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STATE OF MARYLAND



PUBLIC SERVICE COMMISSION

September 1, 2020

The Honorable Bill Ferguson
President of the Senate
State House, H-107
Annapolis, Maryland 21401

The Honorable Adrienne A. Jones
Speaker of the House of Delegates
State House, H-101
Annapolis, Maryland 21401

Re: Utility Service Protection Program Annual Report for Winter 2019-2020 In Compliance with § 7-307 of the Public Utilities Article, Annotated Code of Maryland (MSAR #9420)

Dear President Ferguson and Speaker Jones:

Pursuant to § 7-307 of the Public Utilities Article, *Annotated Code of Maryland*, enclosed is the Public Service Commission's *Utility Service Protection Program Annual Report for Winter 2019-2020*. Please note that this report covers the winter heating season that ran through March 31, 2020. As a result, the data in this report does not reflect any significant impacts from the Covid-19 Pandemic. Next year's report is, however, expected to reflect those impacts.

By Direction of the Commission,

/s/ Andrew S. Johnston

Andrew S. Johnston
Executive Secretary

ASJ:tj

Enclosures

cc: Sarah T. Albert, Department of Legislative Services (5 copies)

**PUBLIC SERVICE COMMISSION
OF MARYLAND**

UTILITY SERVICE PROTECTION PROGRAM

ANNUAL REPORT

WINTER 2019-2020

Submitted to the
Maryland General Assembly
Annapolis, Maryland

in compliance with § 7-307 of
Public Utilities Article,
Annotated Code of Maryland

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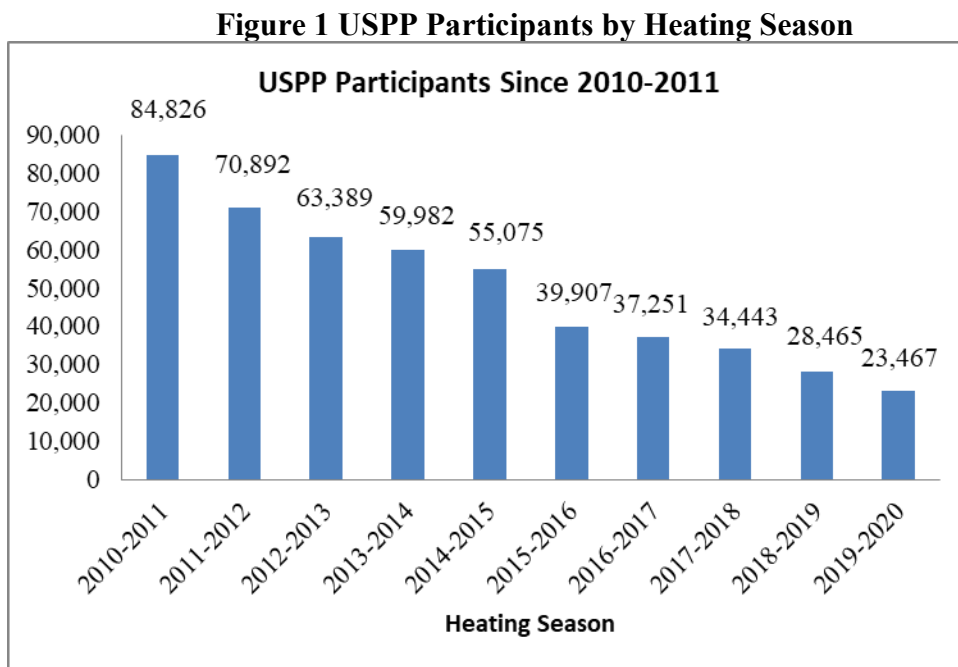
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EXECUTIVE SUMMARY

During the 2019-2020 winter heating season, 23,647 customers participated in the Utility Service Protection Program (“USPP” or “Program”), a customer enrollment decrease of 4,818 or approximately 17 percent as compared with the 2018-2019 heating season. USPP participation continued to decrease, a trend which has been observed since the 2011-2012 winter season as shown in Figure 1 below. In the 2019-2020 winter heating season, USPP participation enrollment decreased by 61,359 participants as compared with the highest enrollment of 84,826 USPP participants in the 2010-2011 winter season. The participants in the 2019-2020 winter heating season was the lowest since the 2010-2011 winter.



The USPP enrollment in the latest winter season represented 63.6 percent of the 37,155 customers statewide who are certified to receive benefits from the Maryland Energy Assistance Program (“MEAP”), one percentage point higher than the 62.6 percent observed during the previous winter season. This enrollment rate as a percentage of MEAP certified customers is a result of a decrease in both the number of USPP participants and the number of MEAP-certified residential customers participating in the USPP during the 2019-2020 winter season. Table E1 provides each utility’s USPP participants, MEAP-certified customers, and USPP enrollment as a

percentage of MEAP and total residential customers the utility serves. Of the utilities listed, Baltimore Gas and Electric Company (“BGE”) with approximately 92 percent, had the highest USPP enrollment rate among MEAP customers; followed by Delmarva Power & Light Company (“Delmarva” or “DPL”), Mayor and Council of Berlin (“Berlin”), Choptank Electric Cooperative, Inc. (“Choptank”), and Columbia Gas of Maryland, Inc. (“CGM”), with above 50 percent of USPP enrollment rates among their respective MEAP-certified customers. Among the investor-owned utilities, Potomac Electric Power Company (“Pepco”) reported a relatively low USPP enrollment rate of 24 percent.

E 1 2019-2020 USPP PARTICIPATION INFORMATION BY UTILITY

UTILITY	USPP	MEAP Customer	USPP Enrollment as % of MEAP	Total Customer	USPP Enrollment as % of Total Customer
Baltimore Gas and Electric Company	14,909	16,136	92.40%	1,811,116	0.82%
Chesapeake Utilities - Cambridge Gas Division	0	301	0.00%	2,499	0.00%
Chesapeake Utilities - Citizens Gas Division	1	460	0.22%	10,197	0.01%
Chesapeake Utilities - Sandpiper Energy	0	75	0.00%	711	0.00%
Choptank Electric Cooperative, Inc.	297	543	54.70%	47,440	0.63%
Columbia Gas of Maryland, Inc.	1,118	2,176	51.38%	30,088	3.72%
Delmarva Power & Light Company	2,646	2,979	88.82%	180,134	1.47%
Easton Utilities Commission	68	581	11.70%	8,459	0.80%
Elkton Gas	34	334	10.18%	6,574	0.52%
Mayor and Council of Berlin	179	264	67.80%	2,375	7.54%
Potomac Electric Power Company	734	3,004	24.43%	534,040	0.14%
Southern Maryland Electric Cooperative, Inc.	2,146	4,581	46.85%	148,316	1.45%
The Potomac Edison Company	733	2,091	35.05%	226,839	0.32%
Washington Gas Light Company	782	3,630	21.54%	472,971	0.17%
STATEWIDE	23,647	37,155	63.64%	3,481,759	0.68%

As seen in the last column of Table E1, the USPP participants accounted for approximately 0.68% of the total customers that the USPP participating utilities serve, lower than the 0.82% observed in the last USPP report. The USPP enrollment rate for each utility ranged from less than one percent to 7.54 percent of the utility’s respective total residential customers.

The primary purpose of the USPP is to minimize service terminations of low income customers during the heating season. Table E2 provides the termination number and termination rate of the USPP participants for each utility in the 2019-2020 winter heating season. The number of USPP participants' services terminated was 1,442, a decrease of 471, or 24.6 percent over the preceding heating season. The statewide USPP termination rate was approximately 6.1 percent, a slightly lower than 6.7 percent termination rate in the previous heating season. Table E2 indicates that terminations were reported by only six utilities: BGE, Choptank, DPL, Easton Utilities Commission ("Easton"), Pepco, and The Potomac Edison Company ("PE"). BGE reported the highest number of terminations, 1,214 out of the total terminations of 1,442 among the reporting utilities in the 2019-2020 heating season. The other five utilities reported a total of 228 terminations. BGE's terminations decreased by 433, the largest decrease in the 2019-2020 heating season compared to its last winter season. The other three utilities (Choptank, Delmarva, and Pepco) reduced winter terminations for USPP participants by a total of 50 terminations in a season over season comparison. PE and Easton each reported an increase in terminations by six over the last winter season. Among the six utilities that terminated USPP participants, Choptank had the highest termination rate at 13.13 percent, followed by Easton with a 8.82 percent termination rate. Six utilities did not report any terminations in the 2019-2020 winter season. CGM and Washington Gas Light Company ("WGL") each have a no-termination policy during the winter heating season. Some small and municipal utilities normally report no terminations and will work with their customers to avoid termination except for Easton that reported six terminations for the first time.

