PUBLIC SERVICE COMMISSION OF MARYLAND

UTILITY SERVICE PROTECTION PROGRAM ANNUAL REPORT

HEATING SEASON 2024-2025

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

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EXECUTIVE SUMMARY

During the 2024–2025 winter heating season, 24,977 customers were enrolled in the Universal Service Protection Program ("USPP") which was a 31% decrease from the 36,410 participants enrolled in the prior season. This continues a downward trend in enrollment, although participation had temporarily increased in earlier pandemic years due to moratoriums on service disconnections. The sharpest drop this season occurred across eight utilities with only Potomac Electric Power Company ("Pepco") showing a modest increase. Baltimore Gas and Electric Company ("BGE") remained the largest USPP utility serving 11,657 customers. Together with Pepco and Delmarva Power & Light Company ("DPL,") the three utilities accounted for 83% of all participants statewide.

The number of customers making supplemental payments rose to 4,507, up from 11% last season. However, arrearages remain elevated. The average USPP customer owed $615, up from $530 in 2023–2024. Service terminations dropped to 920 statewide, of which BGE accounted for 95%, down from 1,285 last year. While this reflects a slight easing in disconnections, it remains higher than the lower levels seen during the pandemic moratorium.

In 2024–2025, 62% of USPP customers received their primary heat from a reporting utility, figures consistent with past years. Regarding energy usage, 39% of USPP customers consumed more than 135% of the system average, a significant drop from 59% the previous season. This lower proportion of high-use customers marks a potential shift in energy behavior or need.

Financial assistance to participants, via Maryland Energy Assistance Program ("MEAP") grants, has declined sharply over the past two years. The average benefit in 2024–2025 was $249, down from $502 in 2023–2024 and a post-pandemic high of $650 in 2021–2022. This trend reflects the Office of Home Energy Programs' ("OHEP") strategy of reducing individual benefits to stretch resources and ensure more households receive support. As in previous years, lower-income households (Poverty Level 1) received the highest average benefits.

STATUTORY HISTORY

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 of the Maryland Code. This has since been recodified as §7-307 of the Public Utilities Article ("PUA,") *Annotated Code of Maryland*. PUA §7-307 directs 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 MEAP, which is administered by the 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. For more information, 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 facilitate the compilation of this report, the Commission directs all gas and electric utilities to collect

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

specific data under COMAR 20.31.05.09. This includes, but is not limited to, the number of USPP participants, USPP eligible non-participants among MEAP certified customers, total utility customers, return participants, primary heating source, arrearages, terminations, and MEAP grants. For more information on the data request issued by Commission Staff, please see Appendix A2.

Utilities serving residential customers in Maryland submitted data for this report.[2] The Commission's April 2025 data request for the 2024-2025 heating season was similar to previous USPP data requests.[3] This report provides an analysis and summary of that information.

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[2] The data request was issued to BGE, CUC-Maryland Division, CUC-Sandpiper, Columbia Gas, DPL, Easton Utilities Commission ("Easton,") CUC-Elkton, Hagerstown Municipal Electric Light Plant ("Hagerstown,") Mayor and Council of Berlin ("Berlin,") Pepco, Southern Maryland Electric Cooperative, Inc. ("SMECO,") The Potomac Edison Company ("PE,") Thurmont Municipal Light Company ("Thurmont,") UGI Utilities, Inc. ("UGI,") Washington Gas Light Company ("WGL,") and Williamsport Municipal Light Plant ("Williamsport.")

[3] The USPP Data Request was expanded in 2007 and several small changes were made in 2018 in the interest of clarity.

DATA COLLECTION AND ANALYSIS

Sixteen companies submitted 2024-2025 heating season USPP reports to the Commission. Note that municipal utilities, or gas and electric utilities smaller than 5,000 customers are not required to provide all the requested data which leads to some data variations.

Among these companies, three municipal companies did not participate in the USPP: Hagerstown, Thurmont, and Williamsport. However, Hagerstown implements a Commission-approved alternate program. Additionally, UGI Utilities and the three subsidiaries of Chesapeake Utilities Corporation ("CUC") – Maryland,[4] Sandpiper, and Elkton – did not have USPP enrollments during 2024-2025. The data provided to the Commission by the nine remaining companies have variations. For example, some utilities indicated that available data was not differentiated by poverty level or was unavailable for various other reasons. The basic information for all responding utilities is contained in Appendix A1.

The data in this report provides information on federal poverty levels 1, 2, 3, 4, 5, 6, and 7 ("PL1, PL2, PL3, PL4, PL5, PL6, PL7,") as applicable. Customers are 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
Poverty Level 5	Subsidized Housing
Poverty Level 6	MEAP Subsidized Sub-metered Dwellings (SNAP Recipients)
Poverty Level 7	Other

Each USPP customer's poverty level is determined by OHEP based on the customer's MEAP application.

[4] CUC-Maryland Division reported under CUC-Citizens and CUC-Cambridge prior to 2024-2025.

NOTE: Poverty Level 5 data is comprised of participants who receive subsidized housing allowances which defray the cost of utilities. These customers may receive MEAP benefits but those benefits are lower than what other USPP participants receive.[5]

The report presents an analysis of the USPP data provided by the utilities in the order of the tables. In previous USPP reports, the analysis focused on the changes by utilities and poverty levels between the current winter reporting season and the previous heating season. To provide an analysis of the USPP program during and after the COVID-19 pandemic, this report compares data from 2024-2025 to the three previous consecutive heating seasons: 2021-2022, 2022-2023, and 2023-2024. The report also includes some trend analyses.

[5] 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.

PROGRAM PARTICIPATION

During the 2024-2025 winter heating season, 24,977 customers participated in USPP. Customer enrollment in the USPP during 2024-2025 decreased by 11,433 people or approximately 31% from the 36,410 USPP participants in the 2023-2024 heating season. The USPP participation during the 2020-2021 heating season, which was the lowest ever, is attributable to the Governor's Executive Order and the Commission's orders which mandated that utilities not disconnect service even if customers did not pay their bills due to circumstances related to COVID-19.[6] Under the moratorium, some utilities established their own parallel policies to prevent service disconnections.[7]

When comparing the three most recent heating seasons, the current 24,977 enrollments reflect a decade-long decline. As seen in *Figure 1*, USPP participation has declined since 2010 by 59,849 enrollments or 70% compared with the highest enrollment of 84,826 USPP participants during the winter of 2010.

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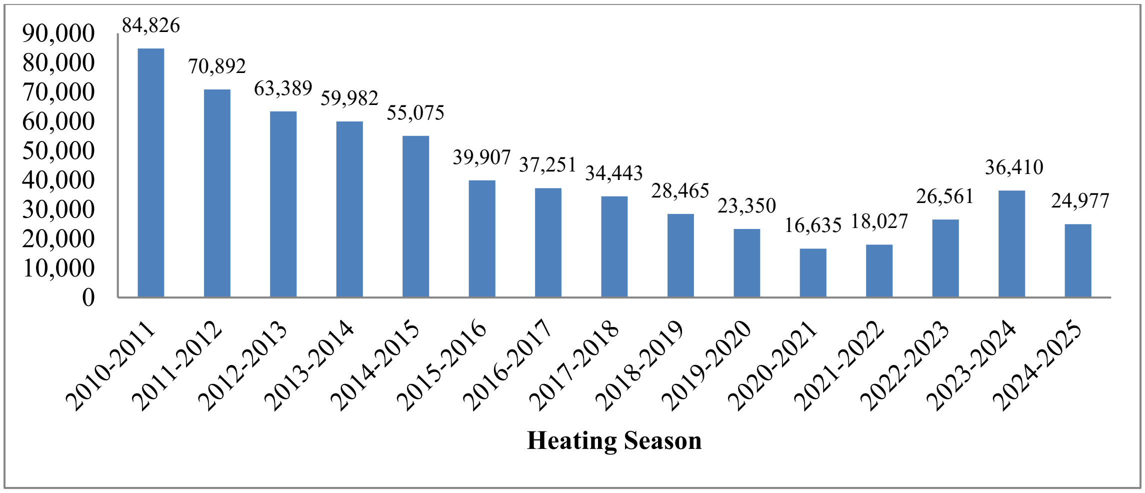
[6] On March 16, 2020, Governor Larry Hogan issued an Executive Order prohibiting the termination of residential utility services and the imposition of late fees during the COVID-19 state of emergency. This prohibition was set to expire on August 1, 2020. On July 31, 2020, Governor Hogan extended the utilities' termination restrictions on residential customers to September 1, 2020. The Commission initiated *PC53: Impacts of COVID-19 Pandemic on Maryland's Gas and Electric Utility Operations and Customer Experiences* and issued five orders in PC 53 on August 31, 2020. Together, the five orders prohibited the public utilities from terminating service to residential customers through November 15, 2020. The order required a 45-day notice to customers prior to service disconnection.

[7] Subsidiaries of CUC, including CUC-Cambridge Gas Division, CUC-Citizen Gas Division, CUC-Sandpiper Energy, and Elkton Gas implemented a policy that there would be no terminations during the 2020-2021 heating season due to the COVID-19 pandemic. Cambridge and Citizens Gas are now reported as CUC-Maryland Division in this report.

Figure 1 USPP Participants by Heating Season



At the utility level, eight utilities reported a total decrease of 11,846 participants in 2024-2025 while one utility reported an increase of 413 USPP participants from the previous heating season. Thus, the net decrease in USPP participants was 11,433 from the previous season.

Table 1 provides each utility's USPP participants, MEAP-certified customers, and total customers, as well as each utility's USPP enrollment as a percentage of MEAP, and total residential customers served. Of the utilities listed, BGE, at approximately 97%, had the highest USPP enrollment rate among its MEAP customers, followed by Berlin at 84%, and DPL at 59%. The rest of the utilities had an enrollment rate below 50%. Using USPP enrollment as a percentage of total customers as a metric, half of the utilities (BGE, Columbia, DPL, Easton, Berlin, SMECO, PE, WGL) reported a decreased USPP enrollment rate while the other half (CUC-Maryland, Sandpiper, Elkton, Hagerstown, Thurmont, UGI) reported no change in their USPP enrollment rate from the previous heating season. Only Pepco reported an increase in enrollment.

