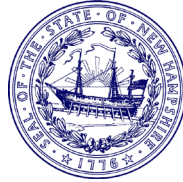


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September 19, 2022

Daniel Goldner, Chairman
NH Public Utilities Commission
21 S. Fruit, Street
Concord, NH 03301

RE: DE 22-043-Electric Assistance Program 2022-2023 Program Year Administrative Budgets

Dear Chairman Goldner:

The Electric Assistance Program Advisory Board (Advisory Board), comprised of representatives from the Department of Energy, the four electric utilities, the Office of Consumer Advocate, the Community Action Agencies, the New Hampshire Local Welfare Administrators Association, and NH Legal Assistance, reviewed the administrative budgets for the upcoming Electric Assistance Program (EAP) program year and voted unanimously at its August 22, 2022 meeting to recommend the Commission approve the budgets as submitted.

In accordance with Commission Order 23,980, the utilities filed budgets for the upcoming program year with the Commission. Eversource Energy (Eversource) and Unitil Energy Systems (UES) filed administrative budgets and sales forecasts for the upcoming EAP year on July 28, 2022; the New Hampshire Electric Cooperative (NHEC) filed its administrative budget and sales forecast on July 29, 2022; and Liberty Utilities (Granite State Electric) dba Liberty (Liberty) filed its administrative budget and sales forecast on August 1, 2022. The Belknap-Merrimack Counties Community Action Program filed a courtesy copy of the Community Action Agency (CAA) administrative budget on August 1, 2022, as well. On August 22, 2022, Eversource filed a revised administrative budget.

There are two components to the EAP administrative 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 typically 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. Eversource’s budget also includes \$40,000 for the hiring of a consultant in DE 21-133 to review and evaluate the EAP. See Order No. 26,593 in DE 21-133.

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 and also undertakes outreach and education about the EAP.

As of September 12, 2022, 27,354 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. The recent increase in default energy service prices will significantly affect the sustainable enrollment level of the EAP absent additional funding to provide needed financial support to New Hampshire’s most vulnerable residents¹. The Advisory Board regularly monitors enrollment and the balance in the EAP Fund and provides recommendations to the Commission for adjustments to the program to respond to changed circumstances to ensure ongoing program sustainability.

The total proposed administrative budget for the 2022-2023 EAP year and the total administrative budget for the prior EAP program year – 2021-2022 – are shown below. Overall, the total 2022-2023 administrative budget is 5.24% higher than the administrative budget for the 2021-2022 program year.

	CAA Costs	Utility Costs	Total Budget
2022-2023	\$2,068,761	\$52,283	\$2,121,044
2021-2022	\$2,003,960	\$11,533	\$2,015,493
Change over 2021 – 2022	3.23%	78%	5.24%

The increase in the utility budgets stems from the \$40,000 in the Eversource budget for the hiring of a consultant in DE 21-133 to review and evaluate the EAP. Excluding that cost, Eversource’s administrative budget remained unchanged. Liberty’s and UES’ administrative budgets were also unchanged from the prior program year. NHEC’s administrative budget increased by \$750.

The administrative budgets for all but one CAA increased by 4%, with increased costs for salary and benefits the primary factor in the increases. The total budget for the Belknap-Merrimack CAA, which includes its role as the lead CAA for EAP administration, increased by less than 1% as a result of decreased expenses for equipment and supplies.

¹ On September 15, 2022, the NH Legislature and Governor Sununu enacted and signed into law legislation providing an additional \$7M for anticipated higher EAP benefits.

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The Advisory Board reviewed the 2022-2023 administrative budgets, agreed that the expenses comprising the budgets are expenses that would be reasonably incurred in the administration of the EAP, and voted unanimously to recommend Commission approval of the administrative budgets.

Sincerely,

/s/ Amanda O. Noonan

Amanda O. Noonan
for the EAP Advisory Board

cc: EAP Advisory Board