

Affordability, Alignment, and Assistance Subcommittee

Elaina Braunschweig (MPSC—Rates and Tariff) Braunschweig@michigan.gov

Jamie Curtis (MPSC—MEAP administrator) CurtisJ14@michigan.gov

Kasey Grieco (SWP MEAP Grantee—Asst. Program Manager) kgrieco@superiorwatersheds.org

Agenda

1.

**Goals
Background
and
2023 Preview**

2.

**Review Progress
Survey Results**

3.

**Discussion on the
LIA Credit and
Survey Results**

4.

Next Steps

Overarching Charge of the Energy Policy Board

1

The overall goal of the work of the EAAC is to define and ensure energy affordability, accessibility, and security/self-sufficiency in collaboration with the EWR-LI and the LIEPB (its advisory organization) as stated by the Commission through Case No. U20757.

2

To build on these directives, the LIEPB set their primary purpose as “guiding the process of assessing energy affordability and accessibility holistically, especially through linking EWR services and energy assistance programs.”

3

They set as their overarching goal “to reduce the number of households with unsustainable energy burdens.” All work of the Board, EAAC, and EWR-LI Workgroup flowed from this purpose and goal.

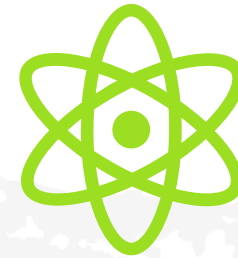
Shared Goals of the Subcommittee



To promote energy affordability.



To support program alignment for ease of access and use, effectiveness of administration, and evaluation.



To evaluate and improve systems of energy assistance.

Guiding Principles

The ideal system/program design should achieve this while also:

- **Ensuring equitable distribution** in the access to, use of, and outcomes from energy affordability and assistance policies/programs
- **Centering impacted community priorities** and participation in policy/program development, accountability, and assessment
- **Treating customers with dignity**, enabling them to live comfortably, and not penalizing customers for an inability to pay their bills
- **Coordinating and communicating clearly** with relevant state agencies to integrate state policy goals, including those related to healthy homes and climate change



Proposed 2023-2024 AAA Charge p. 58— Awaiting Commission Approval

Initiate a stakeholder discussion of DTE's report on the enrollment of customers in the LIA credit program and submit a report and recommendations to the Commission.

Discuss the LIA/RIA enrollment assignment, enrollment cap, and best use/program pairings.

Evaluate the feasibility of a low-income customer subclass in the Cost-of-Service-Study (COSS)

Develop a proposal for an energy affordability standard and how the standard can be integrated into the regulatory environment.

- Look at all aspects of energy affordability including rate design.
- Look at all aspects of affordability utilizing the definition of energy affordability.
- Map where assistance and affordability tools intersect with aspects of affordability.

Evaluate and make recommendations regarding PIPPs. (2024)

