

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 11-168

STATEWIDE LOW-INCOME ELECTRIC ASSISTANCE PROGRAM

2011-2012 Program Administrative Budgets

Order *Nisi* Approving 2011-2012 Program Budgets

ORDER NO. 25,275

September 30, 2011

I. BACKGROUND

The purpose of this docket is to review the administrative budgets related to the statewide low-income electric assistance program (EAP). *See, e.g., Statewide Low-Income Electric Assistance Program*, Order No. 25,145 (Sept. 15, 2010). The EAP is operated by Granite State Electric Company d/b/a National Grid (National Grid), New Hampshire Electric Cooperative, Inc. (NHEC), Public Service Company of New Hampshire (PSNH), and Unitil Energy Systems, Inc. (UES) (together, the Utilities) in conjunction with the Community Action Agencies (CAAs), the Office of Energy and Planning (OEP) and the New Hampshire Public Utilities Commission Staff (Staff). Between July 27 and August 24, 2011, the Utilities, CAAs, and OEP submitted their estimated ongoing administrative costs to provide services associated with the EAP for the program year beginning October 1, 2011, and ending September 30, 2012. On September 20, 2011, Staff filed a memorandum recommending approval of the proposed budgets.

The budgets submitted by the Utilities identify the incremental costs projected for the administration of the EAP. The budgets show each utility's ongoing administrative costs separately from the utility's allocation of the CAA's ongoing administrative costs. Utility

administrative costs include information technology (maintenance and support), customer service (administration as well as maintenance and support), and marketing support (which includes costs related to brochures and posters, as well as some employee expenses).

For each utility, the bulk of the incremental costs are the CAAs' ongoing administrative costs, paid for through contracts between each utility and the CAAs and recovered from the EAP Fund by the Utilities. The budget submitted by OEP includes expenses related to the EAP advisory board meetings and similar EAP matters. The CAAs' costs, in turn, are related to the administration of the EAP, including client outreach and intake, application processing, and monitoring compliance with EAP guidelines. The EAP advisory board consists of representatives from PSNH, NHEC, UES, National Grid, New Hampshire Legal Assistance on behalf of The Way Home, the Municipal Welfare Directors Association, the CAAs, the Office of Consumer Advocate, OEP, and Staff. The Board meets regularly, and the proposed budgets were provided to the advisory board coincident with the submission of the budgets to the Commission. As noted in Staff's September 20, 2011, memorandum, the advisory board did not object to the proposed budgets.

II. COMMISSION ANALYSIS

In its September 20, 2011 recommendation, Staff compared the proposed administrative budgets for the coming year with those of the program year now concluded. The results of that comparison are set out below:

**2011-2012 EAP Program Year
Overall Budget**

	CAA Costs	Utility Costs	OEP Costs	Total
2011-2012	\$1,772,539	\$64,944	\$ 7,000	\$1,844,483
Change over 2010-2011 PY	3.50%	.07%	7.69%	3.39%

As noted by Staff, the 2011-2012 budgets are 3.39% higher than those for 2010-2011.

The increase is attributable, in part, to increased costs of printing EAP program brochures by the Utilities, in conjunction with increases in the cost of providing fringe benefits, including health care benefits to the CAAs' employees, as part of the CAAs' administrative costs. Also, the EAP program caseload increased during the past program year and, with the program changes adopted in March 2011, will remain at a higher level going forward, resulting in higher program personnel costs.

Based upon our analysis of the proposed 2011-2012 administrative budgets in comparison to the budgets proposed for the prior period, we find that the proposed budgets are a reasonable projection of anticipated expenses and we will therefore approve them. While the budgets are generally higher, we do not find that they are unreasonable given the increased program activity of the Utilities and the CAAs. Commission Staff will conduct a review of actual expenses incurred following the completion of the 2011-2012 program year and report the results back to the Commission.

Based upon the foregoing, it is hereby

ORDERED NISI, that the proposed EAP administrative budgets for the 2011-2012 program year (from October 1, 2011 through September 30, 2012) are hereby APPROVED; and it is

FURTHER ORDERED, that the Commission Staff will conduct a review of the EAP's actual incurred expenses following the completion of the 2011-2012 program year and report the results back to the Commission; and it is


FURTHER ORDERED, that the Executive Director shall cause a copy of this Order *Nisi* to be published once in a statewide newspaper of general circulation or of circulation in those portions of the state where operations are conducted, such publication to be no later than October 7, 2011 and to be documented by affidavit filed with this office on or before October 17, 2011; and it is

FURTHER ORDERED, that all persons interested in responding to this Order *Nisi* be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than October 12, 2011 for the Commission's consideration; and it is


FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than October 14, 2011; and it is

FURTHER ORDERED, that this Order *Nisi* shall be effective October 17, 2011, unless the Commission provides otherwise in a supplemental order issued prior to the effective date.

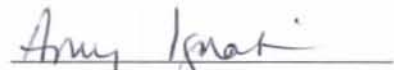
By order of the Public Utilities Commission of New Hampshire this thirtieth day of
September, 2011.



Thomas B. Getz
Chairman



Clifton C. Below
Commissioner



Amy Ignatius
Commissioner

Attested by:



Debra A. Howland
Executive Director

