

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

**IN RE: LOW INCOME HOME ENERGY ASSISTANCE :  
PROGRAM (LIHEAP) ENHANCEMENT CHARGE – 2023 : DOCKET NO. 4290**

**DIVISION OF PUBLIC UTILITIES AND CARRIERS’  
FIRST SET OF DATA REQUESTS TO  
THE RHODE ISLAND DEPARTMENT OF HUMAN SERVICES**

**Issued October 26, 2022  
Response Due November 10, 2022**

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DIV 1-1. The approved LIHEAP Enhancement Charge Rate for 2022 is \$0.79 per month per customer. In its filing, in this docket, submitted by cover letter dated September 30, 2022, the Department of Human Services (DHS) requested a charge of \$0.81 per month for 2023. Please explain why DHS is requesting an increase in the charge.

With increased home energy costs this year, we anticipate that there to be a very high demand of LIHEAP applicants.

DIV 1-2. According to the October 2021 response to DIV 1-6, DHS projected total LIHEAP Enhancement Grants of \$7.3 million in FFY 2022. According to Rhode Island Energy’s LIHEAP Enhancement Plan Reconciliation for the period September 1, 2021 through August 31, 2022, the total credits issued to customers during this period was \$4,793,300. Please explain the cause of the variance between the projected and actual amounts.

The number of gas and electric grants issued in FFY 2022 was less that what we expected it to be. We anticipated a significant increase in applicants for LIHEAP because other benefit programs, such as unemployment benefits, were expected to end during this time. Since unemployment benefits are counted as income, we believed that this would make more households with unemployed members eligible for LIHEAP. In reality, we saw a drop in LIHEAP applicants during FFY 2022, particularly in households that heat with natural gas. This may have been due to a number of factors including the availability of the rent relief funding for utility assistance.

It is important to note that DHS must determine the amount of the enhancement grant in August prior to the heating season. This is when we develop the benefit matrix for LIHEAP for the upcoming heating season because it must be submitted with the annual model plan due at the federal Office of Community Services at Health and Human Services by September 1. In addition, we need to do this work

over the summer so that the benefit amounts can be programmed into the software and renewal applications can be mailed in August and September.

The amount of the enhancement grant factors into developing the benefit matrix because the enhancement fund allows DHS to lower the amount of federal funds used for grants to gas and electric households since those households will also receive an enhancement grant to bring their overall assistance up. Using the enhancement grant to increase the amount of assistance received by households that heat with gas and electric, allows more of the federal funding to assist households that heat with deliverable fuels such as oil and propane. Households that heat with deliverable fuels do not receive the enhancement grant. In short, the enhancement grant allows more households to receive heating assistance.

However, projecting how many households will apply for LIHEAP in the upcoming heating season and how many of those will heat with each type of heating fuel (natural gas, electric, oil, propane, kerosene, wood, and others) will never be exact. If the number of households applying is overestimated, we could make the enhancement grant too small. But, if the number of households applying is underestimated, we might make the enhancement grant too large and run out of enhancement funds. In the case of FFY 2022, we overestimated the number of households that would apply, but as explained we had no way of knowing this at the time of setting the enhancement amount.

DIV 1-3. Please provide the LIHEAP Enhancement Grant amount that will be provided to qualified customers in 2023. If the grant amount has not yet been set, please provide the estimated date of when it will be set.

\$450.

DIV 1-4. What is the total projected amount of all LIHEAP Enhancement Grants for the 2022-2023 program year?

We anticipate between 20,000-21,000 households receiving the enhancement grant of \$450 which make the amount spent on the enhancement grants to be between \$9 and 9.45 million. For reasons described in DIV 1-2 this is an estimate based on fluctuating factors.