

**PUBLIC SERVICE COMMISSION
OF MARYLAND**

**ELECTRIC UNIVERSAL SERVICE
PROGRAM
2023 ANNUAL REPORT**

**Pursuant to
§ 7-512.1(c) of the Public Utilities Article**
Annotated Code of Maryland

Prepared for the General Assembly of
Maryland

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ELECTRIC UNIVERSAL SERVICE PROGRAM

2023 ANNUAL REPORT

I. OVERVIEW

The Electric Universal Service Program (“EUSP”), enacted in the Electric Customer Choice Act of 1999 (“the Act”), was designed by the Maryland General Assembly following the restructuring of Maryland’s electric companies and electricity supply market to assist low-income electric customers to retire utility bill arrearages, to make current bill payments, and to access home weatherization. The Act, codified at Public Utilities Article, *Annotated Code of Maryland*, §7-512.1 (“PUA §7-512.1” or “EUSP Legislation”), required the Public Service Commission of Maryland (“Commission”) to establish the program, make it available to low-income electric customers statewide, and provide oversight to the Office of Home Energy Programs (“OHEP”), within the Department of Human Services (“DHS”), which is responsible for administering the EUSP.

II. LEGISLATIVE REQUIREMENTS

Under the Act, the Commission is required to oversee the EUSP as it is administered by DHS through OHEP. PUA §7-512.1(c)(1) requires the Commission to report annually to the General Assembly regarding the following:¹

- (i) A recommendation on the total amount of funds for the program for the following fiscal year, subject to the amounts that are to be collected under PUA §7-512.1(e) and based on:
 - 1 the level of participation in and the amounts expended on bill assistance and arrearage retirement during the preceding fiscal year;
 - 2 how bill assistance and arrearage retirement payments were calculated during the preceding fiscal year;
 - 3 the projected needs for the bill assistance and the arrearage retirement components for the next fiscal year; and
 - 4 the amount of any bill assistance or arrearage retirement surplus carried over in the electric universal service program fund under PUA §7-512.1(f)(6)(i).

¹ Numbering is as it appears in the PUA.

- (ii) For bill assistance, the total amount of need, as determined by the Commission, for electric customers with annual incomes at or below 175% of the federal poverty level and the basis for this determination;
- (iii) the amount of funds needed, as determined by the Commission, to retire arrearages for electric customers who have not received assistance in retiring arrearages under the electric universal service program within the preceding five fiscal years, and the basis for this determination;
- (iv) The amount of funds needed, as determined by the Commission, for bill assistance and arrearage retirement, respectively, for customers for whom income limitations may be waived under §7-512.1(a)(7) of the PUA, and the basis for each determination;
- (v) The impact on customers' rates, including the allocation among customer classes, from collecting the total amount recommended by the Commission under item (i) above; and
- (vi) The impact of using other federal poverty level benchmarks on costs and the effectiveness of the electric universal service program.

To assist the Commission in preparing its recommendations, OHEP is required under PUA §7-512.1(c)(2)(i) to report the following information to the Commission each year:

- (1) the number of customers and the amount of distributions made to fuel customers under the Maryland Energy Assistance Program ("MEAP") identified by funding source and fuel source;
- (2) the cost of outreach and educational materials provided by OHEP for the EUSP; and
- (3) the amount of money that DHS receives and is expected to receive for low-income energy assistance from the Maryland Strategic Energy Investment Fund/Regional Greenhouse Gas Initiative ("SEIF/RGGI"), the MEAP (for electric customers only), and any other federal, State, local, or private source.

Certain revisions to PUA §7-512.1 that do not become effective until January 1, 2024 are not discussed in either OHEP's Report or this Report.

III. BASIS FOR FINDINGS AND RECOMMENDATIONS

The Commission’s consideration and review of EUSP operational plans and proposals, workgroup reports, program reports, and filings are docketed in Case No. 8903, *In the Matter of the Electric Universal Service Program*. On June 20, 2023, OHEP filed its EUSP Proposed Operations Plan for Fiscal Year (“FY”) 2024. Following receipt of comments from interested parties, a hearing to consider the Proposed Operations Plan was held on July 26, 2023. On September 18, 2023, the Commission approved OHEP’s Operations Plan for FY 2024 and authorized the allocations for FY 2024 proposed by OHEP from ratepayer funding, as provided under PUA §7-512.1(e).²

In Order No. 90798, the Commission noted that OHEP anticipates total funding for the EUSP in FY 2024 to be \$136,345,042 after an addition of \$99,079,134 from the SEIF/RGGI fund, \$400,000 from an electric arrearage agreement in Case No. 9318 (Cove Point), and ratepayer funding in the amount of \$36,865,908. OHEP also administers federal funding from the Low Income Home Energy Assistance Program (“LIHEAP”).

On December 11, 2023, OHEP filed its *FY 2023 Electric Universal Service Program Annual Report* (“Annual Report”) in compliance with PUA §7-512.1(c)(2).

A. OHEP FY 2023 ANNUAL REPORT

In its Annual Report, OHEP provided highlights pertaining to the operation of the EUSP for the July 1, 2022–June 30, 2023 program year. Table 1 shows the total households served, the total benefits expended, and the average benefit awarded per household for both bill assistance and arrearage retirement.³ OHEP’s Annual Report indicates that 29 percent more households received bill assistance than in FY 2022, with an average benefit approximately 22 percent higher than in FY 2022. In addition, 41 percent more households received arrearage retirement assistance during FY 2023 than in FY 2022, at an average grant approximately 13 percent higher than in FY 2022.⁴

²See Order No. 90798, issued September 23, 2024.

³*FY 2023 Electric Universal Service Program Annual Report to the Maryland Public Service Commission* (“Annual Report”) at pp. 5-6.

⁴*Id.*

Table 1 Comparison of EUSP Data for FY 2022 and 2023⁵

	Households Served	Total Benefit Expense	Average Grant
Bill Assistance			
FY 2023	96,367	\$90,470,000	\$939
FY 2022	79,951	\$60,964,000	\$763
Difference	20.5%	48.4%	23.1%
Arrearage Retirement			
FY 2023	29,376	\$32,900,000	\$1,123
FY 2022	20,792	\$20,700,000	\$997
Difference	41.3%	58.9%	12.6%
EUSP Total			
FY 2023	125,743	\$123,370,000	\$981
FY 2022	100,743	\$81,664,000	\$811
Difference	24.8%	51.1%	20.9%

OHEP did not project a precise enrollment figure for FY 2024 or the amount of its bill payment assistance for that same period. However, OHEP noted that it expects that an increased need for bill assistance and arrearage benefit assistance due to the implementation of Categorical Eligibility, which allows for households that are eligible for certain benefits to be automatically enrolled in the relevant assistance program. This is likely to increase enrollment, with the result being that OHEP may be forced to decrease benefit levels, absent increased funding to meet the EUSP needs after FY 2024. OHEP notes that \$30,681,233 in ratepayer funds, together with its other funding, should be sufficient to cover bill payment assistance. In recent years, arrearage retirement has been funded by SEIF/RGGI and Cove Point monies; OHEP recommends that \$30 Million in SEIF/RGGI monies be provided for arrearage retirement in FY 2024. OHEP notes that during FY 2023 the collection of ratepayer funds was \$32,450,292.88, which is less than the statutory limit of \$37,000,000. The Commission is reviewing EUSP collections to determine whether an earlier issue involving overcollections has been remedied. OHEP additionally notes that the rate of collection of ratepayers funds will have to be examined to ensure adequate funding is collected in ongoing years.

OHEP also administers MEAP, which is federally funded through LIHEAP. Because MEAP pays for heating assistance, its grants are not limited to public service companies providing electricity and gas heating service, but also go to vendors of non-regulated fuels such as oil and propane. For customers who heat with electricity, EUSP and MEAP work in tandem, resulting in increased EUSP benefits for electric heating

⁵ The data provided in this table and in the appendix are correct, as errors were discovered in OHEP's Annual Report to the Commission, and corrections were made to the data through communications with OHEP. A corrected Annual Report from OHEP, as provided through Case No. 8903, is forthcoming.

customers, because MEAP funds are used to cover heating costs. Benefit expenditures for MEAP in FY 2023 totaled \$121,470,251, of which approximately 47 percent went to electricity.⁶ In FY 2024, this amount will be \$74,410,147, due to the ending of supplemental federal funding provided in fiscal years 2021, 2022, and 2023.

OHEP states that its outreach activities have continued to be conducted by its local administering agencies in partnership with State Office agencies and other entities, including utilities.⁷ The Commission encourages OHEP's efforts to provide guidance, training and education to the local administering agencies regarding the new expanded eligibility criteria.

