



**NASEO Energy Equity Taskforce – Peer Exchange Findings
Mitigating Utility Bill Impacts for LMI Households in COVID-19
Last Update: May 26, 2020**

***Background:** Members of NASEO’s Energy Equity Taskforce, NASEO staff, and other key partners identified mechanisms, examples, and resources that may assist states seeking to mitigate unmanageable utility bill impacts on low- and moderate-income (LMI) and/or unemployed households due to the novel coronavirus or COVID-19 pandemic.*

States’ responses to slow the spread of COVID-19 and protect public health have had significant economic impacts, including the shuttering of businesses and millions of workers unemployed. Even with increased funding for the Low-Income Heating Energy Assistance Program (LIHEAP) through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, for many LMI and/or out-of-work households, relief assistance may be insufficient in meeting increased and accumulating home energy bills. Many utilities are under a moratorium suspending shutoffs so that energy service can continue through the public health emergency, but with much of the workforce now unemployed, there remains a dual concern: (1) that households may be saddled by unmanageable utility bill arrears after normal billing cycles return, and (2) that utilities will need to absorb or write-off high levels of debt.

*This document synthesizes actions, examples, and resources from State Energy Offices and other partners to address these issues. Strategies, proposals, and resources with a **specific focus on LMI or vulnerable customers are highlighted in green**. Some of the examples listed below are proposals, and have not yet been approved or implemented. To join the Energy Equity Taskforce, or to share feedback and additional information and examples with NASEO, contact mkoewler@naseo.org or sfazeli@naseo.org.*

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Increased Investment in and Relaxed Requirements for LMI Programs

Energy Assistance Programs

- (LMI) The **National Energy Assistance Directors Association** (NEADA) is tracking how state LIHEAP agencies are responding to the pandemic; [click here for their state-by-state report](#).
- (LMI) The **Ohio Development Services Agency's** Office of Community Assistance (the State Energy Office, which houses LIHEAP) has taken the following actions:
 - o Extended Winter Crisis Program (LIHEAP funded) until May 1st (originally slated to end March 31). This provides households one-time crisis assistance towards heating, electric, bulk fuel, and furnace repair.
 - o Extended regular HEAP program to June 1st. This provides one-time assistance towards a customer's main heating source, paid directly on their bill.
 - o Under development: We have not finalized our summer crisis program yet, but plan to allocate additional LIHEAP funds, extend the program timeframe and expand customer eligibility to serve additional customers. Ohio received our CARES act funds, approximately \$37M and we are currently discussing a one-time direct benefit in the September-October timeframe, before our traditional winter crisis program starts on November 1st.
- (LMI) **Oregon Housing and Community Services** (OHCS) has implemented the following changes:
 - o Oregon was awarded \$9.5 million in supplemental LIHEAP dollars via CARES Act last week to handle the additional impacts of COVID. OHCS lifted/raised household award caps for LIHEAP in anticipation of increased arrearage averages as the shut-down compounds that for unemployed/furloughed households. We are piloting a categorical eligibility process thru SNAP qualified applicants via our state energy assistance program. It may provide a method to streamline income verification for some applicants reducing the burden on agencies and clients. If it deems feasible as well as maintains or improves the levels of income verification assurance—we may extend this provision to LIHEAP. We are collecting data from all applicants if their assistance is related to COVID impacts.
 - o OHCS also administers the Oregon Energy Assistance Program (OEAP) that serves Pacific Power and PGE customers exclusively with high arrearages and shut-off notice endangered. There are real and significant service delivery challenges. Agencies and offices are shut-down. Applicants accessibility is now very difficult. The process is administratively burdensome for some agencies in verifying the applicant meets with all qualification requirements. OHCS has put temporary rules in place that gives the sub-grantees flexibility in how the income verification is acquired. Out of an abundance of caution, agencies are strongly encouraged to no longer meet with applicants in person. Applications may be accepted via: mail, email, fax, picture text and by telephone. Wherever possible, current eligibility and documentation requirements are encouraged to be practiced via means of remote intake appointments, mail, email, fax etc. Agencies have the discretion to determine whether to implement these temporary guidelines or not. OHCS will be allowing eligibility flexibility in the application method, required documentation and utility bill access. Some of this documentation is difficult for applicants to obtain now. The state's temporary OEAP guidance dictates that agencies should make every attempt to acquire required income documentation; this includes additional time once the social distancing restrictions are lifted to collect missing documentation. OHCS expectation is that each agency will do their best to document hardship cases, income, and your efforts to acquire income documentation. The state committed that it will not be punitive from a compliance perspective during this time.

