July 16, 2025 Workshop, Docket No. 25-0443-INV

Introduction

Affordability of electric service for all Vermonters is critical both for fairness and to enable electrification. Electric service is a major component of energy burden, summer and winter.

Existing GMP, BED and other programs reach a small fraction of those who need assistance. Eligibility is capped at 185% FPL; GMP provides a 25% discount and arrearage forgiveness. The GDS report found that only a small fraction of potential beneficiaries use the EAP.

Smaller utilities lack the rate base to fund a program.

Even within service territories with an adequate rate base, is it equitable to increase the EAP charge per customer to fund a more robust program?

The Commission has already ruled it has the authority to adopt a statewide program.

Should the Commission exercise that authority? If so, what direction from the legislature would be useful?

Our review, thus far, of what several other states have accomplished may provide some guidance:

►Some states offer discounts as high as 50% (CT), 64% (MA [starting this August]) and 86% (NH).

►Most states provide benefits up to 200% of FPL or 60% of State Median Income.

►These programs often are funded by a volumetric charge, with either a single block or a declining block rate. (CA, CT, ME, MA, NH & OH.)

►NH has a uniform statewide volumetric charge that funds each service territory's discount based on each service territory's need.

James A. Dumont, Esq.
Benjamin Behimer, VLGS 2026

Summary of Low-Income Electric and Energy Assistance Need and Programs for July 16, 2025 Workshop, Docket No. 25-0443-INV

James A. Dumont, Esq., and Benjamin Behimer, VLGS 2026

State	Energy Burden	Programs	Funding
AL	0-100% FPL 22% 100—150%FPL 9% 150-200%FPL 7%	*LIHEAP* <150%FPL 3-tiered assistance up to $530	LIHEAP
		Alabama Power SSI Discount For SSI and Low Income Medicaid recipients $14.50 a month discount	Rate base
		State Utility License Tax Exemption Income of entire household<$12,000 per year, 62 y/o+, permanently disabled, head of household, no adults in household less than 62 y/o= Exemption from 2.2% utility license tax	N/A
CA		*LIHEAP* <60% SMI Heating assistance up to $1,500 Cooling assistance up to $990 Summer & Winter crisis up to $1,500	LIHEAP
		CARE for all electric and gas utilities Eligible if under 200% FPL or LIHEAP, WIC, Medicaid, SNAP, etc Gas utilities: 20% discount on gas bill Electric utilities: Discount based on size of the utility	Public Purpose Program (PPP) charge – volumetric (single block)

		>100,000 customers 30-35% discount <100,000 customers 20% discount	
		FERA for the 3 largest electric utilities in addition to CARE Eligible if income 200-250% FPL Benefit 18% discount	PPP – volumetric (single block)
		CARE for all gas utilities Same eligibility as electric 20% discount	PPP – volumetric (single block)
CT	0-100% FPL 31% 100-150%FPL 13% 50-200%FPL 10%	*CEAP* for ≤60%SMI Heating assistance up to $530 Crisis up to $410 (deliverable fuels only) – CEAP utility-heated households are protected from shutoff by CT statute Benefits vary by vulnerability	LIHEAP
		Matching Payment Program <60% SMI, arrears of >$100, >60 days overdue, and customer of a PURA-Regulated gas or electric utility For each $1 paid and each $1 received in CEAP benefits, utility subtracts $1 from arrears	System Benefits Charge (SBC) – volumetric UI rates: similar between customer type Eversource rates: residential rates highest
		United Illuminating LIAP (new program coming soon) Tiered Discount Program ≤60%SMI=10% discount <160%FPL or SSI, SNAP, etc=50% discount	SBC, volumetric

		New (March 2025) Eversource Electric Tiered Discount Program 0-≤100% FPL 50% discount 100%-≤125% FPL 40% discount 125%-≤150% FPL 20% discount 150%-≤200% FPL 15% discount 200%-≤60% SMI 5% discount Discount is applied to first 1,200 kWh (heating customers) or first 800 kWh (non-heating)	SBC, volumetric
ME	Total: All households 10% <60% SMI 30% Home: All households 5% <60% SMI 14% <150% FPL 20%	*HEAP* <60% SMI or <150% FPL (whichever is greater) Benefits allocated based on point system	LIHEAP
		Versant LIAP (electric) Same eligibility as HEAP Versant: 1-time annual reduction – amount varies	Fixed charge
		CMP LIAP (Electricity Lifeline Program) Same eligibility as HEAP Annual credit of up to $1200	Volumetric charge
		RDRP (gas) Same eligibility as HEAP 30% discount	Volumetric charge
MA	[data only for gas customers] <50% FPL 10.81% 100% FPL 5.4% 200% FPL 2.2%	*HEAP* Various eligibility factors, up to 60% SMI Heating assistance up to $600 Crisis assistance up to $600 *Eversource electric LIAP*	LIHEAP RAAF volumetric charge,