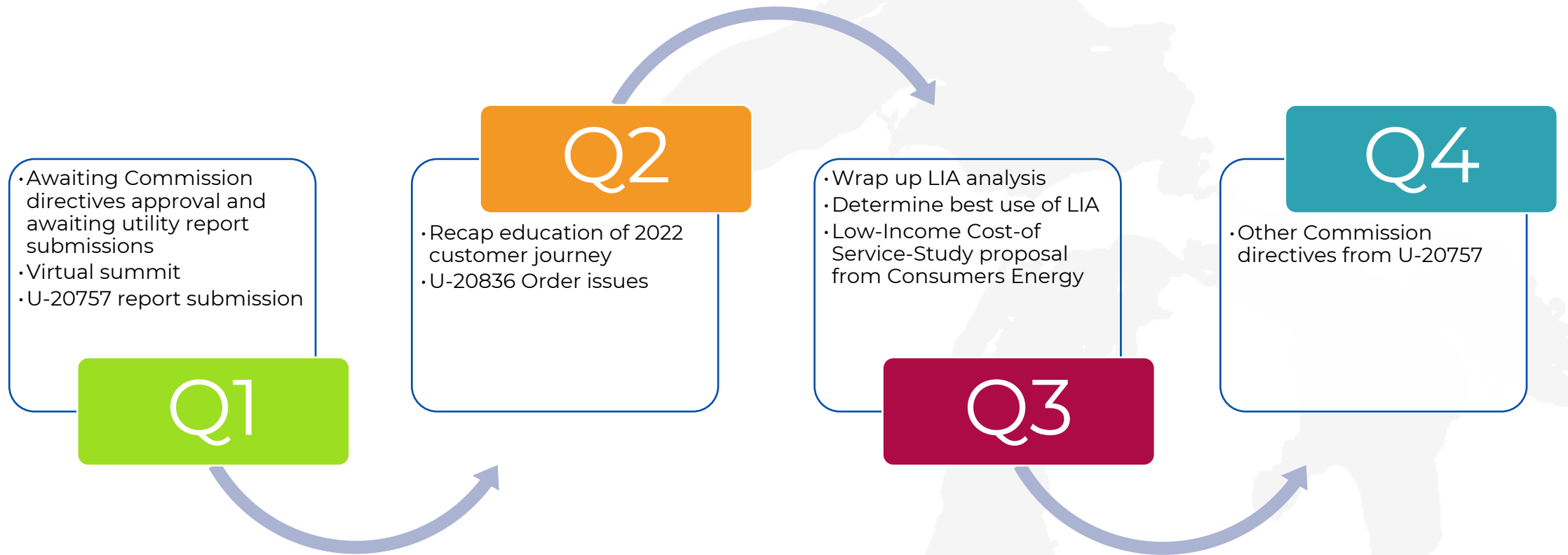
U-20757 Reply Comments

Reply comments on the U-20757 EAAC Staff report are due on June 29th by 5pm

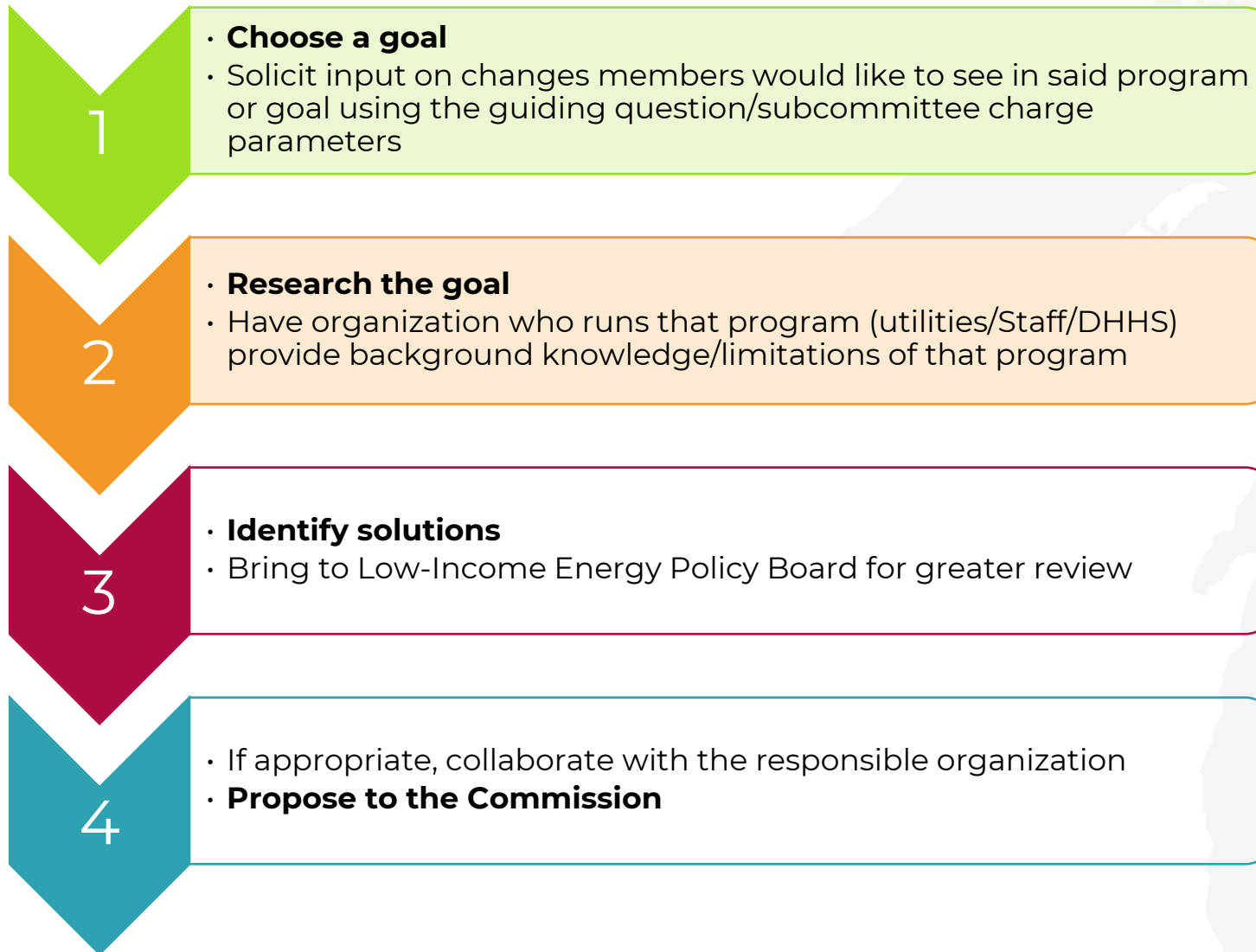
“The Commission will accept comments on the Staff’s March 16 report recommendations until 5:00 p.m. (Eastern time (ET)) on June 15, 2023, and reply comments until 5:00 p.m. (ET) on June 29, 2023. Written comments should be mailed to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909. Comments submitted in electronic format may be filed via the Commission’s E-Dockets website, or for those persons without an E-Dockets account, via e-mail to mpscedockets@michigan.gov. Any person requiring assistance prior to filing comments, may contact the Staff at (517) 241-6180. All comments should reference the above-captioned case, Case No. U-20757.”

Accomplishing Goals in 2023- 2024

Potential Timeline for 2023



Goals Structure



Progress

Goal: customer journey

- Recommendations in 2022 U-20757 report

Goal: Do our assistance programs work?

- Data collected
- Connect to affordability standard goal in 2023-4

Goal: Initiate a stakeholder discussion of DTE's report on the enrollment of customers in the LIA credit program and submit a report and recommendations to the Commission.

Objective 1

Initiate a stakeholder discussion of DTE's report on the enrollment of customers in the LIA credit program and submit a report and recommendations to the Commission.

Discuss the LIA/RIA enrollment assignment, enrollment cap, and best use/program pairings.

Order Compliance Objectives



Analyze the use and effectiveness of the LIA credit



Decide on the best use of the credit

We could maintain the current approach

We could consider furthering equity or focus on impacted communities

We could propose reformatting RIA and LIA

Consider MEAP's broader goal of matching service with customer cohorts



Determine a clear and consistent approach across utilities

Consider utilities with vastly different revenues

Consider if an enrollment cap is appropriate



Determine what success looks like/if success is appropriate



Determine end-date or approval necessities of this pilot



Survey to determine support based on types of AAA members



File report to the Commission

Survey Results

- ❑ We'll begin discussing the survey results today
- ❑ Continue to use the survey to submit feedback and questions
- ❑ Let us know if you can't submit twice
 - We're still adjusting to Microsoft Forms and are learning its limitations
- ❑ Start thinking about what you would like to see this credit become
 - Think about the greater assistance landscape in terms of what we should offer and matching customer needs to services

Survey Results: Goals



Advocating for customers



Promoting energy affordability



Improve the energy assistance landscape

Survey Result Theme: Customer Input



How are people affording their bills?



