

NON-LAPSED UTILITY FUNDS PROPOSAL

\$12 Million

Provide heating and cooling energy credits for Utah families earning $\leq 150\%$ of the Federal Poverty Limit

Federal LIHEAP funding additions are uncertain in the amount and timing and will be diffused across multiple programs, while this proposal meets needs now to address significant utility rate increases. The proposed state distribution can adjust to accommodate federal funding requirements, if needed

Non-lapsed funds (generated mostly from customers of Dominion and Rocky Mountain Power) will assist vulnerable families facing extreme inflationary pressure TODAY by augmenting existing energy support programs

- **Proposal logistics**

- Dept. of Commerce would directly fund Dominion's and Rocky Mountain Power's (RMP) existing non-federal programs, enabling audit and enforcement
- Dept of Workforce Services (DWS) would verify customer eligibility through existing HEAT portal
- Zero increase in administrative costs

- **Proposal impact on low-income utility ratepayers**

- Annual Dominion credit would increase from **\$107 to \$307**
- Monthly RMP credit would increase from **\$13.95 to \$25.95**
- Annual estimated payments are **\$2.4M** and **\$3.3M** to **12,000** Dominion and **23,000** RMP customers respectively
- Program could serve more low-income households with outreach; funds would simply draw down faster with higher counts
- Kem Gardner Policy Institute estimates **138,411** Utah households $\leq 150\%$ of Federal Poverty Limit
- Analysis suggests Utah participation is **~ 20%** of qualified residents for low-income utility assistance, illustrating ample need for funding

Natural gas rates up **54%** from 2020. At least **10%** in additional increases expected in the coming months

Average annual residential natural gas bill in 2023 is **\$1,003**

Average HEAT payment for eligible households in the current 2023 HEAT season is **\$592**