

# Interim Low-Income Bill Discount Program



Technical Working Group – May 13, 2022



# Welcome



## Agenda

- Context – HB 2475 Action Plan
- Timeline
- Program Design Elements
- Review of Program Using Staff's Framework
- Cost Recovery
- Next Steps

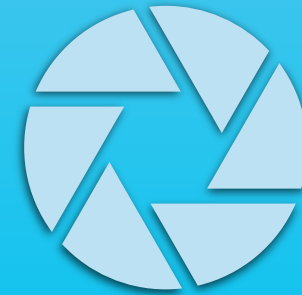
# HB 2475 Action Plan



Enhanced AMP  
Adopted 3/22/2022



Interim Low Income Bill  
Discount Program –  
available by 11/1/2022



Long-term Low-Income  
Rate Program  
2023



OPUC HB 2475 Implementation docket: UM 2211 Investigation starts Q2 2022

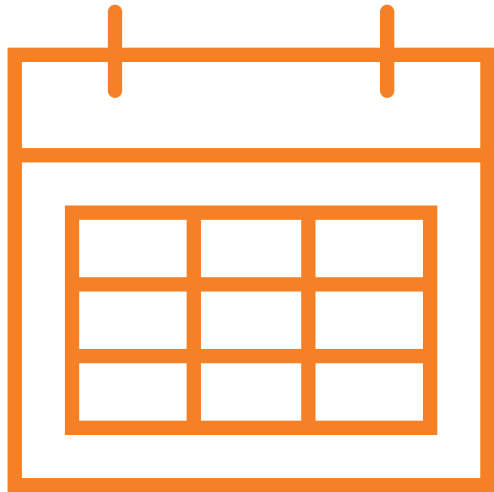


NW Natural Low-Income Needs Assessment (LINA): now through July 2022



NW Natural Community Equity and Advisory Group: launching soon

# Program Timing



- **March 31** - Roundtable Workshop
- **April 1-8** - Follow-up questions/discussion and office hours
- **April 18** - Filing with OPUC – Bill Discount Program and Cost Recovery Tariff
- **May 13** - Technical Working Group
- **May 27** – Stakeholder Comments
- **June 2** – Workshop #2 (Staff to issue topics/agenda May 31)
- **June 6** – Workshop #3 (Staff to issue topics/agenda May 31)
- **June 22** – Stakeholder Comments Round #2
- **July 1** – NW Natural Comments
- **July 5** – Final Roundtable if needed
- **July 12** – Commission decision on program/tariff
- **November 1, 2022** – Interim Bill Discount Program go-live

# Program Approach



- Reviewed current and proposed programs in the area
- Building upon work from PGE's proposed program
- Interim program – make space for learnings from LINA, OPUC Investigation and program results
- Collaboration and input from and with other utilities, Staff and stakeholders

# Interim Low-Income Bill Discount Program – tariff Schedule 330 - Design Elements



Percent-of-bill discount with a three-tier design using state-median income (SMI) for income qualifications

- 60% / 45% / 30% SMI qualifiers for 15% / 20% / 25% bill discount
- Include full-time minimum-wage earners with 60% tier
- Expect to learn more about income/discount tiers with LINA