	Eligible if receive LIHEAP or other means-tested public benefit for which Eligibility ≤200%FPL (but if LIHEAP exceeds 200% FPL, still eligible for LIAP) Benefit: 42% discount	all rate classes but at varying rates
	National Grid current electric LIAP Eligible if receive LIHEAP or other means-tested public benefit for which Eligibility ≤200%FPL (but if LIHEAP exceeds 200% FPL, still eligible for LIAP) Benefit: 32% discount	RAAF volumetric charge, all rate classes but at varying rates
	National Grid electric LIAP as of 8/31/25 *Tiered Discount Program* 0-≤100% FPL 71% discount 100%-≤125% FPL 64% discount 125%-≤150% FPL 57% discount 150%-≤200% FPL 43% discount 200%-≤60% SMI 32% discount	RAAF volumetric charge, all rate classes but at varying rates
	Fitchburg Gas and Electric (Unitil) LIAP Eligible if receive LIHEAP or other means-tested public benefit for which Eligibility ≤200%FPL (but if LIHEAP exceeds 200% FPL, still eligible for LIAP) Benefit: 40% discount	RAAF volumetric charge, all rate classes but at varying rates
	Eversource and National Grid gas Eligible if eligible for HEAP or <60% SMI 25% discount	RAAF volumetric charge all rate classes but at varying rates

NH	0-100% FPL 25% 100-150% FPL 13% 150-200% FPL 10%	*Fuel Assistance Program* <60% SMI if funding, otherwise <200% FPL Heating assistance up to $2,177 Winter crisis up to $2,177 Benefit based on burden	LIHEAP
		Energy Assistance Program Tiered Discount Rate System for electricity ≤75% FPL: 86% discount >75–100% FPL: 54% discount >100–125% FPL: 36% discount >125–150% FPL: 19% discount >150% FPL–≤60% SMI: 5% discount	Volumetric, all classes pay identical rate. Statewide fund
		Gas Assistance Program – also known as Residential Low Income Assistance Program Must receive or be eligible to receive one of many public benefit programs, including Fuel Assistance Program—eligibility <60% SMI 45% discount on heating bill Nov–Apr	Volumetric, all classes pay identical rate. Utility-specific funds
OH		*HEAP* ≤175% FPL or for families 9 or more members ≤60% SMI Heating assistance up to $1,234 Summer crisis up to $800 Winter crisis up to $1,200 Benefit reduced by 75% if enrolled in PIPP Plus	LIHEAP
		Percentage of Income Payment Program (PIPP) Plus for Electric & Gas Eligibility ≤175% FPL Benefit: If heat with electricity pay the greater	Volumetric declining block. all classes pay identical rate, but rates vary by utility

	of 10% of income or $10 if pay on time; and if pay on time 1/24th of arrearage forgiven If heat with gas, pay greater of: a) 5% of income for gas and 5% for electric, or b) $10	
VT 0-50% FPL 51% 51-100% FPL 28% 100-125% FPL 18% 125-150% FPL 15% 150-185% FPL 12% 185-200% FPL 11% [2018 data, GDS report]	*Fuel Assistance* <185% FPL Heating assistance up to $1,843 Winter crisis up to $1,644.94	LIHEAP
	Green Mountain Power EAP <185% FPL 25% discount and one-time arrearage forgiveness	Fixed charge, larger user= higher fee
	Washington Electric Cooperative (WEC) & Vermont Electric Co-op (VEC) Affordable Community Renewable Energy Program (ACRE) <185% FPL, but limited enrollment space $45 monthly discount for five years	American Rescue Plan Act (ARPA) funds
	Burlington Electric Department EAP <185% FPL 12.5% discount on energy and customer charges on bill	ARPA funds, then rate base
	Vermont Gas LID <185% FPL 20% discount on gas bill	Fixed charge, with large users paying more

GDS Associates, Inc.
ENGINEERS & CONSULTANTS

prepared for

VERMONT DEPARTMENT OF PUBLIC SERVICE

Assessment of the Green Mountain Power Energy Assistance Program

FINAL

November 2019

prepared by

GDS ASSOCIATES INC

5 Evaluation Research & Findings

As part of its evaluation of the GMP EAP, GDS was tasked with researching existing literature and investigating utilities with similar programs in order to inform a comparative analysis of the GMP EAP relative to other programs. Existing literature was reviewed to inform best practices and contribute to the comparative program analysis. During the course of conducting interviews with stakeholders, GDS was also asked to investigate the question of affordability as it relates to EAP. GDS reviewed affordability metrics for Vermont, the historical perspective of affordability related to the need for the EAP, and analyzed census data to understand the penetration of the EAP within GMP's eligible population. To complete the comparative program analysis, GDS gathered information on 28 utilities across ten states. These utilities offer rate discounts or arrearage forgiveness, with some combining these components into one program or separating the components into two or more programs. From this list of 28, eight were selected for more in-depth research, of which six were able to provide useful in-depth information. Emerging from the literature review and utility research are program best practices which can be compared to GMP's current program practices.