E 2 2019-2020 USPP TERMINATION BY UTILITY

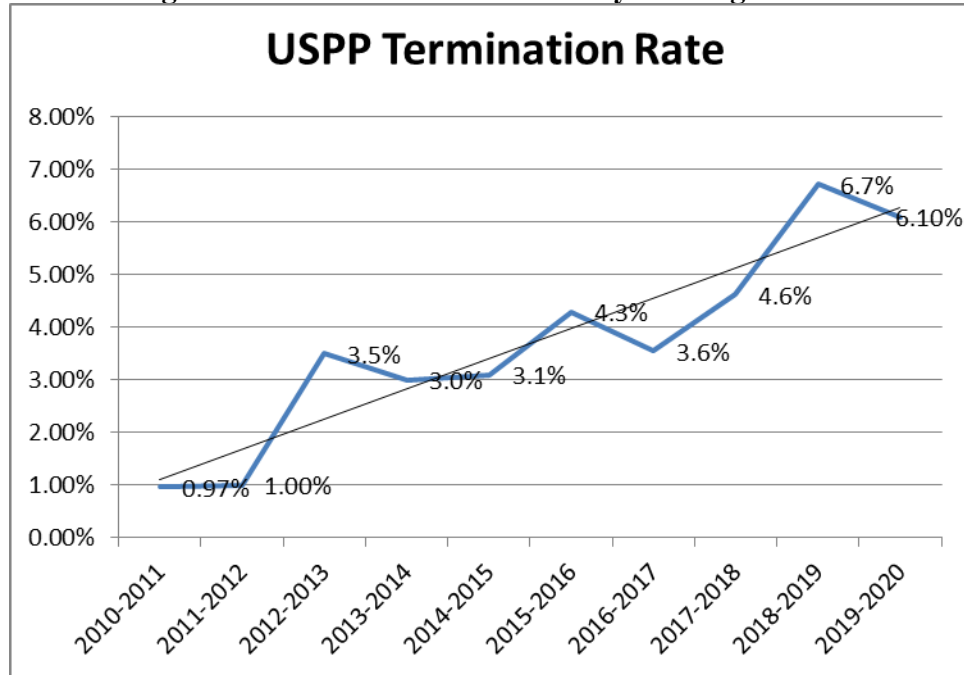
UTILITY	USPP Participants	Termination	Termination Rate	Change in Terminations from Previous Heating Season
Baltimore Gas and Electric Company	14,909	1,214	8.14%	-433
Chesapeake Utilities - Cambridge Gas Division	0	0	0.00%	0
Chesapeake Utilities - Citizens Gas Division	1	0	0.00%	0
Chesapeake Utilities - Sandpiper Energy	0	0	0.00%	0
Choptank Electric Cooperative, Inc.	297	39	13.13%	-9
Columbia Gas of Maryland, Inc.	1,118	0	0.00%	0
Delmarva Power & Light Company	2,646	123	4.65%	-7
Easton Utilities Commission	68	6	8.82%	6
Elkton Gas	34	0	0.00%	0
Mayor and Council of Berlin	179	0	0.00%	0
Potomac Electric Power Company	734	52	7.08%	-34
Southern Maryland Electric Cooperative, Inc.	2,146	0	0.00%	0
The Potomac Edison Company	733	8	1.09%	6
Washington Gas Light Company	782	0	0.00%	0
TOTAL	23,647	1,442	6.10%	-471

Table E3 summarizes the number of USPP participants as shown in Figure 1 above and USPP terminations for the ten winter seasons from 2010-2011 to 2019-2020. The number of USPP participants was downward-trending during this time period, decreasing from 84,826 in the 2010-2011 winter season to 23,647 in the 2019-2020 heating season, a reduction of approximately 72 percent. The number of USPP terminations has been declining from a peak of 2,208 in the 2012-2013 heating season to 1,442 in the 2019-2020 heating season, a decrease of 766 or approximately 34.69 percent. The current reporting season also had fewer terminations than that in the previous season. The statewide termination rate among USPP participants was the second highest in the previous ten winter seasons following the highest termination rate of 6.72 percent in the last winter season. As shown by a trend line in Figure 2, there is a tendency for an upward termination rate as a proportional relationship between the USPP participants and the terminations.

E 3 USPP Participation and Service Termination¹

Reporting Season	USPP Participants	USPP Service Termination	Percentage of USPP Termination
2010-2011	84,826	819	0.97%
2011-2012	70,892	708	1.00%
2012-2013	63,389	2,208	3.50%
2013-2014	59,982	1,788	3.00%
2014-2015	55,075	1,721	3.10%
2015-2016	39,907	1,718	4.30%
2016-2017	37,251	1,323	3.60%
2017-2018	34,443	1,592	4.60%
2018-2019	28,465	1,913	6.70%
2019-2020	23,647	1,442	6.10%

Figure 2 USPP Termination Rate by Heating Season



¹ The analyses did not include the Poverty Level 5 data submitted by BGE, DPL, and Pepco since 2015-2016.

BACKGROUND

On March 1, 1988, the Public Service Commission of Maryland (“Commission”) issued Order No. 67999 in Case No. 8091,² 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 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 winter 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, 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 through March 31. The USPP is intended to help low-income customers avoid the accumulation of arrearages, which could lead to service terminations, by requiring timely equal monthly utility payments for participants also known as budget billing plans, based on the estimated cost of annual service to participating households. The USPP allows customers in arrears to restore service by accepting an equal payment plan and by requiring that any outstanding arrearages be lowered to no more than \$400 prior to the beginning of the winter heating season. The USPP 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 winter heating season. To

² *In the Matter of Regulations Governing Terminations of Gas or Electric Service to Low Income Residential Customers during the Heating Season.*

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.³ Utilities serving residential customers in Maryland submitted data for this report. The Commission's May 2020 data request for the 2019-2020 heating season was similar to the previous USPP data requests.⁴ This report provides an analysis and summary of that information.

DATA COLLECTION AND ANALYSIS

Eighteen companies submitted 2019-2020 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—and UGI

³ The data request was issued to BGE, Chesapeake Utilities Corporation-Cambridge Gas Division ("CUC-Cambridge"), Chesapeake Utilities Corporation-Citizens Gas Division ("CUC-Citizens"), Chesapeake Utilities Corporation-Sandpiper ("CUC-Sandpiper"), Choptank, CGM, DPL, Easton, Elkton Gas ("Elkton"), WGL, Hagerstown Municipal Electric Light Plant ("Hagerstown"), Berlin, PE, Pepco, Southern Maryland Electric Cooperative, Inc. ("SMECO"), Thurmont Municipal Light Company ("Thurmont"), UGI Utilities, Inc. ("UGI"), and Williamsport Municipal Light Plant ("Williamsport").

⁴ The USPP Data Request was expanded in 2007 and several small changes were made in 2018 in the interests of clarity.

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.

reported that they did not participate in the USPP and are not included in this report.⁶ The analysis contained in this report includes 14 companies that provided USPP poverty level data; however, the data provided to the Commission by these companies have variations. For example, some utilities indicated that the data were not available by poverty level due to accounting system limitations or was unavailable for various other reasons. The data analyses in this report were performed based on the available data of the 14 companies for the 2019-2020 heating season. The basic information for all responding utilities is contained in Appendix A1.

The data in this report provides information on Poverty Levels 1, 2, 3, and 4 ("PL1, PL2, PL3, and PL4") grouped by household incomes measured against the federal poverty level ("FPL") guidelines 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

Each USPP customer's poverty level is determined by the Office of Home Energy Programs ("OHEP") after the OHEP receives customer's MEAP application. Then OHEP provides the list of customer poverty level to each utility who serves the approved MEAP customers. A special note regarding the treatment of Poverty Level 5 in this report is required. Poverty Level 5 data previously was reported only by Baltimore Gas and Electric Company; however, since the 2015-2016 reporting season, DPL and Pepco also have provided data for Poverty Level 5.⁷ Poverty Level 5 data is comprised of participants that receive subsidized housing allowances. Because residents of subsidized housing receive an allowance to defray the cost of utilities, these participants receive a separate and lower MEAP benefit than other USPP participants.⁸ Staff did not include Poverty Level 5 data as a separate poverty level in the USPP

⁶ UGI is a Pennsylvania based-company that offers limited service in Maryland.