Bill Discount/Percentage of Income Payment Plus Programs

- **(LMI)** The **Ohio Development Services Agency** provides utility assistance through the rate-payer funded Percentage of Income Payment Plus Program (PIPP). This program allows customers with a regulated electric or gas service provider to be enrolled in a payment plan based on their last 30 days of household income. The household will pay either 6% or 10% depending on their heating source. As long as the customer pays on-time and in-full each month the difference between the PIPP payment amount and the actual usage is written off (paid for by the rider) and any arrearage on the account is paid down each month that payments are made (also covered by the rider). The office plans to monitor and adapt programs as needs evolve.
- **(LMI)** The **Colorado Public Utilities Commission** (PUC) is collecting data from utilities on shutoff, arrearage, disconnection, and low-income Percentage of Payment Programs (PIPP) and [posting](#) weekly updates, as directed by an Executive Order. Existing utility PIPP programs for income-eligible households already include an arrearage forgiveness component. Most utilities in the state have the ability to increase PIPP enrollment at this time as it's needed. An on-going evaluation of utility PIPP programs by **Colorado Energy Office** to identify whether high-need households are being served effectively is continuing and will seek to address the current crisis. The PUC will open a proceeding in June to expand data collection on disconnection, arrearages, low-income assistance programs, and shutoffs to discuss potential modifications and long-term considerations. Additionally, Colorado's LEAP program has extended enrollment through the summer until funds are no longer available, past the traditional April 30 program end.
- **(LMI/Vulnerable Customers)** **California PUC** has issued a [proposal](#) to the major IOUs with a number of customer protection ideas, including the establishment of a Percentage of Income Payment Plan pilot as well as prevention of shut-offs for elderly and medically vulnerable customers and during extreme weather days.
- **(LMI)** **New York City** has filed a [petition](#) with the **New York Public Service Commission** (PSC) seeking emergency financial relief for enrollees of Con Edison's low-income bill discount program. The increased assistance would offset the estimated incremental cost of using air conditioning in the summer months.
- **(LMI)** The **Missouri Public Services Commission** [approved](#) a request by Ameren to waive a requirement in their Keeping Current Low-Income Pilot tariff that would drop customers who miss payments.

Other Strategies

- As part of [Docket No. 5022 - Suspension of Service Terminations and Certain Collections Activities During the COVID-19 Emergency](#), the **Rhode Island Public Utilities Commission (PUC)** has asked the **Rhode Island Division of Public Utilities and Carriers** (the ratepayer advocates for the PUC) to review and comment on each of the respective utilities' outreach and collection plans for when their shut-off moratorium is lifted.
- **California PUC** is accelerating the application of "[California Climate Credit](#)" from the state's cap and trade program to offset customer utility bills earlier than it normally would.
- **South Carolina Governor McMaster** (through the **Office of Regulatory Staff (ORS)**) [issued a letter](#) requested that "providers of utility services proceed with developing and implementing plans for phasing in normal business operations, while also working with their customers and ratepayers who need assistance to refer them to local organizations or arrange payment plans that will avoid or minimize penalties and service interruptions." Plans will be [posted to this website](#) as they are available. ORS also maintains a website on resources to help consumers with utility bills, [available here](#).

