

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 21-133

STATEWIDE LOW-INCOME ELECTRIC ASSISTANCE PROGRAM

2021-2022 Electric Assistance Program Budgets

Prehearing Order

O R D E R N O. 26,576

February 3, 2022

After conducting a prehearing conference on January 27, 2022, the Commission issues the following prehearing order.

I. BACKGROUND AND PROCEDURAL HISTORY

On September 30, 2021, the Commission issued Order No. 26,530, in which it determined that it was necessary to develop a more complete record before it could approve the Electric Assistance Program (EAP) Advisory Board's recommendation to approve the 2021-2022 EAP budgets as then filed. The Commission approved the proposed EAP budgets on an interim basis for October and November 2021 but noted that its final order could provide for adjustments to the proposed EAP budgets.

The Commission issued a notice of adjudicative proceeding on November 30, 2021. The notice of adjudicative proceeding scheduled a hearing on March 9, 2022, which was rescheduled to March 10, 2022. Procedural Order dated January 18, 2022. The Commission subsequently granted the Office of the Consumer Advocate's (OCA) motion for a prehearing conference, which was scheduled on January 27, 2022.

Following the January 27 prehearing conference, the New Hampshire Department of Energy (Energy) filed a letter on behalf of all of the parties to the above-captioned docket, other than the OCA, recommending that the Commission do the following: clarify the process to be used for the remainder of the proceeding;

reschedule the March 10, 2022 hearing; permit the parties to file a procedural schedule after issuance of the prehearing order; and admit premarked exhibits 1-12, which were filed at the prehearing conference. The OCA filed a response on January 30, 2022, in which it objected to admission of exhibits 1-12 as full exhibits, but otherwise concurred with the other parties' recommendations.

II. PETITIONS FOR INTERVENTION

LISTEN Community Services (LISTEN) filed a petition to intervene on December 22, 2021 and participated during the January 27 prehearing. No objection to LISTEN's petition to intervene was filed. The Commission has granted LISTEN's request to intervene, finding that the standard for intervention in RSA 541-A:32 has been met. *See* N.H. Admin. R., Puc 203.17.

III. RULINGS

A. 2021-2022 EAP PROGRAM BUDGETS

As previously noted in Order No. 26,530, the Commission's final order in this proceeding may make adjustments to the EAP budgets, consistent with the Commission's duty to ensure that the EAP is operated as efficiently as possible to provide its intended beneficiaries with affordable electric service. *See* RSA 369-B:1, XIII; RSA 374-F:3, V(a); RSA 374-F:4, VIII(a) and (c). Given the passage of time, the focus of this docket has shifted, so that no changes will be made to the 2021-2022 program year EAP budgets, which the Commission approved during the January 27 prehearing conference. Any changes recommended by the Commission in its final order will concern future program year EAP budgets only, beginning with the 2022-2023 program year.

B. EXHIBITS 1-12

Exhibits 1-12, which were premarked at the prehearing conference, may be introduced during the final hearing, at which time the Commission will consider any objections before determining whether to admit them as evidence. *See* N.H. Admin. R., Puc 203.23(f).

IV. CLARIFICATION OF SCOPE OF PROCEEDING

The remainder of this proceeding will address the following issues: whether the current EAP meets the requirements of RSA 369-B:1, XIII, RSA 374-F:3, V(a), and RSA 374-F:4, VIII(a) and (c); whether the proposed EAP program is sufficiently targeted toward the lower income tiers; whether the enrollment in the EAP program can be increased; and whether the administrative costs for the EAP program can be reduced.