⁷ DPL and Pepco started reporting Poverty Level 5 as did BGE after those companies merged with Exelon Corporation.

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.

report. The report presents an analysis of the USPP data provided by the utilities in the order of the tables. The analysis focuses on the changes by utilities and poverty levels between the current winter reporting season and the previous heating season—two consecutive heating seasons and also includes some trend analyses. When a comparison is expressed as a percentage change between two winter seasons in this analysis, a percentage change is a relative term related to both numerator and denominator. That is, if either numerator or denominator, or both change, it will result in the percentage change up or down. The impact on the program for a specific measure will be interpreted in the context. For example, when an enrollment rate of USPP participants change it will be a result of both or either USPP participants change (decrease or increase) and/or MEAP participants change (increase or decrease). If the number of USPP participants and the number of MEAP participants both decrease, but do not decrease with the same proportion, the enrollment rate will be higher or lower when compared to the previous heating season.

PROGRAM PARTICIPATION

Table 1 shows the number of USPP participants and USPP eligible non-participants for each utility by poverty level in the 2019-2020 heating season.⁹ The number of USPP participants was 23,647 with MEAP-certified non-USPP participants of 13,508, resulting in a total number of MEAP-certified customers of 37,155. The number of USPP participants decreased by 4,818, or approximately 17 percent; the MEAP-certified non-USPP customers decreased by 3,531, or 21 percent; and the total number of MEAP-certified customers decreased by 8,349 or 18 percent when compared to the previous heating season.

Experience varied by utility during the 2019-2020 heating season. All reporting utilities except for Choptank reported a decrease of USPP participants in the 2019-2020 heating season as compared with the previous heating season. BGE reported the largest decrease in participants by 2,248, followed by Washington Gas Light, which had a decrease of 1,435, as compared with the previous heating season. Choptank was the only utility that reported an increase, which was slightly by six. It was the first time that the USPP participation reported decreased across all utilities except for Choptank. Figure 3 illustrates USPP Participation by poverty level for the two most recent heating seasons.

As for the distribution of statewide USPP participants, BGE reported 14,909 USPP participants, accounting for 63 percent of the State's total USPP participants. Since BGE is the largest utility in the State, its USPP participation accounts for the largest share statewide.

⁹ The USPP participants are a subset of MEAP certified customers. Another subset of MEAP certified customers are non-USPP participants. The Terms "USPP eligible non-Participant," "MEAP eligible non-USPP Participant," and "MEAP certified non-USPP customer" are used interchangeably in this report. These persons represent the customers who are eligible to receive a MEAP grant and are, therefore, eligible to enroll in USPP but who do not participate in the USPP program.

Table 1 NUMBER OF USPP CUSTOMERS AND ELIGIBLE NON-PARTICIPATING CUSTOMERS BY POVERTY LEVEL

UTILITY	USPP Participants					% of Statewide Total	USPP Eligible Non-Participants					Grand Total
	Poverty Level						Poverty Level					
	1	2	3	4	Overall		1	2	3	4	Overall	
Baltimore Gas and Electric Company	5,156	3,908	3,986	1,859	14,909	63.05%	426	324	320	157	1,227	16,136
Chesapeake Utilities - Cambridge Gas Division	0	0	0	0	0	0.00%	119	91	68	23	301	301
Chesapeake Utilities - Citizens Gas Division	1	0	0	0	1	0.00%	93	108	162	96	459	460
Chesapeake Utilities - Sandpiper Energy	0	0	0	0	0	0.00%	15	26	23	11	75	75
Choptank Electric Cooperative, Inc.	97	90	83	27	297	1.26%	65	72	73	36	246	543
Columbia Gas of Maryland, Inc.	359	324	312	123	1,118	4.73%	267	331	335	125	1,058	2,176
Delmarva Power & Light Company	981	721	664	280	2,646	11.19%	114	102	87	30	333	2,979
Easton Utilities Commission	17	24	20	7	68	0.29%	121	170	165	57	513	581
Elkton Gas	11	12	6	5	34	0.14%	101	93	71	35	300	334
Mayor and Council of Berlin	73	61	33	12	179	0.76%	46	23	13	3	85	264
Potomac Electric Power Company	290	190	175	79	734	3.10%	844	620	559	247	2,270	3,004
Southern Maryland Electric Power Cooperative, Inc.	746	617	547	236	2,146	9.08%	815	738	618	264	2,435	4,581
The Potomac Edison Company	198	241	213	81	733	3.10%	369	430	413	146	1,358	2,091
Washington Gas Light Company	292	193	203	94	782	3.31%	1,043	750	694	361	2,848	3,630
TOTALS	8,221	6,381	6,242	2,803	23,647	100.00%	4,438	3,878	3,601	1,591	13,508	37,155

Figure 3 USPP Participation Comparison by Poverty Level for Two-Consecutive Heating Seasons

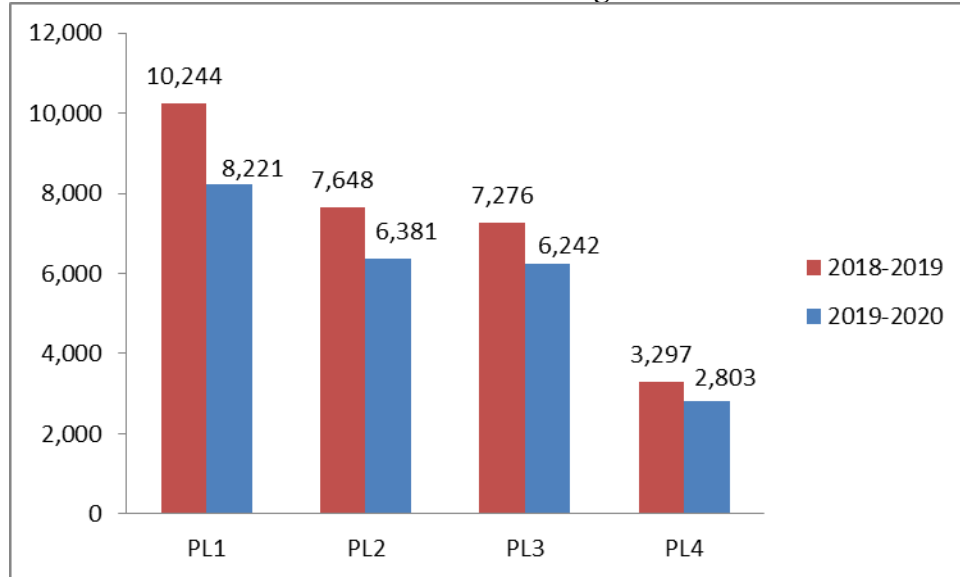


Table 2 presents USPP participation as a percentage of the total number of MEAP-certified customers for the 2019-2020 and 2018-2019 heating seasons by company and by poverty level. The statewide USPP participation rate of MEAP-certified customers for the 2019-2020 winter heating season is 64 percent, approximately one percentage point higher than the 63 percent observed in 2018-2019. This measure is an indication of MEAP-certified customers who need energy assistance and also need USPP protection to spread unpaid balances over the winter season and beyond in order to avoid service termination; in other words, 64 percent of MEAP customers need the USPP.

The enrollment rate varied among the utilities. BGE reported the highest enrollment rate among its MEAP-certified customers at 92 percent. DPL reported an enrollment rate of approximately 89 percent, followed by Berlin with 68 percent, Choptank with 55 percent, and CGM with 51 percent. The remaining utilities each reported an enrollment rate below 50 percent. Comparing each utility's current enrollment rate to its own previous winter season enrollment rate, three utilities—DPL, Berlin, and SMECO—reported an increased enrollment and the other nine utilities each reported a decreased enrollment; CUC-Cambridge Gas and CUC-Sandpiper Energy did not report any enrollment for the current report. DPL had the largest enrollment rate increase with 39 percentage points higher than its last enrollment rate. Statewide

observations among Poverty Levels 1, 2, 3, and 4 present small variations. If compared to the 2018-2019 winter season's poverty levels, Poverty Levels 1, 2 and 3 were slightly increased by less than one to two percentage points and Poverty Level 4 decreased less than a half percentage point in the current report season.

