

**PUBLIC SERVICE COMMISSION
OF MARYLAND**

**ELECTRIC UNIVERSAL SERVICE PROGRAM
2008 ANNUAL REPORT**

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

Prepared for the General Assembly of Maryland

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ELECTRIC UNIVERSAL SERVICE PROGRAM 2008 ANNUAL REPORT

I. OVERVIEW

The Electric Universal Service Program (“EUSP”), enacted as part of the Electric Customer Choice Act of 1999¹ (“the Act”), was designed by the Maryland General Assembly to assist low-income electric customers with arrearage retirement, bill payment assistance, and weatherization upon the restructuring of Maryland’s electric and electricity supply market. Pursuant to the Act, §7-512.1 of the Public Utility Companies Article, *Annotated Code of Maryland* (“PUC Article”) required the Public Service Commission (“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”), the arm of the Department of Human Resources (“DHR”) responsible for program delivery.

II. LEGISLATIVE REQUIREMENTS

Under the Act, the Commission is required to oversee the program as it is administered by DHR, through OHEP. Section 7-512.1(c) of the PUC Article requires the Commission to report annually to the General Assembly regarding the EUSP, including:

- (i) a recommendation on the total amount of funds for the program, subject to the amounts stated that are to be collected pursuant to subsection 7-512.1 (e), for the following fiscal year 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 to customers were calculated during the preceding fiscal year;
 - 3. the projected needs for the bill assistance and arrearage retirement components of the electric universal service program for the next fiscal year; and
 - 4. the amount of any bill assistance and arrearage retirement surplus carried over in the electric universal service program fund under subsection (f)(6)(i) of this section;
- (ii) for bill assistance:
 - 1. the total amount of need, as determined by the Commission, for electric customers with annual incomes at or below 150%² of the federal poverty level and the basis for this determination; and

¹ Chapter 3, 1999 Laws of Maryland.

² The total amount of need discussed in this report is for electric customers with gross household income at or below 175% of the federal poverty level, the level at which electric customers are eligible to participate in the EUSP. See PUC Article §7-512.1(a).

2. the percentage of need, as determined by the Commission, but at a minimum of 50%, that should be funded through the electric universal service program 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 previously received assistance in retiring arrearages under the electric universal service program 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 subsection (a)(7) of § 7-512.1, and the basis for each determination;
- (v) the impact on customer's rates, including the allocation among customer classes, from collecting the total amount recommended by the Commission under item (i) of this paragraph; and
- (vi) the impact of using other federal poverty level benchmarks on costs and the effectiveness of the electric universal service program.

III. BASIS FOR FINDINGS AND RECOMMENDATIONS

The Commission's consideration and review of operational plans, proposals, workgroup reports, and filings is conducted principally in Case No. 8903, *In the Matter of the Electric Universal Service Program*. On June 13, 2008, OHEP filed an EUSP Proposed Operations Plan for FY 2009. Following a hearing to consider the Proposed Operations Plan, the Commission authorized the following allocations for FY 2009, which are equal to the statutory amount provided for in § 7-512.1(e) of the PUC Article with the exception of the amount allocated to the Department of Housing and Community Development.³

Table 1
FY 2009 Allocations Approved by Letter Order, dated October 2, 2008

Allocation	Amount
Arrearage Retirement Assistance	\$ 1,500,000
Bill Payment Assistance	\$ 29,980,000
Administration	\$ 4,320,000
Outreach	\$ 200,000
Total	\$ 36,000,000

In its Letter Order, the Commission noted the availability to OHEP in FY 2009 of \$21,700,000 from General Funds that OHEP intended to allocate as follows: 1) \$4,500,000 to arrearage retirement assistance; and 2) \$17,200,000 to bill payment assistance. The Commission expressly recognized that it did not have the statutory authority to direct OHEP to allocate General Funds or funds that might become available to OHEP from the Regional Greenhouse Gas Initiative ("RGGI") in the manner proposed by the Staff of the Public Service Commission of Maryland ("Staff").⁴

³ Under PUC Article §7-512.1(f) (5), the Comptroller annually disburses an additional \$1,000,000 to the Department of Housing and Community Development for low income weatherization assistance. These funds are a part of the \$37 million in rate payer contributions set forth in § 7-512.1(e) of the PUC Article.

⁴ Letter Order, dated October 2, 2008 at 4.

On November 18, 2008, OHEP filed its FY 2008 Annual Report with the Commission in compliance with § 7-512.1(c)(2) of the PUC Article. The Commission held a hearing on January 13, 2009 for the purpose of obtaining sufficient information to prepare responses to the statutory questions at issue in this report.

A. OHEP FY 2008 Annual Report

In its FY 2008 Annual Report, OHEP provided highlights pertaining to the operation of EUSP for the July 1, 2007 – June 30, 2008 program year, noting the average bill assistance benefit awarded per household was \$601;⁵ the average arrearage retirement benefit awarded per household was \$801;⁶ the aggregate number of households served was 100,670;⁷ and the total amount expended for program benefits during the program year was \$65,000,593.⁸

During the 2008 fiscal year, OHEP provided bill assistance to almost 8%⁹ more households than it had in FY 2007. In addition to providing bill assistance to more households, OHEP provided an average bill assistance benefit in FY 2008 that was 16%¹⁰ larger than that awarded in FY 2007 as well as an average arrearage assistance benefit that was 65%¹¹ larger than that awarded in FY 2007. This was made possible by the receipt of \$32.7 Million¹² from General Funds to supplement the \$36,000,000 collected from ratepayers.

Based on the FY 2008 program year experience, the trend of increasing numbers of applicants, and the current state of the faltering economy, OHEP projects that it will need at least \$85 Million in EUSP funding for FY 2010.¹³ OHEP also recommends revising or removing the language found in § 7-512.1(a)(2)(i) of the Public Utility Companies Article, which sets the criterion for assistance at 50% of need. According to OHEP, the extent of growth in program participation and available ratepayer dollars are insufficient to meet the current criterion. OHEP recommends a percentage of income criteria as the guideline taking into account all governmental benefit resources.¹⁴ Under this system an EUSP participant would be required to pay a specific percentage of his/her income for electricity, and the remainder of his bill would be paid by the EUSP.

Among its Annual Report recommendations, OHEP particularly notes the need of individuals receiving arrearage retirement assistance. OHEP believes the current statutory cap of \$1.5 Million for arrearage retirement¹⁵ is not enough to meet the current need for arrearage assistance. OHEP proposes that the Commission be authorized to establish arrearage allocation parameters. OHEP also recommends that the EUSP Legislation be amended to allow an individual to receive arrearage retirement assistance more than once; a limit of once every seven years is recommended. OHEP

⁵ [OHEP] FY 2008 Annual Report to the Maryland Public Service Commission, November 18, 2008 at 3 and 5.

⁶ Id.

⁷ Id.

⁸ (\$58,628,246 + \$6,372,347 = \$65,000,593) Id. at 3 and 4.

⁹ $(100,670 - 93,232) / 93,232 = 7.98\%$

¹⁰ $(\$601 - \$518) / \$518 = 16\%$

¹¹ $(\$801 - \$486) / \$486 = 65\%$

¹² FY 2008 Annual Report, op. cit at 5.

¹³ Id. at 18.

¹⁴ Id. at 21.

¹⁵ MD. CODE ANN., Pub. Util. Co. §7-512.1(a) (2) (iii) (1998 & Supp. 2007).

projects the need for \$8 Million for arrearage retirement assistance “in the near future” and recognizes that need will continue to be greater than the \$1.5 million amount allocated by the statute from ratepayer contributed funds.¹⁶

In FY 2008, 93,147 households received assistance through the Maryland Energy Assistance Program (“MEAP”) with an average grant of \$450. This program is funded with federal funds through the Low-Income Home Energy Assistance Program (“LIHEAP”) Block Grant. FY 2008 expenditures for the MEAP were \$41.9 Million¹⁷, slightly lower than the preceding year due to a decreased allocation. MEAP pays for heating assistance. As a result, this money goes not only to utilities when electricity and gas are used for heating, but also to vendors of alternative fuels such as oil and propane. Funding provided through LIHEAP is not guaranteed and must be appropriated each year by Congress. Approximately \$110 Million has been appropriated for Maryland for federal FY 2009. For customers who heat with electricity, EUSP and MEAP are considered in tandem with the result that electric heating customers receive an EUSP benefit that is increased by 15% because MEAP funds are used to cover heating costs.

During FY 2008, estimated expenditures of \$175,863 were made to perform outreach. OHEP, through its local administering agencies (“LAAs”) and the State office, in partnership with other organizations, conducts a wide range of outreach activities. Attachment N to OHEP’s FY 2008 Annual Report identifies the variety of outreach activities conducted throughout the State.

OHEP’s 2008 Annual Report is attached as Appendix A.

B. Funds Expended in FY 2008

According to information provided by OHEP in its FY 2008 Annual Report, the level of participation in EUSP continues to increase, as does annual spending. In FY 2008, the number of households receiving EUSP bill assistance was 100,670. Thus, in FY 2008, the number of households receiving bill assistance with incomes at or below 175% FPL rose by approximately 8%. The level of bill assistance funds that were expended also increased – from \$ 48.3 Million in FY 2007 to approximately \$ 58.6-60.4 Million in FY 2008. This represents an increase in expenditures as high as 25%. The average bill assistance benefit for FY 2008 was approximately \$601 per household.

According to OHEP, EUSP arrearage retirement assistance expenditures in FY 2008 were \$6.4 Million as compared with \$5.1 Million in FY 2007. This also represents an increase of approximately 25%. In FY 2008, OHEP provided arrearage assistance to 7,957 households with incomes at or below 175% of FPL. Although this represents fewer households than in the previous year when arrearage assistance was provided to 10,468 households, the average benefit was considerably higher. In FY 2008, the average arrearage grant was \$801. This represents an increase of approximately 65% over the average grant of \$486 in FY 2007.

¹⁶ FY 2008 Annual Report, op. cit. at 22.

¹⁷ Id. at 6.

C. Benefits Matrix (Method of Calculation) for FY 2008

For bill assistance under EUSP, OHEP uses the following formula to calculate the amount of assistance:

$$\text{annual kWh usage} \times \text{cost of electricity} \times \% \text{ of bill payment by FPL} = \text{benefit}$$

Benefits are based on customers' income and associated poverty index (federal poverty level or "FPL"), which varies with household size, in combination with electrical usage. Additionally, usage data collected from each utility on a per customer basis is used to customize the benefit for each EUSP participant. Based on utility provided information, OHEP calculates the estimated annual cost of electricity for each EUSP participant. The customer's estimated annual cost of electricity is considered along with income level. During FY 2008, OHEP utilized poverty levels as shown in Table 2 below.

Table 2
EUSP Benefits Matrix

Poverty Category	Income Level	% of Electric Cost Paid	Total With MEAP Added (15%)
1	0-75 %	75%	90%
2	>75%-110%	60%	75%
3	>110%-150%	50%	65%
4	>150%-175%	not specified	not specified
5	Subsidized Housing	14.5%	29.5%

According to OHEP, during FY 2008, the income group classified as Poverty Level 1 (0-75% FPL) received a benefit equal to approximately 75 percent of the estimated annual bill. EUSP participants classified as Poverty Level 2 (>75-110% FPL) received a benefit equal to approximately 60 percent of their estimated annual bill; and the income group classified as Poverty Level 3 (>110-150% FPL) received a benefit equal to approximately 50 percent of their estimated annual bill.¹⁸ Customers who received assistance through the MEAP for electric heat would have had usage in excess of that amount and would have received an additional 15% of their estimated annual bill.¹⁹

The poverty levels in Table 2 are also used to assess a household's eligibility for arrearage retirement assistance. For FY 2008, OHEP set a minimum arrearage amount of approximately \$300 for a household to qualify for arrearage retirement assistance, and has retained the arrearage assistance cap of \$2,000.²⁰ Under current law, a household may qualify for arrearage retirement assistance only once. OHEP requires customers who receive arrearage assistance to qualify for and participate in EUSP bill assistance.

¹⁸ Id. at 19.

¹⁹ Id.

²⁰ Id. at 3.

IV. Findings and Recommendations

A. Total Amount of Funding Recommended for FY 2010

The Commission recommends the FY 2010 funding levels outlined in Table 3 for the EUSP Program. The recommendation is based on OHEP's benefit matrix which demonstrates that, for most participants, at least 50% of the electric bill is paid using EUSP funds. The figure was derived by using an average anticipated benefit of \$631 per household, a five percent increase in the average benefit and an EUSP population of 107,535, a seven percent increase in participation. This chart allocates \$6 Million for arrearage retirement assistance and estimates 10 % for administration.

Table 3
Recommended EUSP Funding Levels

Arrearage Retirement Assistance	\$6,000,000
Bill Payment Assistance	\$67,854,585
Administration	\$7,378,438
Outreach	\$200,000
Weatherization	\$1,000,000
Total	\$82,433,023

The Commission recognizes that this amount is almost two and one quarter times the amount to be collected from ratepayers. However, the Commission believes that this level of funding is necessary to meet the projected need for assistance in FY 2010. Although no ratepayer funds are likely to remain from FY 2009, and none have carried over to FY 2009 from FY 2008, it is likely that RGGI will provide approximately \$12,000,000 of the shortfall, if not more.

B. Bill Assistance

1. Total Need (electric customers at or below 175% of poverty)

According to OHEP, the legislative increase in EUSP eligibility from 150% of poverty to 175% of poverty increases the potentially eligible EUSP population to an estimated 345,000 households. With an expected average bill assistance award of \$631 for FY 2010, the amount of funding needed to assist the entire eligible population is approximately \$ 217,695,000.

2. Percentage of Need That Should Be Funded, at a Minimum 50%

As in past years, the Commission considered several options for funding recommendations for EUSP bill assistance, including the percentage of need that should be funded.

The first option is to use OHEP's benefits matrix to fund 50% of most participants' bills. Under this scheme, benefits increase as a household's income decreases. When growth in the number of participants is factored into the equation based on OHEP's experience and projections, it

appears that, to meet 50% of need under OHEP's benefits matrix, approximately \$70 Million is required for bill assistance.

The second option is to recommend EUSP bill assistance funding at a level that will meet the needs of 50% of the eligible population. OHEP estimates that 345,000 households in Maryland are eligible for assistance. Funding 172,500 households with an average benefit of \$631 would require approximately \$108,847,500.

The Commission continues to find that a minimum of 50% of the determined need of most participants should be funded by EUSP. According to OHEP, the FY 2009 benefits matrix is designed to cover 50 percent of most participating households' electricity bills. The Commission agrees that under OHEP's benefits matrix, for FY 2010, funding for EUSP bill payment assistance should be approximately \$67.9 - 70 Million.

C. Weatherization Funding

In 2005, the General Assembly established \$1,000,000 as the level for EUSP low-income weatherization funding. This amount is collected from ratepayers and allocated to the Department of Housing and Community Development which administers the use of the funds. The Commission does not believe that this level of funding should be changed.

D. Arrearage Retirement Assistance Funding

The statutory level for arrearage retirement assistance that may be funded by ratepayers is \$1.5 Million. In FY 2008, OHEP spent approximately \$6.4 Million for arrearage assistance and provided benefits to 7,957 participants. The funds for arrearage retirement in excess of \$1.5 Million came from General Funds.

According to OHEP, as much as \$8 Million is required to adequately fund the EUSP arrearage retirement assistance program in FY 2010. This figure is based on the FY 2008 expenditure of \$6.4 Million and an expectation that the need for arrearage assistance will not decrease in this time of economic hardship.