Utility Freeze on Shut-offs, Late Fees, Interest, and/or Rate Increases

- The **National Association of Regulatory Utility Commissioners (NARUC)** has been tracking this issue and other related topics through its [State Response Tracker](#).
- Since March 2020, all member companies (investor-owned electric utilities) of the **Edison Electric Institute (EEI)** have [suspended electricity disconnects](#) for non-payment. Several **gas utilities** have also suspended service shut-offs for past-due customers, as have many **public power utilities**. Many [electric cooperatives](#) are also taking steps to assist their members, such as the return of capital credits and refunds as well as charitable “Give 5” programs (see examples from [Palmetto](#), [York](#), and [Laurens](#), all in **South Carolina**).
- **Arizona** Gov. Ducey forged an [agreement](#) with the state’s utilities so that no customer will experience power shut-off or have penalties, late fees, or interest assessed on their bills.
- **Maryland’s Baltimore Gas and Electric (BGE)** has [proposed](#) a rate freeze through 2023 in response to the pandemic, to be followed by an eight percent hike.

Financial, Technical, and Outreach Support for Utilities and Energy Providers

- The **Maryland Public Service Commission (PSC)** passed [Order No. 89542](#), which authorizes each utility to track the incremental costs incurred related to COVID-19 to ensure that residents continue to have access to services. This action is expected to facilitate the recovery of costs after the pandemic has passed.
- In a May 6th letter to the **Colorado** congressional delegation, **Governor Polis** requested funding that could be used to offset non-payment of customer energy and water bills resulting from the COVID-19 crisis. The letter indicates that “federal support can mitigate the impact of existing utility shutoff suspensions and protect against higher utility rates for customers in the years to come.” (See attachment.)
- **(LMI)** The **Colorado Energy Office** has issued a report, “COVID-19 Impacts to Propane Home Heating and Recommendations as Directed by Executive Order D 2020 012,” which assesses the impacts of COVID-19 on residential propane consumers and marketers. Recommendations reported to Governor Polis include the continued use of LIHEAP to support customers, guidance to the propane marketing community, continued monitoring, and considerations for future stimulus funds. (See attachment.)
- Associations representing utilities and other types of energy providers have requested federal assistance for their members. Examples:
 - o The **National Renewable Electric Cooperative Association** has [proposed modifications](#) to U.S. Department of Agriculture’s Rural Utilities Service (RUS) programs to increase rural electric cooperatives’ liquidity;
 - o The **American Public Power Association** is [seeking direct financial assistance](#) for its community-owned public power members, as well as increased funding in LIHEAP and support for states and localities.

Additional Resources

- **(LMI)** NEADA’s website offers [information about the CARES Act](#), including funding tables detailing increased LIHEAP amounts received by states, territories, and tribes. NEADA has also been tracking the [Health and Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act](#), passed by the House, and advocating for [further funding increases for LIHEAP](#).
- **(LMI)** **Energy Efficiency for All (EEFA)** has a [Pandemic Response Guidance](#) document. In addition to direct support for LMI households (for instance, through LIHEAP), they recommend governors consider arrearage forgiveness for low-income households, as well as special rates for LMI households and impacted businesses to ease energy burdens moving into the post-emergency phase. EEFA is focused on housing affordability in addition to energy efficiency, so they also offer several

non-energy recommendations, such as rent payment assistance, suspension of eviction hearing, and cash assistance for building owners to cover operating assistance to support stable housing.

- (LM) The **National Association of State Utility Consumer Advocates** (NASUCA) has issued [“Recommendations Concerning the Effects of the Public Health and Economic Crises Resulting from COVID-19 upon Utility Rates and Services Provided to Consumers by Public Utilities.”](#)
- The **National Energy and Utility Affordability Coalition** (NEUAC)’s [COVID-19 Resources page](#) includes links to resources and research, as well as a white paper, [“Energy Affordability and COVID-19: Exploring Promising Practices to Address Growing Need.”](#)
- The following pages include two attachments:
 - o May 6, 2020 Letter from Colorado Governor Polis to U.S. Senate and House Delegations
 - o April 2020 Report from Colorado Energy Office on “COVID-19 Impacts to Propane Home Heating”