

**STATE OF RHODE ISLAND  
PUBLIC UTILITIES COMMISSION**

**IN RE: DEPARTMENT OF HUMAN SERVICES :  
PROPOSED LIHEAP ENHANCEMENT CHARGE :  
FOR CALENDAR YEAR 2024 AND : DOCKET NO. 23-33-EL  
REVIEW OF THE NARRAGANSETT ELECTRIC :  
COMPANY d/b/a RHODE ISLAND ENERGY'S :  
REVISED LIHEAP ENHANCEMENT CHARGE TARIFF :**

**REPORT AND ORDER**

Pursuant to R.I. Gen. Laws § 39-1-27.12,<sup>1</sup> on September 15, 2023, the Department of Human Services (DHS) filed with the Public Utilities Commission (PUC) its recommended Low Income Home Energy Assistance Program (LIHEAP) Enhancement Charge for calendar year 2024. DHS requested the PUC to set the 2024 charge at \$0.81 per month for each electric or gas customer or, in the alternative, set the charge at an equivalent monthly amount so as not to exceed the statutory annual funding cap of \$7,500,000.<sup>2</sup>

The LIHEAP Enhancement Plan was enacted in 2011 by the RI General Assembly after the federal government decreased the funds available to the federal LIHEAP program.<sup>3</sup> The purpose of the LIHEAP Enhancement Plan was to create a separate fund using a new surcharge on all electric and gas customers' bills. The statute requires an annual collection through a monthly charge to customers of Rhode Island electric and natural gas distribution companies excluding Pascoag Utility District and Block Island Utility District customers. The statute mandates a minimum annual collection from electric and gas customers of \$6,500,000 and maximum annual

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<sup>1</sup> R.I. Gen. Laws § 39-1-27.12(c)(3); <http://webservice.rilin.state.ri.us/Statutes/TITLE39/39-1/39-1-27.12.HTM>.

<sup>2</sup> DHS filing (Sept. 15, 2023). [https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-09/2333-EL-DHS-LIHEAP-Enhancement%20Charge-FFY2024\\_9-15-23\\_0.pdf](https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-09/2333-EL-DHS-LIHEAP-Enhancement%20Charge-FFY2024_9-15-23_0.pdf)

<sup>3</sup> R.I. Gen. Laws §39-1-27.12.

collection of \$7,500,000. It also caps the collection per electric or gas customer at \$10.00 per year.<sup>4</sup>

The DHS stated that it anticipates an estimated 18,131 households will receive a total of \$9,337,464 in grants during 2024. The DHS has also raised the LIHEAP Enhancement Grant to \$515.00 for 2024, where in 2023 it was \$450.00. The Narragansett Electric Company d/b/a Rhode Island Energy (Rhode Island Energy) also reported the LIHEAP Enhancement Fund balance was \$4,132,125 as of August 31, 2023.<sup>5</sup>

Rhode Island Energy calculated that the recommended 2024 Charge, if made effective January 1, 2024, would generate approximately \$7.65 million in total revenues from electric and gas customers, an amount over the statutory maximum.<sup>6</sup> Rhode Island Energy calculated that the monthly charge needed in 2024 to generate as close as possible to, but not greater than, \$7,500,000 is \$0.79.<sup>7</sup>

The Division of Public Utilities and Carriers (Division) reviewed the proposal and the discovery responses in this docket. The Division recommended that, based on the current fuel and energy prices and the forecasts of the projected needs for the upcoming year, it is reasonable to continue to set the LIHEAP Charge at the maximum level. The Division also supported raising the grant amount to \$515.00 for 2024 due to the continued high gas and electric rates. Therefore, the Division recommended the 2024 LIHEAP charge be set at \$0.79 per month.<sup>8</sup>

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<sup>4</sup> R.I. Gen. Laws §39-1-27.12(c).

<sup>5</sup> RI Energy's Reconciliation filing (Sept. 29, 2023). [https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-10/2333-RIE-LIHEAP-Recon-August2023\\_9-29-23.pdf](https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-10/2333-RIE-LIHEAP-Recon-August2023_9-29-23.pdf)

<sup>6</sup> RI Energy Response to PUC Data Request 1-2; [https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-11/2333-RIE-DR-PUC1\\_11-17-2023.pdf](https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-11/2333-RIE-DR-PUC1_11-17-2023.pdf)

<sup>7</sup> RI Energy Response to PUC Data Request 1-3; [https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-11/2333-RIE-DR-PUC1\\_11-17-2023.pdf](https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-11/2333-RIE-DR-PUC1_11-17-2023.pdf). Rhode Island Energy calculated that a monthly charge of \$0.79 would result in approximately \$7.45 million in total revenues. Id., Attach PUC 1-3.

<sup>8</sup> Division Mem. at 2; <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2023-11/2333-DPUC-Memo11-15-23.pdf>

At an Open Meeting held on December 19, 2023, the PUC reviewed the filings in this docket and approved a rate of \$0.79 per month for each customer for calendar year 2024. While the PUC typically follows DHS's recommendation, in this case, that recommended charge would have resulted in collections that exceeded the statutory maximum. Therefore, the PUC followed the Division's recommendation to set the monthly charge to provide revenues as close as possible to the \$7.5 million maximum without exceeding it.

Accordingly, it is hereby

(24925) ORDERED:

The LIHEAP Enhancement Charge of \$0.79 per month for each electric and gas distribution customer for the calendar year 2024, is hereby approved for bills issued on and after January 1, 2024.

EFFECTIVE AT WARWICK, RHODE ISLAND ON JANUARY 1, 2024 PURSUANT TO OPEN MEETING DECISION ON DECEMBER 19, 2023. WRITTEN ORDER ISSUED FEBRUARY 20, 2024.

PUBLIC UTILITIES COMMISSION



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Ronald T. Gerwatowski, Chairman



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Abigail Anthony, Commissioner



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John C. Revens, Jr., Commissioner

**Notice of Right of Appeal:** Pursuant to R.I. Gen. Laws § 39-5-1, any person aggrieved by a decision or order of the PUC may, within 7 days from the date of the Order, petition the Supreme Court for a Writ of Certiorari to review the legality and reasonableness of the decision or Order.