The Commission recommends arrearage retirement assistance funding in the amount of \$6 Million for FY 2010. Again, the Commission recognizes that this amount is well above the statutory limit, but believes that this amount is required to address the arrearage needs that continue to burden low income households.

E. Income Limitation Waivers

According to OHEP, with the increase in income guidelines to 175% of FPL, OHEP decided not to offer waivers during FY 2008. As long as income guidelines continue to include households with incomes up to 175% FPL, OHEP does not intend to offer income limitation waivers.

F. Impact on Customer Rates Including the Allocation Among Customer Classes

Currently, residential customers pay 37¢ per month to fund the EUSP. Other customer classes, from small commercial to large industrial, are allocated charges based upon historical usage or consumption. The allocation methodology for collecting EUSP funds from commercial and industrial customers is based on a 24-step matrix, which is adjusted periodically by the Commission to account for significant changes in funding. The electric companies are required to review the assignment of these customers annually to assure that they are in the proper tier. The Commission monitors the amount being collected to assure that it is in keeping with statutory guidelines.

The impact on residential customer rates will remain unchanged absent a change in legislation.

G. Impact of Using Other Federal Poverty Program Benchmarks

OHEP uses the federal poverty level to determine eligibility for EUSP assistance. Eligibility is capped at 175% of the federal poverty level for FY 2009. The FPLs are based on gross household income and family size and are updated periodically based on certain cost of living indices. These levels are publically available and widely used. OHEP uses an identical eligibility system for the federally-funded MEAP. This similarity facilitates administration of the two programs and also enables OHEP to make more efficient use of its combined federal, State and ratepayer funding.

The benchmark for determining eligibility for participation is crucial to determining the aggregate funding needed by the EUSP, and, to the extent that this interacts with the benefit size, these benchmarks greatly affect EUSP's effectiveness. The Commission does not recommend a change in the existing benchmarks.

V. CONCLUSION

Based on the OHEP FY 2008 Annual Report and information provided during the hearings held in 2008 and January 2009 on EUSP matters, the Commission recommends that the total amount of funds for EUSP for FY 2009 be at least \$82.4 Million.²¹ Additional funds for arrearage retirement may be needed in light of overall increased costs for electricity as well as the weakened economic climate. The Commission therefore believes that the funding as described herein is necessary to protect low-income customers in Maryland.

²¹ This amount is separate and apart from MEAP funding for heating assistance provided by LIHEAP.



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

FY 2008 ANNUAL REPORT
TO THE
MARYLAND PUBLIC SERVICE COMMISSION



NOVEMBER 18, 2008

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Introduction

In the Electric Universal Service Program (EUSP), major program growth occurred during FY 2008 as low-income electric customers struggled to meet their financial obligations impacted by rising costs in many sectors of the economy. Since program inception the trend of applications has demonstrated a growth trend, but with increased eligibility and continually rising electric prices the growth has escalated over FY 2007 and FY 2008. Application trends occurring during FY 2008 demonstrate what is likely to continue for the near future.

This Annual Report is prepared and filed with the Public Service Commission as resource document for the Commission to prepare its annual report to the Maryland State General Assembly as required by Annotated Code 7-512.1 (c). It provides a summary of the program year just concluded including a response to each of the legislatively mandated questions. It is also intended to identify trends for planning for the next program year and beyond and to make recommendations that may require legislative intervention.

Program Highlights

- A total of 117,217 applications were received requesting assistance with unmanageable electric bills EUSP during FY 2008. This represents an increase of about 15.2 percent (15,422 applications) over FY 2007. Applications for all types of energy assistance (both EUSP and MEAP) totaled 128,168 rising from 112,285 the year before.
- The trend of increasing applications continued as income eligibility guidelines were returned to the 175% level of the Federal Poverty Level (FPL) as set in statute.
- Applications certified for payment during FY 2008 for EUSP Bill Payment Assistance grew from 93,323 in FY 2007 to 100,670 in FY 2008 or by 7.6%. The average bill assistance 2008 benefit issued was \$601, a substantial rise over the \$518 in FY 2007.
- A net total of \$58,628,246 was issued in benefits for Bill Payment Assistance. This includes expenditures from EUSP ratepayer funding and State General Funds. No ratepayer funds were carried over from FY 2007 into FY 2008.
- No ratepayer funds are being carried over into FY 2009 as all available funds were expended.
- The minimum amount of past due bill to qualify for an Arrearage Retirement Assistance benefit was increased from \$100 to \$300. The maximum benefit was maintained at \$2,000. This action resulted in the average Arrearage benefit rising from \$486 in FY 2007 to \$801 in FY 2008.

- Arrearage Retirement Assistance payments were issued for 7,957 customers totaling \$6,372,347.
- Outreach efforts continued throughout the year helping to make more of the public aware of the assistance available. Effective outreach through a variety of strategies helped to bring program awareness to those in need.

Table 1. EUSP Summary Data 2001-2008

Program and Year	Applicants Served	Average Grant	Ratepayer Funds (millions)	Other Funds (millions)	Total Benefit Expenditures (millions)
Arrearage					
2008	7,957	\$801	\$1.5	\$4.9	\$6.4
2007	10,468	\$486	\$1.5	\$3.6	\$5.1
2006	3,937	\$435	\$1.7	\$2	\$1.9
2005	3,894	\$390	\$1.5	-	\$1.5
2004	4,888	\$307	\$1.5	-	\$1.5
2003	3,551	\$432	\$1.5	-	\$1.5
2002	5,148	\$415	\$2.0	-	\$2.0
2001	26,211	\$270	\$7.7	-	\$7.7
Bill Assistance					
2008	100,670	\$601	\$30.8	\$27.8	\$58.6
2007	93,323	\$510	\$30.5	\$16.1	\$46.6
2006	83,853	\$410	\$34.3		\$34.3
2005	78,668	\$362	\$28.6		\$28.6
2004	72,390	\$396	\$28.7		\$28.7
2003	69,781	\$419	\$29.2		\$29.2
2002	57,585	\$287	\$16.7		\$16.7
2001	56,245	\$270	\$17.6		\$17.6

Source: Maryland Department of Human Resources
Office of Home Energy Programs, 2008

Note 1: FY 2005 represents the second year of a \$1.5 million statutory limit on arrearage payments. Benefits were also limited to first time arrearage applicants. During FY 2001-2003 the statute provided for the Commission to allocate arrearage funds for those applicants with an arrearage prior to July 1, 2000.

Note 2: Benefit expenditures include supplemental benefit payments. Average benefit calculation does not include the supplemental amount. The supplemental benefits were \$73 paid in FY 2002 and \$170 paid in FY 2003.

Note 3: OHEP utilized a FY 2006 deficiency appropriation to pay for costs exceeding available ratepayer funds.

Note 4: SB1 made available corporate tax funds that OHEP used for the payment of arrearages beyond the \$1.5 million limit on ratepayer funds. A FY 2007 supplemental appropriation was available to pay for costs incurred beyond the available ratepayer funds.

Table 2
MARYLAND ENERGY ASSISTANCE PROGRAM (MEAP)
PROGRAM SUMMARY DATA FY 2003-2008

Program and Year	Applicants Served	Average Grant	Benefit Expenditures
2008	93,147	\$450	\$41.9 million
2007	99,982	\$422	\$42.1 million
2006	89,108	\$366	\$32.6 million
2005	82,688	\$329	\$27.2 million
2004	80,509	\$269	\$21.6 million
2003	77,828	\$406	\$31.6 million

Source: Maryland Department of Human Resources
Office of Home Energy Programs, 2008

Administrative Operations and Expenditures

EUSP applications are received and processed through 20 local administering agencies (LAAs) covering all jurisdictions of the State. These agencies perform the necessary functions to get a benefit to the applicant household. These functions include:

- Outreach
- Application intake
 - Responding to emergency situations such as a termination notice or restoring of terminated service.
 - Referrals to other agencies for additional assistance when needed
- Application processing including review and certification of benefits
- Generation of Energy Delivery Statements

Ratepayer funds for administration were limited by Commission order to approximately 10 percent of the total EUSP funds. EUSP funds paid for 51 percent of the administrative costs whereas MEAP covered 49 percent. Costs were allocated on the basis of on the number of applications received for both Bill Assistance and Arrearage in comparison to MEAP.

Once applications are approved and ready for payment, State OHEP processes the payment by generating a payment transmittal document that serves as a request for payment. The payment transmittal is sent to the DHR Fiscal Office (Accounts Payable) which enters the request into the State's Financial Management Information System (FMIS). From that point, the Office of the Comptroller processes the request for the

issuance of a payment either by check or electronic transfer of funds. The option of electronic transfer of funds is available, but is the responsibility of the utility to sign up. Information regarding registration is found on the Department of Budget and Management's website at:

<http://business.marylandtaxes.com/paymentinfo/electronictransfer.asp>

State OHEP processes payment requests for each utility on a weekly basis (normally on Wednesday) beginning in August. Several utilities have signed up to receive benefit payments through EFT and have indicated receipt of payments within a few days. OHEP has promoted the use of EFT by offering information on sign-up to the utilities.

OHEP has continued to promote the use of electronic transfer of payment data to utilities through the use of a File Transfer Protocol (FTP) strategy. BGE, Delmarva Power, Choptank Electric, Southern Maryland Electric Cooperative, Hagerstown Electric Light Plant, Thurmont Municipal Light Company and the recently added Allegheny Power obtain payment data electronically.

Outreach remained a significant focus of OHEP and LAAs. A wide range of activities took place during the year designed to make the public aware of energy programs and to encourage the submission of applications. Additional information specific to outreach activities is presented in the section on outreach.

Resolution of any policy or operational issue or release of information was accomplished through regular and as needed communication between OHEP, LAAs, utilities, and stakeholders. This occurred during the year through:

- Regular contacts by phone, e-mail, or system screen messages.
- A monthly LAA conference call for the purpose of keeping LAA's informed of new developments as well as identifying policy and operational concerns.
- Annual conference held in May attended by LAA's and some utilities.
- OHEP Advisory Board meetings.
- Attendance at BGE quarterly partnership meetings with OHEP, LAA's, fuel funds, and other stakeholders.
- Attendance by OHEP and/or LAA's at annual meetings with Delmarva Power, Allegheny Power, and Southern Maryland Electric.

Table 3 displays the history of administrative expenditures funded through EUSP. Administrative expenses are funded through both EUSP ratepayer funds and the Low Income Home Energy Assistance Program (LIHEAP – called MEAP in Maryland) funds. Certain restrictions apply to both sources. LIHEAP funds by statute restrict administrative expenditures to a maximum of 10 percent of the final LIHEAP allocation. EUSP ratepayer funds were, as well, limited to 10 percent of the allocation by Commission Order. Since an allocation formula is used for these two sources. Actual

administrative costs exceeded the EUSP allocation so consequently State General funds were used towards administration in FY 2008. Administrative costs are allocated between EUSP and MEAP based on the number of applications taken for each program.

Table 3
ADMINISTRATIVE EXPENDITURES
EUSP FUNDS FY 2001-2008

Fiscal Year	OHEP Administrative	PSC Oversight	Total Administrative	Percent of Allocation
2008	\$3,355,617		\$3,355,617	9.3%
2007	\$3,282,598		\$3,282,598	9.1%
2006	\$3,235,309		\$3,235,309	10.2%
2005	\$3,202,581		\$3,202,581	9.4%
2004	\$2,904,720		\$2,904,720	8.5%
2003	\$2,704,178		\$2,704,178	8.0%
2002	\$3,300,000	\$100,000	\$3,400,000	10.0%
2001	\$3,398,829		\$3,398,829	10.0%

Note: Beginning in FY 2006 the percentage of allocation is calculated as a percentage of the administrative expenditure to the total funds allocated to OHEP.

Source: Maryland Department of Human Resources
Office of Home Energy Programs, October 2008

Computer System

OHEP has maintained its contract for computer software maintenance and enhancement by recently exercising the first of two options to renew clauses of the contract. This contract is a vital piece of the administration of the program as it assures that application software is constantly available and is revised according to policy requirements or user needs. The contract was procured under the Consulting and Technical Services (CATS) master contract established by the Department of Budget Management (DBM). While it specifically relates to OHEP, project management is the responsibility of DHR's Office of Technology for the Human Services (OTHS) and its Department of Human Resources Information Systems (DHRIS) division.

The scope of the contract is to provide ongoing systems support, database administration and support, and application software maintenance and enhancements. Specifically, this means performing routine maintenance services for the data server and five web servers on a weekly basis, database backup and performance checks, and to develop OHEP requested enhancements to the application software. Emergency needs are included to insure maximum in use time of the data system. Over time, it has been

demonstrated that this contract is absolutely necessary to maintain efficient and ongoing functioning of the EUSP application and payment process. System downtime has been minimized as a result.

The OHEP Data System needs to be viewed as a constantly changing system adapting to new policies, procedures and requirements. One of the system goals of OHEP is to make the system as simple and intuitive to the user as possible. Numerous software enhancements, corrections, and revisions were incorporated into the data system during FY 2008. The contractor completed 57 work requests during the fiscal year with another with another 14 in process as the fiscal year ended. Enhancements included items related to improved performance, reporting, improved user functionality, and additional functionality. Additional enhancements are planned which are geared towards improved system performance and usability.

One major incident occurred during the year, which affected system access for all users. This was a power outage affecting the DHR Server Room and the OHEP servers. The resultant consequences took about a week to repair causing system access to be limited during this period. To all but eliminate the possibility of a re-occurrence of this type of event is the impending plan to move the OHEP server equipment to a hosting facility.

Access to the system via DHR's Virtual Private Network (VPN) was expanded providing better or alternative access to the database for some agencies. Four agencies, Garrett CAC, Allegheny HRDC, Harford County Community Action and Southern Maryland Tri-County CAC now access OHEP via VPN. A fifth, Community Action Council of Howard County, has a satellite office, which accesses OHEP through the VPN. During FY 2008, VPN access was provided to the six community action centers in Baltimore City as a means of improving the availability of information to those staff that take in-person applications as well as providing additional resources for data entry. Some cost savings have been realized as the original ISDN telecommunication lines are removed. VPN, also, allows off-site access for some application events.

For the future, OHEP is working to continually improve computer systems. Efforts are already under way to develop an interface with DHR's System Access and Information Link (SAIL). SAIL is DHR's online application system that provides the public with the opportunity to complete and application online for energy assistance and a number of other services offered by DHR including:

- Food Stamps (FS)
- Temporary Cash Assistance (TCA)
- Temporary Disability Assistance Program (TDAP)
- Medical Assistance (Medicaid)
- Maryland Children's Health Program (MCHP)
- Medical Assistance Long Term Care (LTC)
- Child Care Subsidy Program (CCSP)

The interface to be developed will enable OHEP local agencies to bring data from SAIL directly into the OHEP System reducing or eliminating the need to perform data entry. The project has received a cost estimate of \$286,000 with project completion by June 2011.

In the development stage, are efforts to expand OHEP database access via the Department's Virtual Private Network (VPN). This project will enable improved and expanded access to the OHEP database system including partnering agencies that do not deliver OHEP program services, but work closely with OHEP to offer supplemental benefits and services.

Also, in the very beginning stages is the investigation into the use of document imaging technology to improve the long-term efficiency of record keeping.

Also, expected during the next fiscal year is the transition of OHEP's application and data servers to a hosting facility. This is part of a master outsourced hosting contract recently awarded by DHR. This effort will provide 100 percent system availability.

