

**STATE OF RHODE ISLAND
PUBLIC UTILITIES COMMISSION**

**IN RE: RHODE ISLAND DEPARTMENT OF :
HUMAN SERVICES PROPOSED LIHEAP :
ENHANCEMENT CHARGE FOR :
CALENDAR YEAR 2025 AND REVIEW OF : DOCKET NO. 23-33-EL
THE NARRAGANSETT ELECTRIC :
COMPANY D/B/A RHODE ISLAND :
ENERGY’S REVISED LIHEAP :
ENHANCEMENT CHARGE TARIFF :**

ORDER

This matter is before the Public Utilities Commission (Commission) upon the Department of Human Services’ (DHS) October 8, 2024 filing of Low-Income Home Energy Assistance Program (LIHEAP) Enhancement Charge for calendar year (CY) 2025 pursuant to R.I. Gen. Laws § 39-1-27.12. In its filing, DHS has requested that the Commission set the 2025 LIHEAP Enhancement Charge at \$0.81 per month for each electric or gas customer or, alternatively, set the charge at an equivalent monthly amount so as not to exceed the statutory annual funding cap of \$7.5 million.¹

By way of background, the LIHEAP Enhancement Plan was enacted by the Rhode Island General Assembly after the federal government reduced available funds through the federal LIHEAP program.² 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 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 \$6.5 million and

¹ DHS Filing, at 2 (Oct. 8, 2024); <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2024-10/4290%20LIHEAP%20Plan%20Enhancement%20Charge%20-%20FFY%202025%20filing%20%2810-8-2024%29.pdf>.

² See generally R.I. Gen. Laws § 39-1-27.12.

a maximum annual collection of \$7.5 million. There is also a statutory cap that can be collected per electric or gas customer of \$10.00 per year.³

The Narragansett Electric Company d/b/a Rhode Island Energy (Company) reported that the LIHEAP Enhancement Fund balance as of August 31, 2024 was an over-recovery of \$1,430,594.⁴ The Company also projected that the total revenues generated by the effective LIHEAP Enhancement Charge through December 2024 would be \$7,546,811.⁵ The Company further projected that DHS's proposal, if approved and made effective January 1, 2025, would generate approximately \$7.69 million in total revenues from electric and gas customers, which exceeds the statutory maximum.⁶ The Company determined that a LIHEAP Enhancement Charge of \$0.79 per month would generate as close to \$7.5 million in revenues as possible without exceeding the allowable threshold.⁷

The Division reviewed DHS's proposal and recommended reducing the LIHEAP Enhancement Charge from \$0.79 per month to \$0.78 per month.⁸ Although the Company's calculations show that a \$0.79 monthly charge would not breach the \$7.5 million cap, a slight increase in estimated billing counts for 2025 would place revenues above that cap if the LIHEAP Enhancement Charge remained at \$0.79 per month.⁹ The Division estimated that the difference in revenues between a \$0.79 and \$0.78 monthly charge is approximately \$95,000, which the Division

³ R.I. Gen. Laws § 39-1-27.12(c).

⁴ Company's Reconciliation Filing (Sept. 30, 2024); <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2024-10/4290%20-%20LIHEAP%20Reconciliation%20-%20August%202024%20-%20PUC%2009-30-2024.pdf>.

⁵ Company's Responses to Commission's Data Request 1-1; <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2024-11/4290%20-%20Rhode%20Isalnd%20Energy%20Responses%20to%20PUC%20Set%201%20-Full%20Set%20-%20PUC%2011-11-2024.pdf>.

⁶ Company's Response to Commission/s Data Request 1-2.

⁷ Company's Response to Commission/s Data Request 1-3.

⁸ Division's Position Mem., at 2; <https://ripuc.ri.gov/sites/g/files/xkgbur841/files/2024-11/4290%20-%20LIHEAP%20Enhancement%20-%20DPUC%20Position%20Memo%20%2811-13-24%29.pdf>.

⁹ *Id.*

stated would have virtually no impact on LIHEAP's operations.¹⁰ Accordingly, the Division recommended that the Commission approve a reduction in the LIHEAP Enhancement Charge to \$0.78 per month, effective January 1, 2025.¹¹

At an Open Meeting on December 19, 2024, the Commission reviewed the filings in this docket and approved a rate of \$0.79 per month for each customer for calendar year 2025. Thus, the Commission follows the Company's recommendation to set the monthly charge that provides revenues as close as possible to the \$7.5 million maximum without exceeding it.

Accordingly, it is hereby:

(25281) ORDERED:

1. That the LIHEAP Enhancement Charge of \$0.79 per month for each electric and gas distribution customer for the calendar year 2025 is hereby approved for bills issued on or after January 1, 2025.

¹⁰ *Id.*

¹¹ *Id.*

EFFECTIVE AT WARWICK, RHODE ISLAND PURSUANT TO AN OPEN MEETING
DECISION ON DECEMBER 19, 2024. WRITTEN ORDER ISSUED APRIL 4, 2025.

PUBLIC UTILITIES COMMISSION



Ronald T. Gerwatowski, Chairman



Abigail Anthony, Commissioner

*John C. Revens, Jr., Commissioner

*Commissioner Revens is unavailable for signature due to his retirement.

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 seven 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.