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DATE: October 4, 2021
AT (OFFICE): Department of Energy

FROM: Amanda O. Noonan, Director, Consumer Services

SUBJECT: DE 21-133, Joint Petition for Approval of the 2021-2022 Electric Assistance Program Budgets / Department of Energy Recommendation

TO: Public Utilities Commission

CC: EAP Advisory Board
Docket 21-133 service list

The Electric Assistance Program Advisory Board (Advisory Board), comprised of representatives from the four electric utilities, the Department of Energy, the Office of Consumer Advocate, the Community Action Agencies, the New Hampshire Municipal Welfare Directors Association, and NH Legal Assistance reviewed the budget for the upcoming Electric Assistance Program (EAP) program year and submitted its recommendation to the Department of Energy on August 20, 2021. On September 29, 2021, the Department provided the Advisory Board recommendation to the Commission. Based upon a review of the Advisory Board recommendation, Department of Energy Staff recommends the Commission approve the EAP budgets for the program year beginning October 1, 2021, as submitted.

In accordance with Commission Order 23,980, the utilities filed budgets for the upcoming program year with the Commission. Eversource Energy (Eversource) filed its budget and sales forecasts for the upcoming EAP year on July 28, 2021; Unitil Energy Systems (UES) filed its budget and sales forecast on July 29, 2021; Liberty Utilities (Granite State Electric) dba Liberty (Liberty) filed its budget and sales forecast on July 30, 2021; and the New Hampshire Electric Cooperative (NHEC) filed its budget and sales forecast on August 2, 2021. On August 17, 2021, Eversource filed a revised budget. The Community Action Agencies (CAA) filed their budgets for the upcoming EAP year on August 20, 2021. Although the Office of Strategic Initiatives (OSI) has also filed a budget for its participation on the Advisory Board in past years, as of July 1, 2021, OSI ceased to exist and members of its staff were transferred to the Department of Energy.

There are two components to the EAP budgets: CAA administrative costs and utility administrative costs. Costs associated with the Department of Energy's administration of the EAP are not recovered from the EAP fund.

The EAP budgets submitted by the utilities consist of the utilities’ incremental costs to administer the EAP and the CAA administrative costs allocated to each utility. Utility incremental costs generally include expenses for the production and printing of educational materials such as posters and brochures, customer service, legal services and IT support. The utilities’ incremental costs may only include expenses that would be reasonably incurred as part of the utility’s administration of the EAP but would not be incurred absent the EAP.

The CAA administrative costs cover activities such as client outreach and intake, application processing, enrollment of participants, and periodic review of ongoing program eligibility. The CAA also conducts compliance monitoring to ensure program guidelines are being adhered to as well as outreach and education about the EAP. The costs associated with the latter category are shared with the Low Income Home Energy Assistance Program, also known as the Fuel Assistance Program (FAP).

As of August 16, 2021, 28,212 electric utility customers were enrolled in the EAP, and there was no waiting list. The program, as currently designed, is projected to provide benefits to approximately 31,800 customers. A recent decrease in enrollments was coincident with reconciliation of enrollment numbers by the CAA and the utilities. There have also been delays in enrollments due to CAA resources, and the Advisory Board expects enrollments to increase as the CAAs process assistance applications in the coming months. The Advisory Board regularly monitors enrollment to ensure ongoing program sustainability.

The total proposed budget for the 2021-2022 EAP year and the total budget for the prior EAP program year – 2020-2021 – are shown below. Overall, the total 2021-2022 budget is 2.29% higher than the budget for the 2020-2021 program year.

	CAA Costs	Utility Costs	OSI Costs	Total Budget
2021-2022	\$2,003,960	\$11,533	\$0	\$2,015,493
2020-2021	\$1,952,989	\$10,383	\$7,000	\$1,970,372
Change over 2020 – 2021	2.60%	0.86%	(100%)	2.29%

Liberty’s and UES’ budgets were unchanged from the prior program year. Eversource’s budget increased by \$700, and NHEC’s budget decreased by \$550.

The budgets for all but one CAA remained the same as the prior program year, with some reallocations among categories of costs. The total budget for the Belknap-Merrimack CAA increased by \$50,970.98 due to increases to personnel, supply, contractual, and other costs that were offset by a decrease in fringe benefits costs. The CAA attributed the increases in personnel, supply and other costs to the replacement of a full-time Program Director with a part-time Program Director (25% FTE) and a full-time Program Coordinator. The decrease to fringe benefits costs was attributed to that change as well. The CAA’s goal in making the change in the program management structure was to provide consistency with the EAP, Weatherization and Fuel Assistance programs.

The CAA attributed the increase in contractual costs to an update to the software used for EAP and FAP, to enable cross-browser compatibility with internet browsers other than Internet Explorer, which is no longer supported by Microsoft. These software update costs will be shared between EAP and FAP. Also shared with FAP will be the budgeted costs associated with a media campaign, to increase awareness of the EAP and FAP, and the budgeted costs associated with the development of an online application form for EAP and FAP.

At the July 23, 2021 Advisory Board meeting, NHLA notified the Advisory Board that it's client and EAP Advisory Board member, The Way Home, had merged with Easter Seals, and NHLA could no longer represent The Way Home. NHLA proposed continued participation on the Advisory Board as NHLA, representing all of its constituency. The Advisory Board values the participation of NHLA and the views of its constituency and supports NHLA's continued participation on the Advisory Board. This approach is also consistent with NHLA's participation on other public boards and bodies such as the Energy Efficiency and Sustainable Energy Board and the Weatherization Assistance Program Policy Advisory Council.

The Advisory Board has reviewed the 2021-2022 budgets and agrees that the expenses comprising the budgets are expenses that would be reasonably incurred in the administration of the EAP. The Advisory Board voted unanimously to recommend approval of the budgets and NHLA's ongoing participation on the Advisory Board. Accordingly, the Advisory Board recommends approval of the 2021-2022 EAP budgets as filed.

Respectfully submitted,



Amanda O. Noonan
Director, Consumer Services