OHEP's Annual Report is attached as Appendix A.

B. How Benefits Were Calculated for FY 2023 and Will Be Calculated for FY 2024

For bill assistance under the EUSP, OHEP uses a formula to customize the benefit amount to be paid to each participant. The following factors contribute to the size of a participant's EUSP benefit: (1) gross household income, (2) household size, (3) electricity usage, and (4) price of electricity for a given customer. In administering the EUSP, OHEP divides participants into groups based on gross household income using the federal poverty levels ("FPL"), as suggested at PUA §7-512.1(a)(1). The EUSP groups are as follows: (1) Poverty Level 1 (0 to 75 percent FPL), (2) Poverty Level 2 (76 percent to 110 percent FPL), (3) Poverty Level 3 (111 percent to 150 percent FPL), (4) Poverty Level 4 (151 percent to 175 percent FPL) including households with one or more members over the age of 67 with household income between 175 percent and 200 percent FPL,⁸ and (5) Poverty Level 5, which is composed of subsidized housing occupants, whose incomes vary and who receive rental subsidies including varying utility service subsidies. The lower an EUSP participant's poverty level, the higher is the benefit received by that participant. The FPL income limit varies with household size.

The electricity usage of each EUSP participant, as certified by the participant's electric company is taken into account up to a set limit, with additional bill assistance provided from MEAP to participants who heat with electricity. A final adjustment is made for the relative cost of electricity for each EUSP participant, such that EUSP participants served by an electric company with rates either higher or lower than the average receive a slightly higher or lower benefit. OHEP's formula results in an equitable distribution of benefit grants to EUSP participants with the most pressing needs, based on income and usage.¹⁵

⁶ *Id.* at p. 19.

⁷ *Id.* pp. 12-13.

⁸ PUA §7-512.1(a)(1)(ii).

Table 2: Distribution of Bill Assistance by Poverty Level for FY 2023

Poverty Level	Income Level	Participants	% of Distribution
1	0-75%	23,740	24.6%
2	75% - 110%	17,372	18.0%
3	110% - 150%	19,681	20.4%
4	150% - 175%	11,037	11.5%
5	175% - 200%	24,540	25.5%

OHEP uses the FPL poverty levels described above to assess a household's eligibility for arrearage assistance, as well as bill payment assistance. For FY 2021, OHEP set a minimum arrearage amount of \$300 for a household to qualify for arrearage assistance from the EUSP. The maximum arrearage benefit allocated from the EUSP for one household was \$2,000 over a five-year period.⁹ Applicants requiring arrearage assistance beyond the OHEP maximum of \$2,000 or below the \$300 minimum are referred to community-based programs for assistance.

In FY 2014, OHEP instituted a new arrearage waiver policy allowing households having a household member over the age of 65, a household member under the age of 2, or a household member who is considered to be disabled (including but not limited to, medically fragile persons) to apply for additional funds not to exceed the \$2,000 cap, if these households had received \$800 or less in arrearage retirement assistance during the past seven years. In FY 2023, a total of 132 waivers were granted providing benefits totaling \$109,149.

OHEP has found this method to be effective in reducing energy burdens for some time. However, OHEP has signaled in its report that it may need to re-evaluate the formula in the future to better meet the needs of low-income households in the face of rising home heating costs.

C. OHEP Projections for Funds to Be Expended in FY 2024.

OHEP anticipates that its enrollment will continue to increase but maintains that it has sufficient funds through FY 2024. This is discussed in more detail below.

IV. FINDINGS AND RECOMMENDATIONS

A. Total Amount of Funding Recommended for FY 2024

Under the current funding structures and eligibility criteria, the Commission recommends the FY 2024 EUSP funding levels outlined in Table 4 below. This recommendation is based on current participation levels as detailed in Table 2 and collection of funds at the statutory level. Methods for calculating bill payment assistance

⁹ Annual Report at p.10.

and awarding arrearage retirement assistance are discussed in Section III B above and will remain unchanged.

Table 3 Projected Funds Available for FY 2024 from All Sources

Funding Source	Amount
Ratepayer Statutory Collection	\$37,000,000
Allocation from RGGI Auctions (SEIF/RGGI)	\$99,000,000
MEAP Funding for EUSP Participants	\$37,000,000 ¹⁰
Dominion Cove Point Settlement	\$400,000
Total	\$173,400,000

The Commission supports OHEP’s practice of using SEIF/RGGI funds for arrearage retirement because this allocation allows more ratepayer funding to be used for bill assistance, while simultaneously covering more EUSP participants in need of arrearage retirement assistance. While the Commission notes that OHEP did not offer a specific projection regarding the size of its bill assistance benefit in FY 2024, the Commission supports the continuation of an average OHEP bill assistance grant of at least \$500. The Commission recommends that no more than 12 percent of ratepayer money be set aside for administration and supports the continuation of outreach at the proposed level of \$200,000. To further support the success of the EUSP, the Commission recommends that OHEP use the portion of SEIF/RGGI funds for bill assistance that OHEP does not allocate to arrearage assistance or EUSP direct program costs. Finally, the Commission notes that despite the effort to pay for arrearages during FY 2023, the coming fiscal year may continue to present challenges in dealing with arrearages.

The Commission recognizes that OHEP may face unknown challenges in the future. The Commission agrees that close monitoring of these circumstances and other circumstances through the OHEP Advisory Group and direct communication with the Commission and its Staff is necessary to respond to any unexpected needs.

B. Total Amount of Need for Bill Assistance (Electric Customers with Annual Incomes at or below authorized Federal Poverty Levels and the Basis for this Determination)

Under PUA §7-512.1(a)(1), EUSP eligibility extends to 175 percent of the federal poverty level as a general matter, with exceptions for those within subsidized housing and households with one or more occupants over 67. OHEP’s Report shows that applications for EUSP Bill Payment Assistance grew significantly in 2023 as compared

¹⁰ This is an estimate. OHEP states that it has been allocated approximately \$74M for FY 2024, of which approximately 50 percent is usually allocated to low-income winter heating needs.

with 2022, and bill assistance benefit expenditures totaled \$73.2 million.¹¹ OHEP makes no specific projections regarding the number of applications for 2024. However, OHEP states that current funding levels are adequate to meet the need for bill assistance and arrearage assistance needs for the coming year. OHEP notes that it may need additional funding in the future due to implementation of Categorical Eligibility, which may increase enrollment.

The EUSP statutory mandate is to assist qualifying electric customers through bill assistance, arrearage retirement, and weatherization. OHEP's Annual Report projects that its current funding will be adequate to meet the EUSP needs for FY 2024.¹² OHEP's Annual Report indicates, as reflected in Table 4 above, the approximate funds that will be available in FY 2024 from the ratepayers' statutory collection, SEIF/RGGI, and MEAP.

In light of the EUSP's statutory mandate and OHEP's current participation levels, the Commission recommends the EUSP budget and funding levels discussed broadly in OHEP's Annual Report inclusive of SEIF/RGGI and LIHEAP funds. Specifically, the Commission agrees with OHEP that the EUSP will require at least the same amount of funding in FY 2024 as it expended in FY 2023. The Commission notes that the average benefit should continue to be weighted to FPL 1 and FPL 2, where the need is greatest.

C. Arrearage Retirement Assistance Funding

The Electric Customer Choice Act limits arrearage retirement assistance for EUSP participants to once every five years. The total amount of ratepayer funds that may be spent on arrearage assistance is limited by statute to \$1.5 million. In FY 2023, OHEP awarded \$32.9 Million of non-ratepayer funds for EUSP arrearage retirement. It is the Commission's long-standing position that the EUSP should fund current bills over past arrearages. Due to funding provided by SEIF/RGGI, OHEP generally expends non-ratepayer funds for this purpose, and the Commission supports this expenditure.

D. Income Limitation Waivers

Under PUA §7-512.1(a)(7), OHEP may waive the income limitations for customers who could qualify for a similar waiver under MEAP. In light of the funding available to OHEP and the use of consistent income limitation structures for both the EUSP and the MEAP, the Commission has supported OHEP's ongoing practice of offering waivers to households, consistent with OHEP's existing guidelines. OHEP

¹¹ Annual Report at p. 3.

¹² *Id.* at p. 18.

recommends retaining its current policy and requests no funding for this purpose. The Commission does not oppose OHEP's continuation of its existing policy.

