

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE 18-118

STATEWIDE LOW-INCOME ELECTRIC ASSISTANCE PROGRAM

2018-2019 Program Administrative Budgets

Order Approving Budgets

ORDER NO. 26,176

September 26, 2018

In this order, the Commission approves the Electric Assistance Program administrative budgets for the 2018-2019 program year. The total program budget is 0.74 percent less than the budget approved last year.

I. BACKGROUND

The purpose of this docket is to review the budgets for administering the statewide low-income electric assistance program (EAP) as required by prior orders of the Commission.¹ The EAP is funded by the system benefits charge, which is paid by all ratepayers as required by RSA 374-F:3, VI. The program is administered by the community action agencies (CAAs), Commission Staff, and the state's four electric distribution utilities: Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities; the New Hampshire Electric Cooperative, Inc.; Public Service Company of New Hampshire d/b/a Eversource Energy; and Unitil Energy Systems, Inc. (together, the Utilities).

The EAP currently serves approximately 28,400 customers and there is no waiting list to participate in the program. The program, as currently designed, is projected to be able to provide benefits to about 31,800 customers. The Utilities, the CAAs, and the Office of Strategic

¹ *Statewide Low-Income Electric Assistance Program*, Order No. 23,980 (May 30, 2002); see also *Statewide Low-Income Electric Assistance Program*, Order No. 26,059 (September 22, 2017) (approving the 2017-2018 budget).

Initiatives (OSI) submitted their budgets for the program year October 1, 2018, through September 30, 2019. Those budgets and all other filings in this docket, other than any information for which confidential treatment is requested of or granted by the Commission, are available at <http://www.puc.state.nh.us/Regulatory/Docketbk/2018/18-118.html>.

Staff oversees the financial administration of the EAP and, along with the OSI, monitors, evaluates, and audits the program. The OSI's proposed budget of \$27,000 compares to a budget submitted last year of \$7,000. Unlike last year, this year's OSI budget includes funds for the triennial process evaluation to be conducted by OSI during the upcoming program year. The Utilities provide the EAP with support in the form of educational materials, customer service, legal services, and IT support. The Utilities bill and collect the system benefits charge, apply the EAP discounts to the bills of eligible customers, and add and remove customers as the CAAs direct. The Utilities' combined administrative budget of \$11,573 is less than \$400 higher than last year and consists of the Utilities' incremental costs associated with the EAP.

The CAAs' proposed budget of \$1,839,005 is 1.83 percent lower than 2017-2018. The budget includes the activities of the EAP program administrator and the six CAAs. Community Action Program Belknap-Merrimack Counties, Inc., the program administrator, is responsible for contracting with, monitoring, and performing annual compliance reviews of the other CAAs. The program administrator also compiles the CAAs' budgets, invoices the Utilities, allocates the administrative revenues to the respective CAAs, and prepares weekly enrollment reports for Commission (Staff), the EAP Advisory Board members,² and each CAA. Among other things, the CAAs provide customer education, intake services, certification and re-certification of

² The EAP Advisory Board includes representatives from the electric utilities, the community action agencies, NH Legal Assistance on behalf of The Way Home, the NH Municipal Welfare Directors Association, the Office of Strategic Initiatives, the Office of Consumer Advocate, and Public Utilities Commission Staff.

eligibility, and authorize the removal of ineligible customers.

Staff recommended approval of the proposed budgets by memorandum dated September 14, 2018. Staff compared the proposed budget for 2018-2019 with the prior year's budget. Overall, the total 2018-2019 budget is 0.74 percent lower.

2018 - 2019 EAP Program Year Total Budget

	CAA Costs	Utility Costs	OSI Costs	Total
2018-2019	\$1,839,005	\$11,573	\$27,000	\$1,877,578
2017-2018	\$1,873,292	\$11,221	\$7,000	\$1,891,513
Change over 2017-2018 PY	(1.83)%	3.14%	286%	(0.74)%

Staff reported that the 2018-2019 budgets were reviewed by the EAP Advisory Board. An informal discovery process was undertaken as part of that review. The Advisory Board concluded that the expenses budgeted for the upcoming program year are reasonable. Staff recommended that the Commission approve the 2018-2019 EAP program year budgets as filed.