Have we asked customers what their processes are?



How can we incorporate more customer input and feedback in these discussions?



How can we hear from LIA customers?



Energy Affordability and Accessibility Collaborative (EAAC)

Affordability, Alignment, and Assistance (AAA)
LIA Survey Responses

June 27, 2023

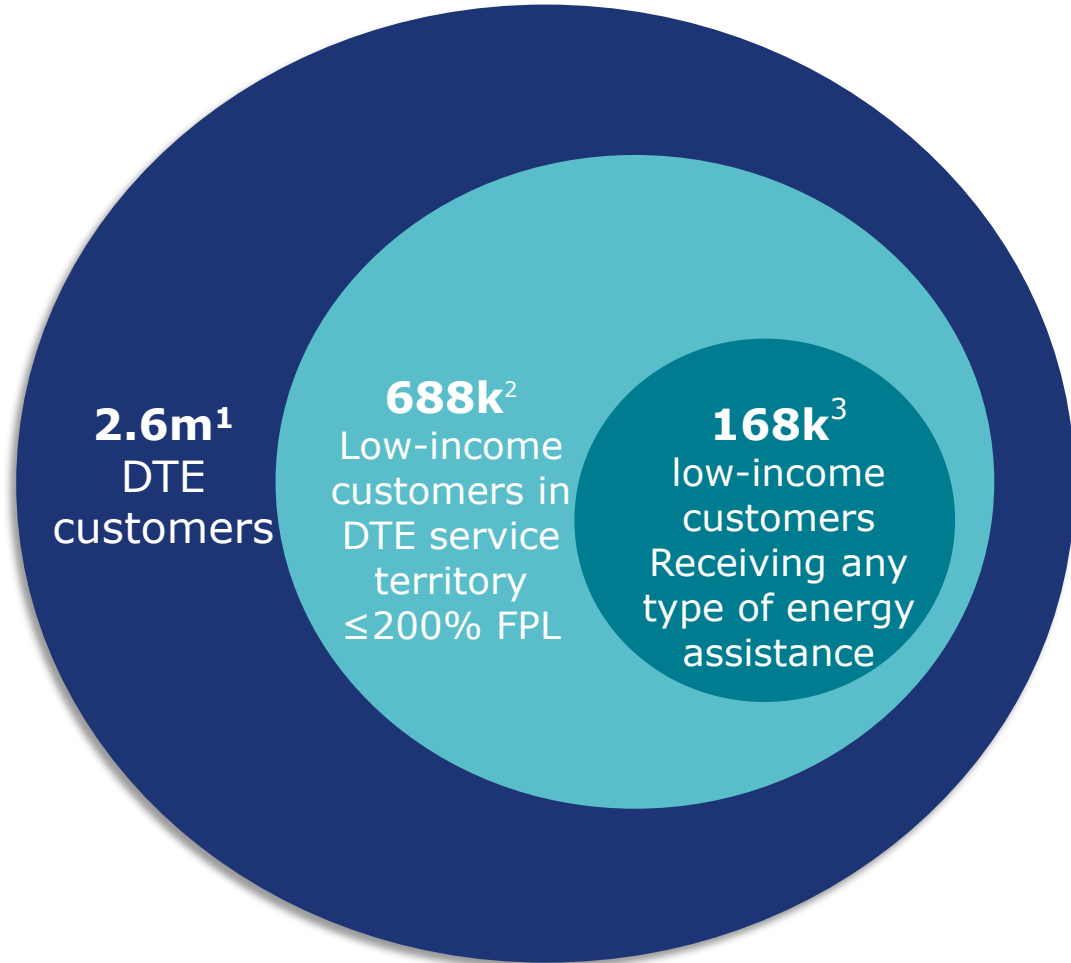
Low Income Assistance Credit (LIA)

- The low-income assistance credit is a rate payer funded credit for customers at or below 150% Federal Poverty Level (FPL)
- Electric Service - \$40 monthly credit
- Gas Service - \$30 monthly credit





How do we know that all low-income households are identified? Do they have to have been in crisis and go through the SER process? If so, how do we ensure others are identified?



