



Arrearage Management Program Proposal of the Alliance for Affordable Energy

OBJECTIVES

The objective of the Arrearage Management Program (“AMP”) is to help utility customers who are experiencing energy instability. The goals are:

- Reduce or eliminate existing arrearages.
- Bring accounts current.
- Avoid disconnection and remain current in their payment obligations to ENO going forward.
- Benefit nonparticipating customers by reducing uncollectible expenses and other costs of service, such as those related to collection and disconnection.

ELIGIBILITY

- Active customer or customer who was disconnected in the last 6 months.
- Minimum arrearage balance of \$300 that is a minimum of 60 days past due.
- Customer, if eligible, shall participate in low income benefits program(s), such as LIHEAP.
- Enrolled or willing to enroll in budget billing.

PARAMETERS

- Payments may be spread over 12 months.
- Each month that customers pay a portion of the arrearage, they receive a credit or matching payment toward their unpaid account balances.
- Customers who enter the program with arrearages of \$3,600 and under receive monthly credits equivalent to 1/12 of their arrearages, allowing for complete arrearage forgiveness within 12 months.
- Customers who enter the program with arrearages of over \$3,600 receive monthly credits equivalent to 1/24 of their arrearages, and their time in the program may be extended to allow for full arrearage forgiveness.
- Participants shall be enrolled in the energy efficiency program and shall receive an energy audit, LEDs and low-flow showerheads at a minimum, and full Income Qualified Weatherization through Energy Smart if qualified.
- The reconnection fee for terminated customers is waived.

EDUCATION & OUTREACH

- The Utility shall make all reasonable efforts to personally contact and helpfully educate every delinquent customer on the AMP. The utility shall commence communication with the delinquent customers in a manner most likely to lead the customer to participate in the AMP.
- The utility shall contact each delinquent customer regardless of that customer's current participation in another payment option.
- All communications shall include a way for the customer to contact a customer service representative.

REPORTING:

One-Year Impact Analysis:

- Each year the utility will prepare an analysis examining a full year of bills, payments, arrears, collections actions, and terminations before and after enrollment.
- Included in this analysis should be heating type, household income, poverty level, program status (active versus removed participants), arrearages (average monthly credits), and shut-off status at enrollment.

COST RECOVERY:

The utility shall create a regulatory asset of the alleged costs of the AMP specific administration and may seek recovery of these costs in its next rate case.