Table 2 USPP PARTICIPATION AS A PERCENT OF TOTAL ELIGIBLE FOR EACH POVERTY LEVEL FOR EACH OF THE LAST TWO HEATING SEASONS¹⁰

UTILITY	2019-2020 Participation					2018-2019 Participation				
	Poverty Level					Poverty Level				
	1	2	3	4	Overall	1	2	3	4	Overall
Baltimore Gas and Electric Company	92%	92%	93%	92%	92%	93%	93%	93%	94%	93%
Chesapeake Utilities - Cambridge Gas Division	0%	0%	0%	0%	0%	3%	3%	1%	0%	2%
Chesapeake Utilities - Citizens Gas Division	1%	0%	0%	0%	0%	3%	2%	1%	0%	2%
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	7%	0%	0%	0%	2%
Choptank Electric Cooperative, Inc.	60%	56%	53%	43%	55%	56%	58%	55%	51%	56%
Columbia Gas of Maryland, Inc.	57%	49%	48%	50%	51%	59%	53%	50%	47%	53%
Delmarva Power & Light Company	90%	88%	88%	90%	89%	50%	50%	50%	50%	50%
Easton Utilities Commission	12%	12%	11%	11%	12%	36%	19%	21%	14%	23%
Elkton Gas	10%	11%	8%	13%	10%	24%	20%	16%	28%	21%
Mayor and Council of Berlin	61%	73%	72%	80%	68%	58%	68%	70%	88%	65%
Potomac Electric Power Company	26%	23%	24%	24%	24%	30%	29%	26%	28%	29%
Southern Maryland Electric Cooperative, Inc.	48%	46%	47%	47%	47%	47%	45%	45%	45%	46%
The Potomac Edison Company	35%	36%	34%	36%	35%	46%	40%	39%	44%	42%
Washington Gas Light Company	22%	20%	23%	21%	22%	43%	41%	38%	41%	41%
TOTALS	65%	62%	63%	64%	64%	64%	61%	62%	64%	63%

Table 3 presents the USPP enrollment compared to the total customers each utility serves. During the 2019-2020 heating season, the rate of USPP participants compared to total utility customers statewide was 0.68 percent and continued decreasing from the previously

¹⁰ N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

reported 0.82 percent in the 2018-2019 and one percent in the 2017-2018. At utility level, Columbia Gas reported a 3.72 percent USPP participation rate (the highest USPP participation rate among major utilities except for municipal Berlin), followed by DPL with a 1.47 percent, and SMECO with a 1.45 percent participation rate. BGE, PE, Pepco, WGL, and Choptank each had a USPP participation rate below one percent. The decreased statewide USPP enrollment of utilities' total residential customers was due to the decreased USPP participant enrollment rate with a slightly increased number of residential customers (by 19,213) in this winter season over the previous winter season.

Table 3 USPP PARTICIPANTS AND PERCENTAGE OF ENROLLMENT TO MEAP AND TOTAL CUSTOMERS

UTILITY	USPP	MEAP Customer	USPP Participants as a Percentage of MEAP Customer	Total Customers	USPP Participants as a Percentage of Total Customer
Baltimore Gas and Electric Company	14,909	16,136	92%	1,811,116	0.82%
Chesapeake Utilities - Cambridge Gas Division	0	301	0%	2,499	0.00%
Chesapeake Utilities - Citizens Gas Division	1	460	0%	10,197	0.01%
Chesapeake Utilities - Sandpiper Energy	0	75	0%	711	0.00%
Choptank Electric Cooperative, Inc.	297	543	55%	47,440	0.63%
Columbia Gas of Maryland, Inc.	1,118	2,176	51%	30,088	3.72%
Delmarva Power & Light Company	2,646	2,979	89%	180,134	1.47%
Easton Utilities Commission	68	581	12%	8,459	0.80%
Elkton Gas	34	334	10%	6,574	0.52%
Mayor and Council of Berlin	179	264	68%	2,375	7.54%
Potomac Electric Power Company	734	3,004	24%	534,040	0.14%
Southern Maryland Electric Cooperative, Inc.	2,146	4,581	47%	148,316	1.45%
The Potomac Edison Company	733	2,091	35%	226,839	0.32%
Washington Gas Light Company	782	3,630	22%	472,971	0.17%
TOTALS	23,647	37,155	64%	3,481,759	0.68%

Table 4 shows the percentage of customers who were USPP participants in the 2018-2019 heating season and also participated in the 2019-2020 heating season. Overall, 35 percent

of the USPP customers who participated in the 2018-2019 heating season also enrolled in the USPP during the 2019-2020 heating season. This enrollment rate in two-consecutive heating seasons is one percentage point lower than the 36 percent noted in the previous report.

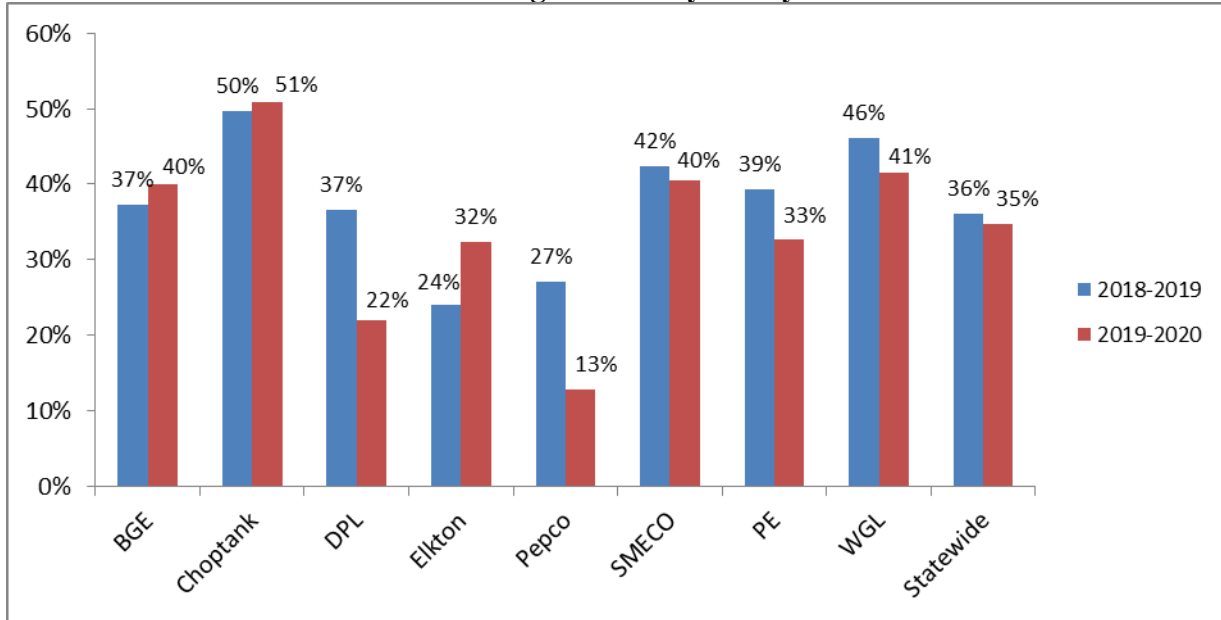
Table 4 PERCENTAGE OF 2019-2020 USPP PARTICIPANTS WHO ALSO PARTICIPATED IN THE PROGRAM DURING THE PRIOR HEATING SEASON¹¹

UTILITY	Poverty Level				Overall
	1	2	3	4	
Baltimore Gas and Electric Company	36%	44%	42%	37%	40%
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	100%	0%	0%	0%	100%
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.
Choptank Electric Cooperative, Inc.	28%	99%	10%	100%	51%
Columbia Gas of Maryland, Inc.	N.A.	N.A.	N.A.	N.A.	N.A.
Delmarva Power & Light Company	22%	24%	22%	18%	22%
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	N.A.
Elkton Gas	36%	8%	50%	60%	32%
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	N.A.
Potomac Electric Power Company	11%	18%	13%	9%	13%
Southern Maryland Electric Cooperative, Inc.	37%	46%	42%	34%	40%
The Potomac Edison Company	29%	35%	35%	28%	33%
Washington Gas Light Company	42%	47%	31%	50%	41%
TOTALS	32%	39%	35%	33%	35%

Five utilities (DPL, Pepco, PE, SMECO, and WGL) reported a lower repeated enrollment for this winter season over the last winter season. BGE, Choptank, and Elkton Gas reported an elevated repeated enrollment rate. CUC-Cambridge, CUC-Citizens, CUC-Sandpiper, CGM, Easton, and Berlin had no reported data. Figure 4 provides a comparison for the utilities with reported data.