E. Impact on Customers' Rates Including the Allocation among Customer Classes

By Order No. 89105, issued April 24, 2019, the Commission lowered the residential rate for EUSP from \$0.36 to \$0.32 and also reduced rates for non-residential customers by 30.64 percent for each of the 24 tariff tiers.¹³ All Maryland electric utilities were directed to file revised tariffs. The tariffs were filed and approved by the Commission with effective dates of May 2019 and June 2019. Staff was directed to conduct an annual review in April of each year, and should an over-collection exist for the previous fiscal year, file a recommendation with the Commission on how to change the rates to refund the over-collection to customers. The first review was scheduled to take place in April 2020. In its 2019 Annual Report, OHEP noted that approximately \$6.8 million in funds in excess of the statutory limit had been collected during FY 2019.¹⁴ Staff originally anticipated that the overcollection would return to \$0 by July 2020 due to the revised tariffs. OHEP reports that it has under-collected in Fiscal Year 2023. Commission Staff is in the process of reviewing the status of the statutory collections. OHEP recommends that the current rates, which were set to return excess collections to ratepayers, be reset as soon as possible. The Commission agrees.

F. The Impact of Using Other Federal Poverty Program Benchmarks

OHEP uses the federal poverty level to determine eligibility for EUSP assistance. Under the EUSP legislation, eligibility is capped at 200 percent FPL. The FPLs are based on gross household income and family size and are updated periodically based on various cost of living indices. The FPLs are publicly available and widely used. OHEP uses a consistent eligibility system for the EUSP and the federally-funded MEAP. This similarity facilitates administration of the two programs and, by creating certain synergies, enables OHEP to make more efficient use of its combined federal, State, and ratepayer funding.

The benchmark for determining eligibility for participation in the EUSP is crucial to determining the aggregate funding needed by the EUSP. To the extent that aggregate funding interacts with benefit size, these benchmarks and the manner in which they are

¹³Non-residential customers, from commercial and industrial classes, are allocated charges based on annual utility billings according to a 24-tier matrix. During the first quarter of each year, the electric companies are required to review the revenue received during the previous year and to reallocate EUSP charges to non-residential customers as necessary. Growth in the number of residential customers and changes in the amount of revenues from non-residential customers cause fluctuation in the amounts collected.

¹⁴ Annual Report at p. 16.

applied greatly affect the success and effectiveness of the EUSP. The Commission does not recommend changing the existing OHEP benchmarks.

V. CONCLUSION

Based on the OHEP FY 2023 Annual Report, the Commission recommends that the total amount of funds for the EUSP for FY 2024 be at least \$173.4 million, as discussed above.¹⁵ For the reasons stated herein, the Commission believes that this amount of funding is necessary to protect low-income electric customers in Maryland.

¹⁵This recommendation is inclusive of MEAP funds, RGGI/MSEIF funds, Dominion Cove Point Settlement funds, and full statutory collection,

**APPENDIX: DHS OHEP FISCAL YEAR 2023 ELECTRIC UNIVERSAL SERVICE
PROGRAM ANNUAL REPORT TO THE MARYLAND PUBLIC SERVICE
COMMISSION**



**FISCAL YEAR 2023
ELECTRIC UNIVERSAL
SERVICE PROGRAM
ANNUAL REPORT
TO THE
MARYLAND PUBLIC
SERVICE COMMISSION**

MARYLAND
DEPARTMENT OF
HUMAN SERVICES
FAMILY INVESTMENT
ADMINISTRATION
OFFICE OF HOME ENERGY PROGRAMS

Introduction

The Deregulation Act of 1999, codified in Md. Code Ann., Public Utilities §7-512.1 established the Electric Universal Service Program (EUSP) for the purpose of assisting electric customers with annual incomes at or below 175% of the federal poverty level. In 2021 the Maryland General Assembly passed MD Code, Public Utilities, § 7-512.1 which expanded eligibility for the Electric Universal Service Program to households containing at least one member who is 67 years or older to 200% of the federal poverty level. The Department of Human Services (DHS) Family Investment Administration (FIA) Office of Home Energy Programs (OHEP) administers EUSP, and oversees the 20 local administering agencies (LAAs) located throughout Maryland, where applications for assistance are accepted and processed.

EUSP also features Arrearage Retirement Assistance funded through the Maryland Strategic Energy Investment Fund/Regional Greenhouse Gas Initiative (SEIF/RGGI). EUSP, along with the Federal Low Income Home Energy Assistance Program (LIHEAP) operated as the Maryland Energy Assistance Program (MEAP), provide benefits to low-income Marylanders that make electricity and heating for their homes more affordable. The programs administered by OHEP are integrated and share a common application to streamline the energy assistance application process for Maryland families.

Md. Code Ann., Public Utilities § 7-512.1(c) requires that OHEP file an Annual Report with the Public Service Commission. This report provides a summary of the 2023 program year and responds to legislatively mandated questions outlined in the statute. This report also contains estimates of future trends and planning recommendations for the next program year.

Program Highlights

- In FY 2023 OHEP received a total of 149,196 applications from customers seeking heating and electric assistance from OHEP administered programs.
- In FY 2023 \$73.2 million in EUSP Bill Payment Assistance benefits was issued to 96,367 households.
 - In FY 2023 the average Bill Payment Assistance benefit was \$759.7.
- In FY 2023 \$32.9 million in Electric Arrearage Retirement Assistance benefits was issued to 29,376 households.
 - The average Arrearage Retirement Assistance benefit was \$1122.

Program Data

- Table 1 provides information on the number of households receiving EUSP Bill Payment Assistance and Arrearage Retirement Assistance benefits. It includes data since FY 2008, showing trends over time in the number of households served and expenditures.
- Table 2 displays summary data on the MEAP program, which is federally funded by LIHEAP funds.
- Table 3 provides information for EUSP administrative expenditures.
- Table 4 provides distribution of EUSP recipients by poverty level.

Table 1. EUSP Summary Data FY 2008-2023

Program and Year	Applicants Served	Average Grant	Ratepayer Funds (millions)	Other Funds (millions)	Total Benefit Expenditures (millions)
Bill Assistance					
2023	96,367	\$939	\$30.7	\$59.7	\$90.4
2022	79,951	\$763	\$27.5	\$33.4	\$60.9
2021	83,702	\$504	\$30.9	\$10.9	\$41.8
2020	84,079	\$492	\$30.9	\$10.4	\$41.3
2019	93,523	\$506	\$32.4	\$14.9	\$47.3
2018	94,655	\$498	\$32.2	\$14.9	\$47.1
2017	96,434	\$506	\$30.9	\$17.8	\$48.7
2016	102,947	\$394	\$30.7	\$9.8	\$40.5
2015	109,095	\$351	\$33.9	\$4.4	\$38.3
2014	115,664	\$357	\$35.4	\$5.8	\$41.2
2013	111,288	\$325	\$34.5	\$1.6	\$36.1
2012	120,739	\$334	\$38.8	\$5.5	\$44.3
2011	132,504	\$446	\$38.5	\$20.7	\$59.2
2010	129,670	\$612	\$37.0	\$42.5	\$79.5
2009	116,136	\$688	\$30.8	\$49.3	\$80.1
2008	100,670	\$601	\$30.8	\$27.8	\$58.6
Arrearage					
2023	29,376	\$1,123	-	\$32.9	\$32.9
2022	20,792	\$997	\$1.2	\$19.5	\$20.7
2021	17,774	\$1047	\$.5	\$18.1	\$18.6
2020	12,218	\$779	-	\$9.5	\$9.5
2019	16,115	\$835	-	\$13.5	\$13.5
2018	16,862	\$871	-	\$14.6	\$14.6
2017	14,681	\$925	-	\$13.6	\$13.6
2016	16,321	\$1,002	-	\$16.3	\$16.3
2015	17,815	\$954	-	\$17.0	\$17.0
2014	22,384	\$944	-	\$21.1	\$21.1
2013	16,423	\$969	-	\$15.9	\$15.9
2012	14,011	\$929	-	\$13.0	\$13.0
2011	19,243	\$931	-	\$17.9	\$17.9
2010	30,078	\$1,025	-	\$30.8	\$30.8
2009	22,295	\$936	\$1.5	\$19.4	\$20.9
2008	7,957	\$801	\$1.5	\$4.9	\$6.4

Source: Maryland Department of Human Services, Family Investment Administration, Office of Home Energy Programs

Note 1: The benefit expenditures for FY2023 are net expenditures and exclude any adjustments made thereafter in the State Financial Management Information System (FMIS). The households served data are from the OHEP Data System. The data may not be final and are for information purposes only.

Note 2: Benefit expenditures for the years prior to FY 2014 include supplemental benefit payments. Average benefit calculation does not include the supplemental amount.

