

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 22-043

STATEWIDE LOW-INCOME ELECTRIC ASSISTANCE PROGRAM

2022–2023 Program Administrative Budgets

Order Approving Budgets

O R D E R N O. 26,693

September 29, 2022

In this order, the Commission approves the administrative budgets for the statewide low-income electric assistance program for the 2022–2023 program year.

I. BACKGROUND

The purpose of this docket is to review the budgets for administering the statewide low-income electric assistance program (EAP) as required by prior orders of the Commission. *See* Order No. 23,980 (May 30, 2002); *see also* Order No. 26,405 (September 18, 2020). The EAP is funded by the system benefits charge, which is paid by all ratepayers as required by RSA 374-F:3, VI, and RSA 374-F:4, VIII(c). The program is administered by the community action agencies, the New Hampshire Department of Energy (DOE), and the State’s four electric distribution utilities: Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty; the New Hampshire Electric Cooperative, Inc.; Public Service Company of New Hampshire d/b/a Eversource Energy (Eversource); and Unitil Energy Systems, Inc. (together, the Utilities).

The EAP currently serves approximately 30,000 customers during peak winter periods, and there is no waiting list to participate in the program. The Utilities and the Community Action Agencies (CAAs) submitted their budgets for the program year October 1, 2022, through September 30, 2023. On August 1, 2022, the Office of the Consumer Advocate (OCA), filed a letter of participation. These budgets and all other

filings in this docket, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-043.html>

The DOE oversees the financial administration of the EAP, and monitors, evaluates, and audits the program. In support of the EAP, the Utilities provide educational materials and customer service. The Utilities also bill and collect the systems benefit charge, apply the EAP discounts to the bills of eligible customers, and add and remove customers from the program as the CAAs direct. The Utilities' combined administrative budget is \$151,010 and includes \$52,283 of the Utilities' incremental costs associated with the EAP. (Eversource also presents \$98,727 of non-incremental costs in its proposed EAP budget).

The CAAs' proposed 2022–2023 budget of \$2,068,761 is 3.23 percent higher than the 2021–2022 budget (\$2,003,960), as approved by Order No. 26,529, (September 30, 2021), and includes the activities of the EAP program administrator and the six CAAs. Community Action Program Belknap-Merrimack Counties, Inc., is the program administrator and in that role is responsible for contracting with, monitoring, and performing annual compliance reviews of the other CAAs. The program administrator also compiles the CAAs' budgets, invoices the Utilities, allocates the administrative revenues to the respective CAAs, and prepares enrollment reports for the DOE, each CAA, and the EAP Advisory Board (Advisory Board).¹ Among other things, the CAAs provide customer education, intake services, certification and re-certification of eligibility and authorize the removal of ineligible customers. The CAAs certified in their cover letter to their filed budgets, dated July 26, 2022, that they

¹ The EAP Advisory Board, as indicated in its July 29, 2022, minutes, includes representatives from the Utilities, the CAAs, New Hampshire Legal Assistance on behalf of The Way Home, the New Hampshire Municipal Welfare Directors Association, the OCA, and the DOE.

provided their budget documents to the Advisory Board members via e-mail. *See* Letter from Valerie Provenzano to Daniel Goldner (July 26, 2022) (available at https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-043/INITIAL%20FILING%20-%20PETITION/22-043_2022-08-01_CAP_CVR-LTR-EAP-BUDGET.PDF)

Subsequent to the Utilities and CAAs filing of their EAP budgets, the DOE informed the Commission, both orally on the record in a prehearing conference in Docket No. DE 21-133 on August 11, 2022, and in a Record Request response made by the DOE on August 29, 2022, in response to a follow-up Commission inquiry, that the EAP fund was expected to deplete its funding by the end of March 2023, unless additional EAP funding sources were made available. *See* Transcript of August 11, 2022, Prehearing Conference, Docket No. DE 21-133, at 19; 23–30; *see also* DOE Response to Commission Record Request 5, Docket No. DE 21-133, August 29, 2022, *see also* DOE Letter of Commissioner Jared Chicoine, September 27, 2022. The General Court and Governor Sununu later passed and signed HB 2023, providing up to \$7,000,000 in emergency funding to the DOE’s EAP funding account to address the situation.

On September 19, 2022, the DOE filed a letter stating that it, and the other members of the EAP Advisory Board, voted at its August 22, 2022, meeting to recommend that the Commission approve the administrative budgets as submitted. *See* Letter of Amanda O. Noonan, Director, DOE Consumer Services, September 19, 2022. On September 20, 2022, LISTEN Community Services filed a motion to intervene in this proceeding. (The Commission will address this petition to intervene in a separate Order). On September 28, 2022, the Utilities also filed a letter in support of approval of the administrative budgets.

II. COMMISSION ANALYSIS

In light of the unusual circumstances presented by the current period of volatility in energy costs; the passage of HB 2023 providing \$7,000,000 in emergency funding to augment the EAP monies; and the need for expeditious action to accommodate the launching of the 2022–2023 EAP program year in preparation for the coming winter, based on our review of the proposed 2022–2023 EAP administrative budgets, we find that the proposed budgets are reasonable. We therefore approve them. Consistent with prior practice, DOE Audit Staff will conduct a review of actual expenses incurred following the completion of the 2022–2023 program year and report the results to the Commission.

In doing so, we take administrative notice of the fact, brought to the Commission’s attention in Docket No. DE 21-133 in late August, that if HB 2023 had not provided a \$7 million infusion of new funds, then the EAP fund would have been depleted by March of next year. It is fortunate that the Governor and the Legislature acted expeditiously to react to this situation, in light of the challenging electric-price situation facing New Hampshire residential customers this upcoming winter, but such ad-hoc action is not a substitute for prudent management of the EAP program going forward. The Commission will consider matters of EAP budgeting, administration, and program design in the near future, in an effort to be proactive in ensuring that ratepayers receive the maximum benefit from the program.

Based upon the foregoing, it is hereby

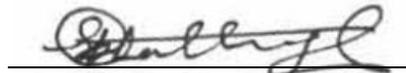
ORDERED, that the proposed Electric Assistance Program administrative budgets for the 2022–2023 program year from October 1, 2022, through September 30, 2023, are hereby APPROVED; and it is

FURTHER ORDERED, that DOE Audit Staff will conduct a review of the Electric Assistance Program's actual incurred expenses following the completion of the 2022-2023 program year and file its report with the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 2022.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Service List - Docket Related

Docket# : 22-043

Printed: 9/29/2022

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