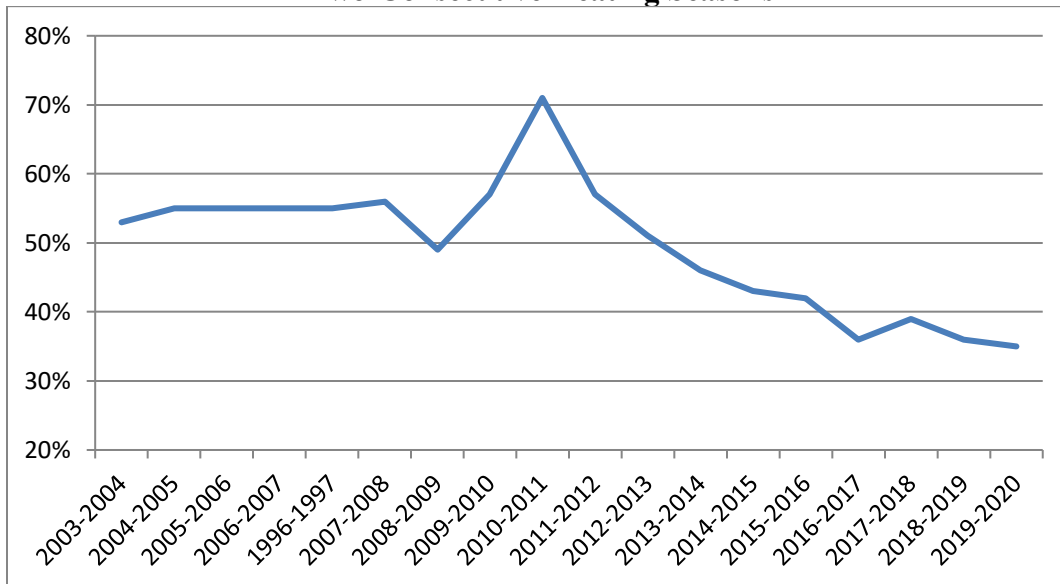
¹¹ N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

Figure 4 USPP Customers Enrolled in Previous Two-Consecutive Heating Seasons by Utility



Error! Not a valid bookmark self-reference. illustrates the repeat participations from 2003-2004 heating season with a trend of declining rate of repeat participants since the 2010-2011 heating season, based on data availability for the two most recent heating seasons.

Figure 5 Statewide Rate of USPP Customers Enrolled in Two-Consecutive Heating Seasons



SUPPLEMENTAL PAYMENTS AND SUPPLEMENTAL ARREARAGES

Table 5 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 the 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. For example, BGE requires that all USPP participants participate in a Budget Billing Plan. Columbia Gas allows USPP customers to make 12-, 24-, and 36- months’ equal payment of existing arrearages according to their USPP customers' income. 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.

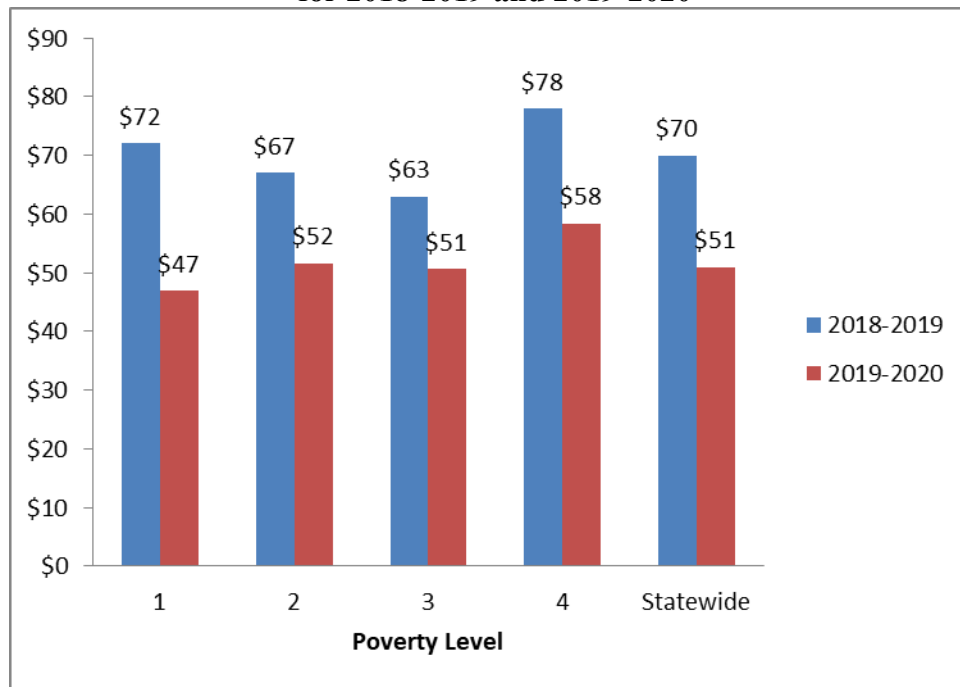
Table 5 PERCENTAGE OF USPP CUSTOMERS MAKING SUPPLEMENTAL PAYMENTS, THE AVERAGE DOLLAR AMOUNT OF THOSE PAYMENTS, AND THE AVERAGE ARREARAGE REQUIRING PAYMENTS BY POVERTY LEVEL¹²

UTILITY	Percentage of USPP Customers Making Supplemental Payments					Average Monthly Amount of Supplemental Payments (\$)					Average Supplemental Arrearage (\$)				
	Poverty Level					Poverty Level					Poverty Level				
	1	2	3	4	Overall	1	2	3	4	Overall	1	2	3	4	Overall
Baltimore Gas and Electric Company	3%	4%	3%	4%	4%	74	83	80	79	79	532	633	562	552	573
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	0%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	67	67	53	0	N.A.
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Choptank Electric Cooperative, Inc.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Columbia Gas of Maryland, Inc.	57%	45%	47%	42%	49%	14	16	16	23	16	150	167	116	177	148
Delmarva Power & Light Company	1%	1%	1%	2%	1%	43	69	62	50	54	853	1285	1,036	540	937
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Elkton Gas	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Potomac Electric Power Company	2%	2%	2%	0%	2%	137	28	75	0	94	634	570	738	0	644
Southern Maryland Electric Cooperative, Inc.	22%	20%	21%	23%	21%	42	35	44	47	41	408	398	309	384	378
The Potomac Edison Company	22%	16%	16%	27%	19%	96	96	95	96	96	315	295	301	294	303
Washington Gas Light Company	2%	3%	4%	1%	3%	104	82	66	78	81	505	389	244	226	354
TOTALS	7%	8%	7%	8%	7%	47	52	51	58	51	359	415	335	392	373

¹² N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

The number of customers who were participants in USPP and also made supplemental payments in the 2019-2020 heating season is 1,769, lower than the 2,407 in the 2018-2019 winter season and 3,673 in the 2017-2018 winter season. The percentage of USPP participants making supplemental payments was approximately seven percent of total USPP participants, which was one percentage point lower than in the last reporting season. The amount of the average monthly supplemental payment balances during the 2019-2020 heating season statewide was \$51, which is lower than last year's \$70.¹³ As compared with the 2018-2019 season, a comparison by poverty level revealed that the average monthly supplemental payments decreased for all Poverty Levels. The comparison by poverty level for two consecutive heating seasons is demonstrated in Figure 6.

Figure 6 Average Supplemental Payment by Poverty Level for 2018-2019 and 2019-2020



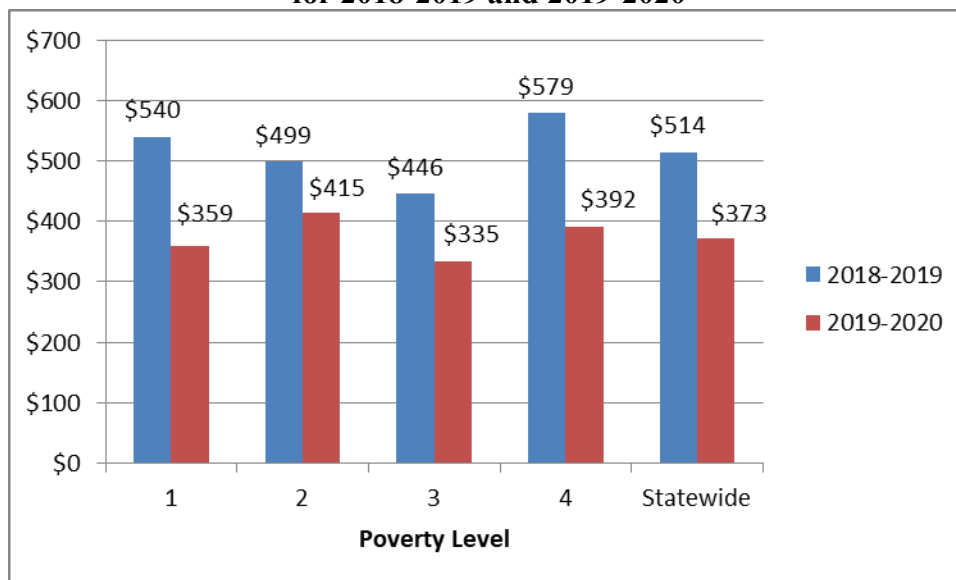
The current statewide average supplemental arrearage for USPP participants was \$373,¹⁴ a decrease of \$141 from \$514 in 2018-2019 heating season, which is the lowest supplemental

¹³ This is a weighted average calculation for all poverty levels across all utilities weighted by number of USPP participants who make supplemental payments.

