

Electric Assistance Program Advisory Board
Meeting Minutes
July 28, 2017

Participants:

Amanda Noonan, New Hampshire Public Utilities Commission
D. Maurice Kreis, Office of the Consumer Advocate
Pradip Chattopadhyay, Office of the Consumer Advocate
Jamie A. Breen, Office of the Consumer Advocate
Brian Buckley, Office of the Consumer Advocate
Celeste Lovett, Office of Strategic Initiatives
Tracey Desmarais, Office of Strategic Initiatives
Stephen Tower, New Hampshire Legal Assistance
Ralph Littlefield, Community Action Program
Shannon Nolin, Community Action Program
Karen Emis-Williams, Concord Human Services
Lisa Sheehy, New Hampshire Electric Cooperative
Nicole Harris, Liberty Utilities
Susan Corson, Unitil
Janice Johnson, Eversource Energy

Minutes- New Hampshire Office of the Consumer Advocate

Agenda Items- July 28, 2017 meeting

1. Approval of April 2017 Meeting Minutes

The meeting began with a discussion of the draft minutes from the April 28, 2017 meeting of the Electric Program Assistance Advisory Board (“Board”). The Board approved the minutes, subject to two amendments:¹

- Revision of the list of attendees in the draft minutes to reflect all meeting participants. Attendees noted that Karen Williams, Sue Corson, Celeste Lovett, Allen Desbiens, Karen Keough, Brian Buckley, Lisa Sheehy and Nicole Harris were in attendance but not listed as participants
- Striking the word “uninterested” from the Triennial Process Evaluation section and replacing it with “disinterested.”

2. Discount Options for Customers on Competitive Supply (April 28, 2017 meeting follow-up)

Pursuant to a commitment by the utilities during the April 2017 Board meeting to investigate the cost of computer programming and billing changes necessary to facilitate an electric assistance program (EAP) discount option for customers taking competitive supply, the utilities provided the following estimates:

¹ Some discussion also occurred regarding the depth of cost-scoping the utilities had committed to in April as described within the Competitive Electric Supply Discount Options section of the minutes. Consensus emerged during the discussion that the minutes’ current language should remain.

- **Eversource** estimates a total cost of \$177,000 to implement the changes in their service territory using their in-house Information technology (IT) staff
- **Liberty** estimates a total cost of \$112,000, consisting of \$100,000 for a vendor, \$8,000 for quality assurance, and \$4,000 for internal staff. This estimate was given by their IT manager based on the cost of prior projects and assuming roughly 60 low income customers have chosen competitive supply
- **New Hampshire Electric Cooperative** estimates a cost of \$18,000, but was unsure whether this estimate included the cost of quality assurance and local IT. NHEC noted the program would apply to less than ten people in their service area.
- **Unitil** has spoken with a vendor, but did not obtain an estimate and would require an actual proposal before the project cost could be fully investigated

The Board then discussed the source of funding for the above-mentioned IT upgrades. While some stakeholders noted that the upgrades could be characterized as satisfying the utilities' normal obligation to serve, others noted that historically the administrative costs of EAP had been recovered via the EAP fund. There was also discussion regarding the need for a cost-benefit analysis of the investment, whether the costs of the IT upgrade would be amortized or recovered in a lump sum, and how the process might proceed moving forward. The utilities noted a need for firm program details so they might offer more reliable cost estimates.

Rather than wading into the details of exactly how the discount option for customers on competitive supply might work, consensus emerged that the Board would likely submit a general proposal to the Commission and allow Board members to comment on details in that venue. An informal poll of Board members revealed unanimous support for a conduit through which EAP customers could embrace competitive supply.

The Board then turned its attention to the proposal's impact on the competitive suppliers and competitive supply market, discussing whether suppliers might work with the Board to help facilitate delivery of competitive supply options to EAP customers, and whether those suppliers might be required to offer consolidated billing to all customers they serve. This discussion illuminated the need for input from the competitive supply community. **The Commission agreed to contact the Retail Energy Supply Association and/or the largest residential sector competitive suppliers in New Hampshire and seek their availability for a discussion of the proposal planned for September 6, 2017 at 1pm in Hearing Room A at the Public Utilities Commission.** The Board also agreed to formulate and internally circulate discussion questions prior to the meeting, and to send a description of the proposal to any competitive suppliers that agree to attend.

