PUBLIC UTILITIES COMMISSION		DOCKET No. 2023-00175
TOBLIC CHAITLES COMMISSION		August 10, 2023
MAINE PUBLIC UTILITIES COMMISSION,	)	Central Maine Power Comp

MAINE PUBLIC UTILITIES COMMISSION, Central Maine Power Company's Inquiry Regarding Temporarily Expanding Reply Comments

Low-Income Assistance Plan Eligibility )

DOCKETAL 2022 00175

Central Maine Power Company ("CMP") hereby provides comments in reply to the initial comments filed by Versant Power ("Versant") and by the Office of the Public Advocate ("OPA"), which provided comments in consultation with AARP.

## I. Versant's and the OPA's Comments

Versant's comments express the pros and cons regarding expanding eligibility for the statewide Low-Income Assistance Program ("LIAP"). Ultimately Versant recommends a modest expansion of eligibility by increasing the Federal Poverty Level ("FPL") up to 100% for consumers qualifying for LIAP by virtue of participating in a Department of Health and Human Services ("DHHS") means-tested program.<sup>1</sup> Versant identified issues that weigh against expanding LIAP eligibility, including concerns that (1) the current DHHS enrollment process is flawed; (2) expansion of the Arrearage Management Plan ("AMP") program may be impacted by an expanded LIAP; and (3) that a temporary expansion of eligibility risks depleting the available funding. Versant also identified considerations that weigh in favor of expanding eligibility, including the recent increase in rates leading to more customers in need.

The OPA – in consultation and agreement with the AARP – proposes (1) expanding eligibility for DHHS means-tested program participants to 150% of the FPL, and (2) that the Commission match the Legislative funding by implementing a permanent increase in ratepayer

 $<sup>^1</sup>$  It also appears that Versant is proposing an 80% / 20% split for the application for the applications of credits, which appears to lead to a more conservative estimate of increased future participation.

funding of LIAP by \$7.5 million beginning in PY 2023-2024, to effectively double LIAP funding from \$15 million to \$30 million. The OPA is concerned that the LIAP budget will be overspent given the current number of customers eligible for LIAP.

## **II.** CMP's Reply Comments

CMP appreciates and understands the concerns expressed by Versant and the OPA. At the root of these concerns is uncertainty over how many customers eligible for LIAP will actually enroll in the program. While CMP agrees with the OPA's proposal to expand LIAP eligibility through DHHS up to 150% of the FPL, CMP respectfully disagrees with raising customer rates to further expand LIAP funding at this time.

Moreover, while CMP appreciates the OPA's concern about the possibility over-spending the LIAP budget, through August 8, 2023 CMP has now applied \$9.1 million in LIAP benefits to 25,056 customer accounts for this program year, with all customers having received 100% of their maximum calculated benefit. With approximately \$1.1 million remaining in CMP's PY 2023 budget, CMP does not expect that the LIAP budget will be overspent. CMP appreciates that other utilities may be in different positions with respect to budget versus spending.

CMP's proposal of expanding eligibility up to 150% of the FPL combined with expanding benefits for program participants to utilize the expanded funding for the next two years is a middle ground between Versant's and the OPA's proposals. As illustrated below, CMP has seen significant expansion in participation in the LIAP in recent years.

Program Year	Number of Customers	LIAP Benefits	Increase in Participation
PY2021	15,241	\$4,078,727	
PY2022	19,282	\$7,510,823	27%
PY2023 (as of 08.08.23)	25,056	\$9,100,000	30%

Despite that CMP participants have nearly doubled from PY21 to PY23, CMP supports the

OPA's recommendation that some of the increased funding for LIAP be used to further increase

LIAP participation. Additional education and outreach for an improved customer response to the

DHHS letters can help ensure that all customers who are eligible for the LIAP are aware of the

program and its benefits, so they can then determine whether or not they choose to apply. Given

that a recently enacted law directs DHHS to implement a mechanism that allows DHHS to share

with utilities the information for means-tested program participants with the permission of those

participants, CMP looks forward to eventually automating the process for LIAP enrollment for

these DHHA participants. This will be an important step in further expanding program

participation. P.L. 2023, c. 327, Part VV.

CMP proposes that the parties fully utilize the additional LIAP funding for Fiscal Year

2023-2024 and Fiscal Year 2024-2025, and assess whether LIAP enrollment continues to increase,

before raising customer rates to further increase LIAP funding, particularly where there may be an

opportunity to work with the Legislature for additional funding in the future.

III. Conclusion

CMP appreciates the opportunity to provide these comments and looks forward to working

with the parties and the Commission on the allocation of the additional LIAP funding.

<u>/s/ Linda Ball</u>

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