Program Summary and Issues

Bill Payment Assistance

The growth of applications for assistance and recipients continued a trend of growth in a major way. FY 2007 exhibited an application increase of 9.3 percent over FY 2006. FY 2008 experienced a 15.2 percent over FY 2007. While the increase is in large part due to the extension of the eligibility limits to 175 percent of the federal poverty level, data shows that a significant portion of the increase came in the lower income groups. While in the past some families may have resisted applying for assistance, bills have now reached a level where that is no longer an option.

Of the applications received, over 100,000 households were issued a benefit, translating to a 12.1 percent growth over the previous year. Table 4 shows the distribution by poverty level for program participants. It reveals that the largest percentages of households served are those in the lowest income categories.

Table 4. Distribution of Applicants Served by Poverty Level

Poverty Level	1	2	3	4	5	Total
Year						
2008	37,707	27,764	24,740	10,221	-	100,432
% Distribution	38%	28%	25%	10%	-	
2007	32,907	25,757	21,269	7,835	5,194	93,322
% Distribution	35%	28%	23%	8%	6%	100%

Source: Maryland Department of Human Resources
Office of Home Energy Programs, October 2008

Attachment A displays historical application data and recipient data for each jurisdiction. Since 2002 the number of households receiving EUSP Bill Assistance has increased by more than 72 percent. Growth has been experienced each year. While all jurisdictions have exhibited a rise in applications note can be taken of those areas showing the greatest growth. Anne Arundel, Prince George's and Montgomery Counties reveal the largest gains percentage-wise. Baltimore City and Baltimore County demonstrate the largest gains in numbers. Other jurisdictions of note are the counties of Howard, Cecil and Wicomico.

This trend of application growth is expected to continue for the foreseeable future as the economy falters and energy prices continue to remain high or possibly increase further.

With the close of the fiscal year on June 30, 2008, all appropriated EUSP ratepayer funds were expended. Therefore, no retention of funds for carryover into the next fiscal year is required. Although all ratepayer funds were exhausted in February, EUSP remained in operation with appropriated State General Funds.

Arrearage

Expenditures for Arrearage Retirement purposes totaled \$6,372,346 during FY 2008 with benefits issued for 7,957 customers. Benefits were issued to those customers with past due amounts \$300 or greater. The \$300 threshold was a newly initiated policy for FY 2008. The maximum benefit remained at \$2,000. This policy was developed in consultation with the Office of the Peoples' Counsel and approved by the Commission as a way of stretching arrearage funding and targeting benefits to those who needed it the most. For past due amounts under \$300, customers were referred to other agencies such as Department of Social Services emergency services or fuel funds for assistance. Other programs also assisted with past due amounts beyond \$2,000.

At program outset, EUSP Arrearage funds were allocated to LAA's based on the percentage distribution of Bill Payment approved applications. Additional arrearage funds were distributed on an as needed basis. Attachment F displays the amounts certified by each local agency.

Overall, fewer households (7,957 versus 10,468) received arrearage assistance during FY 2008, however, the average benefit increased to \$801 from \$486. This rise was the result of implementing the criteria that required a minimum past due amount of \$300 before an arrearage benefit is paid. In FY 2007 6,393 households received arrearage benefits in an amount over \$300. Comparing this number against the number served in 2008 reveals that there was a rise in the number of households receiving arrearage benefits. Recognizing this fact, it is seen that the criteria of raising the minimum past due required to receive a benefit has met the objective of serving those in more troubled circumstances.

Ratepayer funds for EUSP Arrearage benefits remain restricted by statute to \$1.5 million. The availability of State General Funds allowed for extending benefits to a significantly larger population of customers. Data on utility terminations submitted to the Commission show a significant level of need among low-income customers.¹ Use of the general funds has provided some indication and understanding of the level of need for past due bills. With the potential for applications for past due bills to rise, arrearage retirement strategies should be re-examined.

Although EUSP was not intended to be an emergency program, the existence of Arrearage Retirement Assistance in its current format is used as a response to emergencies. The original goal to make electric bills affordable and encourage regular bill payment has worked for some, but there is a segment of the target population where crisis is the norm. Closer examination and research is necessary to understand the situation and suggest alternative strategies.

A continuing restriction of §7-512.1(a)(2)(iii) allows for receipt of arrearage benefits only once in a lifetime. Many factors affect a family's ability to maintain bill

¹ See Report on Residential Customer Terminations, Arrearages and Reconnections in Maryland (January 2006 – March 2008), Public Service Commission of Maryland, June 2008.

payment behavior and families of minimal income struggle to make ends meet. Even a minor setback can affect their ability to pay bills. **It is with this in mind that OHEP recommends that the once in a lifetime arrearage benefit policy should be reviewed. OHEP suggests use of arrearage benefits once every seven years.**

OHEP piloted the granting of waivers to those applicants needing arrearage funds, but have received a prior benefit of less than \$300. A small number of applicants were identified needing such help. These benefits are paid out of State General Funds and require the approval of State OHEP on a case-by-case basis.

Outreach

Outreach encompasses the efforts of OHEP at both the State level and the local level to inform the public about EUSP and MEAP and encouraging those eligible to apply for assistance. It is OHEP's goal to make as many people aware of the existence of assistance and to encourage the receipt of the maximum number of applications possible. OHEP maintains one staff person dedicated to develop and implement strategies and activities and provide assistance to local agencies as needed. Regular meetings are held among local agency staff and utility companies to discuss efforts. Special recognition needs to be made of the staff from DHR's Constituent Services unit, which attends many community events and offers information about energy assistance.

A multitude of strategies are implemented throughout the year to reach the desired end. Each agency under contract is required to provide an outreach log to OHEP on a monthly basis. OHEP expended \$175,863 on specific activities from the special allocation provided for outreach. However, this expenditure includes only a portion of resources devoted to outreach. The allocation consists of special requests from LAA's such as targeted advertising through mailers, television, or promotional items. Most outreach costs, however, are covered through the regular administrative budgets of OHEP and the LAA's.

Among the key products produced by OHEP is printed material. During FY 2008, some 400,000 brochures, 12,000 calendars, 150 large posters, and several kinds of informational flyers were printed and distributed to LAA's, non-profit agencies, government agencies, and individuals directly by OHEP. Attempts are made to reach people in as many ways as possible.

Past studies have indicated the most likely sources of information for energy assistance programs have been from other people, friends or family (word of mouth), utility companies, and other social service agencies. This is why outreach efforts included strategies to reach organizations that serve our target population as well as individuals. Among the efforts implemented on a yearly basis are:

- Text messages on public assistance notices
- Mailing to hospitals throughout the State
- Mailing to non-profit organizations

- Message placed on all State employee paycheck stubs
- Notifications to all DHR state and local department of social services staff
- Printing and distribution of 400,000 program brochures 12,000 calendars with energy conservation tips, and large posters.

Attachment N lists many of the activities that occurred during the past program year. It reveals the extent and variety of activities pursued at both the State and local level.

Energy Assistance Week was moved from February to October to better reflect the point at which applications should be received. To highlight the availability of assistance and encourage energy conservation, local agencies sponsor a variety of activities. This may have involved activities ranging from application fairs to contests in the schools.

Application Waivers

Waivers to the income eligibility guidelines are allowed as specified in Section 7-512.1(a) (6) of the Public Service Utility Companies Article which states, "In a specific case, the Universal Service Program may waive the income eligibility limitation under paragraph (1) of this subsection in order to provide assistance to an electric customer who would qualify for a similar waiver under the Maryland Energy Assistance Program established under Article 41, §6-406 of the Code."

This provision is implemented by having LAA's submit requests for waivers to the State OHEP office for review and determination. Table 5 displays recent history of the waivers.

For FY 2008, there was a continuation of the decision to not implement the waiver process due to the income guidelines being at 175 percent of the poverty level. The original decision to incorporate waivers was made when eligibility was at 150 percent of the poverty level.

Table 5
Waiver Statistics FY 2002-FY 2008

Year	Received	Approved	Denied	Withdrawn
FY 2008 1/	-	-	-	-
FY 2007 1/	-	-	-	-
FY 2006	273	252	21	-
FY 2005	126	113	8	5
FY 2004	129	101	26	2
FY 2003	75	73	2	-
FY 2002	17	8	7	2

NOTES:

1. The waiver option was discontinued in FY 2007 due to the change in income eligibility.

Source: Maryland Department of Human Resources
Office of Home Energy Programs, October 2008

Looking to the Future

The outlook for EUSP suggests a continuance of increasing applications and benefits. This trend does raise a number of questions. Can funding keep pace with the need? What is the most appropriate source of funds? What is an adequate administrative budget in order to process applications in a timely manner? Are benefits adequate to meet the need?

OHEP believes recent application trends will continue over the next few years. That is, increased numbers of applicants can be expected. The trend over the past five years has demonstrated growth every year. Existing economic circumstances suggest more families will need assistance. If the economy continues to weaken, those families with limited or fixed incomes will see negative impacts.

Attachment O outlines the details of OHEP's projections. In making projections certain assumptions are made. They are listed on the chart and should be regarded as conservative assumptions. With the completion of FY 2008, the trend for the future is defined as one of an increasing rate of growth.

FY 2008 gave us a look at the future and a jolt of reality. The first three months of FY 2009 suggest service is needed at a minimum level of what was expended in 2008. OHEP, however, does project a continuation of program growth. Receipt of an estimated 136,000 applications in FY 2009 is projected to result in 110,000 to 112,000 benefit recipients. A projected total of \$80 million is required to maintain service at current levels.

Summary of Recommendations

Total Amount of Funds

The impact of rising prices for energy is being fully realized evidenced by the trend of increasing applications for both EUSP and MEAP. The level of ratepayer funding for EUSP set in statute at \$36 million is now inadequate for the amount of need. Only through the provision of general funds has the ability to respond to the demand been met. OHEP offers some projections for FY2008 through FY 2010 in Attachment O. These projections are estimates only and should be considered as conservative. Other factors could result in greater increases. FY 2009 will offer insight into the near future as the economy slows and families struggle to meet the expenses of daily living. Although we are only about four months into the FY 2009 program year, the current level of applications indicates a continuation and expansion of the trend showing an increase in the number of program participants and benefit payouts.

Based on these projections, OHEP estimates that more than \$48 - \$50 million is required in addition to the \$36 million in ratepayer funds established as statute. This is the amount needed to keep pace with a growing number of participants. It assumes average benefits will remain constant.

The charts in Attachment O do not address the \$1 million for weatherization or any increases requested or required by the Department of Housing and Community Development (DHCD).

Going forward, OHEP recommends an annual incremental increase to keep pace with the expected growth in enrollment and to reach the anticipated increased need by FY 2010. OHEP makes no specific recommendation on the source of funding.

OHEP is also suggesting the following recommendations that require changes to the statute by the General Assembly.

OHEP recommends:

- Continue the Arrearage Retirement Assistance component of EUSP.
- Remove the dollar amount of \$1.5 million from statute.
- Allow the Commission to establish the annual allocation of arrearage funds with a caveat of "up to a maximum dollar amount." OHEP and the Commission could establish a threshold in its annual plan whereby OHEP could request a transfer funds from bill assistance during the year, if needed. This flexibility will allow OHEP to respond to need quickly when conditions warrant.

- Remove the language that restricts eligibility for arrearage to once in a lifetime. Allow customer eligibility for an Arrearage benefit after seven years from the receipt of the original benefit.
- Remove or revise the language in §7-512.1 (a)(2)(i) which states “bill assistance, at a minimum of 50% of the determined need.” The interpretation of this statement has resulted in confusion of the parties involved in EUSP. The 50% of the determined need sets a standard that needs to be clearly defined or removed.

The following recommendation is related to possible regulation revisions by the Commission.

- OHEP recommends that the Commission institute proceedings to update the regulations for the Utility Service Protection Plan (USPP) including provisions for incorporating EUSP into the USPP guidelines.

Statutory Questions

OHEP hereby submits comments on each of the statutory questions found in the Public Utilities Article, MD. CODE ANN. § 7-512.1(c).

(c) (1) On or before December 1 of each year, the Commission shall report, subject to § 2-1246 of the State Government Article, to the General Assembly on the universal service program, including:

(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;

COMMENT: Applications for assistance jumped to a new high at 117,217 households. The number of Bill Assistance program participants rose to 100,456 for the year, an increase of 7.6 percent over the prior year. The participation trend has demonstrated continued growth since the inception of EUSP.

Following this trend, EUSP-related expenditures totaled \$68,602,842 for the year. Whereas, \$36 million in ratepayer funds is permanently available there is a clear indication that this amount only partially addresses the existing need. Without an annual general fund appropriation, EUSP would exhaust ratepayer funds at the height of the winter season.

OHEP RECOMMENDATION: In looking at recent trends, the target population, electric pricing, etc., OHEP recommends a FY 2010 total EUSP funding package of at least \$85 million of which \$36 million is from electric ratepayer funds (does not include \$1 million designated for weatherization). This should be viewed as the conservative estimate required in meeting existing needs.

With the influx of additional federal funding resulting from the recent appropriation of funding under the Low Income Home Energy Assistance Program (LIHEAP) Block Grant there is likely to be an even greater increase in future participation. LIHEAP is the source of funding for the Maryland Energy Assistance Program (MEAP). The 2009 allocation totals \$110 million, an increase of 205 percent over 2008. This increase in dollars has significant implications for participation and benefit amounts not only in MEAP, but also EUSP. The impact will be greater participation beyond what current levels of EUSP funding can address.

The 2009 level of LIHEAP funds coming to Maryland will allow a greater proportion to be used for electricity, lessening the impact on current EUSP funding. LIHEAP is appropriated on a year-to-year basis making it unclear as to whether the

higher level of funding will continue. With this in mind, it is recommended that the ratepayer funding be maintained at least within current levels with EUSP being supplemented by general funds on an annual basis.

Beginning sometime during FY 2008, OHEP will have funds received through the Regional Greenhouse Gas Initiative/Maryland Strategic Energy Investment Program. The statute specifies that 17 percent of the revenues collected are to go the Department of Human Resources for use in energy assistance programs. The amount of monies to be received for the year is not known as those funds will become available to OHEP on a quarterly basis. Funding for the first quarter is \$2,782,956.

2. how payments to customers were calculated during the preceding fiscal year;

COMMENT: Individual benefits to customers are calculated through a benefit formula developed by OHEP which attempts to make the most efficient use of EUSP funds yet provide a benefit that helps make electric bills affordable for a 12 month period. Benefits are based on a customer's income and electric usage with those households with the lowest income and highest usage receiving the greatest benefit. Income guidelines for EUSP currently used are 175 percent of the federal poverty level. Benefits levels vary according to the percentage of poverty of the recipient at the 0-75 percent, 76-110 percent, 111-150 percent, and 151%-175 percent levels. A fifth benefit level was established for those households living in subsidized housing. Recognizing that the subsidy provides some degree of help with energy costs a minimum benefit is designated for those households receiving housing subsidies.

The other factor used to calculate Electric Bill Payment Assistance benefits is the annual kilowatt-hour (kWh) usage. This usage data is collected from the respective utility for each customer upon application and is used to customize the benefit specifically for that customer. Using this information and the cost of electricity on a per kilowatt-hour basis, OHEP, through its computer system, calculates an estimated annual cost of electricity for the applicant. Taking into consideration the income level and whether or not the applicant lives in subsidized housing a percentage of the estimated annual bill is calculated to be the benefit. For FY 2008, the income group of 0-75% of poverty received a benefit that was equal to 75% of the estimated annual bill. At 76-110%, it was 60%. The group from 111-150% received a benefit equal to 50% of the estimated annual electric cost. Those households living in subsidized housing received a benefit that was 14.5% of the annual cost. If the applicant heated with electricity and received a MEAP benefit for electricity an additional 15% of the estimated bill was received through a MEAP benefit.