Table 1 2024-2025 USPP Participation by Utility Compared with MEAP and Total[8]

UTILITY	USPP	MEAP Customer	USPP Participants as a Percentage of MEAP Customer	Total Customers	USPP Participants as a Percentage of Total Customer
Baltimore Gas & Electric	11,657	12,018	97%	1,844,422	0.63%
Chesapeake Utilities - Maryland Division	-	415	0%	12,418	0.00%
Chesapeake Utilities - Sandpiper Energy	-	18	0%	10,530	0.00%
Columbia Gas of Maryland	641	2,643	24%	30,739	2.09%
Delmarva Power & Light	6,443	10,998	59%	192,910	3.34%
Easton Utilities	12	456	3%	9,179	0.13%
Elkton Gas	-	174	0%	6,256	0.00%
Hagerstown	-	958	0%	14,845	0.00%
Mayor & Council of Berlin	139	166	84%	2,866	4.85%
Potomac Electric Power Company	2,599	10,016	26%	558,772	0.47%
Southern Maryland Electric Power Cooperative	1,959	4,276	46%	157,838	1.24%
The Potomac Edison Company	488	3,295	15%	243,509	0.20%
Thurmont	-	33	0%	2,920	0.00%
UGI Utilities, Inc.	-	1	0%	481	0.00%
Washington Gas Light Company	1,039	7,975	13%	487,139	0.21%
Williamsport	-	21	N/A	862	N/A
Grand Total	24,977	53,463	47%	3,575,686	0.70%

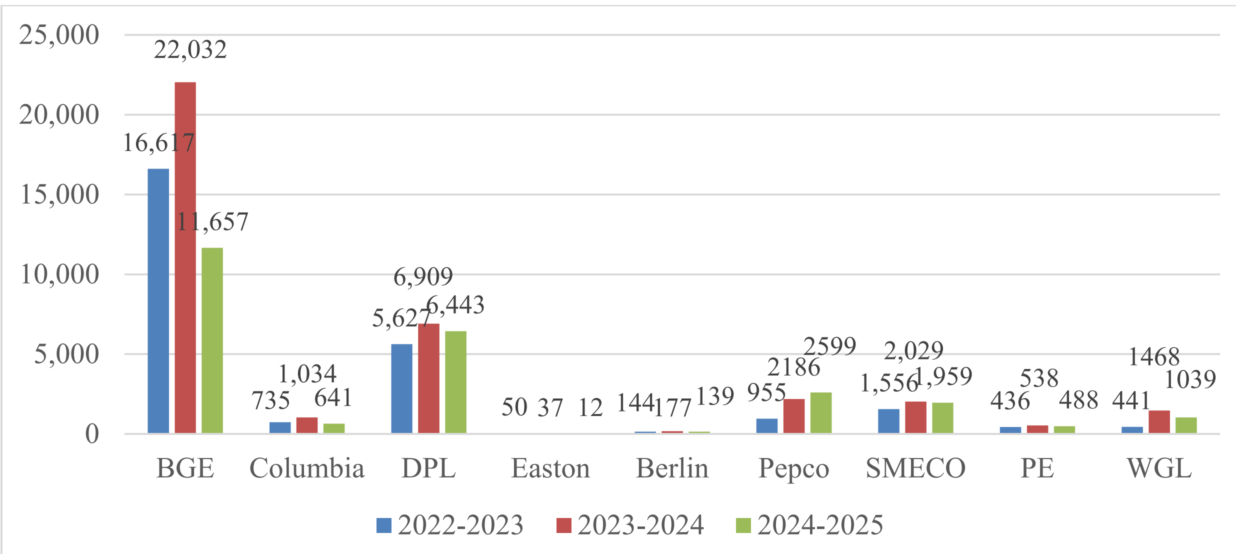
During the 2024-2025 heating season, the rate of USPP participants compared to the total utility customers statewide dropped to 0.70% from a previous 1.02% during the 2023-2024 heating season, 0.75% in the 2022-2023 season, 0.52% in the 2021-2022 season, and 0.48% in the 2020-2021 season.

At the utility level, DPL reported 3.34% USPP participation rate (the highest USPP participation rate among major utilities) of its total residential customers, followed by Columbia at 2.09%, and SMECO at 1.24%. Of the municipal utilities, Berlin has the highest participation at 4.85% of total customers enrolled in USPP. The remaining utilities each had a participation rate below one percent of their residential customer base.

[8] N/A indicates that a company did not participate in USPP. 0% indicates that the company reported 0% enrollment for USPP data so the calculation for this table resulted in 0% participation.

Figure 2 provides a three-year comparison of the USPP enrollment by utility. The changes among the three heating seasons varied for each of the reporting utilities, but generally showed decreases. BGE had the highest nominal participation for the fourth consecutive year, with 11,657 USPP customers. Pepco showed the largest increase in participation, up 413 from 2,186 enrollments last season. Together, BGE, Pepco, and DPL accounted for 83% of the statewide total USPP participants.

Figure 2 USPP Enrollment by Utility for Past Three Heating Seasons



In the latest winter season, the MEAP-eligible population decreased despite categorical eligibility and automatic enrollment. [9] In addition, the decrease in USPP participation was greater than the decrease in MEAP eligibility. This resulted in a USPP participation rate of 47% out of the 53,463 statewide eligible MEAP customers—approximately 12 percentage points lower than the 59% observed during the previous winter season.

[9] Maryland Department of Human Services. Report on the Status of Implementation of Categorical Eligibility. January 15, 2025. https://dlslibrary.state.md.us/publications/JCR/2024/2024_156-157_2024(rev).pdf.

Table 2 shows the number of USPP participants and USPP eligible non-participants for each utility by poverty level in the 2024-2025 heating season.[10] In addition, although 53,463 customers were eligible for USPP only, 47% of them (24,977 customers) participated in USPP.

Enrollment varied by utility during the 2024-2025 heating season. Of the reporting utilities, eight—BGE, Columbia, DPL, Easton, Berlin, SMECO, PE, and WGL—reported a decreased USPP enrollment rate, while only Pepco reported an increase in enrollment. As for the distribution of statewide USPP participants, BGE accounted for 47% of the state's total USPP participants. DPL, Pepco, and SMECO in total accounted for 34% and the remaining utilities made up less than 9% of Maryland's total USPP enrollments.

[10] 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.

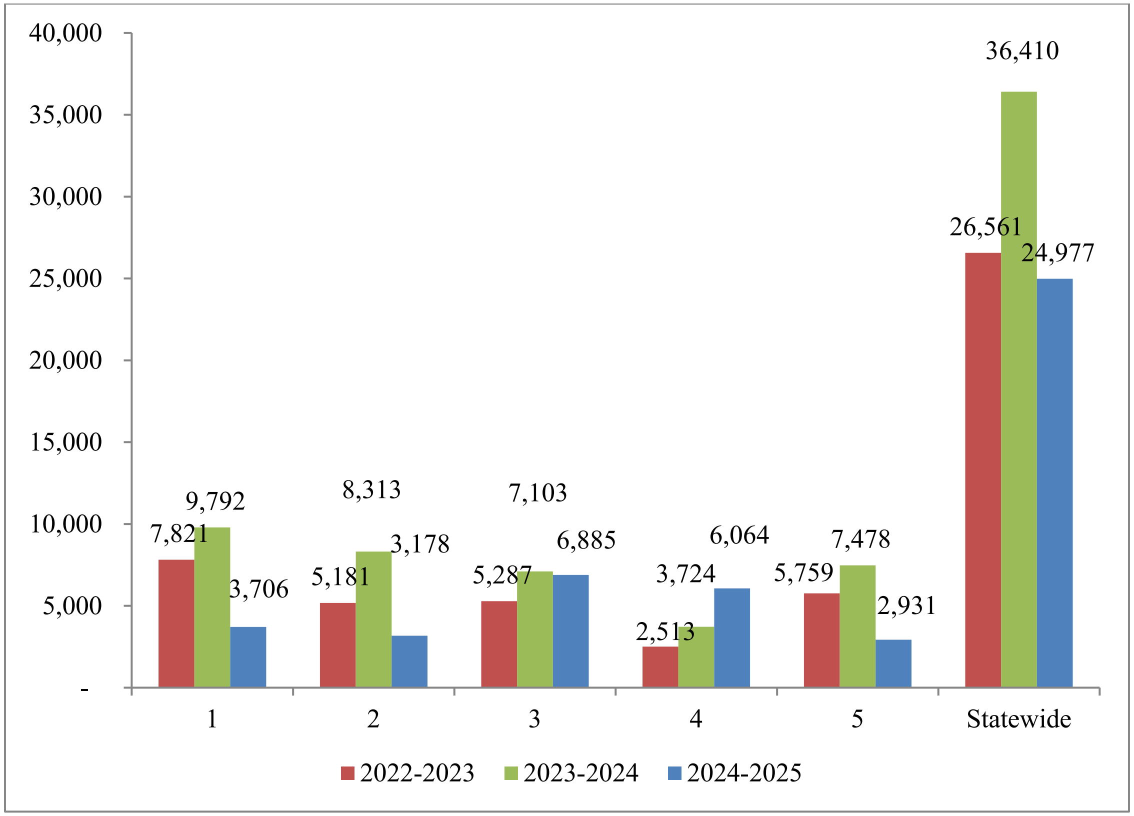
Table 2 Number of USPP Customers and Eligible Non-participating Customers by Poverty Level[11]