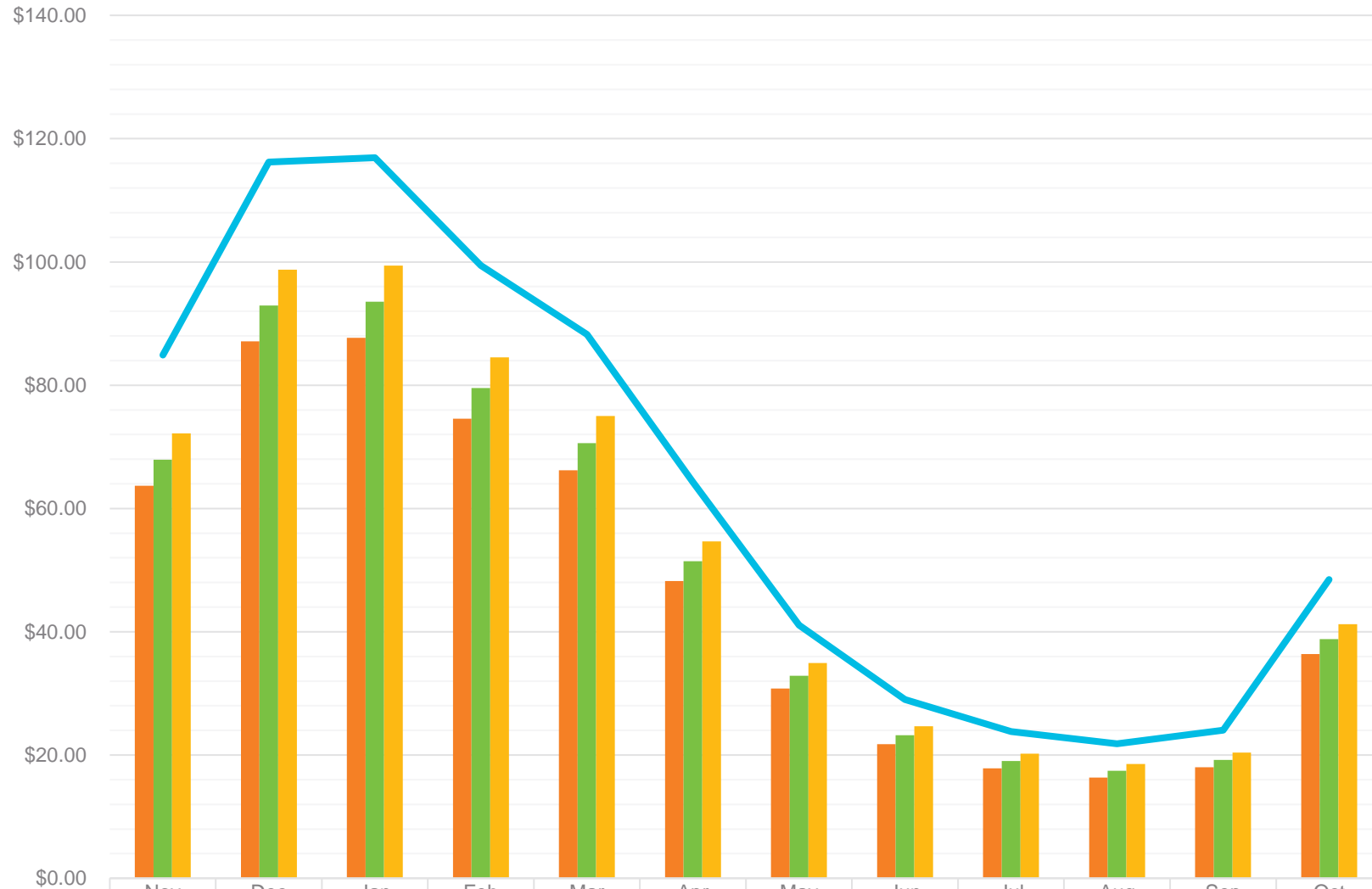
Self-certification enrollment and income qualification

- Via a form that can be paper or online
- Re-enrollment every two years
- Independent audit of post-enrollment income verification