OHEP views this methodology of calculating benefit amounts as a way to make benefits individualized to the customer and their usage of electricity. Recognizing that there are cost variations for electricity among utilities, the benefit calculation, also, takes this into account by adjusting the benefit based on the customer's utility.

OHEP RECOMMENDATION: OHEP recommends that the current methodology for calculating benefits be maintained, as it represents a customization to the needs of the individual customer and allows for the integration of a MEAP benefit. Dependent upon the level of funding, the percentages used in the calculation will move up or down. When examining the resultant percentages of income that benefit recipients pay for electricity they are quite favorable.

3. the projected needs of the universal service program for the next fiscal year; and

COMMENT: Rising electric prices, increased eligibility guidelines and increasing numbers of applicants are forcing great challenges on EUSP not only in terms of issuing adequate benefits to continue affordability, but also, to effectively administer the program in terms of providing reasonable customer service.

The factors that affect the need and the level of funding for EUSP requiring examination are:

- The trend of increasing enrollment over the past six years.
- Income eligibility guidelines.
- Market-based electric rates that are trending upward for the near term.
- 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.
- Higher overall fuel costs
- Other factors affecting the general economy

OHEP RECOMMENDATION: Looking at these elements OHEP is offering a forecast of what would be an adequate funding level going into the next several years. Attachment O suggests that future funding should be in the area of \$80 to \$90 million within the next few years.

4. the amount of any surplus carried over in the universal service program fund under subsection (f) (5) (i) of this section;

COMMENT: No EUSP ratepayer funds were retained from FY 2007 into FY 2008. Expenditure of all ratepayer funds is anticipated for the foreseeable future based on the growth levels reached by EUSP.

OHEP RECOMMENDATION: Maintain in the statute the option to retain EUSP funds as currently allowed.

(ii) for bill assistance:

1. 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; and

COMMENT: Estimates on the target population are based on decennial census data and updates calculated from Census Bureau surveys.

OHEP RECOMMENDATION: For planning purposes, the target population is currently estimated at 345,000 households. Examination of the statute's designation of 175 percent of the poverty level should be considered with the option of designating a minimum and maximum income eligibility level consistent with that of LIHEAP and allowing the annual establishment of income eligibility by the Commission. This policy would allow for more flexibility in planning based on funding available, as well as allowing consistency with MEAP.

2. the percentage of need, as determined by the Commission, but at a minimum of 50%, that should be funded through the universal service program and the basis for this determination;

COMMENT: OHEP defines the percentage of need as the amount of benefit required for making electric bills affordable. Determining the balance between what amount of benefit is adequate and how much the recipient should pay towards the bill has been a challenge. Many economic forces impinge upon a family's effort to make ends meet. OHEP maintains that a minimum of 50% of the need be funded as stated in the original legislation. EUSP benefits for FY 2008 were continued at a level to cover 50 to 75 percent (dependent upon income) of a family's electric bill. OHEP recommends that adequate funding be available to maintain this level of bill assistance as prices trend upward.

OHEP RECOMMENDATION: It is recommended that the criterion of 50 percent of need be removed from the statute or worded in a different manner. Such criteria are ultimately a function of available funding. The extent of program growth and the available ratepayer dollars to meet the stated criteria are inadequate to maintain benefits to meet the stated criteria as program growth occurs. If revised, a percentage of income criteria should be considered as the guideline taking into account all governmental benefit resources.

- (iii) for low-income weatherization, the amount of funds needed, as determined by the Commission, for measures that reduce consumption of energy by electric customers with annual incomes at or below 175% of the federal poverty level and the basis for this determination;

COMMENT: Legislation passed in the 2005 General Assembly established a level of \$1,000,000 for EUSP Weatherization to be directly transferred to the Maryland

Department of Housing and Community Development Weatherization Assistance Program (DHCD/WAP).

OHEP RECOMMENDATION: The EUSP funding level of \$1 million should be maintained for weatherization purposes.

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

COMMENT: The \$1.5 million designated for arrearage retirement purposes in the statute is demonstrated as being inadequate based on the use of general funds to address arrearage need. Without the additional funds, a large number of families would not have been able to maintain or would have lost electric service. During FY 2008, some 7,957 families were able to receive benefits with expenditures of \$6.4 million. This level of assistance was made possible by the availability of general funds. Ratepayer funds paid for approximately 1,900 arrearages. It is projected that the need will continue to be greater than what the current statutorily allocated funding can address. The need is projected to be at least \$8 million per year. This is based on recent experience with applications. OHEP has attempted to prioritize arrearage assistance to those with the greatest need by establishing a \$300 minimum criterion in order to qualify for assistance. The impact has been an increase in the average benefit from \$486 in FY 2007 to \$801 in FY 2008. Information from FY 2009 already suggests that the past due bills are rising with a \$909 average benefit experienced through the first four months of the program year.

The Commission's Report on Terminations, identifies the increasing arrearage burden. As the economy moves into a slowdown period, it is expected the number of and amount of past due bills will increase. This possibility coupled with no evidence of a decline in electric rates on the horizon, the pressure on low-income families to meet their financial obligations will undoubtedly increase.

OHEP RECOMMENDATION: OHEP recommends that the statute be revised to return responsibility to the Public Service Commission for the arrearage allocation. This will foster a better use of funds and provide greater flexibility in addressing the needs of low-income families. Recognizing that families may experience hardships at different times, it is recommended that after a period of seven years, an applicant that had previously received an arrearage benefit could again be eligible.

Each year OHEP projects what it envisions as the need for arrearage funding and sets aside funds for this purpose. Current trends suggest that a funding level of at least \$8 million be planned for the near future. Recent experience in FY 2007 and FY 2008 in addressing arrearage needs with the addition of State general funds has demonstrated the a greater need than what is provided through ratepayer funds.

(v) the amount of funds needed, as determined by the commission, for bill assistance, low-income weatherization, and arrearage retirement, respectively, for customers for whom income limitations may be waived under subsection (a) (6) of this section, and the basis for each determination;

COMMENT: Waivers are subject to specific guidelines developed by the Office of Home Energy Programs and reflect what is determined for the Maryland Energy Assistance Program. With the increase in income guidelines, OHEP opted not to offer waivers during FY 2008. As long as income guidelines continue at 175% of the federal poverty level or higher OHEP will not implement the waiver option.

OHEP RECOMMENDATION: Maintain the current policy.

(vi) the impact of using other federal poverty level benchmarks on costs and the effectiveness of the universal service program.

COMMENT: The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant legislation allows states to use for income eligibility a maximum of 150 percent of poverty or, as revised by recent legislation, 75 percent of median income, whichever is higher. Estimates of the number of households meeting this criteria are not currently available, however, it can be suggested that it is well beyond the estimated 606,000 households estimated for 60 percent of median².

With any increase in the funding and/or income eligibility guidelines for MEAP there is a corresponding impact on EUSP as the application is a combined application and benefits integrated with one another. During the 2009 program year this will become very evident, as the funding for MEAP, as mentioned above, has risen dramatically. OHEP will be working towards a major expansion in the number of MEAP participants. Current levels of EUSP funding, both ratepayer and general funds, will not be sufficient to keep pace with the projected number of applications. DHR/OHEP is looking at alternative strategies to effectively meet the need for both heating and electrical requirements.

OHEP RECOMMENDATION: No recommendation.

(2) (i) to assist the Commission in preparing its recommendations under paragraph (1) of this subsection, the Office of Home Energy Programs shall report to the Commission each year on:

1. the number of customers and the amount of distributions made to fuel customers under the Maryland Energy Assistance Program established under Article 41, § 6-406 of the code, identified by funding source and fuel source; and

² Estimate developed by the U.S. Department of Health and Human Services. An average of the 1999, 2000, and 2001 March Current Population Survey data are used to create this estimate.

COMMENT: FY 2008 experienced the expenditure of all federal funds available for MEAP and resulted in ending the program earlier than anticipated. As a result of higher prices and benefits more than 93,000 customers received assistance through MEAP. All of these funds were from the Low-Income Home Energy Assistance Program (LIHEAP) Block Grant. FY 2008 expenditures for the Maryland Energy Assistance Program (MEAP) consisted of \$29.8 million going to utilities (electric and gas) and \$12.3 million being used for other fuels (oil, kerosene, propane, wood and coal). Funding levels provided through LIHEAP are not guaranteed as Congress establishes them each year.

OHEP RECOMMENDATION: None required.

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

COMMENT: OHEP through its local agencies, State Office and in partnership with other organizations conducts a wide range of outreach activities identified in Attachment O. During FY 2008, outreach costs tracked totaled \$175,862.

OHEP RECOMMENDATION: Outreach efforts should be maintained and expanded with the goal of making all potential eligible families aware of the availability of assistance.

(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.

COMMENT: Attachment L is the most recent report OHEP submitted to the federal government.

Attachments

Attachment A – Annual Applications and Certifications by County 2002-2008

DEPARTMENT OF HUMAN RESOURCES
FAMILY INVESTMENT ADMINISTRATION
OFFICE OF ENERGY PROGRAMS

TOTAL INTAKE AND APPROVED APPLICATIONS
FY 2002 - FY 2008

COUNTY	TOTAL INTAKE							# Change from FY'02 to FY'08	% from FY'02 to FY'08
	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'08		
Allegany	4,151	4,389	4,753	4,533	4,880	5,180	5,188	1,037	25.0%
Anne Arundel	2,410	2,768	3,003	3,024	3,328	4,305	5,838	3,428	142.2%
Baltimore City	21,978	24,190	25,731	27,923	32,512	29,516	35,256	13,278	60.4%
Baltimore	9,163	11,130	11,523	11,838	13,676	14,448	16,389	7,226	78.9%
Calvert	795	866	829	851	842	882	1,104	309	38.9%
Caroline	1,434	1,660	1,716	1,750	1,840	1,948	2,095	661	46.1%
Carroll	1,987	2,074	2,210	2,171	2,392	2,653	3,211	1,224	61.6%
Cecil Co.	2,144	2,670	2,717	2,735	3,094	3,383	3,713	1,569	73.2%
Charles	1,425	1,805	1,769	1,905	1,900	1,865	2,099	674	47.3%
Dorchester	1,980	2,217	2,366	2,316	2,411	2,687	2,886	906	45.8%
Frederick	2,421	2,880	2,955	2,923	2,961	3,221	3,729	1,308	54.0%
Garrett	2,121	2,254	2,435	2,410	2,581	2,906	2,937	816	38.5%
Harford	3,760	4,656	4,266	3,657	4,020	4,547	4,866	1,106	29.4%
Howard	1,304	1,763	1,897	1,791	2,238	2,288	2,542	1,238	94.9%
Kent	959	1,031	1,015	932	1,012	1,108	1,142	183	19.1%
Montgomery	3,552	4,452	5,107	5,930	6,546	7,828	9,043	5,491	154.6%
Prince George's	5,547	7,104	6,883	7,557	7,834	9,394	11,216	5,669	102.2%
Queen Anne's	767	838	834	811	828	939	1,055	288	37.5%
St. Mary's	1,557	1,782	1,722	1,785	1,694	1,572	1,912	355	22.8%
Somerset	994	1,215	1,204	1,301	1,355	1,462	1,559	565	56.8%
Talbot	821	1,053	1,064	1,042	1,181	1,122	1,227	406	49.5%
Washington	2,682	3,076	3,329	3,056	2,896	3,438	3,404	722	26.9%
Wicomico	2,309	2,901	2,914	2,956	3,366	3,891	4,007	1,698	73.5%
Worcester	1,115	1,290	1,377	1,492	1,582	1,702	1,750	635	57.0%
TOTAL	77,376	90,064	93,619	96,689	106,969	112,285	128,168	50,792	65.6%
Increase/Decrease		12,688	3,555	3,070	10,280	5,316	15,883		
Annual Percent Change		16.4%	3.9%	3.3%	10.6%	5.0%	14.1%		

DEPARTMENT OF HUMAN RESOURCES
FAMILY INVESTMENT ADMINISTRATION
OFFICE OF ENERGY PROGRAMS

TOTAL INTAKE AND APPROVED APPLICATIONS
FY 2002 - FY 2008

EUSP ARREARAGE RECIPIENTS							
COUNTY	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'08
Allegany	50	28	87	151	220	263	181
Anne Arundel	68	44	257	106	118	402	408
Baltimore City	894	526	1,539	720	1,144	2,484	2,394
Baltimore	218	177	854	373	660	1,612	850
Calvert	7	5	12	27	28	116	94
Caroline	214	246	142	165	54	392	126
Carroll	36	19	75	59	90	196	168
Cecil Co.	626	490	141	240	77	382	362
Charles	24	8	17	79	69	296	170
Dorchester	483	384	102	184	63	335	205
Frederick	57	29	186	160	133	152	214
Garrett	22	15	40	75	97	77	73
Harford	185	120	422	240	174	423	344
Howard	27	23	100	119	101	249	222
Kent	198	128	59	62	121	138	83
Montgomery	162	214	192	357	196	720	504
Prince George's	511	169	253	318	188	1,024	578
Queen Anne's	150	117	14	37	26	143	124
St. Mary's	33	8	11	87	61	255	173
Somerset	241	134	45	40	17	31	21
Talbot	87	68	12	27	46	43	74
Washington	20	15	161	100	137	303	211
Wicomico	628	472	130	109	113	387	224
Worcester	207	112	37	59	4	45	145
TOTAL	5,291	3,551	4,888	3,894	3,937	10,468	7,948

DEPARTMENT OF HUMAN RESOURCES
FAMILY INVESTMENT ADMINISTRATION
OFFICE OF ENERGY PROGRAMS

TOTAL INTAKE AND APPROVED APPLICATIONS
FY 2002 - FY 2008

COUNTY	EUSP BILL PAYMENT RECIPIENTS							# Change from FY'02 to FY'08	% from FY'02 to FY'08
	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'08		
Allegany	3,440	3,671	3,989	3,743	4,030	4,671	4,549	1,109	32.2%
Anne Arundel	2,067	2,361	2,546	2,487	2,770	3,650	4,243	2,176	105.3%
Baltimore City	14,221	15,773	17,355	22,252	24,390	23,023	26,135	11,914	83.8%
Baltimore	6,740	8,789	9,315	9,391	9,757	11,305	12,205	5,465	81.1%
Calvert	597	675	678	691	698	809	914	317	53.1%
Caroline	1,114	1,333	1,314	1,459	1,485	1,677	1,774	660	59.2%
Carroll	1,605	1,746	1,808	1,766	1,910	2,312	2,583	978	60.9%
Cecil Co.	1,800	2,310	2,262	2,357	2,569	2,934	3,067	1,267	70.4%
Charles	1,059	1,371	1,385	1,519	1,478	1,603	1,739	680	64.2%
Dorchester	1,658	1,920	2,073	2,061	2,107	2,498	2,635	977	58.9%
Frederick	1,781	2,200	2,307	2,351	2,353	2,740	2,841	1,060	59.5%
Garrett	1,790	2,037	2,230	2,197	2,323	2,777	2,747	957	53.5%
Harford	3,342	4,194	3,689	3,251	3,511	4,148	4,053	711	21.3%
Howard	1,195	1,444	1,522	1,514	1,796	2,005	2,230	1,035	86.6%
Kent	795	884	861	797	834	1,009	997	202	25.4%
Montgomery	2,460	3,424	3,957	4,465	4,756	5,954	6,419	3,959	160.9%
Prince George's	3,904	5,334	5,001	5,492	5,902	7,230	8,086	4,182	107.1%
Queen Anne's	474	629	658	649	651	807	849	375	79.1%
St. Mary's	1,161	1,435	1,377	1,462	1,380	1,440	1,628	467	40.2%
Somerset	824	1,091	1,084	1,184	1,209	1,352	1,420	596	72.3%
Talbot	649	924	928	941	1,002	1,064	1,120	471	72.6%
Washington	1,901	2,451	2,680	2,499	2,473	3,099	2,815	914	48.1%
Wicomico	2,034	2,654	2,652	2,771	3,040	3,642	3,756	1,722	84.7%
Worcester	974	1,147	1,259	1,369	1,429	1,574	1,651	677	69.5%
TOTAL	58,263	69,797	72,930	78,668	83,853	93,323	100,456	42,193	72.4%
Increase/Decrease		11,534	3,133	5,738	5,185	9,470	7,133		
Annual Percent Change		19.8%	4.5%	7.9%	6.6%	11.3%	7.6%		

NOTE: In FY 2007 income guidelines were increased to 200% of poverty. Adjusting for this shows the percent increase from FY 2007 to FY 2008 to be 13.9%.

