



DISCUSSION OF ARREARS REDUCTION PROGRAM

July 27, 2022

ACTIONS TO ASSIST LOW-INCOME CUSTOMERS

Increased bill discounts: On July 1, increased base bill discount by 33%. Additional increases planned for 2023



CUSTOMER BENEFIT:

Lower electric bills

Continuation of shut-off moratorium: Extended pandemic shut-off moratorium for low-income customers



Protection from service disconnection

Enhanced rebates for heating/cooling and efficiency: Proposing \$7.5 million in new funding for low-income home heating/cooling and weatherization in 2023



Lower future energy costs

Automation of enrollment in low-income programs: Designed 2022 metric to incentivize PSEG Long Island to automate enrollment of low-to-moderate income customers



Ease of participation

Outreach to customers eligible for NYS assistance: Enrolling customers in all available state aid programs



Reduced debt

Arrears reduction program: Bill credit to low-income customers to eliminate arrears accrued through 5/1/2022



Elimination of debt incurred up to May 2022

ARREARS REDUCTION PROGRAM

JUNE 16, 2022 | Albany, NY

Governor Hochul Announces Electric and Gas Utility Bill Credit Program for Low-Income Families

What: Elimination of historical low-income customer arrears through May 1, 2022

Who is eligible: All customers who are enrolled in the Household Assistance Program (low-income bill discounts) or the NYS Emergency Rental Assistance Program, or enroll by December 31, 2022

How it's funded: Statewide \$250 million budget appropriation, \$100 million Emergency Rental Assistance Program funding, supplemental utility funding

ARREARS REDUCTION PROGRAM

Eligible arrears (estimated) as of 7/1/2022

- Number of eligible low-income customers with arrears (estimated): **11,200**
- Total eligible arrears (estimated): **\$25.5 million**
 - Reflects estimated payments of **\$21.7 million** already received since May 2021 from Emergency Rental Assistance Program (ERAP) and Regular Arrears Supplement (RAS)

Factors that will affect eligible arrears

- Other state and federal aid to be applied first (ERAP and RAS) will **decrease** eligible arrears
- New customer enrollments through 12/31/2022 will **increase** eligible arrears

Expected funding sources

- **\$9.8 million** state budget allocation
- LIPA reserve fund for uncollectible debt

NEXT STEPS

August 2022: Disbursement of state budget allocation

Beginning August 2022: Application of bill credits to customer accounts

Ongoing: Statewide Department of Public Service-led stakeholder working group to consider measures to address other residential and small business customer arrears