3. **Triennial Process Evaluation**

Continuing its ongoing discussion of issues raised in the triennial program evaluation, the Board turned to the Office of Strategic Initiatives' software system update, which was initiated to comply with Fuel Assistance Program reporting requirements. The Office of Strategic Initiatives noted that it is in the process of issuing an RFP for an update to its program tracking systems, and that it would likely have a cost estimate for this update in time for the October meeting of the Board. The Board agreed to discuss whether EAP program funds could provide a cost-share for the software update at their October meeting and agreed to bring a close to discussions of the triennial process evaluation.

4. **Annual Compliance Review**

Shannon Nolin of the Community Action Partnership described the process for compliance review and summarized the structure of the resulting report. She noted an interest in hosting an outreach meeting to work with utilities and agencies to market the program, and other Board members suggested Shannon could present at the utilities' annual "Utility Social Agency Meeting." Shannon agreed to follow up with the Utilities after the meeting.

5. PY 17-18 Budgets

Amanda Noonan described the process leading to approval of the EAP budgets each year, which typically begins with the Board's receipt of the proposed budgets by August 1, after which time Board members have approximately one week to issue inquiries about the budgets via email. Written responses are provided, again by email and typically within a week of receipt of the questions. The Board then holds a conference call to respond to and further discuss any inquiries. The process then concludes with submission of a memo to the Commission providing a Staff recommendation and the position of the Board regarding the proposed budgets. The target date for this memo is generally August 25, to allow time for final approval by the Commission before October 1.²

Some Board members expressed concern regarding the timeline for the budgetary review process. Although the Community Action Program budgets are already available, the utility budgets will not be available until August 1, and the Board is required to provide a recommendation approximately three weeks after they're made available. After further discussion of the informal review process, and care taken to identify and describe annual budgetary variations during that process, **the group agreed to the following timeline for the PY 17-18 budget process:**

- **August 1-** Budgets are submitted to Board, Board's rolling inquiry period begins
- **August 11-** Rolling inquiry period ends
- **August 18-** Final responses due to inquiries
- **August 22-** Board conference call at 9am

After discussing the process for budget approval, the Board turned its attention to the substance of the EAP fund itself. Noting a recent growth in the fund, the Board discussed historical revisions to fund distribution parameters in similar circumstances and whether such revisions might be prudent during the fiscal year in question. The Board also discussed adverse impacts on EAP customers that might result from over-distribution of the fund, noted the volatility of annual enrollment, and discussed the likelihood that the programming costs and increased benefits associated with offering competitive supply options to EAP customers might deplete the EAP funds.

6. Outdoor Lighting and EAP Participant Bills

At its April 2017 meeting, the Board discussed whether the EAP discount applies to outdoor lighting, identifying a possible discrepancy between utilities based on whether outdoor lighting is billed or coded separately. The utilities agreed to investigate the issue and report back at the July meeting of the Board where they described their situation as follows:

- **Eversource** applies the EAP discount to outdoor lighting when outdoor lighting is not billed as a separate account. Although the company provides a separate meter for outdoor lighting, customers are generally billed for their outdoor lighting and other residential services on the

² The Board also discussed whether the August 25th submission was actually required for approval of the EAP budget by October 1. The utilities noted their preference for non-appealable order as a driving factor in the August deadline, while others questioned the need for this lead-time and suggested that a Nisi order might provide further time for review if necessary.

same account unless the customer explicitly requests two separate accounts. Eversource's outdoor lighting services constitute ~\$15,000 of the annual EAP budget.

- **New Hampshire Electric Cooperative** does not generally offer residential customers a separate account or meter for outdoor lighting and therefore includes outdoor lighting in the EAP discount program
- **Unitil** does not apply the EAP discount to outdoor lighting because their outdoor lighting rate is entirely separate from its residential service rate
- **Liberty** does not apply the EAP discount to outdoor lighting because their outdoor lighting rate is entirely separate from its residential service rate

The Board discussed the discrepancy in the above-mentioned programs and indicated a preference for a uniform application of the discount across utilities in order to limit customer confusion, but there was no consensus regarding whether the discount should or should not apply to outdoor lighting. To facilitate a decision, **the utilities agreed to inquire internally regarding: 1) how many customers any such change would affect; and 2) what costs would be associated with a decision for uniform treatment (inclusion/exclusion) of outdoor lighting from the EAP discount.**

7. New Business

No new business was discussed.

The meeting of the Electric Assistance Program Advisory Board was adjourned at 11:23am.