

STATE OF VERMONT  
PUBLIC UTILITY COMMISSION

Case No. 20-0203-INV

Investigation into the Establishment  
of Reduced Rates for Low-Income  
Residential Ratepayers of Vermont  
Electric Utilities, Page 1 of 4

**Village of Hyde Park Electric Department (“HPE”) Responses**

HPE is pleased to provide the following responses requested by the Commission in their April 1, 2020 Order.

1. Should this proceeding be broken into two tracks, one track to consider GMP's Energy Assistance Program and a second track to deal with the other Utilities that currently do not have a low-income program? (If a two-track process is adopted, I expect that the two tracks would not be isolated from each other but, rather, would inform one another.)

Response: One track appears to offer greater collaboration between the parties, noting that this does not imply HPE support of a rate-reduction program for its ratepayers.

2. Should the proceeding consider a state-wide low-income program, or should it consider a service-territory-by-service-territory low-income program?

Response: It would depend on the program. Whether state-wide or local, HPE

is concerned that over time a rate-reduction program could result in higher rates to all HPE ratepayers. HPE requests that the preceding give consideration to other models, to include a low-income program that has proven successful for thirty-five years. The Project Share Program is a state-wide low-income program funded by voluntary contributions collected by utility billing and distributed within the county of collection by an organization like the Salvation Army and/or other social service entity. Distributions are in the form of utility bill payments.

3. Should low-income programs be supported by ratepayer funds, by a state tax, or by other means?

Response: HPE supports voluntary contributions supporting the social service needs of the local community. These voluntary contributions could come from ratepayers, state and local governments and others.

4. Should the benchmark for "low income" be 150 percent of the current federal poverty level, or should it be at another level, such as 180 percent or 200 percent?

Response: HPE sees value in local social service organizations making this determination and working directly with the ratepayer to determine eligibility.

5. Do the Utilities have access to reliable information about how many qualifying low-income consumers reside in their service territory compared to how many non-low-income consumers?

Response: HUD and state agencies provide certain information, updated over different periods of time, yet we do not have reliable information on qualifying low-income customers because we do not know the granularity of the eligibility qualifications.

6. Do the Utilities have the technological and human resources infrastructure to design and implement a low-income program?

Response: HPE does not have the infrastructure to design and implement a low-income program. We believe that utilities are not well suited to serve as social service agencies and should focus on the core mission to deliver safe and reliable electricity at least cost.

7. Can the Utilities present potential low-income programs that could illustrate what a low-income program in their respective territories might look like and what it might cost to operate such a program?

Response: HPE offers three models that utilize utility billing:

- a. The first model is funded by voluntary ratepayer contributions that

- remain in local communities, with funds distributed locally by another organization with infrastructure and history of social service to those with low-income. Distributions are in the form of bill payments. HPE cost would be minimal.
- b. The second model is the same as a., except that it is expanded to receive funds from other voluntary contributions by state and local governments, businesses and others. HPE cost would be minimal.
- c. The third model is a rate-based, rate-reduction program. HPE estimated annual fixed cost could be \$120,000, the sum of legal and regulatory costs, a staff person qualified to manage social services, plus the rate-reduction amount (and possibly debt forgiveness). The total cost would be borne by other ratepayers.

Dated at Hyde Park this 1st day of June, 2020.

Respectfully submitted,

VILLAGE OF HYDE PARK, INC.

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