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June 10, 2013

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord NH 03301



RE: Electric Assistance Program Fund

Dear Ms. Howland:

As a result of a decline in the Electric Assistance Program (EAP) enrollment levels between June 2012 and December 2012, there is an accumulated balance in the EAP fund held by the State Treasurer's Office. As of the end of April 2013, the balance was \$2.46M. The EAP Advisory Board has considered the Commission's obligations under 369-B:3, IV, (b), (6)¹ and 374-F:4, VIII, (c)² and the needs of EAP program participants. The Advisory Board respectfully requests the Commission conduct a proceeding to undertake an expedited review of the proposed revision to the EAP design which would allow for the timely delivery of more meaningful benefits to the program's participants.

On March 4, 2011, the Commission issued Order 25,200 in DE 10-192, approving EAP design changes recommended by the EAP Advisory Board in December 2010. Those changes included the phase out and elimination of one discount tier, that providing a discount to customers with income levels between 175% and 185% of the federal poverty guidelines, and the introduction of a cap on the usage to which the EAP discount would apply. In its recommendations, the Advisory Board recognized that the implementation of a 700 kWh cap could adversely impact households with higher usage driven by medical needs. However, the Board weighed that adverse impact against the

¹ 369-B:3, IV,(b),(6) The total system benefits charge shall be no greater than \$0.003 per kilowatt-hour for 33 months from competition day divided between low-income assistance and energy assistance and energy efficiency/conservation programs. In the event that the commission finds that a significant amount of unencumbered dollars have accumulated in either program, and are not needed for program purposes, the commission shall refund such unencumbered dollars to ratepayers in a timely manner.

² 374-F:4, VIII, (c) The portion of the systems benefits charge due to programs for low-income customers shall not exceed 1.5 mils per kilowatt hour. If the commission determines that the low-income program fund has accumulated an excess of \$1,000,000 and that the excess is not likely to be substantially reduced over the next 12 months, it shall suspend collection of some or all of this portion of the system benefits charge for a period of time it deems reasonable

conservation incentive created by the implementation of a usage cap and the need to maximize the efficient use of limited funds for the program and recommended the Commission implement a cap whereby the EAP discount would only apply to the first 700 kWh of the electric bill.

The EAP Advisory Board has reviewed the current program design and recommends the Commission increase the kWh cap from 700 kWh to 750 kWh. This increase will provide additional assistance to those households with higher usage resulting from medical needs while still emphasizing the importance of conservation. Based on its review of program enrollment and funding, the Board believes that this increase from 700 kWh to 750 kWh is sustainable going forward. The Board further recommends that the Commission increase the program discount percentages by 10% for the next two years. While the increase in the discounts would be temporary, it would provide EAP participants with a more meaningful benefit at a time when many NH households continue to struggle with higher heating oil prices and higher unemployment rates. The proposed increase would result in temporary EAP discount levels as presented in the table below.

Proposed Temporary Change to EAP Discount Levels					
Household Poverty Level	<= 75%	75% - 100%	101% - 125%	126% - 150%	151% - 175%
EAP Discount Tier	6	5	4	3	2
Current Discount Level	70%	48%	33%	18%	7%
Temporary Discount Level Increase of 10%	77%	53%	36%	20%	8%

If both these changes are implemented, the Board's projections indicate that the balance which accumulated in the EAP fund between June 2012 and December 2012 would be depleted within two years. Based on current projections, the Advisory Board recommends that, at that time, the discount levels return to what they are today.

The utility members of the EAP Advisory Board have reviewed the recommended program design changes and have not identified any difficulty in implementation. Thirty days would be required to implement the changes, primarily to conduct testing of the changes.

Sincerely,



Amanda O. Noonan
 Director, Consumer Affairs
 On behalf of the EAP Advisory Board