V. RECORD REQUESTS

To make this determination, the Commission would like the parties to file responses to the following record requests no later than February 28, 2022:

1. Please provide information on the relation between 60 percent of New Hampshire (NH) median income and 150 percent of the federal poverty level and the reasons for creating the EAP top tier at 60 percent of the NH median income level.
2. Please provide an update of the \$3,785,789 balance in the EAP fund and an estimate (with all assumptions disclosed) of how likely the balance will be spent down during the current 2021-2022 12-month period.
3. Please provide a recommended adjustment to the EAP system benefits charge rate to bring the balance to \$1,000,000 or less at the end of the 2022-2023 12-month program period.
4. Please provide an updated monthly enrollment chart on Bates page 13 of the report in Exhibit 12 with the most recent data available.
5. Please provide copies of any recent audits of the EAP programs done by Energy audit staff.
6. Please explain the relationship between the Fuel Assistance Program (FAP) and the EAP: how are costs shared between the FAP and EAP; how many participants are in the FAP and what amounts are proposed to be spent during

the 2021-2022 program year; has management consolidation between the two entities been considered; and has a competitive analysis been done on administrative costs?

7. When there is no EAP waiting list, a \$3.9 million balance, and a \$1 million statutory limit, how does the Advisory Board intend to reduce the existing balance?
8. Regarding the EAP: can you confirm that participants must re-enroll actively each year; what happens if a participant moves; and does a participant have to live in NH year-round?
9. On June 16, 2021, the EAP Advisory Board filed a recommendation with the Commission to issue an RFP for a consultant to undertake a review, analysis, and evaluation of the EAP program design. The Advisory Board noted that the results of the program review would aid in the development of recommendations for improving the effectiveness and efficiency of the EAP in fulfilling program goals and for prudently spending down a portion of the EAP fund in compliance with applicable law. As of the date of this report, no action has been taking on the Advisory Board's recommendation.

Please describe in detail the concerns which led the Advisory Board to recommend the use of a consultant. Had a consultant been hired, what specific questions would the consultant have been expected to answer?

10. EAP enrollment levels were relatively consistent between 2010 and 2016. Enrollment between 2017 and 2020 declined slightly over prior years. While 2021 enrollment remains lower than pre-2017 enrollment levels, the Community Action Agencies (CAAs) have projected increases in enrollment over the next few months as the Emergency Rental Assistance Program funding attracts more eligible households to the CAAs for assistance.

Did this happen? Please give current and projected EAP enrollment levels.

11. As of the end of August 2021, 17 percent of enrolled EAP households received a discount of 76 percent; 20 percent received a discount of 52 percent; 17 percent received a discount of 36 percent; 16 percent received a discount of 16 percent; and 30 percent of enrolled households received a discount of 8 percent.

Does this align with targeted participation? Please show a breakdown of program benefit dollars by tier over the past program year 2020-2021 and through present program year 2021-2022.

12. Exhibit 12, Bates 32 shows that the average annual EAP benefit is \$400 per household. Please give an average per tier household benefit.

VI. PROCESS AND PROCEDURAL SCHEDULE

The hearing scheduled on March 10, 2022 has been CANCELLED. Final hearings are scheduled on May 16 and May 17, 2022, from 9:00 a.m. to 4:30 pm, which will be conducted in accordance with the November 30, 2021 hearing guidelines using a hybrid format. The Commission has selected these hearing dates to allow a Commission order well before late July 2022, when budgets are due for EAP program year 2022-2023.

The parties asked that the Commission recommend a process for the balance of this proceeding. What follows is a process for the parties to consider in developing their procedural schedule:

- (1) individual parties to submit initial proposals for recommended improvements to the current EAP in compliance with statutory requirements;
- (2) discovery to be conducted, and discussions held, regarding individual party proposals; and
- (3) parties to submit final proposals for recommended changes to the current EAP no later than May 9, 2022.

Prefiled testimony will not be required.

The parties are requested to confer and file a procedural schedule, with the Commission on or before February 28, 2022; otherwise, the Commission will issue a further procedural order.

By order of the Public Utilities Commission of New Hampshire this third day of February, 2022.



Daniel C. Goldner
Chairman



F. Anne Ross
Special Commissioner

Service List - Docket Related

Docket# : 21-133

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