

STATE OF NEW HAMPSHIRE



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May 21, 2024

New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301

Via e-mail to: ClerksOffice@puc.nh.gov

Re: Docket No. DE 22-043
Low Income Electric Assistance Program
2022-2023 Electric Assistance Program

To the Commission:

Please treat this letter as the response of the Office of the Consumer Advocate (“OCA”) to the Commission’s record request in the above-referenced docket. The Commission has asked the parties to address whether residential customers who benefit from the Electric Assistance Program (“EAP”) should simultaneously continue to participate in the competitive market as individuals given the Commission’s concerns about over/under rebating resulting from the EAP using utility default service as the proxy for bill rebating.

In short, the OCA supports residential customers being able to simultaneously benefit from both options — the EAP is important to low-income residential customers and ensuring that those customers can engage in the advantage of competitive supply is a matter of fairness. However, to better aide the Commission, the OCA states the following in support of its response.

As the Commission already knows, Docket No. DE 18-057 addressed certain changes that the EAP Advisory Board requested to be made to the EAP. Among those changes included the extension of the EAP discount to the energy portion of bills of income eligible participants who elected to procure energy from a competitive supplier as approved via Order No. 26,132 (tab 4). Via that same Order, the Commission agreed with the EAP Advisory Board when it explained that this change would resolve an inadvertent disadvantage to income-eligible customers who would choose a competitive supplier but would otherwise then become precluded from receiving the EAP discount on the energy component of their electricity bill. Additionally, using the utility’s default service rate as a proxy avoided the complexity and significant expenses associated with basing discounts on supplier rates, which in turn makes the proxy administratively efficient. And to that point, utility billing systems presently cannot calculate the discount for competitive supply rates without additional and significant expense.¹ Such an

¹ Please see the Department’s technical statement (tab 106) in DE 22-043 at page 4 citing the Joint Technical Statement of Unil Energy Systems, Inc.; Public Service Company of New Hampshire d/b/a Eversource Energy; the New Hampshire Electric Co-operative; and Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (March 6, 2024) at 2-5.

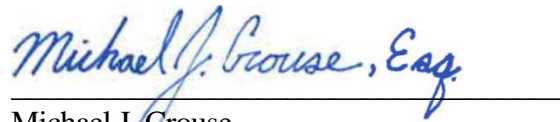
expense would directly call into question whether the expense would far outweigh any potential benefits, especially compared against the cost benefit analysis for the continued use of the proxy.

Further, in Docket No. DE 18-057, the OCA appeared at the March 4, 2020, hearing expressing support (Tr. 26-28) for the Settlement Agreement (tab 25), which addressed how the utilities were going to extend the EAP discount proxy to the competitive supply portion of residential customer bills. The OCA supported the Settlement Agreement, as mentioned above, because the EAP is important to low-income residential customers and those customers' ability to engage in the advantage of competitive supply is a matter of fairness — which echoes principles found within the Electric Utilities Restructuring Act. Specifically, RSA 374-F:3 (entitled "Restructuring Policy Principles") includes section VII., which states: "Choice for retail customers cannot exist without a range of viable suppliers. The rules that govern market activity should apply to all buyers and sellers in a fair and consistent manner in order to ensure a fully competitive market."

In other words, the OCA supports the EAP's use of the utility default service rate as a proxy for the competitive supply rate as fair and reasonable considering all the above. Thus, the OCA maintains its support of the New Hampshire Electric Assistance Program Review of Performance/Future Directions (the "Colton Report") in Docket No. 22-043 (tab 15) and is not advocating any changes to the EAP at this time.

Please contact me if there are any questions or concerns about the foregoing.

Sincerely,

A handwritten signature in blue ink that reads "Michael J. Crouse, Esq." The signature is written in a cursive style and is positioned above a horizontal line.

Michael J. Crouse
Staff Attorney

cc: Service List (via e-mail)