II. COMMISSION ANALYSIS

Based on our review of the proposed 2018-2019 administrative budgets, comparing those budgets to the prior year, and based on the recommendations of the Advisory Board and Staff, we find that the proposed budgets are reasonable, and we therefore approve them. The only significant increase in the budgets reflects the costs of the triennial process evaluation, which we required in a prior order. *See Statewide Low-Income Electric Assistance Program*, Order No. 24,820 (January 30, 2008). Staff will conduct a review of actual expenses incurred following the completion of the 2018-2019 program year, as it does every year, and report the results to the Commission.

Based upon the foregoing, it is hereby

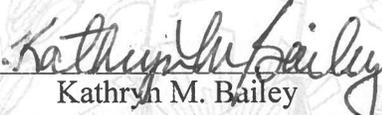
ORDERED, that the proposed Electric Assistance Program administrative budgets for the 2018-2019 program year from October 1, 2018, through September 30, 2019, are hereby APPROVED; and it is

FURTHER ORDERED, that Commission Staff will conduct a review of the Electric Assistance Program's actual incurred expenses following the completion of the 2018-2019 program year and report the results back to the Commission.

By order of the Public Utilities Commission of New Hampshire this twenty-sixth day of September, 2018.



Martin P. Honigberg
Chairman

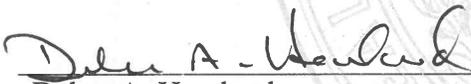


Kathryn M. Bailey
Commissioner

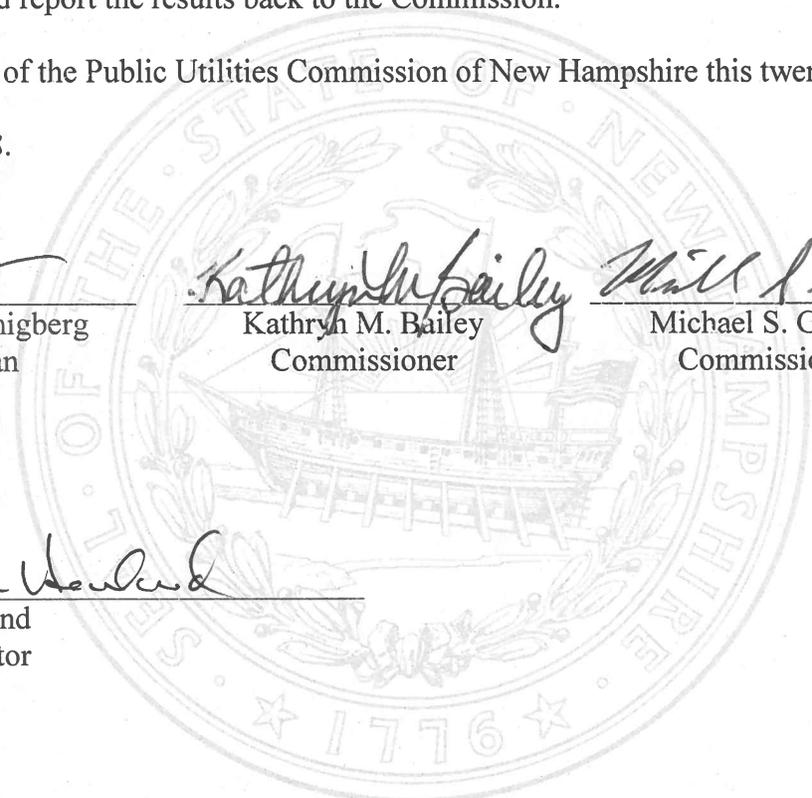


Michael S. Giaimo
Commissioner

Attested by:



Debra A. Howland
Executive Director



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:**
- DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- 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.**