UTILITY	USPP Participants						% of USPP Total	USPP Eligible Non-Participants						USPP + MEAP Total
	Poverty Level							Poverty Level						
	1	2	3	4	5	Overall		1	2	3	4	5	Overall	
Baltimore Gas & Electric	1,492	1,148	2,798	2,764	1,414	**11,657**	47%	78	21	96	81	63	**361**	**12,018**
Chesapeake Utilities - Maryland Division	0	0	0	0	0	**0**	0%	415	0	0	0	0	**415**	**415**
Chesapeake Utilities - Sandpiper Energy	0	0	0	0	0	**0**	0%	18	0	0	0	0	**18**	**18**
Columbia Gas of Maryland	66	71	202	204	98	**641**	3%	215	165	605	655	362	**2,002**	**2,643**
Delmarva Power & Light	1,066	1,032	1,936	1,661	694	**6,443**	26%	578	496	1419	1279	610	**4,555**	**10,998**
Easton Utilities	0	3	5	3	1	**12**	0%	46	60	134	157	47	**444**	**456**
Elkton Gas	0	0	0	0	0	**0**	0%	174	0	0	0	0	**174**	**174**
Hagerstown	0	0	0	0	0	**0**	0%	78	85	388	274	114	**958**	**958**
Mayor & Council of Berlin	15	32	56	36		**139**	1%	13	8	6	0	0	**27**	**166**
Potomac Electric Power Company	525	512	720	485	255	**2,599**	10%	1474	527	1794	1432	922	**7,417**	**10,016**
Southern Maryland Electric Power Coorpe	307	226	647	493	286	**1,959**	8%	409	261	897	726	24	**2,317**	**4,276**
The Potomac Edison Company	64	57	180	173	14	**488**	2%	399	255	989	1049	115	**2,807**	**3,295**
Thurmont	0	0	0	0	0	**0**	0%	33	0	0	0	0	**33**	**33**
UGI Utilities, Inc.	0	0	0	0	0	**0**	0%	1	0	0	0	0	**1**	**1**
Washington Gas Light Company	171	97	341	245	169	**1,039**	4%	1,375	550	1911	1819	1124	**6,936**	**7,975**
Williamsport	0	0	0	0	0	**0**	0%	21	0	0	0	0	**21**	**21**
Grand Total	**3,706**	**3,178**	**6,885**	**6,064**	**2,931**	**24,977**	**100%**	**5,327**	**2,428**	**8,239**	**7,472**	**3,381**	**28,486**	**53,463**

[11] Excludes PL6 and PL7.

Across all utilities, *Figure 3* illustrates USPP participation by poverty level for the three most recent heating seasons.

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



Where in previous years, enrollment levels remained similar inside poverty levels, PL1, PL2, and PL5 saw major drops in participation this heating season to below their 2022-2023 levels.

Table 3 presents USPP participation as a percentage of the total number of MEAP-certified customers for the 2024-2025 and 2023-2024 heating seasons by company and by poverty level. A customer must be MEAP-certified to participate in USPP. This measure is normally an indicator of MEAP-certified customers who need energy assistance and need USPP protection to spread unpaid balances over the winter season to avoid service termination.

Table 3 USPP Participation as a Percent of Total Eligible for each Poverty Level for 2023-2025

UTILITY	2024-2025 Participation						2023-2024 Participation					
	Poverty Level						Poverty Level					
	1	2	3	4	5	Overall	1	2	3	4	5	Overall
Baltimore Gas & Electric	95%	98%	97%	97%	96%	**97%**	91%	97%	97%	54%	96%	**89%**
Chesapeake Utilities - Maryland Division	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
Columbia Gas of Maryland, Inc.	23%	30%	25%	24%	21%	**24%**	49%	44%	42%	42%	100%	**45%**
Delmarva Power & Light	65%	68%	58%	56%	53%	**59%**	74%	65%	64%	66%	34%	**66%**
Easton Utilities	0%	5%	4%	2%	2%	**3%**	4%	8%	5%	9%	10%	**7%**
Elkton Gas	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
Hagerstown	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
Mayor & Council of Berlin	54%	80%	90%	100%	0%	**84%**	73%	67%	75%	0%	0%	**71%**
Potomac Electric Power Company	26%	49%	29%	25%	22%	**26%**	32%	31%	32%	31%	19%	**30%**
Southern Maryland Electric Cooperative	43%	46%	42%	40%	92%	**46%**	55%	46%	46%	49%	0%	**49%**
The Potomac Edison Company	14%	18%	15%	14%	11%	**15%**	21%	19%	18%	13%	0%	**18%**
Thurmont	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
UGI Utilities, Inc.	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**
Washington Gas Light Company	11%	15%	15%	12%	13%	**13%**	20%	24%	21%	20%	19%	**21%**
Williamsport	0%	0%	0%	0%	0%	**0%**	N/A	N/A	N/A	N/A	N/A	**N/A**
Statewide	**41%**	**57%**	**46%**	**45%**	**46%**	**47%**	**63%**	**51%**	**57%**	**46%**	**84%**	**59%**

The statewide USPP participation rate of MEAP-certified customers for the 2024-2025 heating season was 47%, which was lower than seasons from 2019 – 2023, where the USPP participation rates were 59%, 60%, 45%, 49%, and 64% respectively. Almost all MEAP eligible customers (97%) also enrolled in USPP in the BGE service territory. Berlin also realized a high percentage of eligible MEAP customers' enrollment in USPP at 84%. All other utilities had USPP enrollments of MEAP-eligible customers below 60 percent. Enrollments have generally dropped from their 2023-2024 season levels.

Table 4 shows the percentage of customers who were USPP participants in the 2024-2025 heating season and who also participated in the 2023-2024 heating season. Overall, approximately 49% of the USPP customers who participated this year also enrolled last year.

Table 4 Percentage of 2024-2025 USPP Participants who also participated in the Program during the prior Heating Season[12]

UTILITY	Poverty Level					Overall
	1	2	3	4	5	
Baltimore Gas & Electric	35%	36%	45%	46%	34%	**44%**
Chesapeake Utilities - Maryland Division	0%	0%	0%	0%	0%	**0%**
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	**0%**
Columbia Gas of Maryland, Inc.	0%	0%	0%	0%	0%	**0%**
Delmarva Power & Light	71%	77%	73%	69%	64%	**71%**
Easton Utilities	0%	0%	0%	0%	0%	**0%**
Elkton Gas	0%	0%	0%	0%	0%	**0%**
Hagerstown	0%	0%	0%	0%	0%	**0%**
Mayor & Council of Berlin	0%	0%	0%	0%	0%	**0%**
Potomac Electric Power Company	58%	80%	67%	55%	51%	**64%**
Southern Maryland Electric Cooperative	53%	100%	23%	12%	1%	**31%**
The Potomac Edison Company	14%	18%	22%	24%	29%	**21%**
Thurmont	0%	0%	0%	0%	0%	**0%**
UGI Utilities	0%	0%	0%	0%	0%	**0%**
Washington Gas Light Company	18%	22%	26%	25%	21%	**23%**
Williamsport	0%	0%	0%	0%	0%	**0%**
TOTALS	48%	59%	50%	47%	38%	**49%**

[12] 0% indicates that the company reported 0% enrollment for USPP data so the calculation for this table resulted in 0% participation.

This statewide enrollment rate of 49% is higher than the previous season (2023-2024) at 34% and the seasons before, 28% in 2022-2023, 34% in 2021-2022, and 45% in 2020-2021. Prior levels hovered around 36% and 35% repeat enrollment for 2018-2019 and 2019-2020 respectively.

Figure 4 shows the three years of repeat enrollments by the utilities. All utilities with data show an increasing trend for repeat enrollment, except for PE which dropped to 21%.

Figure 4: USPP Customers Repeated Enrollment in Two Consecutive Heating Seasons by Utility for Three Years (2022 – 2025)

