OF THOSE PAYMENTS, AND THE AVERAGE ARREARAGE REQUIRING PAYMENTS BY POVERTY LEVEL

UTILITY	Percentage of USPP Customers Making Supplemental Payments					Average Monthly Amount of Supplemental Payments (\$)					Average Supplemental Arrearage (\$)				
	Poverty level 1	Poverty level 2	Poverty level 3	Poverty level 4	Poverty level 5	Poverty level 1	Poverty level 2	Poverty level 3	Poverty level 4	Poverty level 5	Poverty level 1	Poverty level 2	Poverty level 3	Poverty level 4	Poverty level 5
Baltimore Gas & Electric	4%	4%	4%	5%	4%	90	77	87	96	87	717	576	692	804	677
Chesapeake Utilities - Cambridge Gas Division	0%	0%	11%	0%	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	40%	0%	50%	0%	*	66	0	67	0		390	0	400	0	
Chesapeake Utilities - Sandpiper Energy	100%	*	*	*	*	98	0	0	0		584	0	0	0	
Choptank Electric Cooperative	0%	0%	0%	0%	*	0	0	0	0		0	0	0	0	
Columbia Gas of Maryland, Inc.	61%	45%	39%	42%	*	18.11	17.22	14.55	19.58		213.4	209.86	110.56	179.27	
Delmarva Power & Light	51%	41%	42%	52%	57%	68	67	76	76	152	2,085	1,939	2,092	2,053	2,737
Easton Utilities	8%	0%	7%	0%		*	*	*	*	*	*	*	*	*	*
Elkton Gas	0%	0%	0%	0%		*	*	*	*	*	*	*	*	*	*
Mayor & Council of Berlin	0%	0%	0%	0%		*	*	*	*	*	*	*	*	*	*
Potomac Electric Power Company	40%	31%	35%	41%	42%	73	68	71	74	66	1,840	1,523	1,736	1,536	1,437
Southern Maryland Electric Cooperative	36%	35%	33%	94%		60.33	58.38	62.51	52.05		435.99	412.58	407.19	515.77	
The Potomac Edison Company	15%	9%	8%	11%		113	95	85	95		411	299	280	317	
Washington Gas	3%	1%	3%	2%		145.43	115.35	176.94	123.83		480.78	323.77	475.73	247.66	
TOTALS	18%	17%	16%	20%	4%	69	64	71	70	90	1,442	1,311	1,381	1,227	797

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; and small utilities, CUC-Cambridge, Easton, and Berlin are not required to provide data; Choptank and Elkton Gas didn't provide data.

TABLE 7 PERCENTAGE OF USPP PARTICIPANTS, MEAP ELIGIBLE CUSTOMERS, AND NON-MEAP CUSTOMERS IN ARREARS BY POVERTY LEVEL¹

UTILITY	USPP Participants						MEAP Eligible Non-Participants						Non-MEAP Customers
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	
Baltimore Gas & Electric	63%	55%	56%	58%	55%	58%	36%	37%	33%	39%	37%	36%	36.46%
Chesapeake Utilities - Cambridge Gas Division	7%	0%	11%	0%	*	5%	56%	38%	24%	39%	*	43%	27.52%
Chesapeake Utilities - Citizens Gas Division	0%	0%	0%	0%	*	0%	45%	33%	31%	38%	*	38%	14.78%
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	*	0%	24%	0%	0%	0%	*	6%	4.82%
Choptank Electric Cooperative	31%	35%	42%	34%	*	35%	34%	29%	26%	41%	*	31%	8.18%
Columbia Gas of Maryland	36%	25%	18%	23%	*	26%	10%	3%	3%	5%	*	5%	13.00%
Delmarva Power & Light	28%	25%	25%	28%	32%	26%	30%	24%	22%	25%	18%	25%	19.03%
Easton Utilities	8%	0%	13%	0%	*	7%	7%	7%	3%	2%	*	5%	3.47%
Elkton Gas	46%	47%	41%	18%	*	39%	36%	40%	39%	54%	54%	42%	26.63%
Mayor & Council of Berlin	0%	0%	0%	0%	*	0%	100%	50%	50%	0%	*	50%	13.16%
Potomac Electric Power Company	23%	19%	24%	29%	53%	23%	28%	22%	21%	23%	19%	24%	21.63%
Southern Maryland Electric Power Cooperative	46%	46%	43%	48%	*	46%	83%	77%	79%	94%	*	81%	25.15%
The Potomac Edison Company	43%	15%	13%	12%	*	23%	33%	18%	18%	22%	*	23%	16.80%
Washington Gas Light Company	1%	0%	1%	0%	*	0%	20%	13%	14%	10%	*	16%	12.74%
TOTAL	49%	40%	42%	45%	55%	47%	41%	32%	31%	36%	33%	35%	24.38%

¹ Customer is in arrears if some monthly billing is past due on March 31, 2016.