¹⁴ *Id.*

arrearage in recent years. The data also indicated that the average supplemental arrearage for all poverty levels continued decreasing for the fourth consecutive heating season since 2015-2016. Figure 7 illustrates a two consecutive year comparison by poverty level. This significant decline of average supplemental arrearages across all poverty levels in this heating season may indicate that the recent year's national economic condition improvement and growth after the 2008 economic recession has had a positive impact on low income customers although the data for an accurate assessment for USPP customers is outside the scope of this report.

Figure 7 Average Supplemental Arrearage by Poverty Level for 2018-2019 and 2019-2020



PARTICIPANT ARREARAGES AND PROGRAM COMPLIANCE

Table 6 presents the percentage of USPP participants, MEAP-certified non-USPP participants, and all other non-MEAP residential customers who were in arrears on their utility bills as of March 31, 2020. As was the pattern experienced over the previous 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 in the 2019-2020 winter heating season. Non-MEAP eligible customers were the lowest percentage of customers in arrears during the 2019-2020 winter heating season. For all reporting utilities, the percentage of customers in arrears was 47 percent for USPP participants, 29 percent for MEAP-certified non-USPP participants, and 17

percent for non-MEAP-eligible customers as of March 31, 2020. The proportion of USPP participants who were in arrears was about five percentage points higher than the previous 42 percent.

Table 6 PERCENTAGE OF USPP PARTICIPANTS, MEAP-ELIGIBLE CUSTOMERS, BY POVERTY LEVEL, AND NON-MEAP CUSTOMERS IN ARREARS ¹⁵

UTILITY	USPP Participants					MEAP-Eligible Non-Participants					Non-MEAP Customers
	Poverty Level					Poverty Level					
	1	2	3	4	Overall	1	2	3	4	Overall	
Baltimore Gas and Electric Company	61%	56%	55%	61%	58%	59%	56%	53%	62%	57%	17%
Chesapeake Utilities - Cambridge Gas Division	0%	0%	0%	0%	0%	56%	43%	34%	35%	46%	29%
Chesapeake Utilities - Citizens Gas Division	0%	0%	0%	0%	0%	98%	51%	33%	24%	49%	8%
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	47%	19%	17%	27%	25%	96%
Choptank Electric Cooperative, Inc.	45%	62%	71%	89%	62%	35%	29%	21%	50%	31%	9%
Columbia Gas of Maryland, Inc.	51%	32%	27%	22%	36%	16%	9%	9%	12%	11%	15%
Delmarva Power & Light Company	22%	19%	19%	28%	21%	26%	22%	21%	37%	24%	19%
Easton Utilities Commission	35%	17%	20%	14%	22%	12%	9%	4%	5%	8%	3%
Elkton Gas	55%	17%	50%	20%	35%	41%	44%	30%	183%	56%	32%
Mayor and Council of Berlin	0%	0%	0%	0%	0%	17%	70%	54%	0%	36%	6%
Potomac Electric Power Company	13%	11%	9%	13%	11%	20%	16%	19%	24%	19%	20%
Southern Maryland Electric Cooperative, Inc.	51%	42%	48%	47%	47%	52%	44%	41%	52%	47%	24%
The Potomac Edison Company	37%	18%	19%	22%	24%	32%	22%	18%	22%	23%	18%
Washington Gas Light Company	2%	7%	7%	4%	5%	18%	12%	14%	18%	16%	15%
TOTALS	50%	44%	45%	50%	47%	33%	27%	24%	34%	29%	17%

Table 7 presents the average dollar amount of arrearages for USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers. Compared to the 2018-2019 data, the average arrearage balances for both USPP customers and MEAP-certified non-USPP participants decreased. For the 2019-2020 heating season, the overall average arrearage for USPP participants was \$427, decreasing by \$32 or about 7 percent from \$459 in the 2018-2019

¹⁵ Customer is in arrears if some monthly billing is past due on March 31, 2020.

winter. In 2019-2020, the average arrearage balance for MEAP eligible non-USPP participants was approximately \$392, increasing by \$65 or 20 percent from \$327 in the 2018-2019 winter heating season. Across all poverty levels, the average arrearage balances for USPP participants decreased from the previous heating season as shown in Figure 8.

Figure 8 USPP Arrearage by Poverty Level

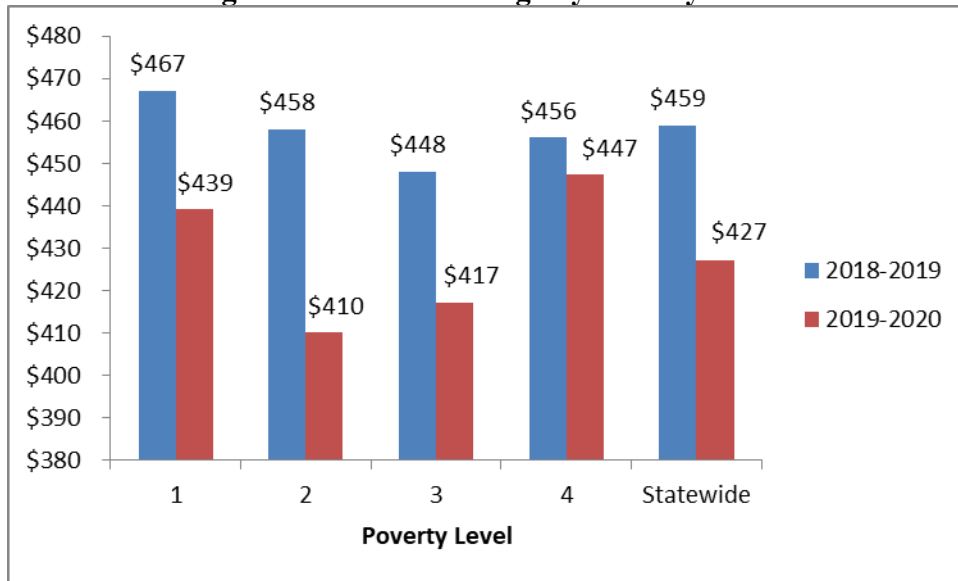


Table 7 ARREARAGE FOR USPP PARTICIPANTS, MEAP-CERTIFIED NON-USPP PARTICIPANTS, AND NON-MEAP CUSTOMERS IN ARREARS BY POVERTY LEVEL^{16,17}

UTILITY	USPP Participants (\$)					MEAP Certified Non-USPP Participants (\$)					Non-MEAP Customers (\$)
	Poverty Level					Poverty Level					
	1	2	3	4	Overall	1	2	3	4	Overall	
Baltimore Gas and Electric Company	460	436	433	475	449	653	525	561	613	543	286
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	0	0	0	0	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	212	238	140	156	176	254
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.	261	185	209	224	307	207
Choptank Electric Cooperative, Inc.	405	300	296	313	326	545	635	456	519	551	176
Columbia Gas of Maryland, Inc.	215	198	160	220	199	177	141	199	115	196	223
Delmarva Power & Light Company	420	363	395	350	391	1087	564	1945	406	812	369
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	0	0	0	0	0	N.A.	N.A.
Elkton Gas	158	85	136	138	139	171	216	154	138	92	153
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	0	0	0	0	0	N.A.	N.A.
Potomac Electric Power Company	514	491	243	256	425	605	517	553	609	643	271
Southern Maryland Electric Cooperative, Inc.	440	380	476	388	428	206	183	202	197	231	296
The Potomac Edison Company	191	148	144	208	171	201	200	168	209	215	203
Washington Gas Light Company	134	122	166	80	137	249	266	222	308	310	244
TOTALS	439	410	417	447	427	342	291	339	333	392	276

¹⁶ Customer is in arrears if any monthly billing is past due on March 31, 2020.