Cost recovery through a deferral and balancing account

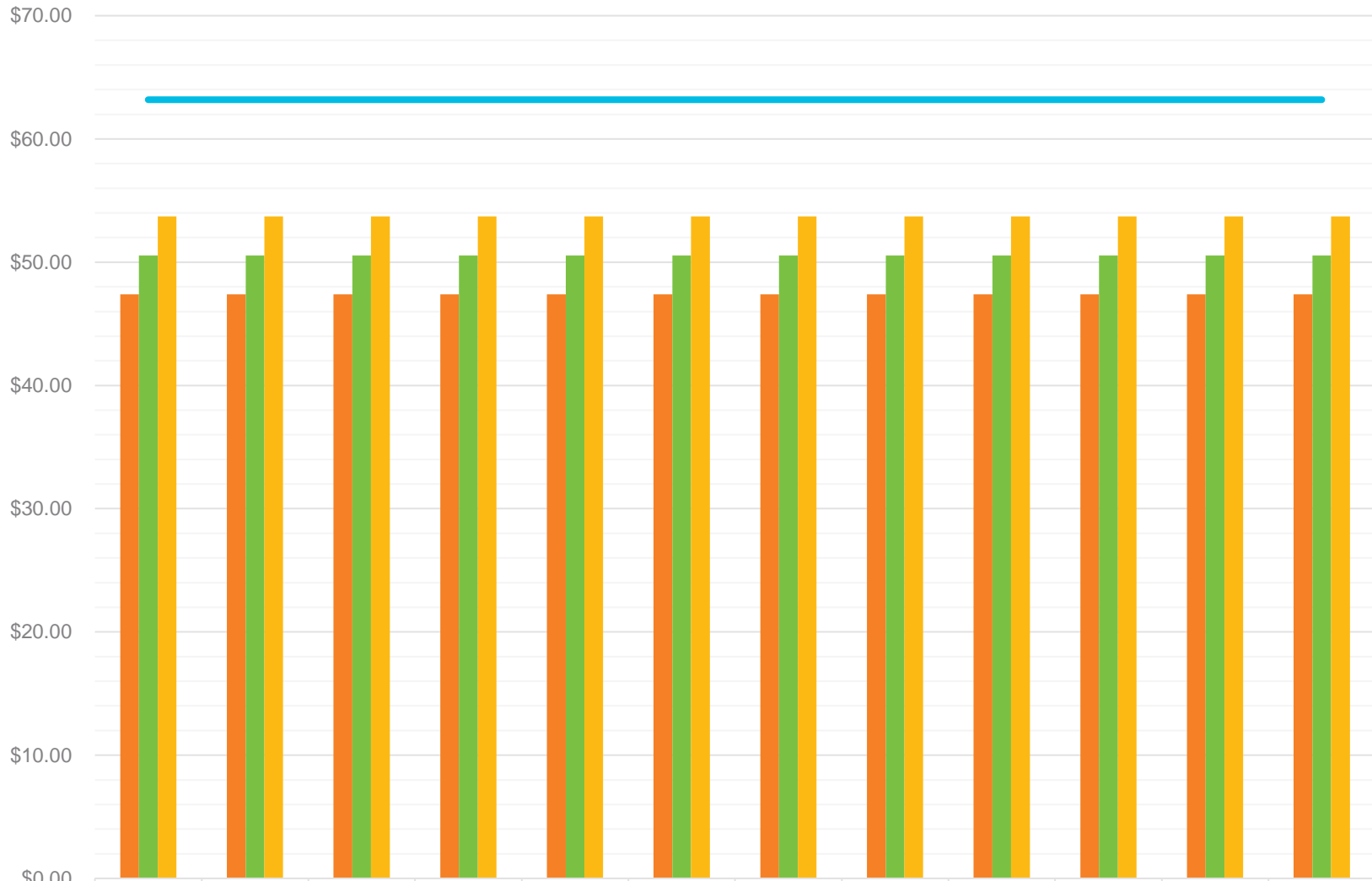
- Direct costs of bill discount only; administrative costs through separate recovery

# Bill Discount Impact



	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Bill w Tier 1 discount	\$63.68	\$87.14	\$87.70	\$74.59	\$66.19	\$48.22	\$30.80	\$21.77	\$17.85	\$16.36	\$18.01	\$36.37
Bill w Tier 2 discount	\$67.93	\$92.95	\$93.54	\$79.56	\$70.61	\$51.43	\$32.86	\$23.22	\$19.04	\$17.45	\$19.21	\$38.79
Bill w Tier 3 discount	\$72.17	\$98.76	\$99.39	\$84.53	\$75.02	\$54.65	\$34.91	\$24.68	\$20.23	\$18.54	\$20.41	\$41.22
Monthly bill	\$84.91	\$116.19	\$116.93	\$99.45	\$88.26	\$64.29	\$41.07	\$29.03	\$23.80	\$21.81	\$24.01	\$48.49

# Bill Discount Impact Assuming Equal Pay Plan



	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Bill w Tier 1 discount	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39	\$47.39
Bill w Tier 2 discount	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55	\$50.55
Bill w Tier 3 discount	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71	\$53.71
Monthly bill	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19	\$63.19



# OPUC Staff's Evaluation Framework



- Staff's baseline evaluation criteria:
  - Eligibility
  - Level of Relief
  - Tracking and Accounting
  - Bundling
  - Outreach and Engagement