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; and small utilities, CUC-Cambridge, Easton, and Berlin are not required to provide data.

TABLE 8 ARREARAGE FOR USPP PARTICIPANTS, MEAP CERTIFIED NON-USPP PARTICIPANTS, AND NON-MEAP CUSTOMERS IN ARREARS BY POVERTY LEVEL¹

UTILITY	USPP Participants (\$)						MEAP Certified Non-USPP Participants (\$)						Non-MEAP Customers
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall 1	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	
Baltimore Gas & Electric	623	567	578	560	506	568	709	762	693	755	601	701	307
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	0	0	0	0	*	*	157	159	180	192	*	165	172
Chesapeake Utilities - Sandpiper Energy	0	0	0	0	*	*	350	0	0	0	*	350	
Choptank Electric Cooperative	503	355	367	344	*	399	697	456	497	296	*	528	233
Columbia Gas of Maryland	94.18	107.66	104.71	132.75	*	104	146.12	216.91	418.63	63.77	*	195	137.5
Delmarva Power & Light	786	731	758	878	*	768	1746	1655	1342	2089	952	1639	164.11
Easton Utilities	*	*	*	*	*	*	*	*	*	*	*	*	695
Elkton Gas	69	53	94	111	*	*	46	76	70	103	90	73	*
Mayor & Council of Berlin	*	*	*	*	*	*	*	*	*	*	*	*	137
Potomac Electric Power Company	1086	800	842	720	649	900	1071	1042	1076	710	367	1015	225.03
Southern Maryland Electric Power Cooperative	479.61	535.71	430.11	447.4	*	481	222.19	215.5	230.02	212.04	*	221	*
The Potomac Edison Company	325	108	135	143	*	244	297	227	211	221	*	255	371
Washington Gas Light Company	456.14	0	130.5	0	*	293	339.22	335.55	399.92	311.01	*	349	207.26
TOTALS	618	566	575	568	505	571	435.27	428.32	407.633	419.587	546.33	429	258

¹Customer is in arrears if any monthly billing is past due on March 31, 2016.

* Data not applicable since only BGE provided Poverty Level 5 data; and small utilities, CUC-Cambridge, Easton, and Berlin are not required to provide data.

TABLE 9 PERCENTAGE OF USPP PARTICIPANTS WHO COMPLIED WITH PROGRAM PAYMENT PROVISIONS BY POVERTY LEVEL DURING THE LAST TWO HEATING SEASONS

UTILITY	Compliance 2015-2016						Compliance 2014-2015					
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall
Baltimore Gas & Electric ¹	*	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Cambridge Gas Division	60%	71%	56%	100%	*	65%	41%	67%	90%	100%	*	61%
Chesapeake Utilities - Citizens Gas Division	60%	100%	100%	0%	*	73%	20%	100%	100%	0%	*	25%
Chesapeake Utilities - Sandpiper Energy	100%	*	*	*	*	100%	*	*	*	*	*	*
Choptank Electric Cooperative	88%	88%	93%	88%	*	89%	81%	91%	91%	90%	*	88%
Columbia Gas of Maryland ¹	*	*	*	*	*	*	*	*	*	*	*	*
Delmarva Power & Light	100%	100%	100%	100%	*	83%	89%	92%	92%	89%	*	91%
Easton Utilities	92%	88%	87%	50%	*	98%	63%	100%	86%	50%	*	82%
Elkton Gas	100%	94%	100%	98%	*	98%	92%	100%	96%	100%	*	96%
Mayor & Council of Berlin	100%	100%	100%	100%	*	100%	100%	100%	100%	100%	*	100%
Potomac Electric Power Company	100%	100%	100%	100%	*	100%	100%	100%	100%	100%	*	100%
Southern Maryland Electric Power Cooperative	98%	99%	99%	99%	*	99%	97%	99%	98%	98%	*	98%
The Potomac Edison Company	94%	83%	84%	82%	*	87%	90%	78%	81%	74%	*	82%
Washington Gas Light Company	59%	65%	65%	63%	*	62%	64%	62%	62%	67%	*	63%
TOTALS	96%	95%	95%	94%	*	95%	95%	95%	95%	95%	*	95%

¹ BGE, Columbia Gas of Maryland do not remove customers from USPP for failure to pay the amount due on two consecutive monthly bills.