¹⁷ N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

Table 8 presents the percentage of USPP participants who complied with the payment provisions of the program for the 2019-2020 heating season and compares those rates 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 2019-2020 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 98 percent shown on Table 8 may overstate the proportion of customers that comply with the USPP payment provisions. The 98 percent compliance rate indicates that only two percent of USPP participants were removed from the program. When compared with the previous heating seasons, the statewide compliance rate increased by approximately two percentage points from a 96 percent compliance rate in the 2018-2019 winter heating season. The compliance rates across all poverty levels were identical at 98 percent in 2019-2020.¹⁸ Among the data reported by utilities, SMECO reported a 98 percent compliance rate and was followed by DPL and Pepco with a compliance rate of 95 percent. Major utilities' compliance rates were above 78 percent. Municipal utilities, Berlin and Easton Utilities reported a compliance rate of 100 percent.

¹⁸ The percentage numbers are rounded up to the nearest integer.

Table 8 PERCENTAGE OF USPP PARTICIPANTS WHO COMPLIED WITH PROGRAM PAYMENT PROVISIONS BY POVERTY LEVEL DURING THE LAST TWO HEATING SEASONS^{19,20}

UTILITY	Compliance 2019-2020					Compliance 2018-2019				
	Poverty Level					Poverty Level				
	1	2	3	4	Overall	1	2	3	4	Overall
Baltimore Gas and Electric Company	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	100%	100%	100%	0%	100%
Chesapeake Utilities - Citizens Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	40%	75%	100%	0%	60%
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.	100%	0%	0%	0%	100%
Choptank Electric Cooperative, Inc.	71%	83%	82%	74%	78%	64%	84%	80%	92%	77%
Columbia Gas of Maryland, Inc.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Delmarva Power & Light Company	96%	96%	95%	94%	95%	80%	82%	83%	85%	82%
Easton Utilities Commission	100%	100%	100%	100%	100%	83%	80%	87%	100%	85%
Elkton Gas	91%	92%	100%	80%	91%	94%	88%	100%	100%	94%
Mayor and Council of Berlin	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Potomac Electric Power Company	94%	95%	95%	100%	95%	86%	83%	80%	93%	85%
Southern Maryland Electric Cooperative, Inc.	97%	99%	98%	97%	98%	98%	98%	99%	98%	98%
The Potomac Edison Company	97%	88%	90%	89%	91%	93%	87%	93%	90%	91%
Washington Gas Light Company	76%	69%	80%	82%	76%	90%	93%	92%	93%	92%
TOTALS	98%	98%	98%	98%	98%	96%	96%	96%	97%	96%

¹⁹ BGE and Columbia Gas of Maryland do not remove customers from USPP for failure to pay the amount due on two consecutive monthly bills.

²⁰ N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

HEATING SEASON TERMINATIONS

Table 9 presents the number of USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers whose services were terminated during the winter heating season. Of the 23,647 USPP participants, six of the 14 reporting utilities collectively terminated 1,442 USPP participants, a decrease of 471, or approximately 25 percent from 1,913 terminations reported in the 2018-2019 winter. BGE represented 1,214 terminations or approximately 84 percent of the State's total reported USPP terminations in the current report. Compared to the 1,647 terminations last reported by BGE, that Company's terminations decreased by 433 accounting for approximately 92 percent of the total reduction of 477 terminations statewide. Choptank, Delmarva, and Pepco reported termination decreases. On the other hand, Easton Utilities and PE each reported an increase of 6 terminations.

Table 9 NUMBER OF WINTER HEATING SEASON TERMINATIONS²¹

UTILITY	USPP Participants					MEAP-Certified Non-USPP Participants					Non-MEAP Customers
	Poverty Level					Poverty Level					
	1	2	3	4	Overall	1	2	3	4	Overall	
Baltimore Gas and Electric Company	459	285	277	193	1,214	74	83	80	79	316	10,922
Chesapeake Utilities - Cambridge Gas Division	0	0	0	0	0	3	2	0	1	6	26
Chesapeake Utilities - Citizens Gas Division	0	0	0	0	0	23	10	3	2	38	16
Chesapeake Utilities - Sandpiper Energy	0	0	0	0	0	0	0	0	0	0	0
Choptank Electric Cooperative, Inc.	17	9	8	5	39	0	0	0	0	0	79
Columbia Gas of Maryland, Inc.	0	0	0	0	0	0	0	0	0	0	3
Delmarva Power & Light Company	56	30	21	16	123	8	4	0	1	13	1,383
Easton Utilities Commission	2	2	0	2	6	6	3	0	0	9	19
Elkton Gas	0	0	0	0	0	0	0	0	0	0	0
Mayor and Council of Berlin	0	0	0	0	0	0	0	0	0	0	0
Potomac Electric Power Company	27	7	10	8	52	31	18	10	10	69	6,295
Southern Maryland Electric Cooperative, Inc.	0	0	0	0	0	0	0	0	0	0	1,278
The Potomac Edison Company	2	2	2	2	8	1	0	1	0	2	17
Washington Gas Light Company	0	0	0	0	0	0	0	0	0	0	0
TOTALS	563	335	318	226	1,442	146	120	94	93	453	20,038

HIGH ENERGY CONSUMPTION

Table 10 presents the percentage of USPP participants who consumed more than 135 percent of their utility system’s average usage. Data in this table show the proportions of USPP customers who consume higher-than-average levels of energy by poverty level.²² Due to this increased consumption, these customers will have higher-than-average heating bills. These

²¹ Note: Columbia Gas and Washington Gas each has a no-termination policy during the heating season.

²² 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 small utilities serving less than 5,000 customers since they are not required to report this information.

higher bills may tend to generate greater arrearages, thereby creating a higher risk of defaulting on payment plans and a greater risk of termination. For the 2019-2020 heating season, approximately 36 percent of USPP participants consumed more than 135 percent of their utilities' system average usage, which was 12 percentage points higher than the 24 percent recognized in the 2018-2019 winter heating season. There is not much variation by poverty level for the 2019-2020 winter, which all increased by approximately 11 to 13 percentage points from the 2018-2019 report.

Table 10 PERCENTAGE OF USPP PARTICIPANTS WHO CONSUMED MORE THAN 135% OF SYSTEM AVERAGE ENERGY DURING THE MOST RECENT HEATING SEASON²³

UTILITY	Poverty Level				Overall
	1	2	3	4	
Baltimore Gas and Electric Company	49%	47%	45%	46%	47%
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	0%	N.A.	N.A.	N.A.	0%
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.
Choptank Electric Cooperative, Inc.	N.A.	N.A.	N.A.	N.A.	N.A.
Columbia Gas of Maryland, Inc.	N.A.	N.A.	N.A.	N.A.	N.A.
Delmarva Power & Light Company	20%	21%	18%	21%	20%
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	N.A.
Elkton Gas	18%	8%	17%	20%	15%
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	N.A.
Potomac Electric Power Company	19%	18%	23%	27%	20%
Southern Maryland Electric Cooperative, Inc.	19%	18%	19%	22%	19%
The Potomac Edison Company	40%	39%	45%	31%	40%
Washington Gas Light Company	13%	16%	14%	13%	14%
TOTALS	37%	36%	35%	37%	36%

PRIMARY HEAT SOURCE

Table 11 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 2019-2020 heating season, 64 percent of USPP customers, 65 percent of MEAP-certified non-USPP participants, and 51 percent of non-MEAP customers received their primary heating source from the utility responding to the data request. The percentage of USPP customers using the reporting utilities as their heating source decreased 10 percentage points compared to 74 percent in the previous heating season. The data applicable to

²³ N.A. indicates either a company is not required to provide data or a company does not track usage data by poverty level.

the primary heating source vary across utilities. The percentage of USPP customers whose primary heating source was provided by the reporting utilities ranged from 15 percent to 100 percent among utilities. Three gas companies, CGM, Elkton Gas, and WGL, and one electric company, Choptank, reported that they were the sole heating source for their entire customer base. DPL, an electric-only utility, reported 15 percent, one percentage point lower than 16 percent in the 2018-2019 winter season, which was the lowest among the reporting utilities for the two most reporting seasons. The remaining utilities reported between 76 and 96 percent of USPP customers using their utilities as their major heating source.

