

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 17-122**

**STATEWIDE LOW-INCOME ELECTRIC ASSISTANCE PROGRAM**

**2017-2018 Program Administrative Budgets**

**Order Approving Budgets**

**ORDER NO. 26,059**

**September 22, 2017**

In this order, the Commission approves the EAP administrative budgets for the 2017-2018 program year. The budgets project a 1.88 percent increase relative to the budgets 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 *Statewide Low-Income Electric Assistance Program*, Order No. 23,980 (May 30, 2002). *See also Statewide Low-Income Electric Assistance Program*, Order No. 25,944 (September 23, 2016) (approving the 2016-2017 budget). The EAP is funded by the system benefits charge, which is paid by all ratepayers under RSA 374-F:3,VI, and 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 30,000 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 33,500 customers. The Utilities, the CAAs, and the Office of Strategic Initiatives (OSI) (previously known as the Office of Energy and Planning) submitted their budgets for the program year October 1, 2017, through September 30, 2018. 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 posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-122.html>.

Staff oversees the financial administration of the EAP and, along with the OSI, monitors, evaluates, and audits the EAP. The OSI's proposed budget of \$7,000 is the same as the budget submitted last year by the Office of Energy Planning, for the same services. 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 \$11,221 is less than \$1,000 higher than last year and consists of the Utilities' incremental costs associated with the EAP.

The CAAs' proposed budget of \$1,873,292 is 1.86 percent higher than 2016-2017. The increase reflects required upgrades to computer servers, the cost of which are shared with the Fuel Assistance Program. 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 Staff, the Advisory Board members,<sup>1</sup> and each CAA. The individual CAAs provide customer education, intake services, certification and re-certification of eligibility, and discount tier determination. They also authorize the removal of ineligible customers.

Staff recommended approval of the proposed budgets by memorandum dated September 11, 2017. Staff compared the proposed budget for 2017-2018 with the prior year's budget. Overall, the total 2017-2018 budget is 1.88 percent higher.

#### **2017 - 2018 EAP Program Year Total Budget**

	CAA Costs	Utility Costs	OSI Costs	Total
<b>2017-2018</b>	<b>\$1,873,292</b>	<b>\$11,221</b>	<b>\$7,000</b>	<b>\$1,891,513</b>
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%

Staff reported that the 2017-2018 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 2017-2018 EAP program year budgets as filed.

## **II. COMMISSION ANALYSIS**

Based on our review of the proposed 2017-2018 administrative budgets, comparing those budgets to the prior year, and based on the recommendations of the Advisory Board and Staff,

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<sup>1</sup> The EAP Advisory Board is comprised of representatives from the electric utilities, the CAAs, NH Legal Assistance, the NH Municipal Welfare Directors Association, the Office of Strategic Initiatives, the Office of Consumer Advocate, and Commission Staff.

we find that the proposed budgets are reasonable, and we therefore approve them. The CAA budgets reflect a slight increase for needed computer upgrades. Utility and OSI costs are projected to remain essentially the same as last year. Staff will conduct a review of actual expenses incurred following the completion of the 2017-2018 program year, as it does every year, and report the results to the Commission.

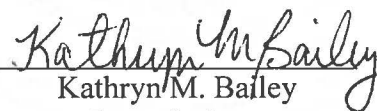
**Based upon the foregoing, it is hereby**

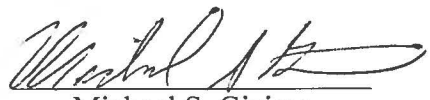
**ORDERED**, that the proposed EAP administrative budgets for the 2017-2018 program year from October 1, 2017, through September 30, 2018, are hereby APPROVED; and it is

**FURTHER ORDERED**, that Commission Staff will conduct a review of the EAP's actual incurred expenses following the completion of the 2017-2018 EAP program year and report the results back to the Commission.

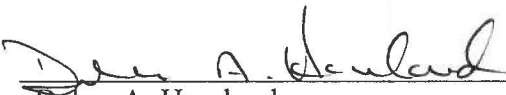
By order of the Public Utilities Commission of New Hampshire this twenty-second day of September, 2017

  
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Martin P. Honigberg  
Chairman

  
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Kathryn M. Bailey  
Commissioner

  
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Michael S. Giaimo  
Commissioner

Attested by:

  
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Debra A. Howland  
Executive Director