

NEW HAMPSHIRE ELECTRIC ASSISTANCE PROGRAM (EAP)

PROGRAM BASICS

- Owners and renters are eligible for discounts on their electric bills, subject to qualification based on household size and income
- Goal is to bring electric bills into range of affordability for low income customers (attempts to bring payable portion of electric bill to an average of between 4% - 5% of income)
- Tiered system of benefits, with lowest income households receiving greatest benefits
 - Discounts vary between 7% and 70% (original 5% tier later eliminated in 2011¹)
 - Households are eligible up to 175% of poverty level (originally 185%, later reduced in 2011²)
- Funded through System Benefits Charge (SBC) on all electric bills of participating utility companies
 - SBC varies, based on usage (around 3 mill/kWh³, with about half going to EAP and the rest going to efficiency programs)
- Public Utilities Commission (PUC) acts as regulatory overseer, and Community Action Agencies (CAA) authorized to act as program administrators by PUC⁴

LEGISLATIVE HISTORY HIGHLIGHTS

- 1996: New Hampshire legislature authorized PUC to develop EAP as part of utility deregulation legislation⁵
- 1997: PUC authorizes establishment of low income EAP⁶ with stated goals of:
 - bringing electric bills into range of affordability
 - encouraging conservation and the use of energy efficiency mechanisms to make electric bills
 - manageable
 - making the most effective use of limited funding
- 2000 – 2002: PUC outlines structure of EAP and makes changes, including implementing tiered discount program and authorizing CAA's to act as program administrators⁷
- 2011: PUC amends EAP to eliminate tier 1 discount for households at upper end of low-income status, and to cap assistance at 700 kWh⁸

¹ New Hampshire Public Utilities Commission, Order 25,200

² New Hampshire Public Utilities Commission, Order 25,200

³ 3 mill = \$0.003

⁴ New Hampshire Public Utilities Commission, Order 23,573

⁵ New Hampshire RSA Title XXXIV, Chapter 374-F

⁶ New Hampshire Public Utilities Commission, Order 22,514

⁷ New Hampshire Public Utilities Commission, Orders 23,573; 23,945; 23,980

⁸ New Hampshire Public Utilities Commission, Order 25,200

PROGRAM EVALUATION

- Each year the PUC submits a report on the results and effectiveness of the SBC to the Legislative Oversight Committee on Electric Restructuring
- The 2011 report⁹ recommended several changes, which were adopted:
 - Eliminated tier 1 from assistance eligibility (households at 185% of poverty level that received
 - 5% discount on electric bill)
 - Capped assistance at 700 kWh (avg usage for EAP participant was 588 kWh)
 - [Eliminating tier 1 assistance and capping assistance at 700 kWh estimated to reduce average annual benefit from \$483 (2009-10 figure) to \$388, reduce the size of the waiting list for EAP participation, and allow for more participation among lower income households]

New Hampshire vs Kentucky demographic statistics (quickfacts.census.gov)

- **Population (2010):** New Hampshire: 1.3 million; Kentucky: 4.3 million
- **Per-capita income (2005-2009):** New Hampshire: \$30,640; Kentucky: \$22,284
- **Median household income (2009):** New Hampshire: \$60,734; Kentucky: \$40,061
- **Persons below poverty level (2009):** New Hampshire: 8.6%; Kentucky: 18.4%

REFERENCES

- Electric Assistance Program overview, including links to PUC evaluation reports in sidebar (<http://www.puc.state.nh.us/consumer/electricassistanceprogram.htm>)
- New Hampshire Revised Statutes Annotated, Title XXXIV, Chapter 374-F: <http://www.gencourt.state.nh.us/rsa/html/XXXIV/374-F/374-F-mrg.htm>
- Public Utilities Commission, Order 22,514, February 28, 1997: <http://www.puc.nh.gov/Regulatory/Orders/1973-1997orders/1997orders.pdf>
- Public Utilities Commission, Order 23,573, November 1, 2000: <http://www.puc.nh.gov/Regulatory/Orders/2002ORDS/23945e.PDF>
- Public Utilities Commission, Order 23,945, April 5, 2002: <http://www.puc.nh.gov/Regulatory/Orders/2002ORDS/23945e.PDF>
- Public Utilities Commission, Order 23,980, May 30, 2002:
 - <http://www.puc.nh.gov/Regulatory/Orders/2002ORDS/23980e.PDF>
- Public Utilities Commission, Order 25,200, March 4, 2011: <http://www.puc.nh.gov/Regulatory/Orders/2011orders/25200e.pdf>
- Public Utilities Commission, “Report to the Legislative Oversight Committee On Electric Restructuring – Results And Effectiveness Of The System Benefits Charge,” October 1, 2011: <http://www.puc.state.nh.us/Electric/REPORT%20on%20SBC%20TO%20THE%20LEGISLATIVE%20OVERSIGHT%20COMMITTEE%202011%2010-1-11.pdf>

⁹ October 1, 2011 PUC Report to the Legislative Oversight Committee On Electric Restructuring