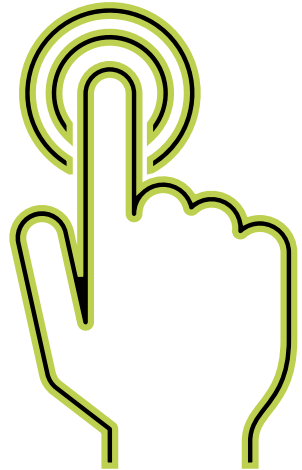
<https://edocs.puc.state.or.us/efdocs/HAC/um2211hac161412.pdf>

# Eligibility: Enrollment via Self Certification



## Self-Enrollment

- NW Natural Call Center
- CAP Agencies
- Web or paper form



## Auto-Enrollment

- Coordinate with Oregon Housing and Community Services and the Agencies to permit sharing of information to enable NW Natural to enroll eligible customers
- NW Natural will auto-enroll customers that have previously received energy assistance within the past two years.
  - Enrollment at Tier 3 level
  - Letter explaining the program and how to apply for a greater discount or how to opt out if desired or if income level has changed.

## Two-year Certifications

- Enrollment will expire every two years

# Level of Relief

- Tiered - lower levels of income will receive a higher bill discount – intended to prioritize relief for the lowest-income customers with higher energy burden
- Eligibility criteria has been set to reflect the recently approved bill discount program for Portland General Electric Company
- Review the income tiers and discount percentages when additional information is available to identify the need for any changes or improvements
  - from the LINA
  - Staff's UM 2211 investigation



# Tracking and Accounting



Direct program costs will be tracked in a balancing account and be available for review

Administrative costs will be tracked separately for future ratemaking consideration review

Monthly reporting with zip-code level data

# Bundling



Enrollment form/process will include an authorization from customers to enable referral for additional assistance programs, including weatherization programs

Anticipated sharing of eligible customer information for referral to its existing low-income energy efficiency program known as Oregon Low-Income Energy Efficiency (OLIEE) program

OLIEE is administered by the Company in partnership with the Agencies and other organizations that perform weatherization and related efficiency and energy efficiency education services

# Outreach and Engagement



- NW Natural appreciates working with Staff and stakeholders before, during and after the filing and approval of this bill discount program - stakeholder expertise in the service of targeted customers will serve as valuable information in implementing and maintaining this program.
- NW Natural anticipates performing surveys of program participants at enrollment and again before each two-year certification cycle ends.
- The Company will continue the robust and extensive community outreach established for its AMP to ensure low-income, fixed-income, seniors, and hard-to-reach communities are aware of the bill discount program and how to enroll.

# Community outreach

- Build upon robust outreach developed for AMP that targets known low-income and hard-to-reach communities including:
  - Low-income communities
  - Seniors
  - Mobile home communities
- Engage Community Equity & Advisory Group
- Ongoing stakeholder involvement through program approval process and UM 2211 investigation



# Cost recovery



- Proposed new tariff Schedule 335 to recover the direct costs of the low-income bill discount program
  - Includes the cost of the bill discount.
  - Balancing account to track the collections and direct costs to ensure no under- or over-recovery over time.
  - Administrative costs to develop, implement and maintain the program will be deferred and tracked separately for recovery in a future proceeding.

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Initial rollout of Schedule 335 includes proposed recovery of \$1,038,181, which represents the estimated bill discount if 7,500 customers enroll.

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The 7,500 was derived from the average annual number of customers (pre-pandemic) participating in our low-income energy assistance program

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Not intended as a cap for the program



# NW Natural Program Development and Implementation

Development of new processes June – October:



Enrollment form development and distribution



Finalize enrollment processes and training



Work with OHCS and Community Action Agencies to enable referrals/data sharing



Work with third-party for development and planning of surveys



Develop and test process for auto-enrollments



Set up accounting and reporting processes

## Tech Development

- June - September: CIS programming, website design and implementation of programming and design
- September/October: testing

# Next Steps – OPUC Procedural Schedule



Stakeholder comments May 27



Follow-up workshops

June 2 – 10:00 -11:30

June 6 – 3:00 - 4:30



Stakeholder comments round #2 June 22



Closing discussions

July 5 Final Roundtable if needed

July 12 Commission Public Meeting



Thank you!