Table 2. MEAP Summary Data FY 2008-2023

Program and Year	Applicants Served	Average Grant	Benefit Expenditures
2023	96,367	\$759	\$68.1million
2022	77,703	\$822	\$63.8 million
2021	85,545	\$508	\$43.4 million
2020	88,590	\$575	\$50.8 million
2019	96,298	\$590	\$56.8 million
2018	97,477	\$565	\$55.1 million
2017	98,938	\$541	\$53.5 million
2016	104,491	\$566	\$59.1 million
2015	111,365	\$518	\$57.7 million
2014	118,107	\$511	\$60.3 million
2013	113,787	\$512	\$58.2 million
2012	123,868	\$474	\$57.6 million
2011	132,789	\$451	\$60.3 million
2010	134,691	\$309	\$44.6 million
2009	122,254	\$553	\$67.2 million
2008	93,147	\$450	\$41.9 million

Source: Maryland Department of Human Services, Family Investment Administration, Office of Home Energy Programs

Note: 1: In FY2012, a MEAP supplemental benefit of \$18.9 million was issued to 93,265 households. Note: 2: In FY2013, a MEAP supplemental benefit of \$13.8 million was issued to 81,761 households. Note 3: In FY2014, a MEAP supplemental benefit of \$8.3 million was issued to 87,125 households. Note 4: In FY2017, a MEAP supplemental benefit of \$18 million was issued to 88,752 households.

Note 5: In FY2021, a MEAP supplemental benefit of \$19 million was issued to 25,728 households. Note 6: In FY2022, A MEAP supplemental of \$ 36.3 million was issued to 63,993 households.

Administrative Operations

Twenty local administering agencies (LAAs) throughout Maryland receive and process EUSP applications. Applications are received by the LAAs through the mail, e-mail or fax, drop-offs, in-person face-to-face interviews, outreach events, and online through the myDHR website.

LAAs perform all of the necessary functions to provide EUSP benefits. These functions include:

- Conducting outreach to the target population to increase awareness of the program
- Receiving applications, which includes reviewing, processing, and verifying the supporting documentation provided, and in some cases, includes conducting in-person interviews
- Responding to crisis situations (termination notice or off-service) by initiating contact with a utility company to prevent or restore terminated service
- Determining eligibility for OHEP and designating benefit amounts
- Generating the required Energy Delivery Statement (EDS) for payment
- Processing bulk fuel payments
- Facilitating requests for additional assistance when required by referring applicants to other agencies or organizations which provide energy assistance

The state OHEP office performs the following functions:

- Program planning and budgeting
- Policy and procedure development
- Outreach support
- Training
- Procurement
- Monitoring and quality control
- Processing utility payments
- Development and implementation of technology systems

The state OHEP office processes payments to utilities for the applications approved by the LAAs. OHEP generates payment transmittal documents that serve as requests for payment. The payment transmittals are sent to the DHS Fiscal Office (Accounts Payable) which then enters the requests into the State's Financial Management Information System (FMIS). The Office of the Comptroller processes the requests for the issuance of payments, either by check or electronic transfer of funds.

The state OHEP office processes payment requests for each utility on a weekly basis beginning in August. For the major utilities, benefit data is transferred electronically through the use of a Secure File Transfer Protocol (SFTP). DHS and its contractor use FTP as a secure method for transferring confidential data, providing each utility with a username and password to log in weekly to retrieve their data.

Frequent communication between OHEP, the LAAs, utilities, and stakeholders is essential to support the effort to provide timely and accurate dissemination of policy updates and facilitate prompt resolution of policy concerns and operational issues. Communication is conducted through the following means:

- OHEP Data System screen messages to announce changes to the system and provide important alerts
- Regular LAA conference calls run by OHEP to keep LAAs informed of new program developments and to identify policy and operational concerns
- Annual Meeting and Training held each May with LAAs to communicate important program information and provide opportunities for networking and sharing of best practices

- Attendance at BGE quarterly partnership meetings with OHEP, LAAs, fuel funds, and other stakeholders
- Attendance by OHEP and/or LAAs at annual meetings with Delmarva Power, Potomac Edison, PEPCO and Southern Maryland Electric Cooperative

Table 3 displays the history of administrative expenditures for EUSP. OHEP Administrative expenses are funded through both EUSP ratepayer funds and LIHEAP funds. Certain restrictions apply to both sources. LIHEAP funds restrict administrative expenditures to a maximum of 10 percent of the final LIHEAP allocation. EUSP ratepayer funds are limited to 12 percent of the allocation by Commission Order.

Detailed administrative allocations by county are provided in

Attachment F. Table 3. EUSP Administrative Expenditures FY 2008-

2023

Fiscal Year	EUSP Administrative Expenditures
2023	\$4,459,819
2022	\$6,247,586
2021	\$6,097,368
2020	\$4,872,302
2019	\$4,562,663
2018	\$4,893,703
2017	\$4,382,692
2016	\$4,428,502
2015	\$4,440,000
2014	\$4,284,029
2013	\$3,990,577
2012	\$4,769,195
2011	\$4,625,792
2010	\$4,423,559
2009	\$3,606,818
2008	\$3,355,617

Source: Maryland Department of Human Services, Family Investment Administration, Office of Home Energy Programs

OHEP Data System

All OHEP applications are processed through the centralized OHEP Data System. The Data System is a statewide database and incorporates all the functions necessary for processing applications. DHS maintains a contract for system hosting in order to assure continuous access and functionality. A software maintenance and enhancement contract ensures that the system software is updated and enhanced to accommodate new policy requirements and changing user needs. Constant monitoring and maintenance of the system ensures system availability around the clock.

Access to the OHEP Data System is secure through either the DHS network, or through DHS’s Virtual Private Network (VPN). The VPN system allows application intake to be done at off-site locations.

OHEP maintains a web link to give the general public the ability to check their application status on-line at <https://myohepstatus.org/>.

myMDTHINK

myMDTHINK is DHS's on-line application system (<https://mymdthink.maryland.gov/>) and allows the public to apply for the following programs:

- Food Supplement Program (FSP, formerly known as Food Stamps)
- Office of Home Energy Programs (OHEP)
- Temporary Cash Assistance (TCA)
- Temporary Disability Assistance Program (TDAP)
- Medical Assistance Long Term Care (LTC)
- Child Care Subsidy Program (CCSP)

Energy assistance applications received through myMDTHINK are imported directly into the OHEP Data System by staff on a daily basis. In FY 2022, OHEP received 36,370 applications through myMDTHINK.

Program Summary

Bill Payment Assistance

Table 4 shows the distribution by poverty level for Bill Payment Assistance recipients. The data demonstrates that EUSP is successfully serving the neediest applicants by providing the largest percentage of benefits to households in the two lowest poverty levels.

Table 4. Distribution of EUSP Recipients by Poverty Level

% of Federal Poverty Level	Poverty Levels				Total
	0-75%	75%-110%	110%-150%	150%-175%	
Recipients	1	2	3	4	
FY 2023	23,740	17,372	19,681	11,037	96,370
FY 2022	29,936	21,773	19,358	8,022	79,953
FY 2021	31,832	22,766	20,682	8,360	83,702
FY 2020	28,797	24,808	22,206	8,268	84,079
FY 2019	33,163	26,664	23,771	9,925	93,523
FY 2018	34,991	26,175	23,784	9,705	94,655
FY 2017	35,540	26,755	24,142	9,997	96,434
FY 2016	40,498	27,156	25,114	10,179	102,947
FY 2015	42,138	29,652	26,481	10,824	109,095
FY 2014	44,398	32,028	28,149	11,089	115,664
FY 2013	42,664	30,688	27,237	10,699	111,288
FY 2012	46,102	32,888	29,586	12,163	120,739
FY 2011	50,751	34,667	32,514	14,105	132,037
FY 2010	48,242	34,091	32,678	14,480	129,671
FY 2009	42,328	31,898	28,878	13,038	116,142
% of Distribution					
FY 2023	24.6%	18.0%	20.4%	11.5%	100.0%
FY 2022	37.4%	27.2%	24.2%	10.0%	100.0%
FY 2021	38.0%	27.2%	24.7%	9.9%	100.0%
FY 2020	34.2%	29.6%	26.4%	9.8%	100.0%

FY 2019	35.5%	28.5%	25.4%	10.6%	100.0%
FY 2018	37.0%	27.6%	25.1%	10.3%	100.0%
FY 2017	36.9%	27.7%	25.0%	10.4%	100.0%
FY 2016	39.3%	26.4%	24.4%	9.9%	100.0%
FY 2015	38.6%	27.2%	24.3%	9.9%	100.0%
FY 2014	38.4%	27.7%	24.3%	9.6%	100.0%
FY 2013	38.4%	27.5%	24.4%	9.7%	100.0%
FY 2012	38.2%	27.2%	24.5%	10.1%	100.0%
FY 2011	38.4%	26.3%	24.6%	10.7%	100.0%
FY 2010	37.3%	26.3%	25.2%	11.2%	100.0%
FY 2009	36.4%	27.5%	24.9%	10.2%	100.0%

Source: Maryland Department of Human Services, Family Investment Administration, Office of Home Energy Programs

Note 1: Attachment A displays application data and recipient data for each jurisdiction.

