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December 9, 2014

**Via Electronic and US Mail**

Debra A. Howland  
Executive Director  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

**Re: DE 14-337 Statewide Low-Income Electric Assistance Program**

Dear Ms. Howland:

I am writing on behalf of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities ("the Company") regarding the Notice of Opportunity to Comment on the Use of Low-Income SBC Funds to Provide Assistance outside Existing Utility Program. The Company appreciates the opportunity to provide comments and believes that the Commission could implement important changes that would provide significant relief to the Company's electric customers facing hardship during this time of high energy prices. As described in further detail below, the Company recommends that the Commission broaden eligibility for low-income SBC funds, and allow utilities to utilize SBC revenues received from their customers for the benefit of customers in the utility's service area.

**Recommendation 1: The Commission should broaden eligibility for assistance from low-income SBC funds**

The Company recommends that the Commission broaden the criteria for eligibility to receive low-income-dedicated SBC to include not only customers who qualify for the Electric Assistance Program but customers who qualify for any of the social services that the Community Action Agencies provide.

By implementing this change, more of the Company's customers will be eligible to receive financial assistance. The Company recommends adopting this approach so that more customers can be assisted rather than providing a higher level of financial assistance to a much more limited number of customers. Historically, approximately 3% of the Company's customers have qualified for the Electric Assistance Program. The Company is concerned that other low income customers in its service territory will struggle with payment of their electric bills this winter. Those customers could greatly benefit from expanded eligibility for low-income SBC funds.

**Recommendation #2: The Commission should allow all SBC funds collected from the Company's customers to benefit customers in its service territory**

One of the issues facing Granite State Electric customers is that many of the Company's customers do not qualify for EAP, yet they still face financial hardship when faced with paying their

electric bill. Historically, the Company's customers have contributed more to the Electric Assistance Program than they have received in benefits from the Program. During the program year that ended September 30, 2014, the Company's customers paid into EAP \$1,349,396 and received only \$478,718 in EAP funds. This is a common experience, given that in the program year ending September 30, 2013, the Company's customers paid in \$1,395,433 to EAP but received only \$369,780 in benefits. (See Attachment 1 for historical trends in use of SBC low income funds by the Company's customers.)

Because there is such a significant discrepancy between funding and eligibility for financial assistance within the Company's service territory, the Company believes its customers should have more opportunity to receive funding from revenues generated within their own service territory. If the Commission were to adopt expanded eligibility criteria, the Company believes that more of its customers would be able to benefit from funds they themselves generate. The Company recommends that the Commission, in conjunction with expanded eligibility, allow any SBC generated funds for low-income customers to remain within the Company's service territory, especially during the upcoming winter when market prices for electricity will be extremely high.

**Recommendation #3: The Commission should require all funding to be applied only toward the customer's electric bill**

Customers receiving any benefit from the one-time funding of the Electric Assistance Program should only be allowed to apply the funds to reduce their electric bill. The funds should be paid directly to the utility to then be applied to the customer's electric bill.

**Other comments**

The Commission's Order of Notice also raises questions regarding how much of the existing balance of low-income-dedicated funds should be used to temporarily provide assistance to low-income households. The Company does not have a position on this question as it would need additional information such as the amount of the balance of funds, the number of customers on the waiting list, and the number of customers that are receiving other forms of financial assistance that do not qualify for EAP. The Company would be glad to provide its thoughts on these issues if it had further information in hand. Finally, with regard to process, the Company believes that the same process to qualify customers for EAP (e.g. eligibility is determined via the Community Action Agencies) currently should be used in any temporary program in the future.

Thank you for your consideration of the Company's comments.

Sincerely,

A handwritten signature in black ink that reads "Stephen R. Hall". The signature is written in a cursive, flowing style.

Stephen R. Hall

Enclosure

cc: Service List

DE 14-337 Statewide Low-Income Electric Assistance Program  
 Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
 Electric Assistance Program - Monthly Reporting of Activity

For the Period October 2013 through September 2014

<u>Month</u>	<u>SCB Funding</u>	<u>Participation</u>
Oct-13	\$ 102,288.00	\$ 28,545.00
Nov-13	103,100.68	33,964.54
Dec-13	116,666.44	43,895.94
Jan-14	130,035.39	47,318.05
Feb-14	119,465.27	45,673.64
Mar-14	114,424.13	44,192.79
Apr-14	111,406.86	42,212.14
May-14	111,407.06	42,499.37
Jun-14	107,816.63	35,521.07
Jul-14	111,386.02	35,137.86
Aug-14	104,970.56	39,055.53
Sep-14	<u>116,429.11</u>	<u>40,701.94</u>
Total	\$ 1,349,396.15	\$ 478,717.87

For the Period October 2012 through September 2013

Oct-12	\$99,206	\$23,927
Nov-12	\$106,770	\$26,090
Dec-12	\$112,040	\$32,439
Jan-13	\$120,834	\$34,662
Feb-13	\$122,086	\$34,734
Mar-13	\$108,071	\$33,770
Apr-13	\$109,045	\$33,031
May-13	\$110,164	\$28,352
Jun-13	\$106,184	\$26,138
Jul-13	\$145,423	\$29,801
Aug-13	\$133,762	\$34,126
Sep-13	<u>\$121,847</u>	<u>\$32,711</u>
Total	\$1,395,433	\$369,780