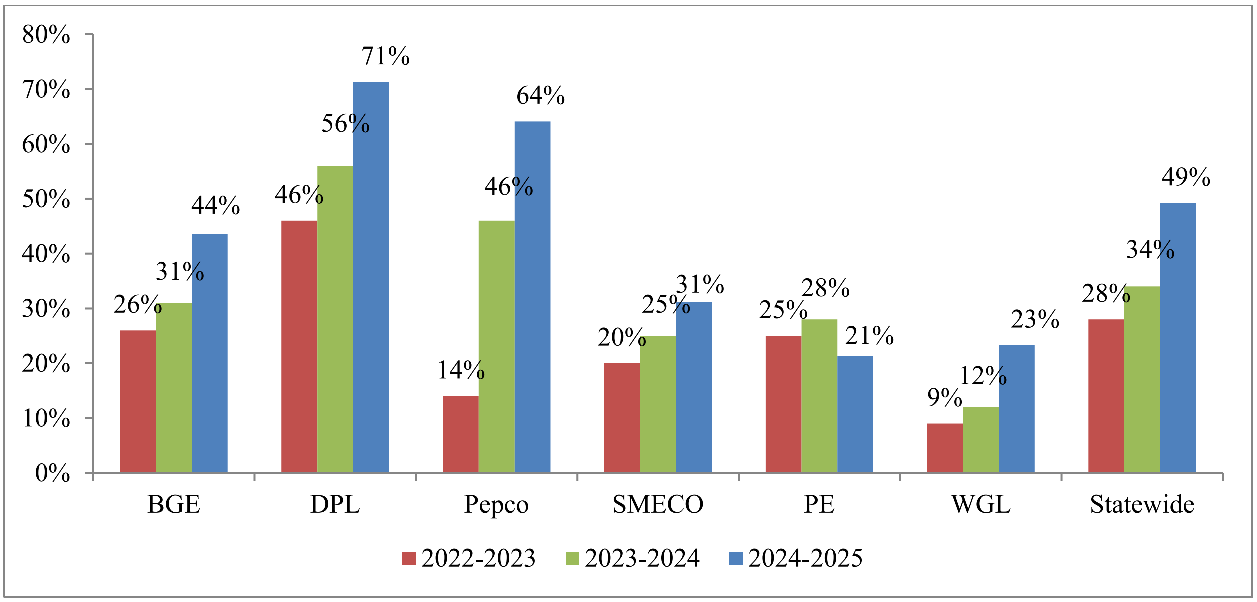
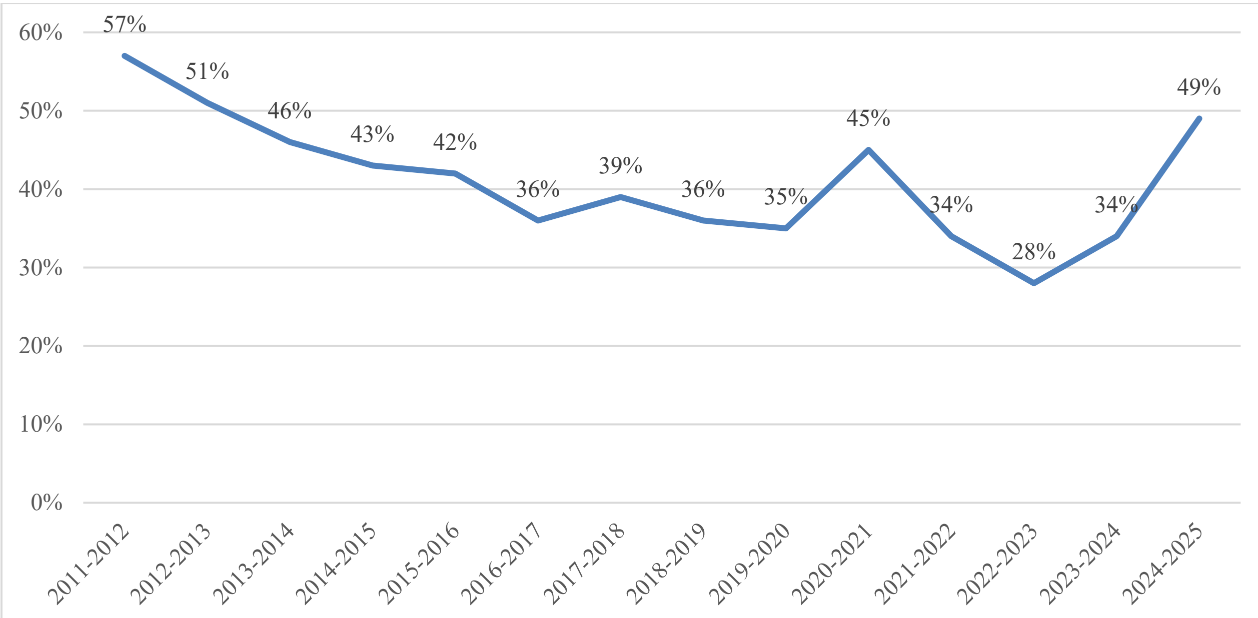


Figure 5 illustrates a trend line for the repeat participation rates from 2011 to the instant heating season. Repeat participation had been steadily decreasing, until recently, when repeat USPP enrollments have sharply increased.

Figure 5 Statewide Rate of USPP Customers Enrolled in Two-Consecutive Heating Seasons Since 2011-2012 Heating Season



SUPPLEMENTAL PAYMENTS AND ARREARAGES

The USPP requires an equal monthly payment plan for participation in USPP. If a low-income customer is unable to pay the charges for service, the utility attempts to negotiate a reasonable alternate payment plan to avoid termination and retire all outstanding charges to the utility.

The USPP encourages the utilities to offer customers the opportunity to place all or part of those arrearages in a special agreement to be paid off over an extended period. Although the deferred payment arrangements vary, all utilities provide for enrollment in supplemental payment plans. For example, BGE requires that all USPP participants enroll in a Budget Billing Plan. Columbia Gas allows USPP customers to make 12-, 24-, and 36-month-long equal monthly payments of existing arrearages according to their USPP customers' incomes. Placing outstanding arrearages in special agreements allows customers to enroll in USPP and 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 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.

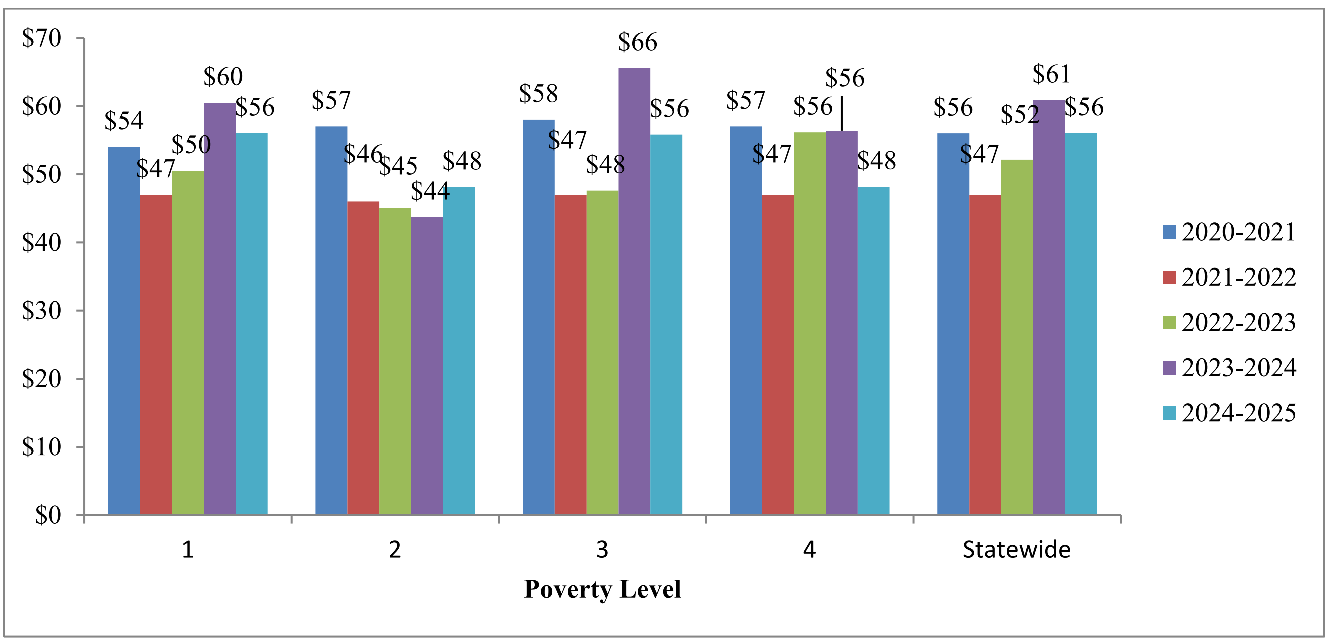
Table 5 Percentage of USPP Customers making Supplemental Payments, the Average Dollar Amount of those Payments, and the Average Arrearage Requiring Payments by Poverty Level

Utility	Percentage of USPP Customers Making Supplemental Payments						Average Monthly Amount of Supplemental Payments ($)						Average Supplemental Arrearage ($)					
	Poverty Level						Poverty Level						Poverty Level					
	1	2	3	4	5	Overall	1	2	3	4	5	Overall	1	2	3	4	5	Overall
Baltimore Gas & Electric	13%	12%	13%	14%	11%	**12%**	104	109	102	105	95	**101**	1271	1344	1250	1253	1162	**1280**
Chesapeake Utilities - Maryland Division	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Columbia Gas of Maryland, Inc.	59%	58%	31%	28%	32%	**36%**	14	17	19	24	22	**14**	339	295	277	407	293	**230**
Delmarva Power & Light	20%	20%	24%	26%	34%	**25%**	76	71	84	85	75	**74**	1196	1009	1215	1019	1164	**1347**
Easton Utilities	0%	33%	20%	33%	0%	**25%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Elkton Gas	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Hagerstown	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Mayor & Council of Berlin	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Potomac Electric Power Company	24%	21%	22%	29%	35%	**25%**	86	70	66	79	79	**71**	1152	1220	1013	1022	1170	**1071**
Southern Maryland Electric Cooperative	37%	34%	24%	26%	29%	**28%**	75	82	64	71	74	**73**	501	693	478	533	516	**544**
The Potomac Edison Company	6%	5%	4%	2%	21%	**4%**	156	81	171	67	351	**165**	507	383	211	475	717	**459**
Thurmont	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
UGI Utilities	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
Washington Gas Light Company	4%	2%	2%	2%	1%	**2%**	49	51	53	51	52	**51**	455	440	463	474	516	**477**
Williamsport	0%	0%	0%	0%	0%	**0%**	0	0	0	0	0	**0**	0	0	0	0	0	**0**
TOTALS	19%	18%	18%	19%	20%	**18%**	**56**	**48**	**56**	**48**	**75**	**56**	**542**	**538**	**491**	**518**	**554**	**597**

The number of customers who were participants in USPP and made supplemental payments in the 2024-2025 heating season was 4,507. This is compared to 4,128 customers during the 2023-2024 heating season, 2,236 customers between 2022-2023, 1,486 customers between 2021-2022, and 3,139 customers between 2020-2021 and 1,769 customers between 2019-2020. The percentage of USPP participants making supplemental payments was approximately 18% of total USPP participants, which was an increase from 11% in 2023-2024, 8% in 2022-2023, 8% in 2021-2022, and 11% required in 2020-2021.