DEPARTMENT OF HUMAN RESOURCES
FAMILY INVESTMENT ADMINISTRATION
OFFICE OF ENERGY PROGRAMS

TOTAL INTAKE AND APPROVED APPLICATIONS
FY 2002 - FY 2008

COUNTY	MEAP RECIPIENTS							# Change from FY'02 to FY'08	% from FY'02 to FY'08
	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'08		
Allegany	3,498	3,667	3,923	3,674	4,106	4,588	4,237	739	21.1%
Anne Arundel	2,129	2,381	2,524	2,469	2,912	3,677	3,720	1,591	74.7%
Baltimore City	20,277	22,191	23,776	25,373	28,993	27,903	26,590	6,313	31.1%
Baltimore	7,568	9,425	9,726	9,948	11,664	12,604	9,175	1,607	21.2%
Calvert	639	706	696	703	743	815	846	207	32.4%
Caroline	1,257	1,503	1,513	1,522	1,616	1,731	1,737	480	38.2%
Carroll	1,684	1,823	1,881	1,823	2,081	2,389	2,496	812	48.2%
Cecil Co.	1,921	2,442	2,388	2,469	2,780	3,084	2,953	1,032	53.7%
Charles	1,186	1,481	1,472	1,595	1,613	1,646	1,479	293	24.7%
Dorchester	1,699	1,896	2,046	2,038	2,166	2,464	2,514	815	48.0%
Frederick	1,828	2,229	2,339	2,377	2,469	2,761	2,622	794	43.4%
Garrett	1,893	2,103	2,323	2,276	2,466	2,840	2,765	872	46.1%
Harford	3,345	4,172	3,630	3,223	3,601	4,112	4,051	706	21.1%
Howard	1,157	1,383	1,506	1,474	1,839	2,051	2,100	943	81.5%
Kent	819	929	900	848	905	1,042	977	158	19.3%
Montgomery	2,533	3,476	3,997	4,509	5,090	6,161	5,532	2,999	118.4%
Prince George's	3,832	5,225	4,876	5,305	6,062	7,052	6,846	3,014	78.7%
Queen Anne's	664	720	721	691	696	831	855	191	28.8%
St. Mary's	1,289	1,531	1,442	1,511	1,478	1,469	1,421	132	10.2%
Somerset	926	1,154	1,152	1,224	1,285	1,400	1,404	478	51.6%
Talbot	770	953	953	953	1,080	1,085	1,091	321	41.7%
Washington	2,140	2,564	2,733	2,521	2,487	3,046	2,738	598	27.9%
Wicomico	2,083	2,665	2,674	2,754	3,093	3,616	2,432	349	16.8%
Worcester	1,049	1,209	1,318	1,408	1,495	1,615	1,136	87	8.3%
TOTAL	66,186	77,828	80,509	82,688	92,720	99,982	91,717	25,531	38.6%
Increase/Decrease		11,642	2,681	2,179	10,032	7,262	-8,265		
Annual Percent Change		17.6%	3.4%	2.7%	12.1%	7.8%	-8.3%		

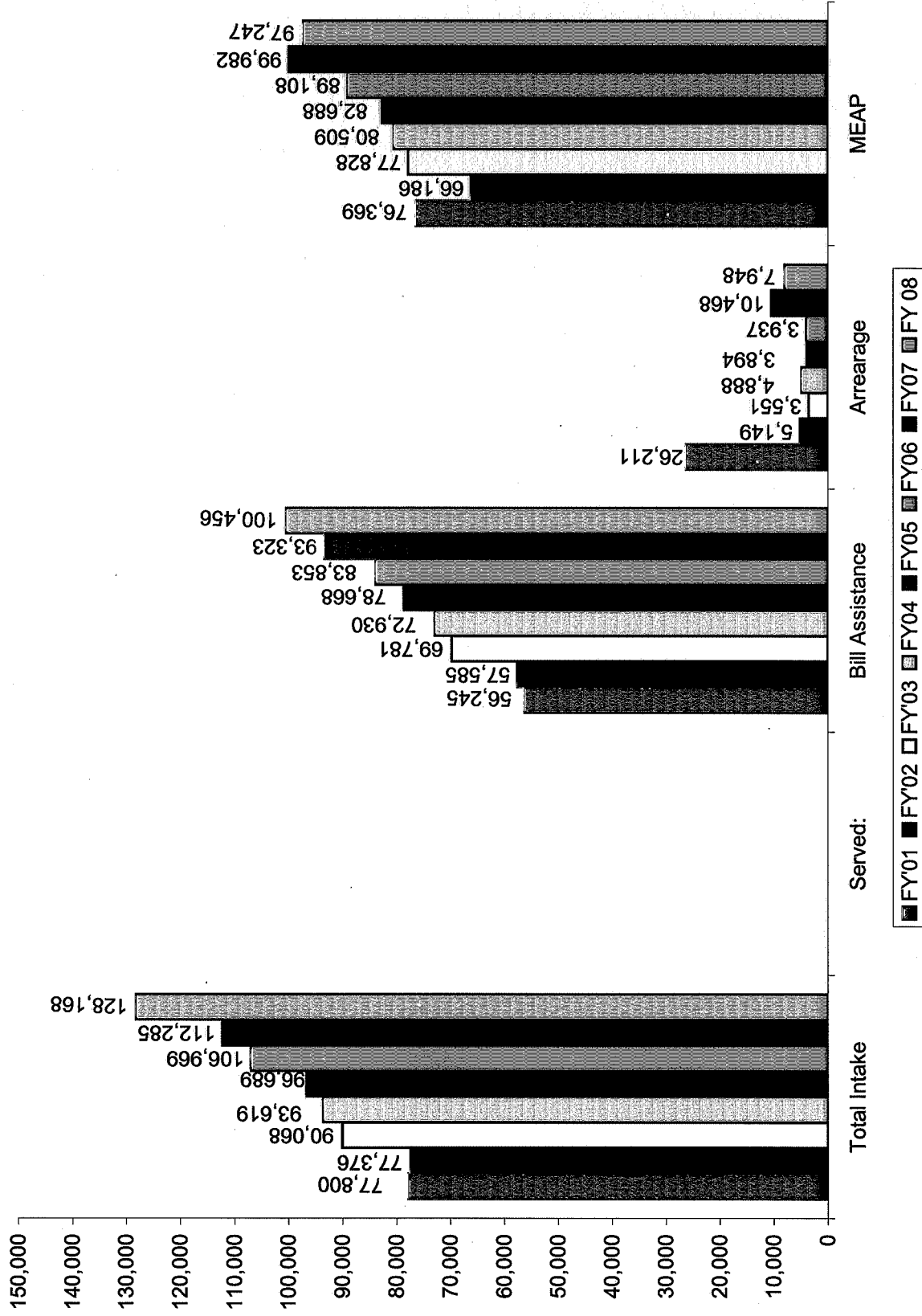
DEPARTMENT OF HUMAN RESOURCES
FAMILY INVESTMENT ADMINISTRATION
OFFICE OF ENERGY PROGRAMS

TOTAL INTAKE AND APPROVED APPLICATIONS
FY 2002 - FY 2008

COUNTY	TOTAL EUSP INTAKE							# Change from FY'02 to FY'08	% from FY'02 to FY'08
	FY'02	FY'03	FY'04	FY'05	FY'06	FY'07	FY'08		
Allegany	3,804	4,114	4,528	4,349	4,525	5,002	5,030	1,226	32.2%
Anne Arundel	2,244	2,472	2,747	2,827	3,079	4,141	5,620	3,376	150.4%
Baltimore City	15,175	16,903	18,496	24,473	26,771	24,291	29,449	14,274	94.1%
Baltimore	6,933	8,955	9,414	9,528	10,138	11,680	13,892	6,959	100.4%
Calvert	740	822	790	827	786	864	1,092	352	47.6%
Caroline	1,265	1,463	1,460	1,652	1,677	1,874	2,030	765	60.5%
Carroll	1,889	1,972	2,110	2,096	2,199	2,544	3,105	1,216	64.4%
Cecil Co.	1,962	2,504	2,525	2,576	2,825	3,193	3,540	1,578	80.4%
Charles	1,276	1,655	1,627	1,765	1,714	1,755	2,029	753	59.0%
Dorchester	1,825	2,084	2,285	2,223	2,236	2,612	2,808	983	53.9%
Frederick	2,291	2,785	2,875	2,867	2,872	3,221	3,729	1,438	62.8%
Garrett	1,972	2,165	2,331	2,322	2,429	2,831	2,859	887	45.0%
Harford	3,563	4,402	4,055	3,481	3,679	4,323	4,363	800	22.5%
Howard	1,288	1,742	1,843	1,763	2,079	2,179	2,443	1,155	89.7%
Kent	902	975	966	872	910	1,067	1,092	190	21.1%
Montgomery	3,011	3,844	4,443	5,512	5,925	7,331	8,569	5,558	184.6%
Prince George's	5,331	6,846	6,644	7,301	7,262	9,169	11,005	5,674	106.4%
Queen Anne's	557	720	714	717	705	911	1,022	465	83.5%
St. Mary's	1,393	1,654	1,607	1,693	1,556	1,520	1,859	466	33.5%
Somerset	881	1,136	1,129	1,245	1,259	1,401	1,498	617	70.0%
Talbot	692	1,015	1,031	1,026	1,099	1,096	1,201	509	73.6%
Washington	2,336	2,816	3,112	2,943	2,774	3,364	3,337	1,001	42.9%
Wicomico	2,182	2,766	2,778	2,865	3,181	3,774	3,925	1,743	79.9%
Worcester	1,035	1,215	1,315	1,445	1,506	1,652	1,720	685	66.2%
TOTAL	64,547	77,025	80,825	88,368	93,186	101,795	117,217	52,670	81.6%
Increase/Decrease		12,478	3,800	7,543	4,818	8,609	15,422		
Annual Percent Change		19.3%	4.9%	9.3%	5.5%	9.2%	15.2%		