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data, or not available by company.

TABLE 10 NUMBER OF WINTER HEATING SEASON TERMINATIONS

UTILITY	USPP Participants						MEAP Eligible Non-Participants						Non-MEAP Customers
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	
Baltimore Gas & Electric	698	286	344	144	511	1,983	42	10	7	2	15	76	6,941
Chesapeake Utilities - Cambridge Gas Division	1	0	0	0	*	1	2	2	0	1	*	5	46
Chesapeake Utilities - Citizens Gas Division	1	0	0	0	*	1	18	8	4	4	*	34	67
Chesapeake Utilities - Sandpiper Energy	0	0	0	0	*	0	1	0	0	0	*	1	20
Choptank Electric Cooperative	15	10	0	3	*	28	0	0	0	0	*	0	96
Columbia Gas of Maryland	0	0	0	0	*	0	0	0	0	0	*	0	11
Delmarva Power & Light	70	36	40	19	5	170	4	2	1	3	9	19	2,785
Easton Utilities	0	0	1	0	*	1	3	0	0	0	*	3	9
Elkton Gas	0	0	0	0	*	0	0	0	0	0	*	0	15
Mayor & Council of Berlin	0	0	0	0	*	0	0	0	0	0	*	0	0
Potomac Electric Power Company	19	10	11	7	2	49	20	10	7	7	2	46	8,992
Southern Maryland Electric Power Cooperative	0	0	0	0	*	0	0	0	0	0	*	0	245
The Potomac Edison Company	0	0	3	0	*	3	1	0	0	0	*	1	28
Washington Gas Light Company	0	0	0	0	*	0	0	0	0	0	*	0	55
TOTALS	804	342	399	173	518	2,236	91	32	19	17	26	185	19,309

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; Columbia Gas and Washington Gas each has no-termination policy during heating season.

TABLE 11 PERCENTAGE OF USPP PARTICIPANTS WHO CONSUMED MORE THAN 135% OF SYSTEM AVERAGE ENERGY DURING THE MOST RECENT HEATING SEASON

UTILITY	Poverty Level					Overall
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	
Baltimore Gas & Electric	22%	21%	22%	21%	14%	20%
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	0%	67%	100%	0%	*	73%
Chesapeake Utilities - Sandpiper Energy	*	*	*	*	*	*
Choptank Electric Cooperative	*	*	*	*	*	*
Columbia Gas of Maryland	*	*	*	*	*	*
Delmarva Power & Light	26%	25%	27%	29%	11%	26%
Easton Utilities	*	*	*	*	*	*
Elkton Gas	10%	15%	18%	8%	*	12%
Mayor & Council of Berlin	*	*	*	*	*	*
Potomac Electric Power Company	32%	27%	28%	24%	5%	29%
Southern Maryland Electric Power Cooperative	110%	97%	103%	110%	*	105%
The Potomac Edison Company	49%	45%	42%	47%	*	45%
Washington Gas Light Company	33%	30%	37%	37%	*	34%
TOTALS	29%	28%	29%	27%	14%	26%

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; small utilities Berlin, CUC- Cambridge, and Easton are not required to report data; and CUC-Sandpiper Energy, Choptank & CGM's data not available.

TABLE 12 PERCENTAGE OF PARTICIPANTS, MEAP CERTIFIED NON-USPP PARTICIPANTS, AND NON-MEAP CUSTOMERS WHOSE PRIMARY HEAT SOURCE IS PROVIDED BY THE UTILITY BY PROVERTY LEVEL

UTILITY	USPP Participants						MEAP Certified Non-USPP Participants						Non-MEAP Customers
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	
Baltimore Gas & Electric	73%	78%	79%	81%	76%	77%	66%	66%	68%	71%	67%	67%	99%
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	100%	100%	100%	100%	*	100%	100%	100%	100%	100%	*	100%	94%
Chesapeake Utilities - Sandpiper	100%	*	*	*	*	100%	100%	100%	100%	100%	*	100%	95%
Choptank Electric Cooperative	100%	100%	100%	100%	*	100%	100%	100%	100%	100%	*	100%	*
Columbia Gas of Maryland	100%	100%	100%	100%	*	100%	100%	99%	100%	100%	*	100%	96%
Delmarva Power & Light	23%	28%	25%	17%	8%	24%	47%	47%	50%	36%	26%	46%	38%
Easton Utilities	*	*	*	*	*	*	*	*	*	*	*	*	*
Elkton Gas	98%	100%	97%	100%	*	99%	100%	100%	100%	100%	100%	100%	100%
Mayor & Council of Berlin	*	*	*	*	*	*	*	*	*	*	*	*	*
Potomac Electric Power Company	80%	82%	80%	79%	63%	81%	83%	83%	82%	82%	74%	82%	33%
Southern Maryland Electric Power Cooperative	93%	96%	95%	94%	*	94%	*	*	*	*	*	*	*
The Potomac Edison Company	84%	84%	86%	82%	*	84%	84%	83%	83%	85%	*	83%	46%
Washington Gas Light Company	100%	100%	100%	100%	*	100%	100%	100%	100%	100%	*	100%	97%
TOTALS	68%	71%	72%	74%	76%	72%	60%	60%	60%	62%	66%	60%	68%

