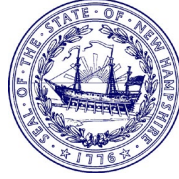


STATE OF NEW HAMPSHIRE

COMMISSIONER
Jared S. Chicoine

DEPUTY COMMISSIONER
Christopher J. Ellms, Jr.



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DEPARTMENT OF ENERGY

21 S. Fruit St., Suite 10
Concord, N.H. 03301-2429

September 14, 2023

Daniel C. Goldner, Chairman
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH 03301

Re: DE 23-073 Low Income Electric Assistance Program, 2023-2024 Electric Assistance Program Budgets, *DOE's Position Statement and Clarification of Software Facts*

Dear Chairman Goldner:

In its *Commencement of Adjudicative Proceeding and Notice of Hearing* issued August 25, 2023 in this matter, the Commission requested that the New Hampshire Department of Energy ("DOE" or "Department") file a statement of position regarding the Electric Assistance Program (EAP) budget filings on or before September 15, 2023. This letter is the Department's statement of position and includes the Department's clarification of facts regarding its expenditure of \$450,000 of the \$7,000,000 appropriated to the Department by Laws 2022, Chapter 346:4 to replace software programming utilized to administer the Electric Assistance Program (EAP).

Clarification regarding Department EAP Software Expenditure

By way of clarification, the software referenced above is being acquired by the Department and will be owned by the Department. It is not being acquired "on behalf of the [Community Action Agencies] CAAs." See *Commission's Commencement of Adjudicative Proceedings and Notice of Hearing* (August 25, 2023) at 2 (stating software is acquired on behalf of the CAAs). Of note, the utility and CAA budgets subject to Commission review do not include the referenced Department expenditure for software. See *id.* at 2-3 (describing issues to be reviewed at the September 21, 2023 hearing as inclusive of "spending on software").

As the Department stated at the August 8, 2023 prehearing conference, based upon the advice of the New Hampshire Attorney General's Office, Commission review and approval of the Department's software expenditure is neither required nor being sought here. The Department apprised the Commission of the plan to acquire software for informational purposes. See August 8, 2023 Transcript at 25-28 (testimony of Joshua Elliott, Director of the Policy and Programs Division, NH Department of Energy) available at this link [0-0-22-043-PHC-2023-0808.ecl \(nh.gov\)](https://www.nh.gov/0-0-22-043-PHC-2023-0808.ecl); see also August 1, 2023 Letter from Commissioner Jared S. Chicoine (providing information to the Commission about the Department's software expenditure) (attached hereto as Attachment A).

Department’s Analysis Re Utility and Community Action Agency Budgets

The Department’s Consumer Service Director has reviewed the utilities and the CAA’s proposed EAP 2023-2024 administrative budgets, as revised and filed in this docket, including the CAA’s allocation of expenses to individual utilities.

By way of background, and as the Commission is aware, there are two components of the EAP administrative budgets: the CAA administrative costs and utility administrative costs. Costs associated with the Department’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 EAA administrative costs allocated to each utility. Utility incremental costs typically include expenses for the production and printing of educational materials such as posters and brochures, customer service, legal services, and IT support. The utilities’ incremental costs may only include expenses that would be reasonably incurred as part of the utilities’ administration of the EAP but that would not be incurred absent the 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 and also undertakes outreach and education about the EAP.

The total proposed EAP administrative budget for the EAP program year (PY) 2023-2024 and the total administrative budget for the EAP PY 2022-2023 are shown below. Overall, the total 2023-2024 administrative budget is 0.58% lower than the 2022-2023 administrative budget. The CAA budget is 1.11% higher and the total utility budget is 67% lower. The decrease in the utility budget stems from an item in last year’s budget in the amount of \$40,000 for Eversource to hire a consultant in Dockets No. DE 21-133 and DE 22-043 to review and evaluate the EAP.

EAP PY	CAA Budget	Utility Budget	Total Budget
2023 - 2024	\$2,091,664	\$17,088	\$2,108,752
2022 - 2023	\$2,068,761	\$52,283	\$2,121,044
Change over 2022-2023	1.11%	(67%)	(0.58%)

In the opinion of the Department, the above expenses are expenses that would be reasonably incurred in the administration of the EAP. The Department therefore recommends that Commission approve the 2023-2024 EAP administrative budgets, including the CAA’s allocation of expenses. Consistent with the Commission’s March 17, 2020 letter, this letter is being filed solely in electronic form. Thank you for your attention to this matter.

Respectfully Submitted,
/s/ *Mary E. Schwarzer*
Mary.E. Schwarzer
Staff Attorney/Hearings Examiner
Department of Energy

Docket (electronic service)

Docket #: 23-073

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Printed : 9/14/2023

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August 1, 2023

Daniel C. Goldner, Chairman
Public Utilities Commission
21 S. Fruit Street
Concord, NH 03301-2429

Re: Docket No. DE 22-043 Low Income Electric Assistance Program, 2022-2023 Electric Assistance Program Budgets, *Department expenditure for software*

Docket No. DE 23-xxx Low Income Electric Assistance Program, 2023-2024 Electric Assistance Program Budgets, *Department expenditure for software*

Dear Chairman Goldner:

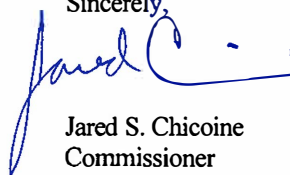
When considering issues raised in the Commission's Order dated July 17, 2023 in Docket No. 22-043, the Commission should be aware that the New Hampshire Department of Energy (Department) has allocated and intends to expend \$450,000 of the \$7,000,000 appropriated to the Department by Laws 2022: 346:4 to replace the software programming utilized by the Community Action Agencies to administer the Electric Assistance Program (EAP), Fuel Assistance Program (FAP), and Weatherization Assistance Program.

Current software is shared by EAP and FAP and is approximately twenty years old. It is at the end of its useful life, and new software is required. Development of new software is expected to be costly. To maximize efficiency in the use of its appropriated funds, the Department intends to leverage them by developing EAP software in conjunction with, and integrated into, new software to be utilized by the Community Action Agencies to jointly administer all three programs. The joint project will decrease the individual cost of software development and program administration for all three of the programs. The Department plans to issue a request for proposals for software development in the near future. Rollout of the new software is planned for the second quarter of 2024.

This letter is being filed simultaneously in Docket No. DE 23-043 and the new docket to be opened for 2023-2024 Electric Assistance Program Budgets.

Consistent with the Commission's current practice, this letter is being filed solely in electronic form.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jared Chicoine", with a long horizontal flourish extending to the right.

Jared S. Chicoine
Commissioner

Cc: Josh Elliot, Director of Policy and Programs, NH Department of Energy
David Shulock, General Counsel, NH Department of Energy
Amanda Noonan, Director, Consumer Services, NH Department of Energy
Mary Schwarzer, Staff Attorney, NH Department of Energy

Service List (electronic service)

Dkt. No. DE 22-043