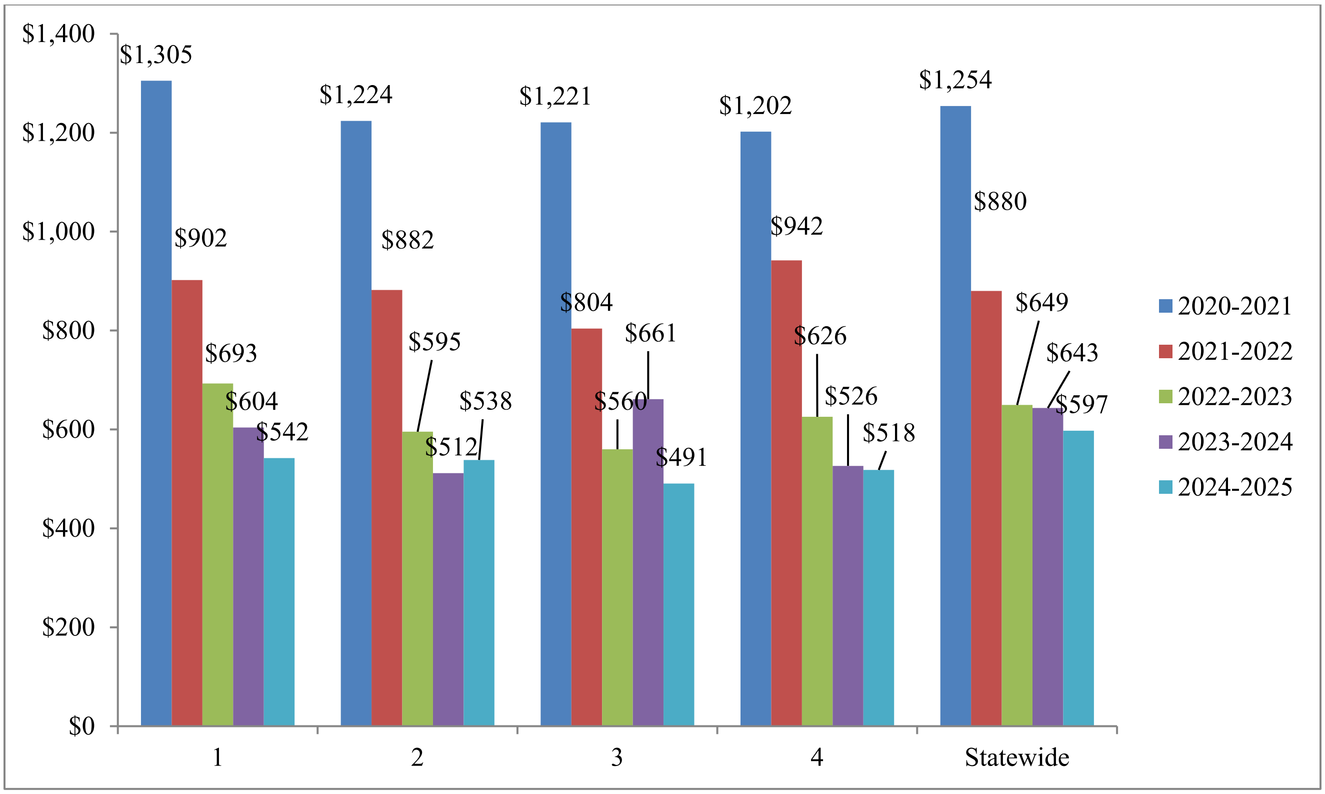
A comparison by poverty level for the recent five heating seasons reveals that the average monthly supplemental payments have fluctuated since the 2020-2021 heating season. The current average monthly supplemental payment amount in 2024-2025 was $56. The supplemental payment comparison by poverty level for five consecutive heating seasons is shown in Figure 6.

Figure 6 Average Monthly Supplemental Payment by USPP Participants by Poverty Level for 2020-2025



The last section of *Table 5* is the average supplemental arrearage balance by poverty level and by utility. The 2024-2025 statewide average supplemental arrearage balance for USPP participants was $597, a decrease from $643 in 2023-2024, and $649 in 2022-2023, which continues the descent from a high of $1,254 in 2020-2021. This trend is illustrated by *Figure 7.*

Figure 7 Average Supplemental Arrearage Balance by Poverty Level for 2020 – 2025



The level of arrears balances in Figure 7 above have been higher than pre-pandemic values. High arrearage balances seen during 2020 were due to the effects of the pandemic. Unpaid bills were deferred into the supplemental arrearages which were larger than the pre-pandemic heating season's arrearages. The current season's average supplemental arrearage balance is about 160% larger than the arrearage balance of $373 in 2019.

EQUAL PAYMENT PLAN ARREARAGES AND PROGRAM COMPLIANCE

USPP's equal monthly payment plans are different from supplemental, or alternative arrearage plans discussed in the section above, which are detailed by COMAR 20.31.01.08. Equal monthly payment plans are the default arrangement for USPP participants to avoid termination and pay down arrearages, while supplemental, or alternative, payment plans are arranged for those unable to make payments under the default scheme. Under COMAR 20.31.05.06, an equal monthly payment plan based on the estimated cost of average annual utility usage minus annual MEAP benefits payable to the utility shall be used as the basis to determine appropriate payments for participation in the USPP.

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, 2025. 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 winter heating season, though this can vary greatly based on poverty level.

For all data reporting utilities, the percentage of customers in arrears was 51% for USPP participants, 44% for MEAP-certified non-USPP participants, and 18% for non-MEAP-eligible customers as of March 31, 2025. The proportion of USPP participants who were in arrears was about 12 percentage points higher than the 39% observed in the previous heating season.

Table 7 presents the average arrearage balance, which is the average of the unpaid balance due for all of a utility's customers, for USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers making equal payments (instead of supplemental payments.)

Table 6 Percentage of USPP Participants, MEAP-Eligible Customers, and Non-MEAP Customers in Arrears by PL[13]

UTILITY	USPP Participants						MEAP-Eligible Non-Participants						Non-MEAP Customers
	Poverty Level						Poverty Level						
	1	2	3	4	5	Overall	1	2	3	4	5	Overall	
Baltimore Gas & Electric	67%	60%	57%	54%	53%	**57%**	65%	62%	55%	48%	48%	**55%**	**15%**
Chesapeake Utilities – Maryland Division	0%	0%	0%	0%	0%	**0%**	49%	0%	0%	0%	0%	**49%**	**23%**
Chesapeake Utilities – Sandpiper Energy	0%	0%	0%	0%	0%	**0%**	28%	0%	0%	0%	0%	**28%**	**6%**
Columbia Gas of Maryland, Inc.	56%	68%	41%	30%	32%	**40%**	23%	31%	18%	15%	14%	**18%**	**18%**
Delmarva Power & Light	58%	51%	49%	51%	54%	**52%**	60%	54%	54%	49%	52%	**53%**	**23%**
Easton Utilities	0%	33%	40%	0%	100%	**33%**	20%	8%	10%	17%	19%	**14%**	**17%**
Elkton Gas	0%	0%	0%	0%	0%	**0%**	40%	0%	0%	0%	0%	**40%**	**25%**
Hagerstown	0%	0%	0%	0%	0%	**0%**	36%	32%	18%	20%	20%	**21%**	**28%**
Mayor & Council of Berlin	0%	0%	0%	0%	0%	**0%**	15%	100%	83%	0%	0%	**56%**	**6%**
Potomac Electric Power Company	52%	41%	47%	50%	50%	**47%**	57%	55%	47%	51%	56%	**53%**	**25%**
Southern Maryland Electric Cooperative	61%	56%	44%	53%	51%	**51%**	43%	42%	29%	33%	29%	**34%**	**22%**
The Potomac Edison Company	53%	35%	29%	23%	36%	**31%**	57%	51%	36%	30%	43%	**38%**	**15%**
Thurmont	0%	0%	0%	0%	0%	**0%**	36%	0%	0%	0%	0%	**36%**	**21%**
UGI Utilities	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**27%**
Washington Gas Light Company	5%	10%	6%	4%	5%	**6%**	54%	55%	42%	42%	49%	**47%**	**21%**
Williamsport	0%	0%	0%	0%	0%	**0%**	24%	0%	0%	0%	0%	**24%**	**24%**
Statewide	58%	52%	48%	49%	50%	**51%**	52%	50%	40%	39%	46%	**44%**	**18%**

[13] A USPP customer is considered in arrears if some monthly billing is past due on March 31, 2025.

Table 7 Arrearage Balance for USPP Participants, MEAP-Certified Non-USPP Participants, and Non-MEAP Customers in Arrears by Poverty Level[14]

UTILITY	USPP Participants						MEAP-Eligible Non-Participants						Non-MEAP Customers
	Poverty Level						Poverty Level						
	1	2	3	4	5	Overall	1	2	3	4	5	Overall	
Baltimore Gas & Electric	$ 825	$ 910	$ 857	$ 868	$ 766	**$ 832**	$ 1,106	$ 875	$ 756	$ 605	$ 1,087	**$ 902**	**$ 550**
Chesapeake Utilities – Maryland Division	$ -	$ -	$ -	$ -	$ -	$ -	$ 14	$ -	$ -	$ -	$ -	**$ 14**	**$ 324**
Chesapeake Utilities – Sandpiper Energy	$ -	$ -	$ -	$ -	$ -	$ -	$ 559	$ -	$ -	$ -	$ -	**$ 559**	**$ 380**
Columbia Gas of Maryland, Inc.	$ 519	$ 429	$ 275	$ 302	$ 251	**$ 254**	$ 448	$ 529	$ 426	$ 458	$ 438	**$ 328**	**$ 305**
Delmarva Power & Light	$ 1,368	$ 1,299	$ 1,134	$ 1,251	$ 1,149	**$ 1,342**	$ 1,215	$ 1,480	$ 1,132	$ 1,074	$ 1,253	**$ 1,328**	**$ 668**
Easton Utilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Elkton Gas	$ -	$ -	$ -	$ -	$ -	$ -	$ 242	$ -	$ -	$ -	$ -	**$ 242**	**$ 277**
Hagerstown	$ -	$ -	$ -	$ -	$ -	$ -	$ 465	$ 423	$ 438	$ 379	$ 589	**$ 404**	**$ 330**
Mayor & Council of Berlin	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Potomac Electric Power Company	$ 1,325	$ 1,225	$ 1,208	$ 983	$ 987	**$ 1,526**	$ 1,159	$ 1,063	$ 1,008	$ 1,024	$ 1,142	**$ 1,108**	**$ 581**
Southern Maryland Electric Cooperative	$ 907	$ 934	$ 651	$ 832	$ 788	**$ 822**	$ 214	$ 217	$ 198	$ 210	$ 195	**$ 207**	**$ 458**
The Potomac Edison Company	$ 479	$ 437	$ 509	$ 514	$ 516	**$ 491**	$ 574	$ 577	$ 409	$ 493	$ 533	**$ 517**	**$ 307**
Thurmont	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
UGI Utilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Washington Gas Light Company	$ 890	$ 226	$ 231	$ 360	$ 160	**$ 342**	$ 633	$ 520	$ 481	$ 536	$ 547	**$ 648**	**$ 375**
Williamsport	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Statewide	$ 631	$ 546	$ 486	$ 511	$ 462	**$ 615**	$ 603	$ 710	$ 606	$ 597	$ 723	**$ 682**	**$ 414**

[14] Does not include analysis for PL6 and PL7.

