

STATE OF NEW HAMPSHIRE**Inter-Department Communication**

DATE: January 14, 2010
AT (OFFICE): NHPUC

FROM: Amanda Noonan

SUBJECT: Increase in EAP funding to serve current waiting list

TO: Commissioners *an*
Executive Director

This morning Governor Lynch signed Senate Bill 300 into law authorizing the Commission to increase the portion of the system benefits charge used to fund the electric assistance program (EAP) as necessary to adequately fund the program. The increase in funding to the EAP was capped at 1.8 mills per kWh.

There are currently 29,084 customers enrolled in EAP, and 8,273 customers on the waiting list. The current enrollment and waiting list together represent 37,357 households. Based on the projection for the 2009-2010 program year, a funding level of 1.8 mills per kWh can sustain an enrollment of approximately 37,000 households for the remainder of the program year. Therefore to adequately fund the program, an additional .3 mills per kWh would need to be allocated to current EAP funding.

In response to an inquiry sent to PSNH, NHEC, National Grid and Unitil regarding implementation of a re-allocation of funding from EAP to energy efficiency, PSNH has indicated that adjusting the allocation on February 1, 2010 would be administratively efficient as all of its kWh reporting is done on a monthly basis and requested the Commission make any change to the allocation effective February 1, 2010. NHEC, National Grid and Unitil did not identify a similar concern. Enrollment of customers from the waiting list would begin as soon as PSNH received the enrollment information from the Community Action Agencies, however. Based on projected kWh sales for January, the difference between changing the allocation in EAP funding and energy efficiency funding on February 1, 2010 rather than January 18, 2010 is approximately \$132,000.

I will be instructing the Community Action Agencies to enroll all customers currently on the EAP waiting list. While this will place enrollment slightly over 37,000, the natural turnover in the program enrollment provides sufficient flexibility to return to an enrollment level that will be sustainable for the duration of the program year. Based on estimates received from the Community Action Agencies and the four electric utilities, I anticipate that the vast majority of, if not all, customers on the EAP waiting list would be enrolled in the program by January 22, 2010.