Attachment B – Annual Applications and Program Assistance by Program Year

APPLICATION INTAKE AND PROGRAM ASSISTANCE BY YEAR
FY 2001 - FY 2008



Attachment C – Distribution of Kilowatt Usage by EUSP Recipients in FY 2008

**DISTRIBUTION OF GRANTS BY KWH USAGE
0 - 40,000 AND ABOVE BY BENEFIT LEVEL**

Program : BILL PAYMENT

County : ALL

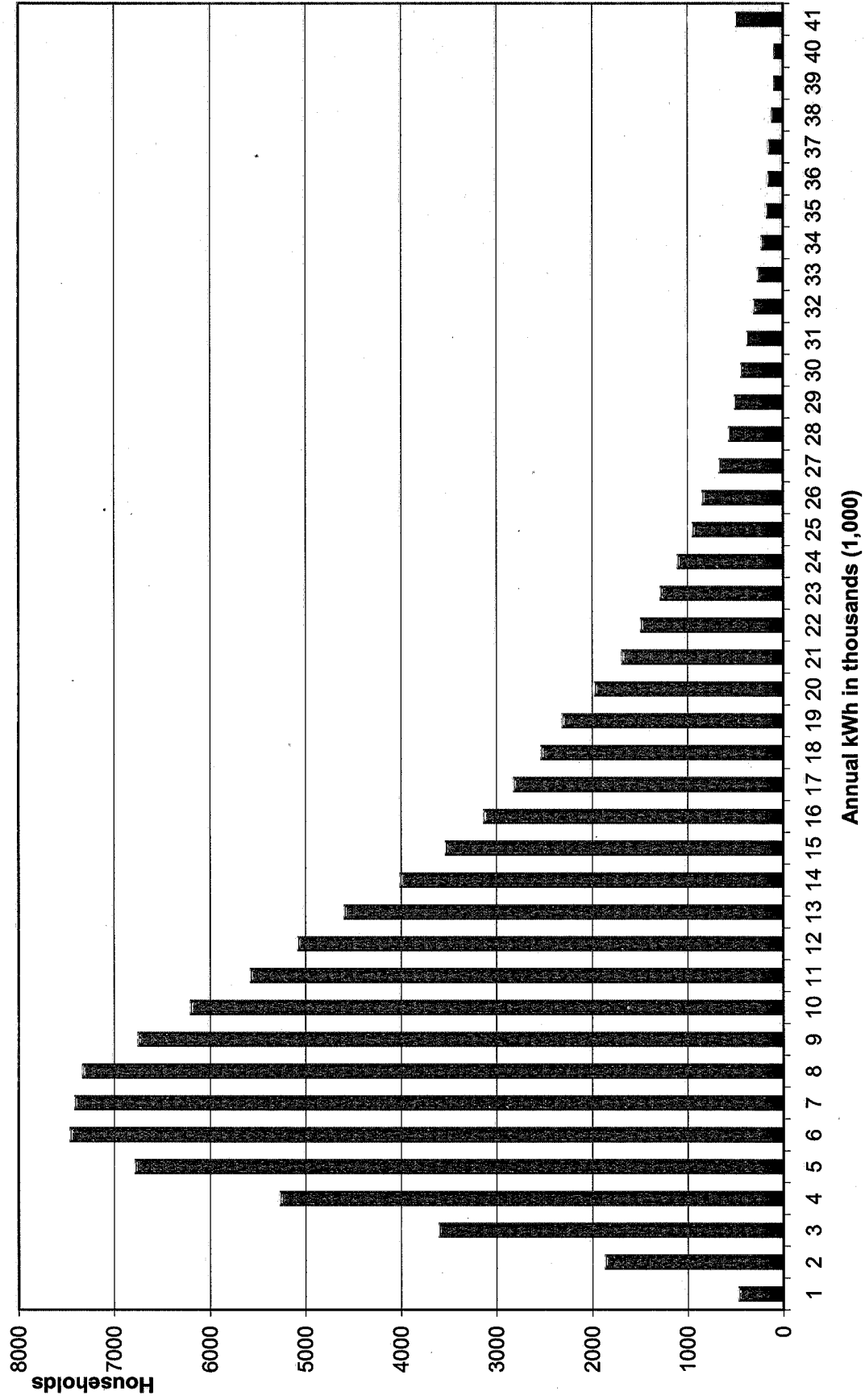
Vendor : ALL

Year : 2007

Date : 9/27/2007

KWH Range	Benefit Level 1	Benefit Level 2	Benefit Level 3	Benefit Level 4	Benefit Level 5	Benefit Level 6	Total	Percentage	Sum
Null	4	5	7	2	35	0	53	0.1%	0.1%
0	0	0	0	0	0	0	0	0.0%	0.1%
1 to 1,000	164	86	65	24	122	1	462	0.5%	0.5%
1,001 to 2,000	487	368	261	103	639	1	1859	1.9%	2.4%
2,001 to 3,000	753	724	590	166	1,361	4	3598	3.6%	5.9%
3,001 to 4,000	1,054	1,013	946	353	1,892	5	5263	5.2%	11.2%
4,001 to 5,000	1,385	1,252	1,214	508	2,412	6	6777	6.7%	17.9%
5,001 to 6,000	1,476	1,397	1,435	597	2,537	12	7454	7.4%	25.4%
6,001 to 7,000	1,534	1,365	1,514	613	2,371	9	7406	7.4%	32.7%
7,001 to 8,000	1,552	1,375	1,480	631	2,269	15	7322	7.3%	40.0%
8,001 to 9,000	1,445	1,301	1,327	542	2,119	10	6744	6.7%	46.7%
9,001 to 10,000	1,447	1,135	1,206	561	1,836	12	6197	6.2%	52.9%
10,001 to 11,000	1,286	1,153	1,118	497	1,508	8	5570	5.5%	58.4%
11,001 to 12,000	1,203	988	1,103	496	1,276	6	5072	5.0%	63.5%
12,001 to 13,000	1,185	832	965	430	1,172	2	4586	4.6%	68.1%
13,001 to 14,000	959	794	855	401	989	4	4002	4.0%	72.0%
14,001 to 15,000	917	672	705	417	815	2	3528	3.5%	75.6%
15,001 to 16,000	793	621	692	330	690	1	3127	3.1%	78.7%
16,001 to 17,000	742	552	650	294	574	2	2814	2.8%	81.5%
17,001 to 18,000	660	513	558	262	534	0	2527	2.5%	84.0%
18,001 to 19,000	620	448	524	244	469	2	2307	2.3%	86.3%
19,001 to 20,000	527	411	432	195	398	1	1964	2.0%	88.2%
20,001 to 21,000	415	352	353	217	344	1	1682	1.7%	89.9%
21,001 to 22,000	384	291	334	183	288	0	1480	1.5%	91.4%
22,001 to 23,000	346	244	275	150	261	0	1276	1.3%	92.7%
23,001 to 24,000	265	212	266	142	211	0	1096	1.1%	93.8%
24,001 to 25,000	268	192	200	114	166	0	940	0.9%	94.7%
25,001 to 26,000	233	174	173	102	154	1	837	0.8%	95.5%
26,001 to 27,000	197	134	147	75	108	0	661	0.7%	96.2%
27,001 to 28,000	152	116	154	55	82	0	559	0.6%	96.7%
28,001 to 29,000	147	102	118	43	86	0	496	0.5%	97.2%
29,001 to 30,000	139	97	95	41	61	0	433	0.4%	97.7%
30,001 to 31,000	103	83	90	39	55	0	370	0.4%	98.0%
31,001 to 32,000	95	76	68	28	32	0	299	0.3%	98.3%
32,001 to 33,000	83	54	52	27	41	0	257	0.3%	98.6%
33,001 to 34,000	75	50	41	30	23	0	219	0.2%	98.8%
34,001 to 35,000	49	40	36	16	20	0	161	0.2%	99.0%
35,001 to 36,000	40	36	23	20	28	0	147	0.1%	99.1%
36,001 to 37,000	51	29	26	18	17	0	141	0.1%	99.2%
37,001 to 38,000	30	27	23	14	15	0	109	0.1%	99.4%
38,001 to 39,000	25	17	16	10	15	0	83	0.1%	99.4%
39,001 to 40,000	28	18	22	4	9	0	81	0.1%	99.5%
40,001 and over	150	99	116	52	66	0	483	0.5%	100.0%
Total	23,468	19,448	20,275	9,046	28,100	105	100,442	100.0%	
Percent Distributio	23.4%	19.4%	20.2%	9.0%	28.0%	0.1%		100.0%	

ANNUAL KWH USAGE BY EUSP RECIPIENTS - FY 2007



Attachment D – EUSP Monthly Income Eligibility Table for FY 2008

Maryland Department of Human Resources
Office of Home Energy Programs
MONTHLY INCOME ELIGIBILITY TABLE
FY 2008

POVERTY LEVEL	INCOME LIMIT BY NUMBER IN HOUSEHOLD							ADDITIONAL PERSON ADD.
	1	2	3	4	5	6	7	
LEVEL I 0 - 75%	0 TO \$638.12	0 TO \$855.62	0 TO \$1,073.12	0 TO \$1,290.62	0 TO \$1,508.12	0 TO \$1,725.62	0 TO \$1,943.12	0 TO \$217.50
LEVEL II >75 - 110%	\$638.13 TO \$935.91	\$855.63 TO \$1,254.91	\$1,073.13 TO \$1,573.91	\$1,290.63 TO \$1,892.91	\$1,508.13 TO \$2,211.91	\$1,725.63 TO \$2,530.91	\$1,943.13 TO \$2,849.91	\$217.50 TO \$319.00
LEVEL III >110 - 150%	\$935.92 TO \$1,276.24	\$1,254.92 TO \$1,711.24	\$1,573.92 TO \$2,146.24	\$1,892.92 TO \$2,581.24	\$2,211.91 TO \$3,016.24	\$2,530.92 TO \$3,451.24	\$2,849.92 TO \$3,886.24	\$319.00 TO \$435.00
Level IV >150 - 175%	\$1,276.25 TO \$1,488.95	\$1,711.25 TO \$1,996.45	\$2,146.25 TO \$2,503.95	\$2,581.25 TO \$3,011.45	\$3,016.25 TO \$3,518.95	\$3,451.25 TO \$4,026.45	\$3,886.25 TO \$4,533.95	\$435.00 TO \$507.50

Attachment E – Households and Payments by Utility and Bulk Fuel FY 2008

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

ATTACHMENT E

Households and Payments To Utilities and Bulk Fuel Suppliers - FY 2008

UTILITIES	EUSP Bill Payment		EUSP Arrearages		MEAP	
	Households	Dollars	Households	Dollars	Households	Dollars
Allegheny Power	12,171	5,703,249	532	294,600	4,051	759,616
BGE	52,688	31,286,232	4,483	3,532,031	41,528	15,878,060
Berlin	189	123,024	10	5,356	110	24,238
Choptank	2,458	1,891,660	132	76,539	778	239,949
Columbia Gas					2,726	1,240,814
Connectiv Power	14,213	10,214,868	1,203	1,043,995	7,293	1,963,837
Easton	720	413,351	34	23,489	590	134,813
Washington Gas-Frederick					511	130,397
Hagerstown	1,330	985,440	158	101,294	556	151,262
Chesapeake Utilities					1,253	365,234
PEPCO	12,302	6,852,501	957	908,370	4,044	1,217,116
Somerset Rural Electric	126	92,364	1	328	9	2,267
SMECO	4,262	2,754,538	428	372,000	2,162	570,155
Thurmont	116	85,402	15	12,329	73	18,472
A&N	23	21,156			6	2,091
Washington Gas-D.C.					5,526	2,007,453
Williamsport	72	39,612	4	2,017	39	8,144
Nui-Elkton Gas			0	\$0	466	144,488
Total	100,670	60,463,397	7,957	6,372,347	71,721	\$24,858,405

Payments to Bulk Heating Suppliers (MEAP only grants)

18,230 \$15,676,872

Attachment F – Arrearage Assistance by Local Agency for FY 2008

MARYLAND DEPARTMENT OF HUMAN RESOURCES
OFFICE OF HOME ENERGY PROGRAMS

ATTACHMENT F

EUSP Arrearage Assistance By Local Agency

Fiscal Year : 2008

Agency	Expenditures	Applications	Average
ALLEGANY CO HRDC	\$101,811.47	181	\$562
ANNE ARUNDEL EOC	\$353,273.64	408	\$866
BALTIMORE CITY DHCD	\$1,796,292.33	2,392	\$751
BALTIMORE CO DEPT OF SOCIAL SERVICES	\$684,518.42	851	\$804
CAROLINE COUNTY DEPT OF SOCIAL SERVICES	\$78,635.40	126	\$624
CARROLL COUNTY HUMAN SERVICE PROGRAMS	\$121,855.67	168	\$725
CECIL CO DEPT OF SOCIAL SERVICES	\$317,446.68	362	\$877
DORCHESTER CO DEPT OF SOCIAL SERVICES	\$162,152.90	205	\$791
FREDERICK CO DEPT OF SOCIAL SERVICES	\$116,583.45	214	\$545
GARRETT CO CAC	\$39,466.38	73	\$541
HARFORD CO CAC	\$273,216.59	344	\$794
HOWARD CO CAC	\$196,031.47	221	\$887
KENT CO DEPT OF SOCIAL SERVICES	\$52,991.20	84	\$631
SERVICES	\$464,833.23	504	\$922
NEIGHBORHOOD SERVICE CENTER	\$56,675.64	75	\$756
PRINCE GEORGES CO DEPT OF SOCIAL SERVICES	\$555,205.49	579	\$959
QUEEN ANNES CO DEPT OF SOCIAL SERVICES	\$95,446.93	125	\$764
SHORE UP! INC	\$370,126.39	390	\$949
SOUTHERN MD TRI-CTY COMMUNITY ACTION COMM INC	\$378,278.86	437	\$866
WASHINGTON CO CAC	\$134,426.78	212	\$634
State Total	\$6,349,268.92	7,951	\$799

Attachment G – Living Arrangements by Poverty Level for FY 2008

MARYLAND DEPARTMENT OF HUMAN RESOURCES
OFFICE OF HOME ENERGY PROGRAMS

ATTACHMENT G

LIVING ARRANGEMENTS BY POVERTY LEVEL - FY 2008

EUSP Bill Assistance

Living Arrangement	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Total	Percent
HOMEOWNER	7,957	9,037	10,002	4,182	31,178	31.0%
RENTER	15,494	10,401	10,262	4,863	41,020	40.8%
PUBLIC / SUBSIDIZED	14,191	8,290	4,458	1,173	28,112	28.0%
ROOMER/BOARDER	0	0	0	0	0	0.0%
MEAP SUBSIDIZED SUBMETERED	65	36	18	3	122	0.1%
Totals	37,707	27,764	24,740	10,221	100,432	100.0%

EUSP Arrearage

Living Arrangement	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Total	Percent
HOMEOWNER	691	405	520	302	1,918	24.2%
RENTER	1,755	924	982	640	4,301	54.2%
PUBLIC / SUBSIDIZED	1,139	292	205	80	1,716	21.6%
ROOMER/BOARDER	0	0	0	0	0	0.0%
MEAP SUBSIDIZED SUBMETERED	5	1	1	0	7	0.1%
Totals	3,590	1,622	1,708	1,022	7,942	100.0%

MEAP

Living Arrangement	Poverty Level 1	Poverty Level 2	Poverty Level 3	Poverty Level 4	Total	Percent
HOMEOWNER	7,683	8,748	9,546	3,859	29,836	32.0%
RENTER	15,011	9,856	9,426	4,362	38,655	41.5%
PUBLIC / SUBSIDIZED	12,323	7,190	3,829	987	24,329	26.1%
ROOMER/BOARDER	93	57	23	6	179	0.2%
MEAP SUBSIDIZED SUBMETERED	89	50	27	6	172	0.2%
Totals	35,199	25,901	22,851	9,220	93,171	100.0%

Attachment H – Fund Expenditures Report as of 6/30/08

**MARYLAND DEPARTMENT OF HUMAN RESOURCES
OFFICE OF HOME ENERGY PROGRAMS**

ELECTRIC UNIVERSAL SERVICE PROGRAM - FY2008 - FINAL

FUND EXPENDITURES REPORT as of 07/31/2008

	<u>Funds</u>	<u>Expenditures</u>	<u>Balance</u>
<u>EUSP Programs :</u>			
<u>A. Bill Payment Assistance :</u>			
EUSP Bill Assistance Allocation	\$30,800,000		
State Special Fund	\$12,346,540		
General Fund	\$4,943,000		
Special Fund - Dedicated Purpose A/C	\$4,108,232		
General Fund	<u>\$3,081,187</u>		
Sub-total	\$55,278,939		
Funds expended to date		\$60,465,951	
Refunds Received From Utilities as of 07/07/08		<u>(1,837,206)</u>	
Net Fund Expenditures		\$58,628,745	
Balance of funds available - Bill Assistance			-\$3,349,806
<u>B. Arrearage Assistance :</u>			
EUSP Ratepayer Allocation	\$1,500,000		
State Special Fund	\$4,140,000		
General Fund	<u>\$517,860</u>		
Sub-total	\$6,157,860		
Funds expended to date		\$6,372,346	
Refunds Received From Utilities		<u>(3,052)</u>	
Sub-Total		\$6,369,294	
Balance of funds available - Arrearage			-\$211,434
<u>C. EUSP Outreach:</u>			
	\$100,000		
Funds expended to date -		\$81,575	
Balance of funds available			\$18,425
Program Benefit Total	<u>\$61,536,799</u>	<u>\$65,079,614</u>	<u>-\$3,542,815</u>
<u>D. Administration :</u>			
	\$3,600,000		
Administrative Expenditures as of 07/07/08		3,523,228	
Balance of funds available			\$76,772
Program Service Total	<u>\$65,136,799</u>	<u>\$68,602,842</u>	<u>-\$3,466,043</u>

Notes:

- (1) Case #8903(dated 10/01/2001) DHR's EUSP proposed operations plan for FY'08
 (2) Administrative expenditures not to exceed 10%
 (3) DHR Internal Fund was used to cover the EUSP deficit of \$3,466,043

Attachment I – OHEP Administrative Costs for FY 2008

OHEP Administrative Cost Report - FY 2008
Total Costs as of June 30, 2008

Headquarters Administrative Expenditures	\$	762,209
Local Administrative Agency Expenditures	\$	5,166,082
Computer System Expenditures	\$	980,000
Total OHEP Administrative		\$6,908,291
EUSP Administrative	51%	\$3,523,228
MEAP Administrative	49%	\$3,385,063

NOTE: Administrative Allocation formula is based on Year 2007 actual applications totals.

Local Administrative Agency (LAA) Information

LAA	Allocation	Intake	% of State
Allegany	\$239,988	5,188	4.0%
Anne Arundel	\$160,533	5,838	4.6%
Balto. City	\$1,100,000	35,256	27.5%
Balto. Co*	\$441,881	16,389	12.8%
Caroline*	\$178,250	2,095	1.6%
Carroll	\$131,232	3,211	2.5%
Cecil*	\$208,175	3,713	2.9%
Dorchester*	\$183,592	2,886	2.3%
Frederick*	\$246,190	3,729	2.9%
Garrett	\$230,968	2,937	2.3%
Harford	\$222,454	4,865	3.8%
Howard	\$141,260	2,542	2.0%
Kent*	\$133,333	1,142	0.9%
Montgomery*	\$485,672	9,043	7.1%
Prince George's*	\$390,000	11,216	8.8%
Queen Anne's*	\$133,925	1,055	0.8%
<u>Shore Up!</u>			
Somerset	\$65,587	1,559	1.2%
Wicomico	\$100,019	4,008	3.1%
Worcester	\$62,246	1,750	1.4%
<u>So. Md.</u>			
Calvert	\$44,126	1,104	0.9%
Charles	\$88,250	2,099	1.6%
St. Mary's	\$88,250	1,912	1.5%
Talbot	\$93,785	1,227	1.0%
Washington	\$178,322	3,404	2.7%
TOTAL	\$5,348,038	128,168	100.0%

* Denotes Local Department of Social Service offices.