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; or small utilities are not required to report data; Choptank did not provide data for Non-MEAP customers and SMECO did not provide data for non-USPP and Non-MEAP participants.

**TABLE 13 AVERAGE MARYLAND ENERGY ASSISTANCE PROGRAM GRANT FOR USPP PARTICIPANTS
BY POVERTY LEVEL FOR THE LAST TWO HEATING SEASONS**

UTILITY	Average 2015-2016 Grants (\$)						Average 2014-2015 Grants (\$)					
	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Overall
Baltimore Gas & Electric	518	476	452	423	270	418	459	426	400	371	209	366
Chesapeake Utilities - Cambridge Gas Division	*	*	*	*	*	*	*	*	*	*	*	*
Chesapeake Utilities - Citizens Gas Division	452	269	531	0	*	375	316	736	0	544	*	426
Chesapeake Utilities - Sandpiper	393	0	0	0	*	393	*	*	*	*	*	*
Choptank Electric Cooperative	590	545	540	539	*	558	364	321	315	327	*	333
Columbia Gas of Maryland	529	476	497	439	*	493	533	506	493	477	*	507
Delmarva Power & Light ¹	479	437	446	453	522	457	273	0	0	0	*	273
Easton Utilities	*	*	*	*	*	*	*	*	*	*	*	*
Elkton Gas	201	230	213	160	*	206	268	213	282	202	*	249
Mayor & Council of Berlin	*	*	*	*	*	*	*	*	*	*	*	*
Potomac Electric Power Company ²	419	390	447	473	419	424	*	*	*	*	*	*
Southern Maryland Electric Power Cooperative	542	526	552	508	*	537	325	300	323	326	*	318
The Potomac Edison Company	386	345	343	356	*	359	239	211	206	217	*	219
Washington Gas Light Company	489	478	493	477	*	486	508	518	505	517	*	511
TOTALS	497	454	448	431	270	429	372	294	297	296	209	305

¹ DPL reported a MEAP grant only for Poverty Level 1.

² Pepco indicated the data were not available.

* Data not applicable since only BGE, DPL, and Pepco provided Poverty Level 5 data; or small utilities are not required to report data.

APPENDIX A1 2014-2015 HEATING SEASON REPORTING
UTILITIES BASIC INFORMATION

UTILITY	Participated in USPP	Serving Customers	Service Type	Included in Data Analysis
BGE	Yes	≥ 5,000	Gas and Electric	Yes
Chesapeake Utilities - Cambridge Division	Yes	< 5,000	Gas	Yes
Chesapeake Utilities - Citizens Division	Yes	≥ 5,000	Gas	Yes
Chesapeake Utilities - Sandpiper Energy	Yes	≥ 5,000	Gas	Yes
Choptank Electric Cooperative	Yes	≥ 5,000	Electric	Yes
Columbia Gas of Maryland, Inc.	Yes	≥ 5,000	Gas	Yes
Delmarva Power and Light	Yes	≥ 5,000	Electric	Yes
Easton Utilities ¹	Yes	≥ 5,000	Gas and Electric	Yes
Elkton Gas	Yes	≥ 5,000	Gas	Yes
Hagerstown Light Department	No	≥ 5,000	Electric	No
Mayor & Council of Berlin	Yes	< 5,000	Electric	Yes
Potomac Electric Power Company	Yes	≥ 5,000	Electric	Yes
The Potomac Edison Company	Yes	≥ 5,000	Electric	Yes
Southern Maryland Electric Power Cooperative	Yes	≥ 5,000	Electric	Yes
Thurmont	No	< 5,000	Electric	No
Williamsport Municipal Electric Light Plant	No	< 5,000	Electric	No
UGI Utilities, Inc.	No	< 5,000	Gas	No
Washington Gas Light Company	Yes	≥ 5,000	Gas	Yes

¹ Easton Utilities has provided data as a small company although it has more than 5,000 customers.