



## Spotlight on: **Energy Affordability & Electric and Natural Gas Bill Relief Programs**

The New York State Public Service Commission (PSC) oversees electric, gas, steam, water and telecommunications utilities. A critical function of the Commission is to ensure safe, secure and reliable service at just and reasonable rates.

PSC has a long history of protecting access to energy services for those who may face financial difficulties. In 2016, PSC adopted the NYS Energy Affordability Program/Low-Income Bill Discount Program, administered by New York's major electric and natural gas utilities, which provides income-eligible consumers with a discount on their monthly electric and/or gas bills. This year, the PSC adopted the Electric and Natural Gas Bill relief program to address impact of the COVID-19 pandemic on low-income customers.

### ➤ **Energy Affordability/Low-Income Bill Discount Program:**

In New York there are an estimated 2.3 million households with income levels at or below 200% of the Federal Poverty Level (FPL). While all major electric and gas utilities in New York State offer low-income energy discount, the programs currently reach only a portion of the eligible customers - approximately 1.03 million households.

In order to reach all eligible low-income households, PSC has approved measures to strengthen and improve the low-income energy bill discounts programs:

- Adopted an energy burden target level at or below 6% of household income for all New York State utility low-income customers. The “energy burden” is the percentage of a customer's household income that is spent on energy. Historically, low-income customers energy costs are between 10 to 20 percent of their income and sometimes even higher, while middle and higher- income customers' energy costs are generally 5 percent or less of their income.
- Established new partnerships and new ways for utilities to identify and enroll all of the eligible households with income levels at or below 200% of the FPL.
- Mandated that energy utilities automatically enroll participants of utility discount programs in budget billing. Customers will have the ability to opt out of the billing program.
- Enhanced the EAP programs changing the discount amounts to better reflect customer circumstances, which resulted in more appropriate discount levels. PSC also recognized the impact of the COVID-19 pandemic on customer financial circumstances and ordered that the current discount levels offered by the utility programs not decrease through November 2022.
- Directed all utilities to open their low-income discount programs to households that currently receive a Home Energy Assistance Program (HEAP) benefit, regardless of fuel or benefit type. In addition, the program expanded eligibility to include other public assistance programs besides HEAP.

The additional public assistance programs added for EAP eligibility:

- Home Energy Assistance Program (HEAP)
- Lifeline Telephone Service Program (Lifeline)
- Supplemental Nutrition Assistance Program (SNAP)
- Medicaid
- Veterans Disability or Survivors Pension
- Supplemental Security Income (SSI)
- Federal Public Housing Assistance
- Bureau of Indian Affairs General Assistance (if living on tribal lands)
- Head Start (if living on tribal lands)
- Tribal TANF (if living on tribal lands)
- Food Distribution Program on Indian Reservations (if living on tribal lands)
- Utility Guarantee / Direct Vendor programs
- Temporary Assistance for Needy Families (TANF)
- Safety Net Assistance

➤ **The Electric and Natural Gas Bill Relief Program**

On June 16, 2022, PSC adopted a statewide program to provide COVID-19 utility bill relief for low-income electric and natural gas utility customers (Phase 1). The \$557 million statewide program will be funded with a 2022-2023 NYS budget appropriation of \$250M with the remainder provided through Commission approved utility shareholders and ratepayer funds. Electric and Natural Gas Bill Relief funding has also been allocated to PSEG Long Island and municipal utilities for their eligible low-income customers.

Phase I of the Bill Relief program:

- Eligible customers receive a one-time credit to eliminate unpaid electric and natural gas charges that have accrued between March 2020 and May 1, 2022.
- Customers will be responsible for any monies owed after May 1, 2022.
- This one-time bill credit will be applied to the affected customers' bills by their utility. Eligible customers do not need to take any action to receive the benefit. Bill relief credits began appearing on energy bills beginning August 2022.

Eligibility for the Phase I Bill Relief program:

- Customers must be an income eligible NY residential household with an active energy account
- Customers must be enrolled in their utility's EAP/bill discount program by December 31, 2022 or have received a benefit under one of the government assistance programs listed above.
- Customers may be automatically enrolled in their utility's bill discount/EAP program if they receive benefits from a government assistance program. Customers should contact their utility to verify enrollment or to find out how to enroll, if qualified.

The Commission recognizes that additional work will be done to address non-low-income residential and non-residential customer arrears resulting from the COVID-19 pandemic. This work will be addressed in Phase II of the program.