Attachment J – EUSP Yearly Summary Analysis

EUSP YEARLY SUMMARY ANALYSIS

ATTACHMENT J

	Final FY'03	Final FY'04	Final FY'05	Final FY'06	Final FY'07	Final FY'08
<u>Program:</u>						
Bill Assistance	29,284,836	28,656,072	28,574,340	34,378,301	48,315,117	60,463,397
Added Grant						
Arrearage	1,500,212	1,499,831	1,501,197	1,711,649	5,087,847	6,372,347
Weatherization	800,000	1,702,560				
carryover- accrual	(333,283)	(1,198,787)	(1,627,820)	(3,484,071)	0	0
refunds by utilities	(1,354,730)	(1,484,626)	(1,307,117)	(1,346,757)	(1,701,018)	(1,837,705)
<u>Outreach:</u>	0	73,995	173,058	100,048	141,035	81,575
Sub-total	29,897,035	29,249,045	27,313,658	31,359,170	51,842,981	65,079,614
<u>Administration: **</u>						
Headquarters	268,109	335,699	431,163	365,152	335,528	388,727
DHR Indirect Costs	106,382	100,537	129,460	139,944	64,704	
Local Agencies	1,994,974	2,038,552	2,177,069	2,236,255	2,390,233	2,634,702
OHEP Data System	299,960	429,932	464,890	493,958	492,131	499,800
LAA Admin. State Special Fund					677,778	
PSC oversight	0	0	0	0	0	0
Sub-total	2,704,178	2,904,720	3,202,581	3,235,309	3,960,374	3,523,228
<u>Program Total:</u>	32,601,213	32,153,765	30,516,239	34,594,479	55,803,355	68,602,842
EUSP Ratepayer	34,000,000	34,000,000	34,000,000	33,000,000	36,000,000	36,000,000
General Funds						16,486,540
Corporate Tax					6,000,000	
State General. Funds						
Deficiency Approp. (SGF)				1,594,480	3,803,355	4,943,000
Supplemental Approp. (SGF)					10,000,000	3,599,027
Dedicated Purpose Fund						4,108,232
DHR Internal Funds						3,466,043
Balance	1,398,787	1,846,235	3,483,761	1	0	0
<u>Collections:</u>	31,233,453	34,573,915	32,339,581	32,461,869	35,358,260	NA
<u>Population Information:</u>						
Bill Assistance #	69,781	72,930	78,668	83,853	93,323	100,670
Grant Range	\$132-\$1,116	\$72-\$1,128	\$72-\$1,128	\$12-\$1,008	\$48-\$1,488	\$48
Average Grant	\$420	\$393	\$363	\$410	\$518	\$601
Arrearage #	3,551	4,888	3,894	3,900	10,468	7,957
Average Grant	\$422	\$307	\$386	\$439	\$486	\$801
Weatherization #	314	799	-	-	-	-
Average	\$2,150	\$2,343	-	-	-	-
Administrative Cost Distribution						
EUSP	48%	49%	50%	50%	49%	51%
MEAP	52%	51%	50%	50%	51%	49%

Attachment K – OHEP Printed Materials



Facts to Know

Grants do not have to be paid back

Grant amounts vary by income level of the household applying and by fuel type


If you live in subsidized housing and your heat is included in your rent, you are not eligible for a MEAP grant, but you may be eligible for a EUSP grant.

In order to get an EUSP grant, the Electric bill must be in the applicant's name and you must agree to a budget billing payment plan

Continue to make payments on all your energy bills so you will not get behind on these bills. The grant does not pay your entire bill.

The Utility Service Protection Program (USPP) is a program designed to protect low-income families from utility terminations. USPP requires applicant to be MEAP eligible and accept a year-round even monthly budget billing program with the utility company.

ENERGY CONSERVATION TIP



Weather strip and caulk around all entrance doors and windows to limit air leaks that could account for 15-30% of heating and cooling energy requirements.

Energy Saving Tips

- Check heating equipment at least once a year. Replace furnace filters twice during the winter and if using a heat pump at least twice during the summer.
- Keep your refrigerator at 37-40 degrees F and your freezer at 5 degrees F.
- Compact fluorescent light bulbs use only as much light as regular incandescent bulbs, but they last from 8 to 10 times longer and use 50 to 75% less electricity.
- Turn off lights when leaving a room.
- Visit the OHEP website for more tips.
- Things Likely to Delay Your Application
 - Missing and/or the day before service is turned off to apply and/or wiring and/or service is turned off to apply
 - Missing documents, i.e. pay stubs, children's social security cards or utility bill
 - Failure to sign and date the application
 - Missing Net Income Statement of Gross Income
 - Not including all income for the past 10 years
 - Electric Bill not in Applicant's name

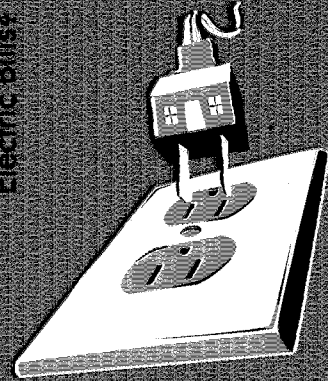
For information call toll free
1-800-312-1446 (an Equal/Opportunity)

TTY for the hearing impaired call
1-800-915-4434

Check out our website at:
www.ohelp.org

Grants for Heating Equipment - Limited to One Grant

Need Help with Paying Heating and Electric Bills?



Let OHEP help make your energy costs more AFFORDABLE!



OHEP

The Office of Home Energy Programs (OHEP) helps Maryland's hard working families pay their utility bills, minimize heating crises, and make energy costs more affordable.

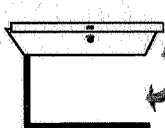
MEAP

The Maryland Energy Assistance Program (MEAP) provides assistance grants to help with home heating bills. Payments are made to your fuel supplier and utility company on your behalf.

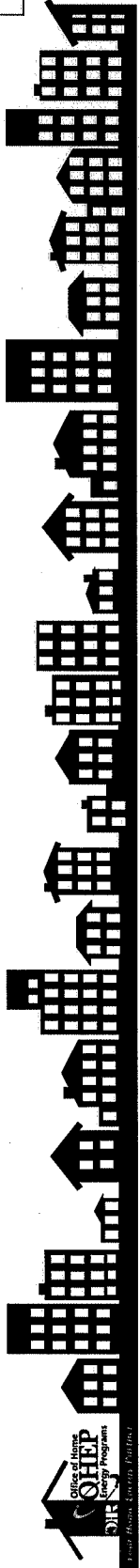
EUSP

The Electric Universal Service Program (EUSP) provides financial assistance with electric bills. Eligible electric customers may receive help to pay current electric bills, may be able to pay past due electric bills and provide referrals for energy efficiency measures to reduce future electric bills.

ENERGY CONSERVATION TIP



Close doors to unoccupied rooms and close vents when the heat or air conditioning is on.
(Please review your manufacturer instructions for your particular system.)



How to Apply

OHEP is a year round program. You can apply any time during the year; but you must re-apply each fiscal year (July-June).

HOW DO I APPLY FOR OHEP?

Call the local agency in your area. You may arrange for an appointment or apply by mail.

WHEN CAN I APPLY?

You may apply for MEAP and the Electric Universal Service Program at any time during the program year (July 1 - May 31).

YOU DO NOT NEED A TURN-OFF NOTICE OR BE OFF SERVICE TO APPLY
APPLY TODAY DON'T DELAY!

ENERGY CONSERVATION TIP

Set thermostat between 65 and 70 Degrees during winter; and at 58 degrees when away from home for more than a few hours. For cooling set your thermostats no lower than 78 degrees. *

* Please review your manufacturer instructions for your particular system.

What You Need to Apply

- ☒ Copy of applicant's photo identification
- ☒ Proof of residence
- ☒ Copies of social security cards for all household members including children
- ☒ Proof of all of your household's total gross income for the last 30 days (from all sources of income)
- ☒ The name of your home energy supplier and account number
- ☒ A copy of your most recent utility bill
- ☒ If you rent, a copy of your lease

Income Eligibility Standards

Income Eligibility Limits Effective July 1, 2009 - June 30, 2010			
HOUSEHOLD SIZE	MAXIMUM MONTHLY INCOME STANDARDS	MAXIMUM YEARLY INCOME STANDARDS	
1	\$1,516.65	\$18,200.00	
2	\$2,041.65	\$24,500.00	
3	\$2,566.65	\$30,800.00	
4	\$3,091.65	\$37,100.00	
5	\$3,616.65	\$43,400.00	
6	\$4,141.65	\$49,700.00	
FOR EACH ADDITIONAL PERSON, ADD	\$505.00	\$6,300.00	

Local Office Listing

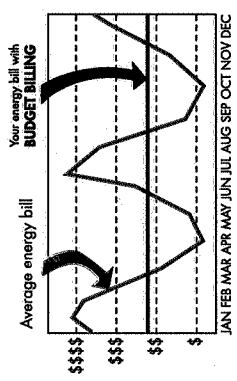
- Allegany County HRDC (301)777-8550
- Anne Arundel County EOC (410)626-1910
- Baltimore City DHCD (410)396-5555
- Baltimore County DSS (410)853-3385
- Carroll County Human Services (410)819-4500
- Cecil County DSS (410)857-2999
- Dorchester County DSS (410)996-0270
- Frederick County DSS (410)901-4100
- Garrett County CAC (301)600-2410
- Harford County CAC (301)334-9431
- Howard County CAC (410)638-3240
- Kent County DSS (410)313-6440
- Montgomery County DHHS (410)810-7716
- Prince George's County DSS (240)777-4450
- Queen Anne's County DSS (301)909-6300
- Shore Up!, Inc. (410)758-8000
- Somerset (410)749-1142
- Wicomico (410)651-1805
- Worcester (410)749-1142
- Southern MD Tr Co. CAC (410)632-2075
- Charles County (301)274-4474
- Calvert County (410)535-1010
- St. Mary's County (301)475-5574
- Talbot County NSC (410)822-5015
- Washington County CAC (301)797-4161

ENERGY CONSERVATION TIP

Repair leaking faucets. Leaking hot water costs money.

Additional Services

BUDGET BILLING
Budget billing is a mechanism that utility companies provide to help you manage your bill. Budget billing helps you spread out your annual utility bills into even monthly payments. Please check with your Utility Company on eligibility and budget billing requirements.



WEATHERIZATION SERVICES
Some customers may receive help to improve energy efficiency in their homes through the Weatherization Assistance Program offered through the Department of Housing and Community Development (DHCD). For additional information and eligibility requirements, please call 1 800-638-7781 or log on to www.dhcd.state.md.us

Attachment L – LIHEAP Household Report 2008

OMB Control No. 0970-0060X

LIHEAP Household Report--Federal Fiscal Year 2008--Long Format

Expiration Date: OMB APPROVAL Pending

Grantee Name: MARYLAND

Contact Person: RALPH MARKUS

Phone: 410-767-7415

Date: 8/1/2008

The LIHEAP Household Report--Long Format is for use by the 50 States, District of Columbia, and insular areas with annual LIHEAP allotments of \$200,000 or more. This Federal Report provides data on both LIHEAP recipient and applicant households for Federal Fiscal Year (FFY) 2007, the period of October 1, 2006 - September 30, 2007. The Report consists of the following sections: (1) Recommended Long Format for LIHEAP Assisted Households and (2) Recommended Format for LIHEAP Applicant Households. Data on assisted households are included in the Department's annual LIHEAP Report to Congress. The data are also used in measuring targeting performance under the Government Performance and Results Act of 1993. As the reported data are aggregated, the information in this report is not considered to be confidential.

There are two types of data: (1) required data which must be reported under the LIHEAP statute and (2) requested data which are optional, in response to House Report 103-483 and Senate Report 103-251. Both the LIHEAP Household Report--Long Format (the Excel file name is *hhsrplst.xls*) and the instructions on completing the Report (the Word file name is *hhrplns.doc*) can be downloaded in the Forms sections of the Office of Community Services' LIHEAP web site at: www.acl.hhs.gov/programs/liheap/grantee_forms/index.html#household_report. The spreadsheet is page protected in order to keep the format uniform. The items requiring a response other areas of the spreadsheet cannot be modified. For example, the number of assisted and applicant households can not be entered. Each total will be calculated automatically for each type of assistance by a formula when the poverty level data are entered.

Do the data below include estimated figures? No ☐ Yes ☒ Mark "X" in the second column below for each type of assistance that has at least one estimated data entry.

1. RECOMMENDED LONG FORMAT FOR LIHEAP ASSISTED HOUSEHOLDS

Type of assistance	Mark "X" to indicate estimated data	Number of assisted households	REQUIRED DATA					REQUESTED DATA		
			2006 HHS Poverty Guideline interval, based on gross income and household size					At least one member who is		
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	60 years or older	Disabled	Age 5 years or under
Heating	X	93,198	35,212	19,121	16,225	13,408	9,232	29,773	23,072	21,446
Cooling		0								
Winter/year round crisis	X	2,435	1,024	410	371	347	283	400	363	788
Summer crisis		0								
Other crisis (specify)		0								
Weatherization		445								

2. RECOMMENDED FORMAT FOR LIHEAP APPLICANT HOUSEHOLDS (regardless of whether assisted)

Type of assistance	Mark "x" to indicate estimated data	Number of applicant households	REQUIRED DATA					Income data	
			Under 75% poverty	75%-100% poverty	101%-125% poverty	126%-150% poverty	Over 150% poverty	unavailable	
Heating	X	124,636	46,295	22,105	19,046	15,975	18,594	2621	
Cooling		0							
Winter/year round crisis	X	2,745	1,124	444	402	389	365	21	
Summer crisis		0							
Other crisis (specify)		0							
Weatherization	X	445							

Note: Include any notes below for section 1 or 2 (indicate which section, type of assistance, and item the note is referencing):

Attachment M – Distribution of MEAP Recipients by Fuel Type

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

ATTACHMENT M

ENERGY BY POVERTY LEVEL
Maryland Energy Assistance Program

Type of Heat	Level 1	Level 2	Level 3	Level 4	Total	Expenditures
ELECTRICITY	12,854	9,620	7,985	3,133	33,592	\$9,056,802.20
GAS	17,125	10,648	9,441	4,111	41,325	\$17,207,766.46
PROPANE	1,123	1,113	1,062	376	3,674	\$2,969,278.62
OIL	3,040	3,365	3,407	1,263	11,075	\$10,203,021.08
KEROSENE	928	1,041	825	294	3,088	\$2,350,581.01
COAL	44	45	52	17	158	\$61,603.40
WOOD	79	62	69	24	234	\$91,994.92
NON-FUEL	0	0	0	0	0	\$0.00
CORN	0	0	1	0	1	\$393.25
Total	35,193	25,894	22,842	9,218	93,147	\$41,941,440.94

