

Senate Business and Commerce Hearing Information Request

1. What are the allowable uses for the system benefit fund?

PURA Section 39.903 provides that, subject to appropriations, the fund can be used to provide assistance to low-income electricity consumers in areas open to competition by providing a rate discount on bills of 10-20%, one-time bill payment assistance to seriously ill or disabled low-income customers, customer education programs, low-income energy efficiency programs, and expenses incurred by the PUC and Office of Public Utility Counsel to implement electric competition.

Revenues into the system benefit fund that are not appropriated to the PUC are held within the fund.

2. What appropriations were made from the fund in the current biennium?

	2012	2013
PUC Electric Market Oversight	\$6,041,736	\$6,041,736
Low income discount	\$73,635,575	\$78,539,470
Customer Education	\$750,000	\$750,000
PUC Operations	\$807,551	\$807,551
Total	\$81,234,862	\$86,138,757

3. Could the fund have been used more to help low-income customers during the heat wave/drought?

Not without an additional appropriation. The low-income discount was funded at a 10% level for last summer. The one-time bill payment assistance program and low-income weatherization programs were also not funded.

4. What is the System Benefit Fund ending balance for FY 2011 and what are the projected ending fund balances for FY 2012 and FY 2013?

The ending fund balance for FY 2011 is \$683,122,744. The projected fund balances for FY 2012 and FY 2013 are \$755,745,882 and \$825,494,125, respectively.

5. What was the average monthly enrollment in the low-income discount program for FY 2011? How many unique participants received discounts in FY 2011?

The average monthly enrollment for the low-income discount program for FY 2011 was 571,806 participants. The total number of unique program participants who received discounts in FY 2011 was 915,281.

6. What is the estimated discount percentage and average monthly discount for FY 2012 and FY 2013?

The discount percentage for FY 2012 and FY 2013 is estimated to be 10%. The average monthly discount for FY 2012 and FY 2013 is estimated to be \$21.68. The discount will be available from May – September in each fiscal year per Rider 9 in the PUC's budget.

7. What System Benefit Fund Fee is necessary to level FY 2012 and FY 2013 appropriations with revenues?

Based on the Comptroller's Biennial Revenue Estimate, the System Benefit Fee would need to be set at \$0.35 per MWH in FY 2012 and \$0.36 per MWH in FY 2013 to level appropriations with revenues. Riders 7 and 8 in the PUC's budget require the agency to keep the fee at \$0.65 per MWH.

8. What would the average monthly discount be if all incoming revenues for FY 2012 and FY 2013 were appropriated to provide a 5 month or a 12 month discount?

If all of the revenues were appropriated to the PUC, the program could provide a 20% discount for 5 months with an average monthly discount of \$43.36 per participant each month for both FY 2012 and FY 2013.

If all of the revenues were appropriated to the PUC, the program could provide a 10% discount for 12 months with an average monthly discount of \$20.00 per participant each month for FY 2012 and a 9.5% discount for 12 months with an average monthly discount of \$19.00 per participant each month for FY 2013.

System Benefit Fund Monthly Balances Prior 12 Months

