# Low Income Rates

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# **Discussion Topics**

#### Low Income Tariff Schedules

### Other Low Income Support and Subsidies

- Low Income Energy Assistance Program (Federal)
- State and Private Programs
- Subsidies Funded through Public Benefit Charges
- Disconnection Policies
- Bad Debt Forgiveness
- Budget Billing

### Federal Law

16 USC 46.2624

(a) No provision of this chapter prohibits a State regulatory authority...or a non-regulated electric utility from fixing, approving, or allowing to go into effect a rate for essential needs...of residential electric consumers which is lower than a rate under the standard referred to in section 2621(d)(1) of this title [cost of service rates].

### RATE SCHEDULE E-3 RESIDENTIAL SERVICE ENERGY SUPPORT PROGRAM



Arizona Public Service Company

The Total Bill as calculated according to the Applicable Residential Rate Schedule (before Taxes, Regulatory Assessments and Franchise Fees) will be Discounted by:

For Bills with Usage of:

0 - 400 kWh	40%
401 - 800 kWh	26%
801 -1200 kWh	14%
1201 kWh and above	\$13.00

Power Supply Adjustment does not apply.

Demand Side Management Adjustment does not apply.

#### RATE SCHEDULE E-4 RESIDENTIAL SERVICE MEDICAL CARE EQUIPMENT SUPPORT PROGRAM



Arizona Public Service Company

The Total Bill as calculated according to the Applicable Residential Rate Schedule (before Taxes, Regulatory Assessments and Franchise Fees) will be Discounted by:

For Bills with Usage of:

0 - 800 kWh	40%
801 - 1400 kWh	26%
1401 -2000 kWh	14%
2001 kWh and above	\$26.00

Power Supply Adjustment does not apply.

Demand Side Management Adjustment does not apply.

#### Monthly Income Guidelines (150% of Federal Poverty Guidelines)



Number of people per household	Monthly maximum income level	Number of people per household	Monthly maximum income level
1 Person	\$1,355	6 People	\$3,692
2 People	\$1,821	7 People	\$4,160
3 People	\$2,289	8 People	\$4,626
4 People	\$2,757	9 People	\$5,094
5 People	\$3,224	10 People	\$5,562

# District of Columbia



A PHI Company

Distribution Service Charge	Residential Aid Discount	Residential Aid Discount All Electric	Residential \$6.65	Residential All Electric
Summer (per kWh)  1st 400 kWh  In excess of 400 kWh	\$0.00737	\$0.00281	\$0.00737	\$0.00799
	\$0.02144	\$0.02368	\$0.02144	\$0.02368
Winter (per kWh) 1st 400 kWh In excess of 400 kWh	\$0.00737	\$0.00281	\$0.00737	\$0.00799
	\$0.01490	\$0.01315	\$0.01490	\$0.01315

Generation and Transmission Charges are added to the Above Distribution Charges



# PECO. Pennsylvania Customer Assistance Program

	% of Federal Poverty Guidelines	Residential	Residential Heating
CAP A (extenuating circumstances)	≤25%	\$12.00 / mo. for up to 1,000 kWh; if more usage, CAP D rate applies	Winter: \$30/mo. up to 2,000 kWh Summer: \$30 / mo. up to 1,000 kWh; if more usage CAP D rate applies
CAPB	≤ 25%	93% discount on total bill subject to a maximum discount	87% discount on total bill subject to a maximum discount
CAP C	$\geq 26\%$ to $\leq 50\%$	86% discount on total bill subject to a maximum discount	75% discount on total bill subject to a maximum discount



## PECO. Pennsylvania Customer Assistance Program

	% of Federal Poverty Guidelines	Residential	Residential Heating
CAP D	$\geq 51\%$ to $\leq 75\%$	70% discount on total bill subject to a maximum discount	45% discount on total bill subject to a maximum discount
CAP D1	$\geq 76\%$ to $\leq 100\%$	62% discount on total bill subject to a maximum discount	24% discount on total bill subject to a maximum discount
CAPE	≥101% to ≤125%	41% discount on total bill subject to a maximum discount	0% discount
CAP E1	≥126% to ≤1 50%	29% discount on total bill subject to a maximum discount	0% discount



# Massachusetts Electric

	Regular Residential	Low Income (60% of state median income or on a listed benefits program)
Customer Charge	\$4.00/month	25% Discount
Distribution Charge 1st 600 kWh Excess kWh	\$0.03351/ kWh \$0.04013/ kWh	25% Discount
Transmission Charge	\$0.01729 / kWh	25% Discount
Transition Charge	\$0.010 / kWh	25% Discount
Energy Efficiency Charge	\$0.00596 / kWh	25% Discount
Renewables Charge	\$0.0005 / kWh	25% Discount



# LITE-UP Texas Program

Discounts to eligible customers in MAY, JUNE, JULY, AND AUGUST

Automatically qualified if currently receiving Medicaid and Food Stamps

□ Otherwise, can apply if ≤ 125% of federal poverty guidelines

Discount is 17% off of the Provider of Last Resort Rate.

### Low Income Energy Assistance Program (LIEAP)

### State and Federally (mostly) Funded Program

For 2011, total allocations of \$3.9 Billion from Federal Funds

### Help pay Home Heating Bills (Cooling Bills)

- October through May
- Covers Cost of
  - Electric, Natural Gas, Propane, Wood, Diesel Heating Oil, Coal, Pellets used for Heating

#### Some funds also available for Crisis Assistance

- Paid directly to supplier
  - Helps with deposits
  - · Helps with back bills to prevent a shut-off
  - Helps with out of fuel situations (e.g., propane)
  - Funds also available to replace or repair furnaces
- Maximum benefit of \$600

Customers may also be eligible for Weatherization Assistance

# State and Private Programs

### Example: Energy Share of Wyoming

- Administered by the Salvation Army
- Private donations
- Helps with energy-related emergencies
  - All other forms of assistance have been exhausted
  - One time payment up to \$400
- December 1<sup>st</sup> through May 1<sup>st</sup> or until funds exhausted
- First priority to Wyoming residents who are at or above
   185% of the federal poverty level

# Public Benefit Charges



### Wisconsin Customers Pay a Public Benefits Charge

- Used in part to fund low-income energy assistance programs
- 70% collected from residential customers
- 30% from non-residential customers

### Residential

- □ 3% of total pre-tax electric bill
- Maximum of \$3.15 per month

### Non-Residential

 Maximum monthly charge of \$9.80, \$27.40, or \$113.47 depending on rate schedule

# Bad Debt Forgiveness



### Percentage of Income Payment Plan (PIPP) Plus

- If you heat with gas
  - pay 6% of monthly household income to gas company and 6% to electric company
- If you heat with electricity
  - pay 10% of monthly household income to electric company
- Income must be ≤150% of federal poverty level
- Must apply for all assistance for which eligible

#### **Incentive Credit**

- Each time monthly payment is on-time and in-full
  - · no longer owe the rest of that month's billed amount
  - receive a 1/24 credit toward old debt

Can't participate in Customer Choice and PIPP Plus at same time

### Disconnection Policies

### Payment Plans

 Customers who fell behind on bills will generally not be disconnected if meet the terms of an agreed-upon payment plan

# Weather or Seasonal Prohibitions for Low Income Customers

- Disconnection may be prohibited if above a specified temperature (too hot!) or if below a specified temperature (too cold!)
- Disconnections may not be allowed during certain seasons (e.g., winter or November through March)

# **Budget Billing**

Bills that are spread out throughout the year may help customers keep from falling behind during high usage months

Allows for better planning

### Contact Information

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