Attachment N – Outreach Activities

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

OUTREACH ACTIVITIES – FY 2008

Outreach Activities by County

From 7/1/07 to 6/30/08

State OHEP Staff

- Table Display at Polish Festival
- Goodwill Industries Career Fair
- St. Nicholas Greek Orthodox Folk Festival
- State Sponsored Job Fair
- Latino Fest
- Maryland Municipal League of Cities and Towns (MML)
- Allegany County Fair & Agriculture Expo
- Senior Health Fair
- Pilipino Cultural Festival
- Community Hispanic Festival
- Latino Health Initiative & Health Fair
- African-American Heritage Festival
- Caribbean-American Carnival Association of Baltimore
- 26th Annual Artscape Festival
- Cecil County Fair
- Carroll County 4H/Future Farmers of America (FFA) Fair
- Caroline County Fair
- International Festival
- The 62nd Howard County Fair
- Naija Fest
- Maryland Association of Counties (MACO) Conference
- Stone Soul Picnic
- Pow Wow Native American Festival
- Maryland State Fair
- Basics to Basics Health Expo
- Baltimore City Schools Readiness Program
- Latino Fest
- Goodwill Job Fair
- Prince George's County Fair
- SAMHSA's 18th Annual National Alcohol & Drug Recovery Month
- Anne Arundel County Fair
- Baltimore County Fair & African-American Cultural Festival
- Hispanic Community Day

- Family Health Expo
- 4th Annual Bethel & MD. General Hospital health Fair Extravaganza
- Nause-Waiwash 14th Annual Native American Festival
- Governor's Workforce Housing Conference
- Anne Arundel Health Fair
- DHR/Kingship Care Conference
- Italian Festival
- Kunta Kinte Heritage Festival
- Presentation at First Call for Help!
- Presentation at Maryland Department of Aging AAA Senior Information & Assistance
- Harlem Park Neighborhood Association Event
- Mass mailing of posters/brochures/applications to statewide Local DSS FIA programs
- Mailing of brochures and energy efficiency calendar to Johns Hopkins Hospital
- Mass mailing of OHEP Frequently Asked Question Poster to Frontline DSS staff
- Mass mailing of OHEP literature to state delegates (141)
- 40th Annual Fell's Point Fun Festival
- State Fair
- Accohannock Pow-Wow
- Maryland Joint Child Support Conference
- Frederick County Latino Festival
- Baltimore City Health Fair
- Annual Information Day
- Respite Awareness Conference
- 26th Annual MD. Association Resources for Family and Youth Conference
- Goodwill Industries Thanksgiving Dinner Day Celebration
- Irish Festival
- C-Safe Neighborhood Community Resource Fair

Allegany County

- Table Display at Heritage Days Festival
- Mass Mailing (1501) to 2007 customers
- Survey Mailings (4952) to 2007 customers
- Mass mailings to new (303) customers
- Mail brochures to local legislatures
- In Home visit to Disabled customers
- Application packets at Hope station
- Media – Value Shopper Advertisement reaching & restaurant placement mat (60,000)
- OHEP literature on Community Website
- Presentation at Westernport Senior Ctr.
- Application Packets at YMCA families w/ children ctr.
- Presentation at Lonaconing senior Ctr.
- Media: Advertisements in Raider Football program reaching (800)
- Media: Advertisements in Allegany County School Agendas reaching (5,000)
- Mass Mailing to New customers (318)
- Mass Mailing to New and Existing customers (394)
- Table Display, Mass Mailing, Home Visits (981)

Anne Arundel County

- Table Display at Housing Authority Community day (23)
- Media: Anne Arundel Co. residents
- Presentation/Intake at Aging Agency in Annapolis/Glen Burnie
- Weekly Face to Face and Application Intake at DSS (69)
- Faith-Based Odenton Church (150)
- Application Intake at DSS office (264)
- Intake Senior Housing (112)

Baltimore City

- Distribution of Brochures to general public and new customers (1947)
- Application Intake at Morrell Park Senior Ctr. (40)
- Presentation at Delita Ctr. Faith-Based (40)
- Application intake at Belvedere Green (100)
- Presentation with representatives from faith-based organizations (35)
- Presentation at John Booth Senior Ctr.(75)
- Application intake at Basilica place (100)
- Application intake at Stadium place (150)
- Presentation at Pleasant Grove (126)
- Presentation at Neighborhood Conservation meeting, Bea Gaddy, Kennedy Krieger, Women's Affair of Alumpahinah (1,000)
- Intake and Presentation at Commission on Aging, Walker Mews, Univ. of Md. Lab/Ent, Richnot Springs, ACE Check cashing, Kernan Hospital (1,305)
- Presentation and Intake at Harvey Johnson Towers, Roland Senior Apts, Northwestern Sr. High, Commission on Aging, Bea Gaddy family (5,403)
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Baltimore County

- Presentation w/ Parkville Outreach Aging workers (15)
- Presentation w/ Towson DSS emergency workers (100)
- Presentations w/fuel fund workers Dundalk (15)
- Presentation at a Housing Conference (400)
- Mass Mailing to social services agency Pikesville (50)
- Mass Mailing to Reisterstown Seniors (300)
- Mass Mailing to Catonsville Senior Apt. (300)
- Mass Mailing Pikesville Millbrook Apt. (25)
- Mass Mailing to Salony Apt. (100)
- Mass Mailing to Towson Senior building (100)
- Mass Mailing Essex Community Fair (400)
- Mass Mailings to previous year customers (428)

Caroline County

- Mass Mailing to 2007 customers (1740)
- Media: Advertisement general public

- Presentation in Denton
- Media-Radio Adverts
- Media – Newspaper adverts
- Application Intake and Face to Face (495)

Carroll County

- Mass mailing of applications to 2007 customers (2500)
- Face to Face w/ Taneytown residents (23)
- Face to Face w/ general public (49)
- Face to Face w/ residents of North Carroll (50)
- Distribution of OHEP literature (100)
- Presentation at Senior Center, General public in Taneytown (320)
- Intake and Mass Mailing to customers (829)
- Mass Mailing and Program Presentation (301)

Cecil County

- Mass mailing of OHEP literature to Aging, Disability, TCA Temha customers (1350)
- Table Display at County fair (3,000)
- Distribution of brochures to Dept. of Aging (450)
- Mass Mailing to 2007 customers (1000)
- Distributions of OHEP brochures in Kiosk at Health Dept. (100)
- Distributions of brochures at Section 8 Housing (550)
- Mass Mailing and light bulb distribution (156)
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Dorchester County

- Application Intake at Cambridge Aging Event (100)
- Presentation at Family Investment Program staff (20)
- Application Intake at Easton Regional Cancer Ctr. (20)
- Energy and Community Awareness Day (200)

Frederick County

- Face to Face at Emmitsburg Rural Comm. (11)
- Mass Mailing to 2007 customers (873)
- OHEP flyer distribution (24,000)
- Mass Mailing of OHEP literature to County general public (932)
- Table Display at Head Start Fair (66)
- Mass Media: Advertisement to general public in Brunswick
- Mass mailing to customers for renewals (694)

Garrett County

- Distribution of OHEP literature to AAA, DSS, Health Dept, Unemployment office, Businesses, Doctors offices, Parole and Probation, Housing, (655)
- Media: Newspaper and three Radio Stations reaching (41050)
- Application Intake at Grantsville Senior Ctr., Fire Dept., Apartment complex. Etc. (217)
- Home Visit in Friendship, Oakland, and Grantsville (3)
- Presentation at Senior Ctrs., Pleasant View, Apartment complexes, WIC, etc., (177)
- Application Intake at Oakland WIC (50)

- Face to Face and Intake (301)
- Intake Face to Face and Mass Mailings (720)

Harford County

- Presentation at Disabilities ARC of Northern Chesapeake (100)
- Presentation at Aging, Senior Picnic Office, Catholic Charities Senior Housing, Havre De Grace Senior Housing, Aberdeen Senior Ctr., etc. (201)
- Face to Face at Aberdeen Multicultural Festival (39)
- Presentation at Abingdon/Aberdeen Catholic Charities (52)
- Mass mailing to Bel Camp Alliance (10)
- Face to Face at Fairbrook Senior Housing (37)
- Face to Face at Calvary Baptist Soup Kitchen (30)
- Mass Mailings to Harford general public (1969)
- Face to Face at Faith-based Harvest of Love Ministries (300)
- Mass Mailing and Face to face intake (2,193)
- Mass Mailings to previous year customer (601)

Howard County

- Table Display at Howard Co. Health Fair
- Mass Mailings to BGE cut-off crisis (1627)

Kent County

- Mass mailing to 2007 customers (1109)
- Presentation at AARP Senior Group (33)
- Presentations at Chestertown Senior Housing & River Advocates for the Blind (30)
- Media: Kent City News reaching (8008)
- Media: Tidewater Trader reaching (8000)
- Distribution of OHEP literature to Food Pantry Retail shops (40)
- Presentation to Seniors and Public Housing (80)
- Mass Media: Advertisements – Newspaper
- Presentation and Intake (66)
- Presentation and Adverts in Newspaper (423)

Montgomery County

- Table Display at Community Day in Silver Spring (150)
- Housing Opportunities Commission Energy Seminar Presentation and Table Display (40)
- Stewartown Community Day Table Display (175)
- Mass Mailing to 2007 Customers (7,828)
- Media: Flyer Distribution – “Pledge to tell a Friend” (General Public) (3,000)
- Community Day at Shady Grove (200)
- Broadstone Residents Housing Fair (50)
- National Night Out Table Display (800)
- Georgian Court Energy Workshop (30)
- The Willow Community Day (100)
- Presentation at Mental Health Core Association (20)
- Presentation at Income Supported Programs (50)

- Presentation to Mont. HHS employees (6)

Prince George's County

- Latino Fair Face to Face (100)
- Homeowner's Fair Sports and Learning Ctr. Face to Face (3,000)
- Distribution of OHEP literature to Laurel Advocacy (200)
- Presentation at Hope Presbyterian Church (50)
- Table Display at Prince George's Co. Ballroom Council Member and five Districts (70)
- Mass Mailing to 2007 customers (2,500)
- Face to Face at Energy Expo Friendship Arms (50)
- Distribution of OHEP literature in Suitland (200)
- Presentation and Face to Face intake at Faith-Based in Capitol Heights (90)
- Presentation and Intake at Hyattsville and Greenbelt library (22)
- Intake Face to Face with the public and Mass Mailings (1399)

Queen Anne's County

- Table Display at Centreville Community Church (100)
- Mass Mailing to Aging in Centreville & Upper Shore (130)
- Table Display at County fair (600)
- Mass Mailing to customers (319)
- Application intake and Adverts (238)

Somerset, Wicomico & Worcester Counties

- Face to Face at Multi-Family in Somerset (58)
- Face to Face at Senior Apt. in Fairwinds, etc. (55)
- Face to Face at Low Income Housing (450)
- Presentation at Eastgate village apts., Clarke Manor, Mitchell Ponds, etc. (337)
- Face to Face at Greenbrier Family/ Sr. Apts. (24)
- Face to Face at Seton Ctr. Somerset (24)
- Face to Face at New Hope Sr. Apts. In Worcester (28)
- Face to Face at Wendy Gardens Multi. Family in Worcester (35)
- Presentation at Riverside Cottages Sr. Apts. In Wicomico (36)
- Presentation at Maple Hill Multi-Family Apts. In Worcester (24)
- Presentation at Homes in Berlin Worcester (20)
- Presentation and Face to Face intake at Lower Shore Friends (536)
- Face to Face intake presentation (156)

Calvert, Charles, & St. Mary's Counties

- Mass Mailing of application 2007 customers in Hughesville, Calvert, & Charles Cos. (3626)
- Mass Mailing of applications and brochures to Aging Dept. (450)
- Mass Mailing of applications and Brochures to Charles Co. Health Dept. (50)
- Mass Mailing of applications and brochures to Calvert Co. Health Dept. (50)
- Presentation at St. Mary's DSS Hughesville
- Mass Mailing of applications to St. Mary's Co.

- Intake at DSS (76)
- Mass Media and Presentation at DSS, HR Commission, HQ SMECO (369)

Talbot County

- Mass Mailing of OHEP literature to Aging and Disabilities Easton (250)
- Mass Mailing of brochures and applications to Easton Health Dept. (200)
- Mass Mailing of brochures and applications to Easton DSS (250)
- Mass Mailing of brochures to Easton Channel Marker (50)
- Mass Mailing of brochures to Easton Chesapeake Ctr. (50)
- Mass Mailing of brochures Easton Employment Office (100)
- Face to Face at Salvation Army in Cambridge and Easton (2)
- Media: Newspaper Advertisement
- Face to Face intake and Adverts (10)

Washington County

- Home Visit in Hagerstown (4)
- Mass Mailing to 2007 (3179)
- Mass Mailing to County residents (24,332)
- Interagency Collaboration Table Display of OHEP literature (35)

Outreach Costs

Total Outreach Expenditure Requested for Promotional items/Adverts -	\$96,317.38
Total Expenditures (includes staff time and mileage) to date is -	\$79,545.40
Total	\$175,862.78

Attachment O – EUSP Projections 2008-2010

DEPARTMENT OF HUMAN RESOURCES
OFFICE OF HOME ENERGY PROGRAMS

EUSP Expenditure Projections

Fiscal Year	Benefit Level	Benefit Dollars	Arrearage	Administration	Total	Households	% of Households	Average Benefit
Actual								
FY2007	1	\$ 16,606,581.22				19,841	22%	\$ 837
88,574	2	\$ 11,397,225.15				17,461	20%	\$ 653
	3	\$ 9,730,037.99				17,503	20%	\$ 556
	4	\$ 2,338,448.90				6,827	8%	\$ 343
	5	\$ 6,773,976.84				26,942	30%	\$ 251
	Total	\$ 46,846,270	\$ 5,087,847	\$ 3,960,374	\$ 55,894,491	88,574	100%	\$ 529
Actual								
FY2008	1	\$ 22,126,443				23,527	23%	\$ 940
	2	\$ 14,191,525				19,481	19%	\$ 728
100,456	3	\$ 12,563,597				20,309	20%	\$ 619
	4	\$ 3,507,529				9,065	9%	\$ 387
	5	\$ 8,030,748				28,166	28%	\$ 285
	Total	\$ 60,419,842	\$ 6,372,347	\$ 3,960,374	\$ 70,752,563	100,548	100%	\$ 601
Projected								
FY2009	1	\$ 24,758,942				26,326	23%	\$ 940
1.12	2	\$ 15,879,965				21,799	19%	\$ 728
112,511	3	\$ 14,058,354				22,725	20%	\$ 619
	4	\$ 3,924,838				10,144	9%	\$ 387
	5	\$ 8,986,208				31,517	28%	\$ 285
	Total	\$ 67,608,306	\$ 7,200,000	\$ 4,435,619	\$ 79,243,925	112,511	100%	\$ 601
Projected								
FY2010	1	\$ 26,739,657				28,432	23%	\$ 940
1.08	2	\$ 17,150,362				23,543	19%	\$ 728
121,512	3	\$ 15,183,022				24,543	20%	\$ 619
	4	\$ 4,238,825				10,955	9%	\$ 387
	5	\$ 9,705,105				34,038	28%	\$ 285
	Total	\$ 73,016,971	\$ 8,000,000	\$ 4,790,468	\$ 85,807,439	121,512	100%	\$ 601

Assumptions:

The FY 2007 participants used for forecasting removes those at the 176% to 200% FPL income level.

A 12% increase is assumed for FY 2009.

An 8% increase is assumed for FY 2010.

Eligible guidelines remain at 175% of poverty.

Average benefit amounts remain constant from year to year.

Electric prices remain stable.

Percentage of poverty for eligibility remains constant.

Percent distribution between poverty levels remains constant.

The percent of the annual bill covered by the benefit remains the same.

Additional funds will be available for Arrearage Assistance.

DEPARTMENT OF HUMAN RESOURCES
OFFICE OF HOME ENERGY PROGRAMS

An increase in administrative funds.
Totals *do not* include \$1 million for Weatherization.

NOTE:

Benefit dollars and administrative dollars separated.

Disclaimer

All numbers are estimates and subject to revision.