Below we describe the result of the evaluation research on the topic of affordability and the results of comparative program analysis. Starting with the discussion of affordability, the best practices research and results are described, followed by the comparative analysis with other similar utility programs.

5.1 NEED AND AFFORDABILITY

In the Order enabling GMP to establish its EAP, the Public Service Board (the Board) noted the necessity of electricity.[9] The Order notes "to lose electricity at a residence means to lose the light and heat of home." In its findings, the Board identified that "electricity is a necessity that is unaffordable for a significant segment of Vermonters…" As such, electricity affordability is a foundation of the GMP EAP.

In terms of expanding enrollment (the underlying driver of this evaluation), GDS investigated the current status of program enrollments and the eligible population that could be enrolled. While the evaluation effort did not attempt conduct an exhaustive study of affordability and eligibility, an investigation into the potential number of households eligible for the GMP EAP under the current program design or other scenarios helps to estimate the potential for enrollment growth and indicates how the current program is helping meet the challenge of affordability. Should efforts be made to increase the number of enrollments, this estimate can also help inform potential implications for program costs.

GDS estimates that the GMP EAP currently has enrolled ***between 25 and 30 percent*** of its eligible residential customer base. To arrive at that estimate, GDS conducted two analyses using statewide metrics regarding poverty in Vermont as well as a more detailed zip-code level analysis. The statewide metrics also describe the general state of need for energy affordability in Vermont. The approaches and results of each are described below.

5.1.1 Affordability

Fisher, Sheehan, and Colton provide periodic research summaries on the topic of the "home energy affordability gap."[10] Below, we summarize the 2018 Vermont data compiled by Fisher, Sheehan, and Colton (FSC). While FSC focus on the overall energy burden that lower-income households face, a consideration of the population's energy burden is useful and provides context to the role that electricity

[9] Vermont Public Service Board Docket No. 7535 Final Order
[10] http://www.homeenergyaffordabilitygap.com/

plays in that burden. The FSC data includes information on Vermont's population up to 200 percent of the federal poverty level (FPL) as a general metric often used to categorize households as low-income. This higher percent of the FPL exceeds the current statutory language defining low-income customers of electric utilities as 150 percent or less of the FPL, providing consideration should the eligibility cap be raised.

The energy burden of Vermont's low-income households is high. Fisher, Sheehan, and Colton (2019) provide summary statistics based on Vermont's demographics and home energy burdens.[11] Table 5-1 summarizes FSC's analysis of the home energy burden for Vermont's low-income households.

TABLE 5-1 VERMONT HOUSEHOLDS AND ENERGY BURDENS, 2018

Percent of Federal Poverty Level	Home Energy Burden	Number of VT Households
Below 50%	51%	12,950
50 to 100%	28%	16,557
100% to 125%	18%	10,959
125% to 150%	15%	10,340
150% to 185%	12%	16,198
185% to 200%	11%	6,484
Total		**73,488**

In general, an affordable home energy burden is considered to be six percent of a household's budget.[12] Indeed, the six percent figure is noted in Docket 7535 in discussion regarding the formation of the GMP EAP. As Table 5-1 shows, home energy burdens far exceed that affordability level, with electricity, natural gas, or home heating fuels competing with food, health care, and other critical household budgetary necessities. With all homes typically requiring electricity, in addition to either natural gas or a delivered fuel (fuel oil or propane), electricity expenditures are only one portion of a home's energy burden. While the GMP EAP can influence a household's energy burden, it will be an incremental effect and cannot be expected to address all energy affordability needs.

5.1.2 Estimate of EAP Participation Rate Based on Statewide Data

GDS combined the statewide demographic information with data from the Energy Information Administration to estimate the percent of GMP's EAP-eligible customers that are participating in the program. According to the Energy Information Administration, in 2017 Vermont had 313,670 residential electricity customers. That same data indicates that GMP had 221,420 residential electricity customers, or approximately 70.6 percent of the State's residential electricity customers. Assuming that an individual household equates to an individual residential customer, and that the proportion of lower-income customers is the same for GMP as for the state, the data from Fisher, Sheehan, and Colton suggest that GMP has approximately 35,869 residential electricity customers with an annual household income less than 150 percent of the federal poverty level (70.6 percent of 50,806 households). With 10,560 customers participating in the EAP as of May 31, 2019, the implication is that GMP has approximately **30 percent** of its income-eligible customers participating in the EAP. Extending further, the conclusion can also be drawn that there are another 70 percent of eligible customers who *could* be on the program, or approximately 25,300 more. These 25,300 households can be expected to have home energy burdens of between 15 and 51 percent, based on the results presented in Table 5-2.

[11] Vermont HEAG2018 XL Detail.pdf from http://www.homeenergyaffordabilitygap.com/ The data are unclear as to whether fuel assistance or energy assistance programs are included in their energy burden factors.
[12] This estimate is based on an assumption that shelter should not take more than 30 percent of a household's income with 20 percent representing median energy costs for a low-income household's shelter costs. Hence, 20 percent of 30 percent = six percent of income.