Expanding access and improving delivery of assistance is critical for our most vulnerable customers



It seems like LSP customers might not even notice the LIA, as it doesn't lower their payment, but rather lowers the amount MEAP pays on their bill. Would customers feel greater benefit if they saw the credit reduce their payment amount?

LSP Payment Plan Amounts

Service	Consumption	FPL	Payment Plan Amount	Arrears Cap
Both Electric & Gas	<= \$2500/ year	*20- 75%	\$90	\$3,000
		76- 110%	\$95	
		111- 150%	\$130	
	\$2501- 3750/ year	20- 75%	\$125	
		76- 110%	\$130	
		111- 150%	\$130	
Electric Only	<= \$1000/ year	*20- 75%	\$35	\$3,000
		76- 110%	\$40	
		111- 150%	\$55	
	\$1001- 1600/ year	*20- 75%	\$50	
		76- 110%	\$55	
		111- 150%	\$55	
Gas Only	<= \$1500/ year	*20- 75%	\$50	\$3,000
		76- 110%	\$55	
		111- 150%	\$75	
	\$1501- 2150/ year	*20- 75%	\$70	
		76- 110%	\$75	
		111- 150%	\$75	

* Denotes new tier

- The LSP program reduces the energy burden
- Applying the LIA credit to the adjusted plan amount would reduce the amount of customers assisted by LSP.

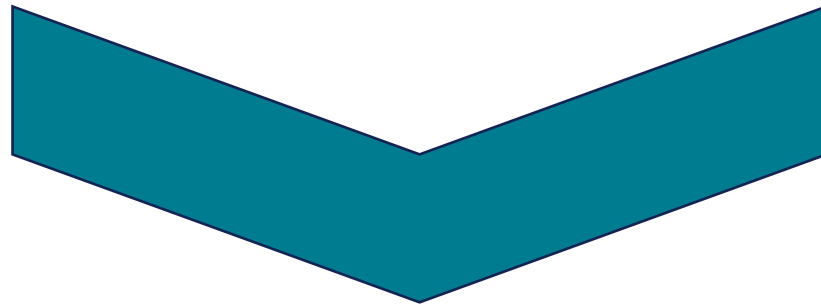
Example of when applying the LIA credit amount to further reduce the LSP plan amount results in far less dollars to help other customers in crisis.

Current LIA application to LSP

LSP Plan Amt: \$95
Actual Usage: \$200
LIA Credit to Usage: $(\$200 - \$40) = \$160$
Agency Gap: $(\$160 - \$95) = \$65$

Question proposed application

LSP Plan Amt: \$95
Adjusted Plan w/LIA (\$40) = \$55
Actual Usage: \$200
Agency Gap: $(\$200 - \$55) = \$145$



Delta
 $\$80 \times 12 = \960

Average annual cost of funding LSP household is \$895 - \$1,193



Where are LIA customer voices?

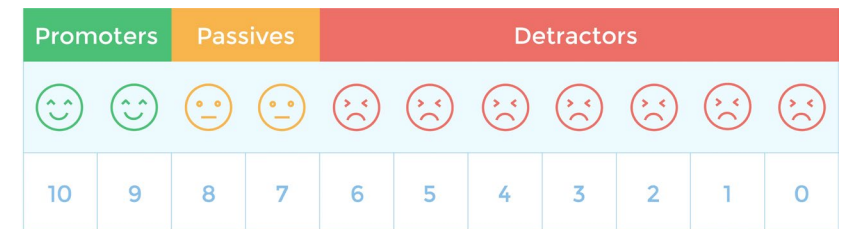
DTE uses the Net Promoter Score (NPS) to survey all customers, including those who are income-challenged.

