Energy and Water Assistance: Agenda

• Background
• Proposed Program Design
• Limitations
• FAQ and Discussion
• Energy Assistance Program
• Submit a Comment
• Q&A
Water Assistance Program: Background

- Federal Government established the Low-Income Household Water Assistance Program in response to the COVID-19 pandemic
  - Consolidated Appropriations Act of 2021
  - American Rescue Plan Act
  - Uncertain if Congress will appropriate additional funds or create a permanent water assistance program
- Federal level: U.S. Department of Health & Human Services
- Minnesota: Commerce Office of Energy Assistance Programs
- Minnesota’s Water Assistance allocation is $14,666,970 – insufficient to meet needs
Local Resource to Help People: Commerce Office of Energy Assistance Programs contracts with 28 local Service Providers

• Community Action Agencies
• Counties
• Private Nonprofit Organizations
• Tribal Governments

• [https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/eap-provider.jsp](https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/eap-provider.jsp)
Water Assistance Program: Background

Local Service Providers

• Know the community - do outreach, work with community-based groups

• Accept and process applications

• Work directly with households, help them sign-up

• Main point of contact for water suppliers
Water Assistance Program: Background

• Enacting legislation requires payments to public water suppliers (cannot give money to individuals)

• Water Assistance benefits must address one or more of the following needs:
  • Restore household water services
  • Reduce arrearages for household water bills
  • Reduce rates charged for household water services
Water Assistance: Proposed Program Design

**Water Assistance Program Design Goals**

- Easy and streamlined to apply
- Accessible: Outreach materials, etc. in multiple languages, meet accessibility standards
- Meet federal requirements
- Maximize opportunity for households to get energy assistance
Water Assistance: Proposed Program Design

Make it as easy and streamlined as possible for people to get help

• Households apply for Water Assistance via the Energy Assistance Program application
• Outreach materials in Spanish, Somali, Hmong, Vietnamese, English
• Applications available in Spanish and English, assistance in filling it out in multiple languages
• Applications available in September
• Same income guidelines as energy assistance
• Same application processing and payment system as energy assistance
• Utilize existing energy assistance local service provider network
• https://mn.gov/commerce/consumers/consumer-assistance/energy-assistance/
Water Assistance: Proposed Program Design

- First come, first served
- Prevent disconnections as much as possible
- Prioritize Water Assistance benefits in this order
  1. Households currently disconnected from water service
  2. Households with a pending water disconnection
  3. Households with a past due water bill
- Water Assistance pays water balance, including fees, up to maximum benefit of $1200
- Expect to begin making payments on October 1
Water Assistance: Limitations

• Funds are extremely limited and needs are great

• We expect to run out of Water Assistance funds quickly
  • If average benefit is $600, we would serve approximately 20,778 households
  • If average benefit is $1000, we would serve approximately 12,467 households

• Coordinating with Minnesota Housing’s emergency rental and mortgage assistance programs to ensure renters and homeowners get help with water bills
**Q:** Can Water Assistance pay water deposits or reconnection fees?

**A:** Yes

**Q:** Can Water Assistance help pay expenses for private wells and septic systems?

**A:** No. Due to federal requirements, Water Assistance funds can only make payments to public water suppliers for eligible households’ water and wastewater bills.
Q: Does Water Assistance have to pay the water supplier? Or can payments go directly to households?

A: Water Assistance must pay the water supplier. Water Assistance cannot make payments directly to households.

Q: Can Water Assistance pay for plumbing, piping, water heaters, or other infrastructure?

A: No. Water Assistance funds are limited to water and wastewater bills.
Water Assistance: Discussion

- Questions on proposed design?
- What resonates with you?
- Concerns?
Opportunity

• Received $167M from American Rescue Plan Act – substantial increase over typical annual funding level

• Anticipate additional funding in Federal Fiscal Year 2022 (10/1/21-9/30/22)
Energy Assistance Program

Income Guidelines: More people eligible than ever before

• 60% State Median Income, increased from typical 50%
• For household size of 4, annual income of $67,765

Over 350,000 Minnesotans have past-due energy bills and even more struggle to pay bills

We need your help to tell people about energy assistance!
Benefits

• Primary Heat pays a portion of household energy costs, up to $1,600

• Crisis pays up to $1,200 to address energy emergency

• Energy Related Repair pays to repair or replace homeowner’s broken furnace

• May qualify for Weatherization Assistance Program to pay for energy efficiency upgrades to permanently reduce energy bills, potentially over $10,000 worth of upgrades
How to apply

• Application only 2 ½ pages long

• Commerce mails applications to the previous year’s EAP households

• Via Commerce website (available in multiple languages): Request a paper application from Commerce or Service Provider

• Application currently available in large print and Spanish; Hmong, Somali, Vietnamese available in September

• Fillable application available on Commerce and Service Provider websites

• Online application in development!
Citizen and non-citizen applicants

• Due to federal requirements, must be a citizen or eligible non-citizen to get EAP

• If some household members are eligible and some are not eligible because of immigration status, household may apply and get help

• Eligible non-citizens need to show proof of immigration status

• EAP is not counted in public charge determinations

• EAP does not share information with the US Citizenship and Immigration Services without household permission
Proposed changes to energy assistance, effective October 1:

- **Increase amount of assistance:** Calculate primary heat benefit based on household total energy cost rather than on estimated heating cost.

- **Don’t need a disconnect notice to get crisis benefits:** Households with past due energy bills are eligible for crisis benefits.

- **Fund permanent upgrades to homes and apartments to lower energy costs, and expand weatherization measures to help more of the need:** Transfer up to 25% of EAP award to the Weatherization Assistance Program (WAP).
Online:  [mn.gov/commerce/industries/energy/service-providers/eap/](mn.gov/commerce/industries/energy/service-providers/eap/)
Email:  eap.mail@state.mn.us
U.S. Mail:  Michael Schmitz, Director
Office of Energy Assistance Programs
Minnesota Department of Commerce
85 7th Place East, Suite 280
St Paul MN 55101-2198
Fax:  651-539-0109
Deadline:  LIHWAP Friday, July 23, 2021, at 4:30pm
EAP Friday, August 6, 2021, at 4:30pm

Important: Comments are publicly available, except in limited circumstances, consistent with the Minnesota Government Data Practices Act.
We are especially interested in these topics

• What are barriers to applying?

• What motivates people to apply?

• How can we increase the number of households who apply?