

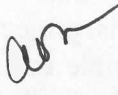
STATE OF NEW HAMPSHIRE

Inter-Department Communication

NHPUC 11SEP'17PM12:01

DATE: September 11, 2017

AT (OFFICE): NHPUC

FROM: Amanda O. Noonan 

SUBJECT: DE 17-122 Electric Assistance Program

TO: Commissioners
Executive Director

CC: Paul Dexter
Rorie Patterson

Summary:

The Electric Assistance Program Advisory Board, comprised of representatives from the four electric utilities, the Office of Strategic Initiatives, the Office of Consumer Advocate, the Community Action Agencies, The Way Home, and Commission Staff, has reviewed the budgets for the upcoming electric assistance program (EAP) program year. Based upon the review and recommendation of the Advisory Board, Staff recommends that the Commission approve the EAP budgets for the program year beginning October 1, 2017, as submitted.

Background:

In accordance with Commission Order 23,980, New Hampshire Electric Cooperative (NHEC) filed its budget and sales forecast for the upcoming EAP year on July 28, 2017, Liberty Utilities (Liberty) filed its budget and sales forecast on July 31, 2017, and Unitil Energy Systems (Unitil) and Eversource (Eversource) filed their budgets and sales forecast on August 1, 2017. The Office of Strategic Initiatives (OSI) also filed its budget for the upcoming EAP year on August 1, 2017. The Community Action Agencies (CAA) provided the Commission with a copy of its budget on July 28, 2017.

There are three components to the EAP budget: CAA administrative costs, utility administrative costs and OSI administrative costs. Costs associated with the Commission'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 and represent those expenses that would be reasonably incurred as part of the utility's administration of the EAP but would not be incurred absent 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. Expenses included in the OSI budget relate to OSI's participation in the EAP advisory board meetings and other EAP related discussions.

The EAP is currently serving approximately 30,000 customers with no waiting list for the program. The program, as currently designed, is projected to be able to provide benefits to approximately 33,500 customers. As income eligible residents in the state begin to plan for the winter heating season and apply for the federally funded low-income home energy assistance program, EAP enrollment is expected to increase.

Analysis and Recommendation:

The proposed budget for the 2017-2018 EAP year is shown below. Overall, the 2017-2018 budget is 1.88% higher than the budget for the 2016-2017 program year budget.

2017 - 2018 EAP Budget

	CAA Costs	Utility Costs	OSI Costs	Total
2017-2018	\$1,873,292	\$11,221	\$7,000	\$1,891,513
2016-2017	\$1,839,005	\$10,571	\$7,000	\$1,856,576
Change over 2016-2017 PY	1.86%	6.15%	0.0%	1.88%

Budgets submitted by the utilities and the CAA changed very little as compared to the 2016-2017 budget submissions. The increase in the utility budgets is less than \$1,000. The slightly larger increase in the CAA budget results from required computer upgrades. The servers for the EAP and Fuel Assistance Programs are aging and need to be replaced. As with other software and hardware upgrades, the EAP shares the cost with the Fuel Assistance Program.

Budgets for the 2017-2018 EAP program year were provided to all members of the EAP Advisory Board. The Advisory Board has reviewed the budgets, and an informal discovery process was undertaken to ensure all members had an opportunity to ask questions regarding the budgets.

The Advisory Board expressed no concerns with the budgets as submitted by the utilities. Staff has reviewed the budgets and concludes that the expenses which comprise the 2017-2018 EAP budgets are those which would be reasonably incurred in the administration of the electric assistance program. Accordingly, Staff recommends the Commission approve the 2017-2018 EAP budgets as filed.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**

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EXECUTIVE DIRECTOR
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- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**