Surveys can be triggered by a customer-initiated transaction

- ✓ An enrollment in the Shut-off Protection Plan (SPP)
- ✓ An enrollment in the Low-Income Self-Sufficiency Plan
- ✓ A phone call where our speech analytics identifies either LSP or SPP activity

Survey Questions:

- How satisfied were you with your recent transaction?
- Were you able to complete your transaction on the first attempt?
- How many times did you attempt your transactions?
- Would you like to receive a call from a representative at DTE to help you with your transaction?
- Based on your recent transaction experience, please rate the ease of doing business with DTE.



$$\text{Net Promoter Score} = \% \text{ Promoters} - \% \text{ Detractors}$$



How are households identified for the credit? How can low-income households who are not in crisis/seeking assistance qualify for the credit? Where do they go and what is the process?

- Currently customers who are enrolled in the Low-Income Self Sufficiency Program (LSP) have the credit applied
- Customers who graduate from LSP continue to receive the credit. This assists customers with bill affordability.
- The majority of customers receiving the LIA credit are not actively enrolled in the LSP program.

LIA credit effectiveness and energy affordability

- U-20561 Order new low-income plan to investigate alternative ways of using the LIA and RIA credit funding
- Payment Stability Plan (PSP) percentage of income payment plan (PIPP)
 - Income based
 - 10% dual commodity / 6% single commodity
 - Arrears forgiveness
 - EWR services

Questions and Requests for DTE

- ❑ Data on assistance cycling
- ❑ How are low-income households identified?
 - Do they have to be in crisis and get SER?
 - How can we identify others?
- ❑ Is the program a “bandaid” or does it provide proven improvement by declining usage?
- ❑ How does blight and “impaired neighborhoods” impact utilities?
- ❑ How are households identified for the credit? How can low-income households who are not in crisis/seeking assistance qualify for the credit? Where do they go and what is the process?

Pain Points: LIA



Seems there are more groups and organizations in the cities. What are rural residents' equivalent?



Administering it to LSP customers, but using it to reduce their MEAP payments, rather than the customers' payment amounts seems as though it doesn't have a palpable impact on customers' bills.



Do not know if all low-income households are identified and accessing the credit.



It appears to be completely funded by customers, which potentially limits its expansion (either for an increase in dollars given or number of recipients). I would be interested in having more serious discussion about how DTE views this program and if it is interested in expanding it, and then figuring out how to do that.



Consider equity in benefit vs. equity in burden.

Discussion

- What other information do you need to determine the best use of the LIA credit?
- Do you have any additional questions?
- Do any pain points come to mind for the LIA or energy assistance in general?
- What do you think the best use of the LIA credit is?

Energy Assistance Summary Reminder

- ❑ Low-income customer journey maps available on the [AAA website](#)
 - Various tabs with different approaches to the customer journey
 - Energy Assistance Diagram that shows funding sources for programs and historical amounts of funding
 - Program descriptions tab goes into more detail about each program and includes links to their respective web pages

SUBMIT ANY
ADDITIONAL
QUESTIONS OR
REQUESTS FOR
INFORMATION BY THE
END OF THE WEEK

WE'LL DISCUSS THE
BEST USE FOR THE LIA
CREDIT AT OUR JULY
11 MEETING

Next Steps



Next Meeting:

Continue discussion on LIA credit
Lay out options for the credit



Data:

Data and education materials are on our website and will be used for reference as we analyze affordability and assistance on a macro level this year.



Goals:

Notify us if you have any goals for the group in 2023 or issues that concern you.
We are currently working on directives that have been directed to the EAAC through Commission orders.



Leadership:

Come to us with any concerns or ideas!