Arrearages

In recent years, OHEP has not used EUSP Ratepayer funds to provide the Electric Arrearage Retirement Assistance. All electric arrearage requests are satisfied with SEIF funding.

Historically, arrearage benefits were allowed only once in a lifetime. This restriction was modified in FY 2010 to allow for additional benefits after a period of seven years following the receipt of Arrearage Retirement Assistance, pursuant to Md. Code Ann., Public Utilities § 7-512.1(a)(2). To be eligible for an Electric Arrearage Retirement Assistance benefit, a household must have a past due electric account balance of \$300. The maximum benefit over a five-year period is capped at \$2,000. Applicants requiring additional assistance over the \$2,000 EUSP cap are referred to community-based programs for assistance.

In FY 2014, OHEP instituted a new arrearage waiver policy allowing ‘vulnerable households’ who received \$800 or less in Electric Arrearage Retirement Assistance during the past five years to apply for additional funds, not to exceed the \$2,000 cap. Vulnerable households are those with a member over the age of 65, under the age of 2, or medically fragile. In FY 2022 a total of 132 waivers were granted providing benefits totaling \$109,149.

In FY 2019, OHEP instituted the Gas Arrearage Retirement Program using MEAP funding to address past due amounts for natural gas service. The Gas Arrearage Retirement Program operates within the same parameters as the electric program (between \$300 and \$2,000; once every five years, with certain waivers available). The benefits distributed through this program are provided in the attached Household and Benefit Level Report.

It should be noted that the arrearage amounts reported represent only the past due amounts addressed with the specific electric and gas arrearage benefit programs. EUSP Bill Payment and MEAP funds can also be applied to past due amounts in certain circumstances. The total amount of OHEP benefits applied to past due amounts is not known.

MD Code, Public Utilities, § 7-512.1 passed during the 2021 legislative session amended the cap from seven to five years allowing a family to access arrearage benefits two years earlier than previously. The legislation also held harmless any arrearage assistance received during the 2020 and 2021 program years. Undoubtedly, this contributed to the lower Vulnerable Population Waiver granted as less were needed due to these two changes.

Applications Denied Due to 5-Year Rule

<u>Agency Name</u>	<u>Total Denied Applications</u>
ALLEGANY COUNTY HUMAN RESOURCES DEVELOPMENT COMMISSION, INC.	392
ANNE ARUNDEL COUNTY COMMUNITY ACTION AGENCY INC	296
BALTIMORE CITY MOHS	2101
BALTIMORE COUNTY DEPT OF SOCIAL SERVICES	1777
CAROLINE COUNTY DEPT OF SOCIAL SERVICES	166
CECIL COUNTY DEPT OF SOCIAL SERVICES	11
COMMUNITY ACTION COUNCIL OF HOWARD COUNTY, MD, INC.	2
DORCHESTER COUNTY DEPT OF SOCIAL SERVICES	31
FREDERICK COMMUNITY ACTION AGENCY	72
GARRETT COUNTY, MARYLAND, COMMUNITY ACTION COMMITTEE, INC.	22
HARFORD COMMUNITY ACTION AGENCY, INC.	21
HUMAN SERVICE PROGRAMS OF CARROLL COUNTY INC	1
KENT COUNTY DEPT OF SOCIAL SERVICES	100
MONTGOMERY COUNTY DEPT OF HEALTH AND HUMAN SERVICES	671
NEIGHBORHOOD SERVICE CENTER, INC.	18
PRINCE GEORGE'S COUNTY DEPT OF SOCIAL SERVICES	145
QUEEN ANNES CO DEPT OF SOCIAL SERVICES	57
SHORE UP! INC	11
SOUTHERN MARYLAND TRI-COUNTY COMMUNITY ACTION COMMITTEE INC	157
WASHINGTON COUNTY CAC	179
Total :	6230

Outreach, Education and Customer Service

In FY 2023 outreach activities conducted by the LAAs reached customers using a variety of methods which included: mass mailing of applications and brochures to customers who applied the previous year, presentation of the program at various events and organizations, table displays of program information at fairs, community events, businesses, schools, faith-based organizations, disability agencies, senior centers/housing, and visits to homebound or disabled applicants.

Partnerships

In FY 2023 OHEP continued to collaborate with utility companies. OHEP continues to work closely with the Maryland Public Service Commission (PSC), Office of External Relations to help customers negotiate payments and work towards service restoration and to handle rule violations. OHEP, along with other partner agencies, attended the annual Power in the Park event to raise awareness of energy assistance in the DC metro area. In addition, OHEP partners with the Office of People's Council, United Way of Central Maryland, The Fuel Fund of Maryland, the Maryland Department of Housing and Community Development Weatherization Program, and the Maryland Department of Aging/Disabilities.

In FY2023 OHEP worked closely with BGE to implement an application programming interface (API) to provide a path for customers calling their utility regarding challenges paying their bill to apply immediately through the utility customer call center. Through this process, high level information has been collected from the customer and subsequently transferred to OHEP through an overnight batch process. Once an application receives a signature through this process, their account is immediately protected from termination while the local office processes the application. OHEP will continue to collaborate with BGE to improve this process in order to serve customers in a more efficient and customer-centric manner. In November of 2023, OHEP launched a similar process with PEPCO, which has allowed customers in PEPCO service territory to seamlessly apply for Energy Assistance benefits when they contact their utility regarding challenges paying their bill. Given the success of these two processes, OHEP hopes to implement similar processes with other Maryland utilities in the future.

Outreach Activities

OHEP continues to refine the Local Administering Agency annual outreach plan process in order to enhance the focus of outreach efforts on specific populations. These plans serve as the framework for the deployment of previously budgeted outreach funds and the request for EUSP supplemental outreach funds. The coupling of the overall outreach strategy with a request for additional funds provides a clear incentive for Local Administering Agencies to develop plans responsive to focus areas.

One of the focus areas has been households with children under age 6. Outreach plans without clear strategies for improving service to this population through collaborations with local school systems, Head Start, Judy Centers, and child care operations are returned for revision and resubmission for approval. This process resulted in clear strategies built on strong partnerships.

The OHEP redetermination process launched in fiscal year 2019 will continue to improve participation rates among households with an individual with disabilities and households with an individual over age 60 as Local Administering Agencies become more comfortable with the process. The redetermination process allows seniors and disabled applicants that applied the previous year to receive a pre-filled simplified OHEP application. These households simply need to sign and return the application to OHEP for eligibility verification. By simplifying the process for up to 20,000 households with seniors and disabled applicants, more

resources can be dedicated to further improving outreach to those that have not applied for benefits. OHEP encouraged the use of redeterminations to expedite the application process ahead of legislatively mandated changes that will standardize the redetermination process Statewide in program year 2023.

The Critical Medical Needs Program (CMNP), officially launched October 1, 2019, is an important element of outreach to households with individuals categorized as disabled. OHEP expanded the Navigator base to more than 530 individuals working in hospitals and cancer centers to help patients gain access to benefits. The further expansion of the base of Navigators in the coming years will increase access among this population.

Customer Service

The vast majority of customer calls in FY 2023 were received directly by local OHEP agencies. In FY 2016, DHS implemented a new revamped central Call Center as the point of entry for customers inquiring about energy assistance services. The Call Center has a sophisticated IVR (Interactive Voice Response System) that provides application status information similar to that available on MyOHEPStatus.org. Customer service representatives are trained and given access to the OHEP database to relay information to customers and connect them to their local office as needed. The Call Center continues to improve customer service, provide better oversight and tracking of responses, and allows local agencies to focus time on processing applications.

During FY2023 OHEP chaired the “Low Income Household Utility Assistance Workgroup” where a series of recommendations were made to by partner agencies, advocacy groups, legislators, and utilities to support a more streamlined customer experience. While many of these recommendations were instituted during FY23 program year, many more continue to be implemented in light of the ongoing system changes.

Responses to Statutory Questions

Md. Code Ann., Public Utilities § 7-512.1(c) (1) requires that the Commission shall report to the General Assembly on the Electric Universal Service Program. Below are the statutory requests (*in bold italics*) and OHEP's responses and recommendations.