The current heating season shows an increasing trend in arrears. Currently, the average USPP participant arrearage is $615, the non-USPP MEAP arrears average $682, and non-MEAP customers average $414. Although arrearage levels fluctuate, they remain elevated when compared to their pre-pandemic levels and are trending upward.

Figure 8 illustrates the trend in average arrearage balance borne by low-income USPP customers.

Figure 8 Average USPP Arrearage Balance by Poverty Level for Three Consecutive Heating Seasons for Customers making Equal Payments

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 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 2024-2025 heating season. CUC-Maryland, CUC-Sandpiper, and Elkton did not report any USPP participants.

Table 8 presents the percentage of USPP participants who complied with the payment provisions of the program for the 2024-2025 heating season and compares those rates to the previous season's results.

The statewide compliance percentage of approximately 98% shown in *Table 8* is similar to the proportion of customers who complied with the USPP payment provisions in 2023-2024, 2022-2023, as well as the 2021-2022 season where it was also 98%. It is an improvement from the 94% compliance rate in 2020-2021.

Among major utilities, BGE, Columbia, and SMECO reported 100% compliance rates. Lower compliance rates were reported by Pepco, WGL, Delmarva, and PE. Municipal utilities, Berlin, and Easton Utilities reported a compliance rate of 100% and 83%, respectively. The compliance rates by all poverty levels in 2023-2024 are shown in the last row of Table 8.[15]

[15] 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[16]

UTILITY	Compliance 2024-2025						Compliance 2023-2024					
	Poverty Level					Overall	Poverty Level					Overall
	1	2	3	4	5		1	2	3	4	5	
Baltimore Gas & Electric	100%	100%	100%	100%	100%	**100%**	100%	100%	100%	100%	100%	**100%**
Chesapeake Utilities - Maryland 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**
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**
Columbia Gas of Maryland, Inc.	100%	100%	100%	100%	100%	**100%**	100%	100%	100%	100%	100%	**100%**
Delmarva Power & Light	80%	84%	82%	81%	81%	**81%**	93%	94%	95%	94%	92%	**94%**
Easton Utilities	0%	67%	100%	67%	100%	**83%**	50%	94%	89%	60%	100%	**84%**
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**
Hagerstown	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 & Council of Berlin	100%	100%	100%	100%	0%	**100%**	100%	100%	100%	0%	0%	**100%**
Potomac Electric Power Company	92%	93%	91%	89%	87%	**91%**	91%	93%	90%	88%	86%	**91%**
Southern Maryland Electric Cooperative	100%	100%	100%	100%	100%	**100%**	100%	100%	100%	100%	0%	**100%**
The Potomac Edison Company	92%	81%	86%	83%	100%	**85%**	94%	91%	95%	88%	0%	**93%**
Thurmont	N/A	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	N/A	**N/A**
UGI Utilities	N/A	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	N/A	**N/A**
Washington Gas Light Company	87%	88%	89%	89%	85%	**88%**	100%	100%	100%	100%	100%	**100%**
Williamsport	N/A	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	N/A	**N/A**
TOTALS	**92%**	**93%**	**93%**	**93%**	**94%**	**93%**	**98%**	**98%**	**98%**	**97%**	**100%**	**98%**

[16] BGE and Columbia Gas do not remove customers from USPP for failure to pay the amount due on two consecutive monthly bills. N/A indicates that a company did not participate in USPP or reported 0% so the calculation for this table resulted in not applicable.

TERMINATIONS

The primary purpose of the USPP is to minimize service terminations of low-income customers during the cold winter season. The number of USPP participants' services terminated this season was 920, a sizable decrease of 365 from 1,285 the previous year. This season's statewide USPP termination rate was approximately 3.7%, comparable to recent heating seasons. The increase in termination rate was driven by a larger decrease in USPP participants, 31% compared with the 28% decrease in terminations.

Table 9 summarizes the number of USPP participants and USPP terminations shown in *Figure 9* below for 14 winter seasons from 2010-2011 to 2024-2025.

Table 9 USPP Participation and Service Termination

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	3.55%
2017-2018	34,443	1,592	4.62%
2018-2019	28,465	1,913	6.72%
2019-2020	23,647	1,442	6.10%
2020-2021	16,635	86	0.52%
2021-2022	18,072	959	5.31%
2022-2023	26,561	1,249	4.70%
2023-2024	36,410	1,285	3.53%
2024-2025	24,977	920	3.68%

The number of USPP participants trends downward, while the number of USPP terminations fluctuates greatly but trends down from a peak in 2013-2014. The lowest termination rate, 0.52% during the 2020-2021 season, is an outlier due to the COVID-19 pandemic termination moratorium.

Figure 9 USPP Termination Rate by Heating Season

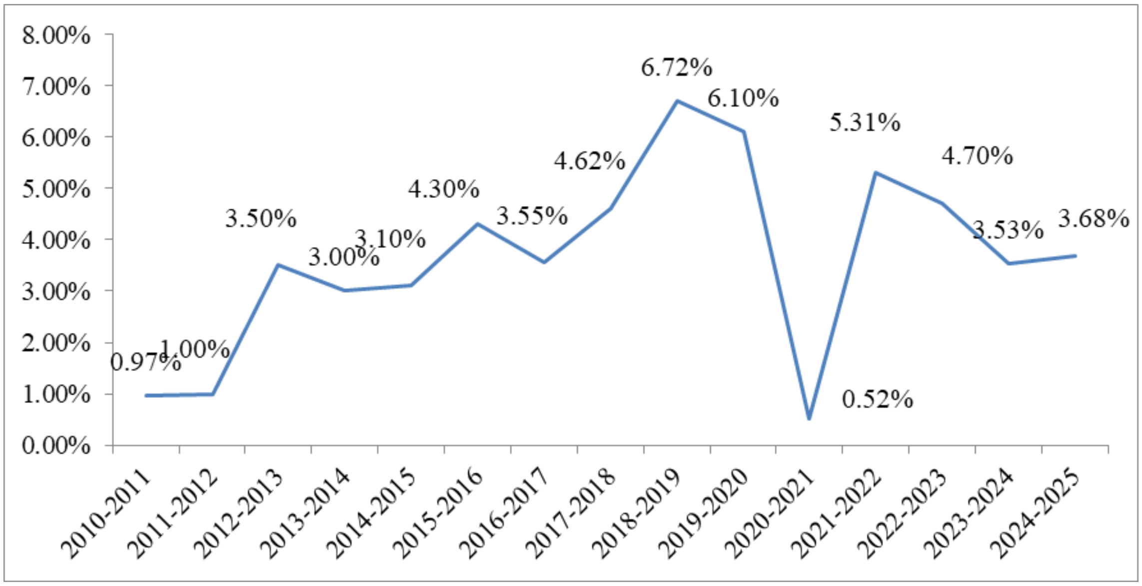


Table 10 reports the terminations for each of the utilities during the 2024-2025 heating season.

Table 10 2024-2025 USPP Termination by Utility

UTILITY	USPP Participants	Termination	Termination Rate	Change in Terminations from Previous Heating Season
Baltimore Gas & Electric	11,657	874	7.5%	-21.3%
Chesapeake Utilities - Maryland Division	-	-	0.0%	0.0%
Chesapeake Utilities - Sandpiper Energy	-	-	0.0%	0.0%
Columbia Gas of Maryland	641	-	0.0%	0.0%
Delmarva Power & Light	6,443	31	0.5%	-77.7%
Easton Utilities	12	-	0.0%	-100.0%
Elkton Gas	-	-	0.0%	0.0%
Hagerstown	-	-	0.0%	0.0%
Mayor & Council of Berlin	139	-	0.0%	0.0%
Potomac Electric Power Company	2,599	9	0.3%	-70.0%
Southern Maryland Electric Power Cooperative	1,959	-	0.0%	0.0%
The Potomac Edison Company	488	6	1.2%	50.0%
Thurmont	-	-	0.0%	0.0%
UGI Utilities, Inc.	-	-	0.0%	0.0%
Washington Gas Light Company	1,039	-	0.0%	0.0%
Williamsport	-	-	0.0%	0.0%
Statewide Total	**24,977**	**920**	**3.7%**	**-28.4%**

Although there were a total of 920 terminations, only four utilities terminated customers with the majority of terminations occurring in the BGE service territory. BGE serves the largest number of residential customers in the state and its terminations accounted for the largest total amount at 95% of all terminations across the state. This is an increase from last year when BGE accounted for 86% of all statewide terminations. As in the previous heating seasons, some utilities observed no-termination policies, primarily the municipal utilities.

Figure 10 illustrates the three heating seasons' terminations mentioned above by poverty level. While the highest amounts of terminations were concentrated in the Level 1 customers, this season has seen a shift toward Level 3 and Level 4 customers being terminated.