Table 11 PERCENTAGE OF PARTICIPANTS, MEAP-CERTIFIED NON-USPP PARTICIPANTS, AND NON-MEAP CUSTOMERS WHOSE PRIMARY HEAT SOURCE IS PROVIDED BY THE UTILITY BY POVERTY LEVEL²⁴

UTILITY	USPP Participants					MEAP-Certified Non-USPP Participants					Non-MEAP Customers
	Poverty Level					Poverty Level					
	1	2	3	4	Overall	1	2	3	4	Overall	
Baltimore Gas and Electric Company	72%	77%	79%	80%	76%	76%	77%	79%	77%	77%	50%
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	100%	N.A.	N.A.	N.A.	N.A.	100%	N.A.	N.A.	N.A.	N.A.	94%
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.	100%	100%	100%	100%	100%	93%
Choptank Electric Cooperative, Inc.	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N.A.
Columbia Gas of Maryland, Inc.	100%	100%	100%	100%	100%	100%	100%	99%	100%	100%	96%
Delmarva Power & Light Company	11%	18%	17%	20%	15%	17%	20%	17%	17%	18%	28%
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Elkton Gas	100%	88%	100%	100%	96%	100%	100%	100%	100%	100%	96%
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Potomac Electric Power Company	73%	80%	80%	72%	76%	71%	78%	75%	71%	74%	33%
Southern Maryland Electric Cooperative, Inc.	94%	95%	95%	93%	95%	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
The Potomac Edison Company	83%	85%	78%	89%	83%	85%	83%	86%	86%	85%	50%
Washington Gas Light Company	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
TOTALS	60%	65%	67%	68%	64%	63%	64%	67%	69%	65%	51%

²⁴ N.A. indicates data not available; or small utilities (CUC-Cambridge, Berlin, and Easton) are not required to report data; Choptank did not provide data for non-MEAP customers and SMECO did not provide data for MEAP-certified non-USPP customers and non-MEAP participants.

MEAP GRANTS

Table 12 presents the average MEAP grant payable to the utility at the time of the customer's enrollment in the USPP program. Most USPP participating utilities work closely with OHEP to lower their customers' arrearage and unpaid balances in order that they may be enrolled into USPP and be eligible for an alternate payment plan. OHEP's benefit calculation methodology provides larger MEAP grants at poverty levels reflecting lower incomes. The data indicates that the overall average benefit was \$513 in 2019-2020 up from \$507 in 2018-2019, and \$440 in the 2017-2018 heating season. As seen in the previous years, the size of the MEAP benefit awarded to customers decreased as the poverty level increased. Customers in Poverty Level 1, at the lowest household income level, received the highest MEAP benefit, an average of \$545; those in Poverty Levels 2, 3, and 4, were reported to have received a MEAP grant of \$511, \$491 and \$476, respectively. Customers of Columbia, WGL, BGE, and SMECO received the largest average grant at \$706, \$575, \$538 and \$509, respectively.

Table 12 AVERAGE MARYLAND ENERGY ASSISTANCE PROGRAM GRANT FOR USPP PARTICIPANTS BY POVERTY LEVEL FOR THE LAST TWO HEATING SEASONS²⁵

UTILITY	Average 2019-2020 Grants (\$)					Average 2018-2019 Grants (\$)				
	Poverty Level					Poverty Level				
	1	2	3	4	Overall	1	2	3	4	Overall
Baltimore Gas and Electric Company	\$584	\$539	\$505	\$481	\$538	\$589	\$543	\$510	\$479	\$543
Chesapeake Utilities - Cambridge Gas Division	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Chesapeake Utilities - Citizens Gas Division	\$326	\$0	\$0	\$0	\$326	\$613	\$599	\$543	\$0	\$601
Chesapeake Utilities - Sandpiper Energy	N.A.	N.A.	N.A.	N.A.	N.A.	\$284	\$0	\$0	\$0	\$284
Choptank Electric Cooperative, Inc.	\$512	\$472	\$426	\$462	\$471	\$554	\$497	\$450	\$449	\$497
Columbia Gas of Maryland, Inc.	\$725	\$724	\$668	\$698	\$706	\$391	\$429	\$427	\$439	\$417
Delmarva Power & Light Company	\$400	\$377	\$365	\$376	\$382	\$466	\$413	\$433	\$402	\$437
Easton Utilities Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Elkton Gas	\$427	\$290	\$293	\$389	\$349	\$355	\$331	\$386	\$216	\$334
Mayor and Council of Berlin	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Potomac Electric Power Company	\$353	\$346	\$350	\$369	\$352	\$426	\$370	\$394	\$439	\$405
Southern Maryland Electric Cooperative, Inc.	\$515	\$504	\$516	\$484	\$509	\$515	\$504	\$516	\$484	\$509
The Potomac Edison Company	\$327	\$297	\$317	\$335	\$315	\$347	\$303	\$324	\$340	\$327
Washington Gas Light Company	\$546	\$576	\$615	\$576	\$575	\$590	\$543	\$574	\$565	\$572
TOTALS	\$545	\$511	\$491	\$476	\$513	\$541	\$497	\$487	\$467	\$507

²⁵ N.A. indicates either a company is not required to provide data or a company does not track data by poverty level.

CONCLUSION

The data reported to the Commission from the participating utilities for the 2019-2020 winter heating season show that the total number of USPP participants continues to decrease from the previous heating season. The number of statewide USPP participants was 23,647 during the 2019-2020 heating season, representing 4,818 or a 16.9 percent decrease of USPP participants as compared with the 28,465 participants in the 2018-2019 heating season, and the lowest participation level since the 2011-2012 report. The USPP enrollment rate was 64 percent of MEAP customers, one percentage point higher than 63 percent of the 2018-2019 heating season, but lower than the 2017-2018's 68.6 percent of MEAP customers enrolled into the USPP; similarly the USPP enrollment rate continues to decrease from 0.82 percent to 0.68 percent of the total utility residential customer base. Furthermore the utilities reported the lowest number—1,442 of USPP participants' services terminated in the most recent three heating seasons. BGE reported 433 fewer USPP customer terminations as compared with the previous report, which lowered the statewide termination total. Other indicators for the USPP program also show decreases from the last heating season, including USPP participants repeated enrollment in two consecutive heating seasons, USPP participants who also made supplemental payment, average supplemental arrearages, and USPP participants' average arrearages. The statewide MEAP grant increased from the previous heating season. It is the second heating season to demonstrate in one heating season that a decrease in so many indicators has been observed as the last winter season. These changes may be associated with the improved national economic conditions observed in recent years after the 2008 economic crisis.

Conversely, while the number of USPP participants decreased, the size of the MEAP grant increased. 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 2019-2020 heating season. These programs vary from utility to utility, but all focus on helping low-income customers with billing and related issues.

**APPENDIX A1 2019-2020 HEATING SEASON REPORTING
 UTILITIES BASIC INFORMATION**

UTILITY	Participated in USPP	Serving Customers	Service Type	Included in Data Analysis
Baltimore Gas and Electric Company	Yes	≥ 5,000	Gas and Electric	Yes
Chesapeake Utilities - Cambridge Gas Division	Yes	< 5,000	Gas	Yes
Chesapeake Utilities - Citizens Gas Division	Yes	≥ 5,000	Gas	Yes
Chesapeake Utilities - Sandpiper Energy	No	≥ 5,000	Gas	Yes
Choptank Electric Cooperative, Inc.	Yes	≥ 5,000	Electric	Yes
Columbia Gas of Maryland, Inc.	Yes	≥ 5,000	Gas	Yes
Delmarva Power and Light Company	Yes	≥ 5,000	Electric	Yes
Easton Utilities Commission ²⁶	Yes	≥ 5,000	Gas and Electric	Yes
Elkton Gas	Yes	≥ 5,000	Gas	Yes
Hagerstown Light Department	No	≥ 5,000	Electric	No
Mayor and 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 Cooperative, Inc.	Yes	≥ 5,000	Electric	Yes
Thurmont	No	< 5,000	Electric	No
UGI Utilities, Inc.	No	< 5,000	Gas	No
Washington Gas Light Company	Yes	≥ 5,000	Gas	Yes
Williamsport Municipal Electric Light Plant	No	< 5,000	Electric	No

²⁶ Easton Utilities has provided data as a small company although it has more than 5,000 customers.