(i) subject to subsection (d) of this section, a recommendation on the total amount of funds for the program for the following fiscal year based on:

1. the level of participation in and the amounts expended from the universal service program during the preceding fiscal year;

RESPONSE:

In FY 2023, applications for EUSP Bill Payment Assistance increased by 26% from the previous year. FY 2023 EUSP Bill payment benefit expenditures totaled \$73.2 million.

OHEP RECOMMENDATION:

With lower benefit levels than those of recent fiscal years, projections indicate that the \$30,681,233 allocated for EUSP Bill Assistance will be sufficient for benefit requests anticipated in FY 2024. OHEP will work with its Advisory Board and other stakeholders to continue to closely monitor funding availability.

How bill assistance and arrearage retirement payment to customers were calculated during the preceding fiscal year;

RESPONSE:

The formula for calculating the EUSP benefit amount is:

$$\text{Annual kWh usage} \times \text{Average Cost per kWh} \times \text{Utility Index} \times \text{poverty level percentage} = \text{Benefit}$$

Benefits are calculated based on a formula developed by OHEP to equitably distribute benefits. The formula uses a customer's total household income and electric usage to calculate the benefit level, ensuring that households with the lowest income and highest usage receive the greatest benefit. Benefit levels vary according to the poverty level of the recipient. There are four benefit levels based on four levels of poverty: 0-75 percent, 76-110 percent, 111-150 percent, and 151-200 percent. A fifth benefit level was established for those living in subsidized housing. Subsidized housing households receive the lowest benefit, based on the assumption that the housing subsidy provides some degree of assistance with energy costs. Pursuant to Md. Code Ann., Public Utilities § 7-512.1(a)(2), households with one or more members over the age of 67 years with household incomes between 175- 200 percent of the federal poverty level. These newly eligible households fall into the fourth benefit level.

Electric usage data is collected from the utility for each customer upon application. The electric usage data for the applicant and the cost of electricity per kilowatt-hour are used to calculate an estimated annual cost of electricity for the applicant. Recognizing that there are cost variations for electricity among utilities, the cost calculation is adjusted based on the customer's electric supplier. The annual cost of electricity and the

household's poverty level or subsidized housing status if applicable, are the factors used to calculate the benefit. This methodology of calculating benefits ensures that program funding is distributed equitably to those with the most pressing needs, based on income and usage.

OHEP RECOMMENDATION:

OHEP recommends continuing to use the current methodology for calculating benefits. The current methodology customizes the benefit to the needs of the individual recipient, allows for equitable distribution of funds, and allows for the integration of a MEAP benefit without duplication.

Through FY 2023, the LIHEAP performance measures indicate that the current methodology for calculating energy assistance benefits in Maryland is effective at reducing energy burdens and targeting benefits to those households with the highest energy burdens. However, in future years OHEP may need to reevaluate its current formula in order to better meet the needs of low income households in the face of rising home heating costs.

The projected needs for the bill assistance and the arrearage retirement components of the universal service program for the next fiscal year; and

RESPONSE:

OHEP will closely monitor the following factors that could trigger the need to reexamine EUSP funding levels:

- Enrollment trends;
- Changes in the number of families experiencing poverty;
- Market-based electric rates;
- Higher demand for electricity resulting from an increasing number of products that require electricity;
- Potential higher demand based on the possibility of a colder than normal winter;
- Capacity of administrative units to handle the flow of growing numbers of applications;
- Fluctuating fuel costs; and
- Economic factors such as the loss of employment and reduction in income.

OHEP RECOMMENDATION:

OHEP projects that there will be an increased need for bill assistance and arrearage benefit assistance dollars in the coming years as access to the program has increased with the need for utility assistance benefits. The implementation of Categorical Eligibility will continue to increase the demand for utility assistance dollars. While the total funding amount from RGGI for 2024 will be over \$99 million, which, combined with the statutory \$37 million in EUSP funding, should be adequate for FY2024, it may be difficult to maintain current benefit levels in future fiscal years.

The amount of any bill assistance or arrearage retirement surplus carried over in the electric universal service program fund under subsection (f) (6) (i) of this section;

RESPONSE:

During the fiscal year 2023, the collection of ratepayer funds for EUSP did not exceed the appropriated amount. However, this would be the second consecutive year in which EUSP collected substantially less than the statutory limit.

	<u>Total Collection</u>	<u>Statutory Limit</u>	<u>Excess Collection</u>
FY2023	\$32,450,292.88	\$37,000,000	\$(4,549,707.12)

OHEP RECOMMENDATION:

The rate of collection will have to be examined to ensure adequate funding is collected in ongoing.

(ii) for bill assistance, the total amount of need, as determined by the Commission, for electric customers with annual incomes at or below 175% of the federal poverty level and the basis for this

RESPONSE:

Demand for energy assistance in Maryland has increased during the post-COVID era. The target population at or below 175% of the federal poverty level in Maryland is approximately 380,944 households. Approximately 22% of all eligible households receive EUSP benefits. The U.S. Census Bureau American Community Survey (2017-2022) is the source for estimates on the target population.

Per the LIHEAP Data Warehouse, the average participation rate in energy assistance benefit programs involving LIHEAP assistance is 17% and the median is 16%. The highest participation rate recorded for federal fiscal year 2022, the most recent year for which information is available, is New Your State’s 52.4%.

OHEP RECOMMENDATION:

OHEP anticipates that the implementation of Categorical Eligibility will significantly improve access to target populations at or below 175% of the federal poverty level.

(iii) the amount of funds needed, as determined by the Commission, to retire arrearages for electric customers who have not received assistance in retiring arrearages under the electric universal service program within the preceding 7 fiscal years and the basis for this determination;

RESPONSE:

Demand for Electric Arrearage Retirement Assistance has increased as the statutory requirement that customers not receive arrearage retirement benefits in the preceding 7 fiscal years has been amended to only account for the preceding 5 fiscal years. Additionally, customers are held harmless for any arrearage assistance received in FY20 and FY21.

OHEP RECOMMENDATION

OHEP recommends that \$30 million of MSEIF (RGGI) funding be made available to support the EUSP Arrearage Retirement Assistance program in FY 2024.

(iv) the amount of funds needed, as determined by the commission, for bill assistance and arrearage retirement, respectively, for customers for whom income limitations may be waived under subsection (a) (7) of this section, and the basis for each determination;

RESPONSE

Waivers are subject to specific guidelines developed by the Office of Home Energy Programs and apply to determinations made for the Maryland Energy Assistance Program with the continuation of income guidelines at the 175% level.

OHEP RECOMMENDATION:

OHEP recommends maintaining the current policy. No funds are required for this purpose.

(v) the impact on customers' rates, including the allocation among customer classes, from collecting the total amount recommended by the Commission under item (i) of this paragraph;

RESPONSE:

The ratepayer funds collected for EUSP, combined with SEIF/RGGI funding and supplemented with LIHEAP “cooling” assistance, have been sufficient to cover the annual demand for electric bill payment assistance.

OHEP RECOMMENDATION:

OHEP will continue to monitor the funding outlook to identify any potential funding shortfalls.

the number of customers and the amount of distributions made to fuel customers under the Maryland Energy Assistance Program established under Title 5, Subtitle 5A of the Human Services Article, identified by funding source and fuel source;

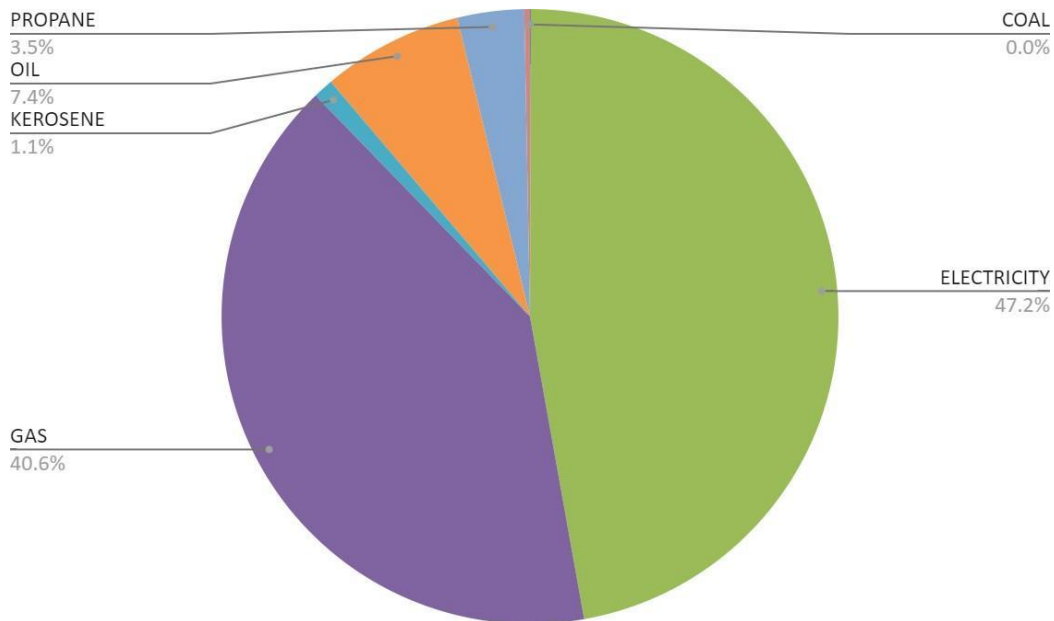
RESPONSE:

The source of MEAP funding is the federal Low-Income Home Energy Assistance Program (LIHEAP) Block Grant. 96,721 customers received assistance through MEAP in FY 2023. State fiscal year 2023 benefit expenditures for MEAP totaled \$80.4 million. The following table and chart provides the number of recipients by fuel type:

MEAP by Fuel Type

COAL	36
ELECTRICITY	45,608

GAS	39,244
KEROSENE	1,028
OIL	7,134
PROPANE	3,390
WOOD	286



OHEP RECOMMENDATION:

None required.

the cost of outreach and education materials provided by the Office of Home Energy Programs for the electric universal service program;

RESPONSE:

The OHEP State Office partners with the Local Administering Agencies (LAAs) and with other various organizations, to conduct a broad range of outreach activities.

OHEP has reserved \$200,000 in FY 2024 budget to conduct various supplemental outreach activities. It should be noted that most LAAs build outreach and education activities into their annual operating budgets.

OHEP

RECOMMENDATION:

Outreach efforts will continue to ensure that all eligible households are aware of the availability of energy assistance. Strategies in 2024 will emphasize in-person outreach events and targeted marketing to vulnerable households.

*the amount of money that the Department of Human Services receives, and is projected to receive, for low-income energy assistance from:
the Maryland Strategic Energy Investment Fund under §9-20B-05 of the State Government Article;
with respect to electric customers only, the Maryland Energy Assistance Program; and
any other federal, state, local or private source.*

RESPONSE:

Requested funding levels are provided below:

- Maryland Strategic Energy Investment Fund – In FY2023 OHEP received \$82,817,693 in funding available through the SEIF. In 2024 this amount will increase to \$99,079.134.
- Low Income Home Energy Program/Maryland Energy Assistance Program – For Federal Fiscal Year 2023, the total LIHEAP allocation to Maryland was \$121,470,251. For 2024 this amount will be \$74,410,147. The significant change in the amount of available LIHEAP funding coincides with the end of supplemental funding provided in federal fiscal years 2021, 2022, and 2023.
- Other Federal, State, Local or Private Source – in 2019, OHEP began receiving \$400,000 annually from the Dominion Cove Point settlement. These funds will be received for twenty years.

(ii) The Office of Home Energy Programs may satisfy the reporting requirement of subparagraph (i)1 of this paragraph by providing the commission with a copy of material that contains the required information and that the Office of Home Energy Programs submits to a unit of the federal government.

RESPONSE:

Attachment F is the LIHEAP Households Report for FY2023 that will be submitted to the federal government. Please note that the majority of the households included in the counts under LIHEAP also received benefits under EUSP.

Attachment A: Annual Intake and Approved Applications by County															
FY2023 (7/1/2022-6/30/2023)															
COUNTY	Total Applications	MEAP				Bill Assistance				Electric Arrearage Retirement Assistance					
		Applied	Approved	Total Benefits	Average	Applied	Approved	Total Benefits	Average	Applied	Approved	Total Benefits	Average		
Allegany	4,851	4,540	3,484	\$2,673,201.91	\$ 767.28	4,647	3,612	\$ 2,079,781.00	\$ 575.80	2,039	611	\$ 665,230.86	\$		
Anne Arundel	7,500	7,408	4,116	\$2,362,834.32	\$ 574.06	6,984	4,029	\$ 3,520,765.00	\$ 873.86	3,498	1,635	\$ 1,852,756.93	\$		
Baltimore City	32,506	31,983	11,588	\$6,172,362.72	\$ 532.65	31,303	11,549	\$ 8,730,911.00	\$ 755.99	18,728	4,203	\$ 4,305,953.24	\$		
Baltimore County	31,815	21,033	22,817	\$13,580,034.50	\$ 595.17	20,772	22,252	\$ 15,897,261.00	\$ 714.42	16,778	8,681	\$ 8,599,108.80	\$		
Calvert	1,154	1,134	820	\$542,426.90	\$ 661.50	1,135	809	\$ 821,880.00	\$ 1,015.92	475	327	\$ 451,086.56	\$		
Caroline	1,711	1,691	1,302	\$936,017.88	\$ 718.91	1,668	1,283	\$ 1,104,982.00	\$ 861.25	790	255	\$ 246,235.20	\$		
Carroll	2,395	2,303	1,857	\$1,212,738.47	\$ 653.06	2,332	1,883	\$ 1,466,467.00	\$ 778.79	310	233	\$ 313,678.98	\$		
Cecil	3,804	3,785	3,290	\$1,990,362.26	\$ 604.97	3,695	3,219	\$ 2,683,841.00	\$ 833.75	1,276	1,036	\$ 1,354,996.07	\$		
Charles	3,067	3,014	2,084	\$1,281,124.15	\$ 614.74	2,979	2,039	\$ 2,061,767.00	\$ 1,011.17	1,203	829	\$ 1,085,706.30	\$		
Dorchester	2,596	2,500	2,016	\$1,346,503.89	\$ 667.91	2,517	2,062	\$ 1,653,960.00	\$ 802.11	654	471	\$ 556,056.66	\$		
Frederick	3,656	3,574	2,915	\$1,764,925.65	\$ 605.46	3,597	2,916	\$ 2,001,276.00	\$ 686.31	1,018	518	\$ 507,658.04	\$		
Garrett	2,147	2,142	2,056	\$1,811,272.12	\$ 880.97	2,037	1,969	\$ 1,143,504.00	\$ 580.75	139	97	\$ 107,596.08	\$		
Harford	5,431	5,167	3,762	\$2,405,523.75	\$ 639.43	5,054	3,736	\$ 3,101,706.00	\$ 830.22	1,456	822	\$ 897,974.89	\$		
Howard	4,310	4,252	2,753	\$1,441,975.54	\$ 523.78	4,239	2,745	\$ 2,359,424.00	\$ 859.54	1,242	673	\$ 717,993.80	\$		
Kent	760	757	790	\$586,672.14	\$ 742.62	739	778	\$ 595,198.00	\$ 765.04	306	142	\$ 155,415.00	\$		
Montgomery	11,428	10,955	7,855	\$4,239,726.61	\$ 539.75	11,186	7,980	\$ 5,358,986.00	\$ 671.55	6,222	1,984	\$ 2,567,318.45	\$		
Prince George's	15,169	14,333	9,019	\$4,939,422.80	\$ 547.67	14,757	9,273	\$ 7,293,875.00	\$ 786.57	7,274	3,886	\$ 4,807,161.24	\$		
Queen Anne's	1,118	1,111	850	\$577,507.70	\$ 679.42	1,089	831	\$ 702,980.00	\$ 845.94	416	182	\$ 205,580.13	\$		
St. Mary's	2,381	2,345	1,400	\$895,502.09	\$ 639.64	2,308	1,373	\$ 1,091,774.00	\$ 795.17	884	244	\$ 370,108.77	\$		
Somerset	1,528	1,522	1,846	\$1,285,201.76	\$ 696.21	1,495	1,807	\$ 1,906,292.00	\$ 1,054.95	280	665	\$ 848,211.18	\$		
Talbot	919	919	861	\$526,481.24	\$ 611.48	910	853	\$ 631,692.00	\$ 740.55	124	89	\$ 86,774.67	\$		
Washington	4,494	4,216	3,162	\$2,123,272.24	\$ 671.50	4,386	3,271	\$ 2,032,454.00	\$ 621.36	2,283	563	\$ 491,688.84	\$		
Wicomico	5,177	5,052	4,498	\$2,444,548.74	\$ 543.47	5,111	4,547	\$ 3,744,309.00	\$ 823.47	1,164	984	\$ 1,465,268.31	\$		
Worcester	1,735	1,729	1,580	\$995,060.58	\$ 629.79	1,693	1,551	\$ 1,224,727.00	\$ 789.64	309	246	\$ 318,290.15	\$		
TOTAL	151,652	137,465	96,721	\$58,134,699.96	\$ 601.06	136,633	96,367	\$ 73,209,812.00	\$ 759.70	68,868	29,376	\$ 32,977,849.15	\$		
Source:	Maryland Department of Human Services, Office of Home Energy Programs Statistical Workload Report														
	Application Report Run Date, November 28, 2023														