Figure 10 Service Terminations by Poverty Level for the Recent Three Heating Seasons

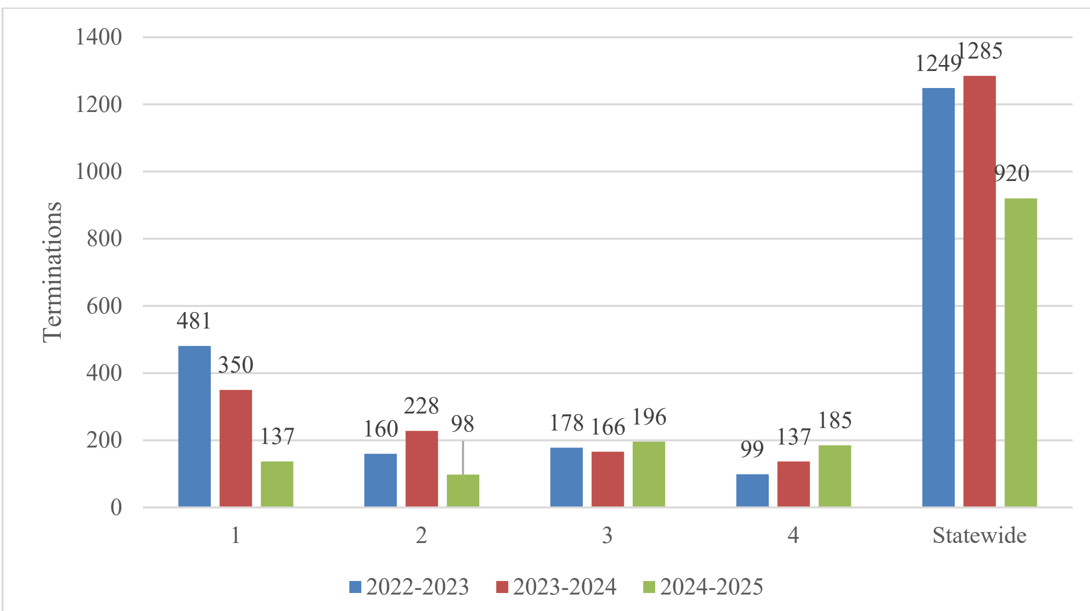


Table 11 presents the number of USPP participants, MEAP-certified non-USPP participants, and non-MEAP customers whose services were terminated during the winter heating season.

Table 11 Number of Winter Heating Season Terminations[17]

UTILITY	USPP Participants						MEAP-Certified Non-USPP Participants						Non-MEAP Customers
	Poverty Level						Poverty Level						
	1	2	3	4	5	Overall	1	2	3	4	5	Overall	
Baltimore Gas & Electric	129	92	187	176	81	**874**	6	2	4	5	3	21	**9,674**
Chesapeake Utilities - Maryland Division	-	-	-	-	-	-	-	-	-	-	-	-	-
Chesapeake Utilities - Sandpiper Energy	-	-	-	-	-	-	-	-	-	-	-	-	-
Columbia Gas of Maryland, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	**103**
Delmarva Power & Light	6	3	4	7	8	**31**	14	4	11	10	7	56	**380**
Easton Utilities	-	-	-	-	-	-	1	2	-	2	-	5	**21**
Elkton Gas	-	-	-	-	-	-	-	-	-	-	-	-	-
Hagerstown	-	-	-	-	-	-	-	-	-	-	-	-	-
Mayor & Council of Berlin	-	-	-	-		-	-	-	-	-	-	-	-
Potomac Electric Power Company	1	1	3	1	3	**9**	19	4	10	12	5	60	**1,581**
Southern Maryland Electric Cooperative	-	-	-	-	-	-	-	-	-	-	-	-	**912**
The Potomac Edison Company	1	2	2	1	-	**6**	2	2	1	3	-	8	**91**
Thurmont	-	-	-	-	-	-	-	-	-	-	-	-	-
UGI Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Washington Gas Light Company	-	-	-	-	-	-	-	-	-	-	-	-	-
Williamsport	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTALS	**137**	**98**	**196**	**185**	**92**	**920**	**42**	**14**	**26**	**32**	**15**	**150**	**12,762**

HIGH ENERGY CONSUMPTION

Table 12 presents the percentage of USPP participants who consumed more than 135% of their utility system's average usage. Data in this table shows the proportions of USPP customers who consume higher-than-average levels of energy by poverty level. Due to this increased consumption, these customers will have higher-than-average heating bills. These higher bills may tend to generate greater arrearages, thereby creating a higher risk of defaulting on payment plans and a greater risk of termination. The energy usage data was not provided by all utilities. Utilities do not need to provide the data if they have fewer than 5,000 customers.

[17] Note: Columbia Gas and WGL each have a no-termination policy during the heating season.

Table 12 Percentage of USPP Participants who consumed more than 135% of System Average Energy during the Most Recent Heating Season[18]

UTILITY	Poverty Level					Overall
	1	2	3	4	5	
Baltimore Gas & Electric	53%	54%	56%	56%	56%	**55%**
Chesapeake Utilities - Maryland Division	0%	0%	0%	0%	0%	**0%**
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	**0%**
Columbia Gas of Maryland, Inc.	0%	0%	0%	0%	0%	**0%**
Delmarva Power & Light	20%	20%	21%	24%	25%	**22%**
Easton Utilities	0%	0%	0%	0%	0%	**0%**
Elkton Gas	0%	0%	0%	0%	0%	**0%**
Hagerstown	0%	0%	0%	0%	0%	**0%**
Mayor & Council of Berlin	0%	0%	0%	0%	0%	**0%**
Potomac Electric Power Company	21%	19%	21%	27%	28%	**23%**
Southern Maryland Electric Cooperative	36%	35%	32%	37%	41%	**36%**
The Potomac Edison Company	58%	47%	29%	34%	7%	**36%**
Thurmont	0%	0%	0%	0%	0%	**0%**
UGI Utilities	0%	0%	0%	0%	0%	**0%**
Washington Gas Light Company	40%	45%	50%	45%	67%	**49%**
Williamsport	0%	0%	0%	0%	0%	**0%**
Statewide	**36%**	**34%**	**37%**	**40%**	**43%**	**39%**

For the 2024-2025 heating season, six utilities reported data. Approximately 39% of USPP participants across reporting utilities consumed more than 135% of the utilities' system average usage, which was much lower than the 59% observed last season, and lower than the 53% observed in both 2022-2023 and 2021-2022. However, only 25% of USPP households displayed high usage during the 2020-2021 heating season.

[18] Excludes analysis for PL6 and PL7.

PRIMARY HEAT SOURCE

Table 13 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 2024-2025 heating season, 62% of USPP customers, 67% of MEAP-certified non-USPP participants, and 52% 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 was within range of the 61% and 63% seen in the previous heating seasons.

The data applicable to the primary heating source varies across utilities. Out of the applicable respondents, the percentage of USPP customers whose primary heating source was provided by the reporting utilities ranged from a low of 51% in the case of Pepco (electric heating) to 100% for Columbia and WGL (gas heating), as previously reported. BGE reported 77% of USPP customers using BGE as the primary heating source for the 2024-2025 heating season, which combined its electric and gas services.

Table 13 Percentage of Participants, MEAP-Certified Non-USPP Participants, and Non-MEAP Customers whose Primary Heat Source is Provided by the Utility by Poverty Level[19]

UTILITY	USPP Participants						MEAP-Certified Non-USPP Participants						Non-MEAP Customers
	Poverty Level						Poverty Level						
	1	2	3	4	5	Overall	1	2	3	4	5	Overall	
Baltimore Gas & Electric	72%	73%	77%	79%	79%	**77%**	72%	100%	91%	100%	100%	**88%**	**49%**
Chesapeake Utilities - Maryland Division	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Chesapeake Utilities - Sandpiper Energy	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Columbia Gas of Maryland, Inc.	100%	100%	100%	100%	100%	**100%**	98%	99%	99%	99%	99%	**99%**	**96%**
Delmarva Power & Light	42%	52%	52%	50%	45%	**49%**	50%	54%	53%	50%	46%	**50%**	**47%**
Easton Utilities	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Elkton Gas	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Hagerstown	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Mayor & Council of Berlin	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Potomac Electric Power Company	45%	62%	54%	46%	42%	**51%**	62%	65%	69%	66%	66%	**67%**	**41%**
Southern Maryland Electric Cooperative	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
The Potomac Edison Company	91%	102%	82%	75%	79%	**83%**	84%	88%	87%	86%	89%	**86%**	**52%**
Thurmont	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
UGI Utilities, Inc.	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
Washington Gas Light Company	100%	100%	100%	100%	100%	**100%**	100%	100%	100%	100%	100%	**100%**	**100%**
Williamsport	0%	0%	0%	0%	0%	**0%**	0%	0%	0%	0%	0%	**0%**	**0%**
TOTALS	55%	61%	62%	63%	62%	**62%**	60%	65%	66%	67%	75%	**67%**	**52%**

19 Excludes analysis for PL6 and PL7.

MEAP GRANTS

Table 14 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' arrearages and unpaid balances so they may enroll in USPP and be eligible for an alternate payment plan. OHEP's benefit calculation methodology provides larger MEAP grants at poverty levels reflecting lower incomes. Table 12 excluded analysis for PL5, PL6 and PL7.

The data indicates that the overall average benefit was $249 in the 2024-2025 heating season, $502 in the 2023-2024 heating season, $566 in the 2022-2023 heating season, $650 in the 2021-2022 heating season, $432 in the 2020-2021 heating season, and $513 in 2019-2020 heating season. The fluctuation in benefit over the past five heating seasons shows a minimum MEAP grant during the pandemic, which rose sharply immediately after but has steadily declined since to approximately pre-pandemic levels. In its report on the Status of Implementation of Categorical Eligibility on January 15, 2025, the Maryland Department of Human Services disclosed that the increase in enrollments was being met with a corresponding decrease in MEAP benefits to ensure that all eligible households would receive assistance.[20]

As in previous heating seasons, the MEAP benefit amounts awarded to customers has decreased for increasingly higher incomes. In this report, customers in Poverty Level 1 received the highest MEAP benefit at approximately $293. Regarding utility-specific differences, Delmarva and Pepco customers both received the largest average grants at $686. This is a marked deviation from the previous 2023-2024 season in which Columbia, WGL, and BGE customers received the largest average grants.

[20] https://dlslibrary.state.md.us/publications/JCR/2024/2024_156-157_2024(rev).pdf at 4.

