

**THE STATE OF NEW HAMPSHIRE**  
**BEFORE THE**  
**NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION**

**Docket No. DE 22-043**

**Low Income Electric Assistance Program**

Technical Statement of Liza Reynolds and Jeanne Agri  
New Hampshire Community Action Agencies

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## **I. Introduction**

The NH Community Action Agencies (CAAs) have a long history of providing electric assistance benefits to NH's low-income households, ensuring that energy costs remain manageable for vulnerable populations. The NH CAAs oppose the recent change in program structure proposed by the Public Utilities Commission (Commission) in Order No. 27,031. This change would lower the income guideline threshold and ultimately prohibit thousands of low-income seniors and families from a benefit that helps make their electric bill affordable. It also reduces program efficiencies while creating an administrative burden and customer confusion. The processing of EAP applications is done in conjunction with applications for the federally funded Low Income Home Energy Assistance Program (LIHEAP), providing reduced program administrative costs for both programs as well as an improved experience for the applicant. The current EAP fund is sufficient to provide benefits for the upcoming year, indicating that structural changes to the program are unnecessary for maintaining its financial stability, as outlined in Order No. 27,031. The most recent independent evaluation of the EAP, which occurred in 2022 by Roger Colton, reaffirmed the program's efficiency, with participants reporting reduced energy burdens and increased stability in managing their utility bills.

## **II. CAA Analysis**

In August 2024, an analysis cross-referencing utility and CAA enrollment data identified all Tier 2 households above 200% FPG. The proposed changes to Tier 2 eligibility would effectively remove nearly 6,000 households, or 46%, from the program, disproportionately impacting elderly and disabled individuals. To illustrate the affected population the following data is provided:

- Of the participants enrolled in Tier 2, 62% are over 60. These households often are on fixed incomes and unable to supplement their income through employment.
- In addition, there are approximately 1900 households that include children under the age of five.
- Of the 5900 tier 2 households that would become ineligible for benefits, 16% of them contain disabled members.

Many Tier 2 households are on the edge of the "cliff effect," meaning they might not qualify for other assistance programs such as Food Stamps or Medical assistance. As a result of this change in EAP, households will face higher out-of-pocket energy costs and have less income for other essentials. Energy expenses consume a larger portion of income for low-income households, especially during New Hampshire's cold winters. Without this assistance, many families must make difficult choices between heating their homes and paying for food, healthcare, or childcare. The loss of electric assistance can deepen economic vulnerability, making it even more difficult for low-income households to escape the cycle of poverty.

An additional concern is the unintended impact on the municipalities in New Hampshire. Without these benefits, households may seek assistance from their municipality in paying their electric bills. This places an unexpected and often not budgeted burden on local towns and cities. In September 2024, a report of financial impacts on local communities was generated by the CAAs to demonstrate the number of actual discounts paid to Tier 2 clients above 200% FPG from 9/1/23-9/1/24, Attachment 1 (Community Impact Statement). There is a high potential for increased arrearages with these fixed-income households, which is not to the benefit of regular ratepayers.

### **III. Administrative Costs & Concerns**

Implementing changes to the Tier 2 eligibility in EAP would require substantial administrative effort and present operational challenges. The costs associated with re-training, increased processing times, and denial management are expected to rise significantly. This has an adverse effect for households due to diverting valuable resources from direct support to operational overhead. Furthermore, these changes would create confusion among beneficiaries and negate the intent of the program to administer the EAP with the utmost efficiency as

illustrated from firsthand staff experience in Attachment 2 (TCCA Staff Statement). As mentioned earlier, currently the EAP and FAP share the same eligibility criteria and a combined new statewide application which allows for the processing of requests in a more timely and efficient manner.

In August 2024, a survey of 105 direct support staff across all five NH CAAs was conducted to estimate the staffing hours and supply costs needed for this program change. The compiled data, detailed in Attachment 3 (CAA Cost Estimations vs Savings), represents the information collected from each agency. This analysis was reviewed by the financial department of Community Action Belknap-Merrimack Counties (BMCA) as well as leadership teams from all five NH CAAs, ensuring accuracy and alignment across the agencies.

Reducing the income eligibility threshold for the current Tier 2 population is projected to save around \$461,000. However, these potential savings are offset by an estimated initial administrative cost of \$100,000, plus ongoing annual expenses. As such, the anticipated savings fall short of achieving the objectives outlined in Order No. 27,031. Most Tier 2 beneficiaries are elderly, living on fixed incomes, and typically enrolled in the program for two-year periods. Consequently, savings would not fully materialize for two years until these households are reassessed and deemed ineligible. Furthermore, the Commission has not reallocated funds across other Tiers, meaning the proposed removal of Tier 2 clients above 200% of the Federal Poverty Guidelines does not directly benefit any other groups, thereby undermining the intent of Order No. 27,031 (pp. 12-13).

#### **IV. Future Considerations**

The EAP Advisory Board is diligent in monitoring the health of the program; through the years they have carefully analyzed and recommended changes to the Commission to adjust the program policies to maintain and manage program longevity. This is a valuable component of the EAP with a longstanding history of promoting sustainability through thorough research.

In the past, some of the methods considered and deployed are Kwh caps, discount tier percentages changes, changes to eligibility guidelines and the utilization of a waitlist. The enrollment numbers for the EAP are very fluid with households coming off and going on the

program daily. It is difficult to project the number of applicants requesting assistance as the program is ongoing through the year with enrollment numbers constantly fluctuating.

## **V. Conclusion**

The NH Community Action Agencies (CAAs) respectfully assert that lowering the income eligibility threshold is unnecessary to ensure the program's sustainability. We also believe that the current adjustments undermine the intent of the law establishing the Electric Assistance Program (EAP) by limiting its ability to effectively support those needing assistance with affordable electric bills. Therefore, we request that the Commission reverse Order No. 27,031 and restore the original guidelines for the Electric Assistance Program to align with its intended purpose of efficiently serving those most in need.