Attachment B- Distribution of Annual Kilowatt Usage by EUSP Recipients

Distribution of EUSP Grants by KWH Usage

Program: County: Vendor:

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<u>KWH Range</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Level 4</u>	<u>Level 5</u>	<u>Level 6</u>	<u>Total</u>
0 - 6000	5,113	4,336	4,552	2,291	8,664	179	25,135
6001 - 7000	1,590	1,276	1,444	786	2,140	3	7,239
7001 - 8000	1,634	1,237	1,500	806	2,018	10	7,205
8001 - 9000	1,524	1,193	1,300	780	1,717	9	6,523

9001 - 10000	1,503	1,054	1,200	698	1,408	4	5,867
10001 - 11000	1,428	957	1,127	639	1,266	4	5,421
11001 - 12000	1,214	873	1,029	623	1,098	2	4,839
12001 - 13000	1,188	784	975	582	867	4	4,400
13001 - 14000	1,104	738	907	495	797	4	4,045
14001 - Above	7,440	4,924	5,647	3,337	4,341	5	25,694
Total	23,738	17,372	19,681	11,037	24,316	224	96,368

Attachment C- EUSP Monthly Income Eligibility Table		
2022- 2023 Income Eligibility Guidelines for OHEP		
Effective July 1, 2022 - June 30, 2023		
HOUSEHOLD SIZE	MAXIMUM MONTHLY INCOME STANDARDS NO HOUSEHOLD MEMBERS 67 YEARS+	MAXIMUM YEARLY INCOME STANDARDS 1 OR MORE HOUSEHOLD MEMBERS 67 YEARS+
1	\$ 1,982	\$ 2,265
2	\$ 2,670	\$ 3,052
3	\$ 3,359	\$ 3,838
4	\$ 4,047	\$ 4,625
5	\$ 4,735	\$ 5,412
6	\$ 5,424	\$ 6,198
7	\$ 6,112	\$ 6,985
8	\$ 6,800	\$ 7,772
FOR EACH ADDITIONAL PERSON, ADD	\$ 688	\$ 787

Attachment D- Living Arrangements by Poverty Level

Living

Program: Agency: County:

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Type of Income	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Poverty Level 5	Total
HOMEOWNER	7,037	7,111	8,845	4,015	852	27,860
PUBLIC / SUBSIDIZED	10,701	7,907	4,314	1,343	121	24,386
RENTER	16,554	10,177	10,774	5,566	439	43,510
ROOMER/BOARDER	35	35	7	4	0	81

SUBMETERED	108	50	55	35	3	251
SUBSIDIZED SUBMETERED	131	88	45	13	3	280
County Totals for: ALL	34,566	25,368	24,040	10,976	1418	96,368

Attachment E- OHEP Administrative Expenditures Report - FY 2023

Headquarters Administrative Expenditures	\$ 4,492,790
Local Administrative Agency Expenditures	\$ 15,617,411
Total	\$ 20,110,201
EUSP Share of Admin. Expend. (40%)	\$ 8,044,080
MEAP Share of Admin. Expend. (60%)	\$ 12,066,121

Local Administrative Agency (LAA) Expenditures

LAA	Expenditures	% of State
Allegany*	\$ 244,269.00	1.6%
Anne Arundel	\$ 586,724.00	3.8%
Baltimore City	\$ 3,686,232.00	23.6%
Baltimore County*	\$ 1,958,217.00	12.5%
Caroline*	\$ 315,427.00	2.0%
Carroll	\$ 366,041.00	2.3%
Cecil*	\$ 330,838.00	2.1%
Dorchester*	\$ 304,801.00	2.0%
Frederick*	\$ 467,059.00	3.0%
Garrett	\$ 426,652.00	2.7%
Harford	\$ 559,656.00	3.6%
Howard	\$ 464,463.00	3.0%
Kent*	\$ 166,248.00	1.1%
Montgomery*	\$ 1,506,927.00	9.6%
Prince George's*	\$ 1,587,307.00	10.2%
Queen Anne's*	\$ 300,638.00	1.9%
Shore Up!		0.0%
Somerset	\$ 191,385.00	1.2%
Wicomico	\$ 381,536.00	2.4%
Worcester	\$ 196,712.00	1.3%
So. Md.		0.0%
Calvert	\$ 161,106.00	1.0%
Charles	\$ 319,799.00	2.0%
St. Mary's	\$ 319,799.00	2.0%
Talbot -NSC	\$ 247,552.00	1.6%
Washington	\$ 528,023.00	3.4%
TOTAL	\$15,617,411	100.0%

* Denotes Local Department of Social Service offices.

Attachment F- LIHEAP Household Report

LIHEAP Household Report

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At Least One Member

Assistance Type	Total Assisted Households	Poverty Levels					At Least One Member					
		Under 12% Poverty	12%-24% Poverty	24%-36% Poverty	36%-48% Poverty	48%-60% Poverty	60 and Older	Disabled	Age 5 and Under	Age 2 and Under	Age 3 Through 5	60 and Older/ Disabled/ Age 5 and Under
Heating	96,721	15,785	17,603	26,521	22,226	13,715	19,579	15,400	8,888	4,676	5,815	33,986
Crisis	6,218	1,164	1,086	1,506	1,358	1,044	807	814	726	379	475	1,890
Total:	102,939						20,386	16,214	9,614	5,055	6,290	35,876

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Assistance Type	Application Total	Under 12% Poverty	12%-24% Poverty	24%-36% Poverty	36%-48% Poverty	48%-60% Poverty	No Income
Heating	143,664	38,084	19,754	821	24,922	16,315	13,355
Crisis	7,156	1,644	1,092	1,522	1,376	1,082	418

**Attachment G -
Households and Benefit
Level Report MARYLAND
DEPARTMENT OF HUMAN
SERVICES FAMILY
INVESTMENT
ADMINISTRATION
OFFICE OF
HOME ENERGY
PROGRAMS**

October-23

Year	FY 2022	FY 2023	CHANGE	% CHANGE
	7/1/21-10/31/22	7/1/22-10/31/23	2022-2023	2022-2023
Applications YTD*				
Total	120,157	149,196	29,039	24.2%
MEAP	116,803	143,446	26,643	22.8%
EUSP Bill Payment	113,172	142,625	29,453	26.0%
Electric Arrearage Retirement	49,396	71,952	22,556	45.7%
Gas Arrearage Retirement	19,613	29,004	9,391	47.9%
Receiving Benefits YTD**				
MEAP	77,703	96,721	19,018	24.5%
EUSP Bill Payment	79,951	96,367	16,416	20.5%
Electric Arrearage Retirement	20,792	29,376	8,584	41.3%
Gas Arrearage Retirement	7,262	11,198	3,936	54.2%

NOTE:

*Data represents applications received and entered into the OHEP Data System for the period identified. The total line represents an unduplicated count of all applications. MEAP and EUSP do not add to this total.

**Receiving Benefits means those that have been approved and processed for a benefit, but may not have actually received the benefit at the time of report generation.

Application YTD source is Workload Report

Receiving Benefits YTD source is the Dollars and Households by Benefit Level.

Source: Department of Human Services
Office of Home Energy
Programs

Attachment H - Distribution of Household Income

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<u>Type Of Income</u>	<u>Benefit Level 1</u>	<u>Benefit Level 2</u>	<u>Benefit Level 3</u>	<u>Benefit Level 4</u>	<u>Benefit Level 5</u>	<u>Benefit Level 6</u>
EMPLOYMENT	4986	4712	7393	5353	5095	43
UNEMPLOYMENT	182	200	273	218	122	2
TCA	1809	65	12	3	1460	14
TDAP	254	0	0	0	186	3
SOCIAL SECURITY	3640	9595	10339	4612	9792	86
SSI	2601	1543	471	108	4468	41
VA/PENSION	183	198	379	346	205	4
ZERO INCOME	4920	29	18	11	1124	14
OTHER	1885	515	414	201	693	4
SELF-EMPLOYED	1039	428	349	165	169	2

CHILD - NO INCOME	1751	38	23	21	648	6
CHILD SUPPORT	515	60	22	9	365	5
Total :	23765	17383	19693	11047	24327	224

<u>Attachment I- Service Status of Recipients at Time of Application</u>			
<u>Supplier</u>	<u>On</u>	<u>Off</u>	<u>Total</u>
All Electric*	70,160	27,576	97,736
All Gas	28,030	12,563	40,593
*Includes EUSP and MEAP-only electric			