Table 14 Average Maryland Energy Assistance Program Grant for USPP Participants by Poverty Level for the Last Two Heating Seasons[21]

UTILITY	Average 2024-2025 Grants ($)					Average 2023-2024 Grants ($)				
	Poverty Level					Poverty Level				
	1	2	3	4	Overall	1	2	3	4	Overall
Baltimore Gas & Electric	$322	$422	$255	$194	**$223**	$855	$833	$794	$729	**$729**
Chesapeake Utilities - Cambridge Gas (Maryland)	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	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**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**
Columbia Gas of Maryland, Inc.	$259	$216	$180	$174	**$139**	$996	$1,013	$1,054	$1,057	**$1,049**
Delmarva Power & Light	$898	$567	$654	$733	**$686**	$509	$441	$479	$482	**$498**
Easton Utilities	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**
Hagerstown	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Mayor & 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	$898	$567	$654	$733	**$686**	$473	$394	$464	$497	**$456**
Southern Maryland Electric Cooperative	$106	$104	$104	$105	**$104**	$700	$602	$674	$648	**$656**
The Potomac Edison Company	$112	$102	$105	$104	**$103**	$417	$356	$420	$420	**$403**
UGI Utilities	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Washington Gas Light Company	$332	$321	$233	$246	**$254**	$1,011	$737	$950	$1,027	**$941**
TOTALS	**$293**	**$230**	**$219**	**$229**	**$249**	**$496**	**$438**	**$484**	**$486**	**$502**

[21] N/A indicates that a company did not participate in USPP. 0% indicates that the company reported 0% enrollment for USPP data so the calculation for this table resulted in 0% participation.

CONCLUSION

The 2024–2025 winter heating season marked a continued decline in participation in the USPP, reaching only 24,977 enrollments, a 31% decrease from the previous year. Although USPP participation increased between 2020 and 2024 due to pandemic-related factors, such as unemployment and lifted termination prohibitions, the long-term trend has been downward. Despite the decline in enrollments, average arrearages returned to 2021 levels.

USPP enrollments continue to account for about 1% of total customers, though the repeat enrollment rate is now rising sharply. Finally, it should be noted that although statewide utility terminations fell by 28%, financial strain and decreasing energy assistance grants may affect future participants' ability to avoid disconnections.

APPENDIX A1: Utilities Reporting Basic Information in 2024-2025 Heating Season

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

<u>APPENDIX A2</u><u>: 2024-2025 Data Request</u>

TO ALL GAS AND ELECTRIC UTILITIES PARTICIPATING IN THE UTILITY SERVICE PROTECTION PROGRAM ("USPP")

Pursuant to Section 20.31.05.09 of the Code of Maryland Regulations ("COMAR") entitled *Utility Data Collection,* utilities participating in the USPP are required to compile and maintain certain data, as specified by the Public Service Commission of Maryland ("Commission"), to be filed with the Commission annually. This data is to be collected for the heating season ending March 31, 2025. The data requested below should be provided to the Commission Staff no later than June 14, 2024. This data is required to enable the Commission to fulfill its statutory annual reporting requirement under Section 7-307(c) of the Public Utilities Article, *Maryland Annotated Code*.

The information requested by the Commission is listed below. The requested data pertains to the November 1, 2024 through March 31, 2025 billing months. Where data is requested by poverty level, the reported data should be segmented according to the four comparable poverty levels used by the Department of Human Resources to establish income eligibility for grants from the Maryland Energy Assistance Program ("MEAP"), consistent with COMAR 20.31.05.05.

For the period at issue, the poverty levels were as follows:

Poverty Level 1	0-75%
Poverty Level 2	76-110%
Poverty Level 3	111-150%
Poverty Level 4	151-175%
Poverty Level 5	Subsidized Housing
Poverty Level 6	MEAP Subsidized Housing Submetered Dwellings (SNAP Recipients)
Other	Please specify if over 175% FPL

Please report the data accordingly.

Pursuant to COMAR 20.31.01.08, an alternate payment (referred to by some utilities as a supplemental payment) is defined as a payment made pursuant to a payment plan provided by the utility to the customer to avoid termination of service and to retire all outstanding charges to the utility. The responding utility should report all reasonable alternate/supplemental payment plans that were negotiated in good faith with low-income customers who were unable to pay the charges for service.

To the extent possible, where indicated, please respond to those data request questions which have been broken down as follows: **"as of March 31, 2025"** (to provide a snapshot of the data at a point in time); and **"for the period November 1, 2024 through March 31, 2025"** (to provide cumulative data during the period of analysis).

Municipally-owned utilities and gas or electric utilities with fewer than 5,000 residential customers shall report only the information requested in Section E below.

A. ***With regard to USPP participants, PLEASE PROVIDE THE FOLLOWING INFORMATION BY POVERTY LEVEL:***

1. The total number of customers who enrolled in the USPP program prior to the end of the March 2025 billing cycle. (This number should include any customers who successfully enrolled in USPP even if the customer was later dropped from or otherwise left the program during 2024-2025 winter heating season.)
2. The number of USPP customers included in No. 1 above who were also USPP participants during the previous (**2023-2024**) heating season.
3. The number of USPP customers whose primary heating source is the electric or gas service provided by the responding utility.
4. The number of USPP customers making monthly supplemental payments pursuant to COMAR 20.31.01.08:
   a) as of the end of the March 2025 billing cycle and please specify the end date of the March 2025 billing cycle;
5. The average dollar amount of the monthly supplemental payments for response A4:
   a) as of the end of the March 2025 billing cycle; and
   b) Please explain how the amounts in part a) are calculated.
6. The average dollar amount of the arrearage on which the response for A4 is based:
   a) as of the end of the March 2025 billing cycle; and
   b) Please explain how the amounts in part a) are calculated.
7. The number of USPP customers in arrears on monthly USPP equal monthly payments:
   a) as of the end of the March 2025 billing cycle;
8. The average dollar amount of the arrearage in the response for A7 (this amount should not include any supplemental payments owed by customers):
   a) as of the end of the March 2025 billing cycle;
9. The average monthly payment obligation, <u>excluding</u> alternate/supplemental payments calculated pursuant to COMAR 20.31.05.06.B. (or recalculated pursuant to COMAR 20.31.05.06.D) and in effect as of the March 2025 billing cycle.
10. The average Maryland Energy Assistance Program grant payable to the utility at the time of enrollment.
11. The number of customers who were dropped from the USPP during the billing months of November 2024 through March 2025 for failing to pay the amount due on two consecutive monthly bills. This number should include customers who were taken off USPP for non-compliance even if they were subsequently reinstated in the program.

12. The number of customers whose utility service was actually terminated during the billing months of November 2024 through March 2025.
13. The number of customers who consumed more than 135% of the system average for November 2024 through March 2025 (monthly or aggregate figures). Report sample size if sample data are used. (This question need not be answered by utilities providing an alternative prioritized customer list to the Weatherization Assistance Program ["WAP"]. If this is the case, please state in your response that such a list is being provided to the WAP.)
14. The average monthly cost of actual usage by participants for the five billing months of November 2024 through March 2025. (Report sample size if sample data are used). Please provide a sample calculation for USPP participants by poverty level indicating average monthly cost of actual usage during the heating season from November 2024 through March 2025.

B. ***With regard to MEAP-certified customers who did not participate in the USPP, PLEASE PROVIDE THE FOLLOWING DATA BY POVERTY LEVEL.***

1. The number of customers:
   a) as of the end of the March 2025 billing cycle;
2. The number of customers whose primary heat source is the electric or gas service provided by the responding utility.
3. The number of customers who are in arrears (this should not include any supplemental payments owed by customers):
   a) as of the end of the March 2025 billing cycle;
4. The average dollar amount of the arrearage referred to in the response to B3:
   a) as of the end of the March 2025 billing cycle;
5. The number of customers whose utility service was actually terminated during the five billing months of November 2024 through March 2025.
6. The average monthly cost of actual usage for the five billing months of November 2024 through March 2025.

C. ***With regard to non-MEAP certified residential customers, please provide the following data:***

1. The number of customers:
   a) as of the end of the March 2025 billing cycle;
2. The number of customers whose primary heat source is the electric or gas service provided by the responding utility.
3. The number of customers who are in arrears (this should not include any supplemental payments owed by customers):
   a) as of the end of the March 2025 billing cycle;
4. The average dollar value of the arrearages in the response for C3:
   a) as of the end of the March 2025 billing cycle.

5. The number of customers whose utility service was actually terminated during the five billing months of November 2024 through March 2025.

D. ***With regard to all USPP- eligible customers, please answer the following:***

1. a) Please provide a description of each of the utility's supplemental/alternate payment plans offered to or arranged with a USPP customer to address any arrearages.

   b) Please indicate whether your company offers any form of budget billing plan to your customers. If so, please explain how the budget billing plan is calculated/determined on a monthly basis and whether the budget plan is the same or different from USPP supplemental/alternate payment plans. If different, please explain.

   c) Please provide an example of an USPP participant for each of the following: (i) supplemental payment; (ii) arrearage payments; (iii) even monthly payment arrangements; and (iv) other monthly obligation payment, as they are related to A5, A6, A7, A8, and A9.

2. Please describe how each plan listed above operates, including whether a customer must request the plan or whether a customer is automatically enrolled in the supplemental /alternate payment plan.

3. Please state whether the company has added, modified, or deleted any of the types of supplemental/alternate payment plans offered or arranged during the last reporting period. If yes, please specify what has been added, modified, or deleted.

4. Please provide your comments on the 2024-2025 winter USPP program and suggestions for future USPP program improvements or changes.

E. ***Municipal utilities and gas or electric utilities with fewer than 5,000 residential customers are requested to provide the following information as specified in Sections A, B, C, and D above. (Responses to any additional items are at the utility's discretion.)***

Section A - Items 1, 4, 7, 11, 12
Section B - Items 1, 3, 5.
Section C - Items 1, 3, 5.
Section D - Items 1, 2.