

Chart of Recent Examples of Tiered Discount Programs (Oct. 2024)

State/Utilities	Cite	Summary	Recent Developments												
MA NGRID	<p>NGRID rate case DPU 23-150 (Sept. 30, 2024) starting at page 576 of the Order, available at <a href="https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/19692111">https://fileservice.eea.comacloud.net/FileService.Api/file/FileRoom/19692111</a>.</p>	<p>NGRID originally provided a flat 32% discount off the whole electric bill. The MA DPU had provided a directive to utilities to consider stratifying low-income discount rates to provide equitable discounts for low-income consumers. This Order approves a 5-tier discount rate calculated to target a 3.4% energy burden. The discount tiers follow the state’s LIHEAP discount tiers:</p> <table border="1" data-bbox="737 586 1056 797"> <thead> <tr> <th>% FPL</th> <th>Discount</th> </tr> </thead> <tbody> <tr> <td>0 – 100% FPL</td> <td>71%</td> </tr> <tr> <td>100-125% FPL</td> <td>64%</td> </tr> <tr> <td>125-150% FPL</td> <td>57%</td> </tr> <tr> <td>150-200% FPL</td> <td>43%</td> </tr> <tr> <td>200 FPL – 60% SMI</td> <td>32%</td> </tr> </tbody> </table> <p>The 32% discount is the default discount rate for customers in a means-tested program whose income is unknown.</p> <p>This discount is to be applied to the bill before any LIHEAP benefit is applied to the bill.</p>	% FPL	Discount	0 – 100% FPL	71%	100-125% FPL	64%	125-150% FPL	57%	150-200% FPL	43%	200 FPL – 60% SMI	32%	<p>The MA Governor announced a broad-scale data matching process to automatically enroll customers enrolled in MassHealth, SNAP and certain other means-tested benefits programs into the utility discount programs. In the case of NGRID customers in MassHealth, they would be enrolled into the 71% discount tier. See, <a href="https://www.mass.gov/news/healey-driscoll-administration-announces-groundbreaking-partnership-with-utility-companies-to-lower-costs-for-hundreds-of-thousands-of-households">https://www.mass.gov/news/healey-driscoll-administration-announces-groundbreaking-partnership-with-utility-companies-to-lower-costs-for-hundreds-of-thousands-of-households</a></p>
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IL Nicor Gas; Ameren IL; People’s Gas/North Shore Gas	<p>Nicor Gas Company: ICC Docket No. 23-0066, Order of November 16, 2023, pp, 201-205, <a href="https://www.icc.illinois.gov/docket/P2023-0066/documents/344366/files/601330.pdf">https://www.icc.illinois.gov/docket/P2023-0066/documents/344366/files/601330.pdf</a></p>	<p>The IL Commerce Commission issued these 3 Orders on the same day and creates a 5-tiered discount calculated to achieve a 3% energy burden for customers of these gas utilities. The discount tiers follow the state’s LIHEAP benefit tiers.</p>	<p>On March 11, 2024 ComEd filed a petition (Docket No. 24-0163) for approval of a low-income discount proposal under section 9-241 of the Public Utilities Act. This petition and the testimony of Jason Decker propose a similar tiered discount calculated to achieve a 3% energy burden (6% if the house heats with electricity); <a href="https://www.icc.illinois.gov/docket/P2024-0163/documents/347989">https://www.icc.illinois.gov/docket/P2024-0163/documents/347989</a></p>												

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	<p>Ameren Illinois Company: ICC Docket No. 23-0067, Order of November 16, 2023, pp. 265-268; <a href="https://www.icc.illinois.gov/docket/P2023-0067/documents/344282/files/601209.pdf">https://www.icc.illinois.gov/docket/P2023-0067/documents/344282/files/601209.pdf</a></p> <p>North Shore Gas Company/Peoples Gas: ICC Docket Nos. 23-0068, 23-0069, Order of November 16, 2023, pp. 249-269; <a href="https://www.icc.illinois.gov/docket/P2023-0068/documents/344306">https://www.icc.illinois.gov/docket/P2023-0068/documents/344306</a></p>	<p>The <b>Nicor discounts</b> are:</p> <ul style="list-style-type: none"> <li>§ <b>Tier 1 (0-50% FPL):</b> 75%</li> <li>§ <b>Tier 2 (50-100% FPL):</b> 55%</li> <li>§ <b>Tier 3 (100-150% FPL):</b> 25%</li> <li>§ <b>Tier 4 (150-200% FPL):</b> 10%</li> <li>§ <b>Tier 5 (200-300% FPL):</b> 5%</li> </ul> <p>The <b>Ameren Gas discounts</b> are:</p> <ul style="list-style-type: none"> <li>§ <b>Tier 1 (0-50% FPL):</b> 75%</li> <li>§ <b>Tier 2 (50-100% FPL):</b> 55%</li> <li>§ <b>Tier 3 (100-150% FPL):</b> 25%</li> <li>§ <b>Tier 4 (150-200% FPL):</b> 10%</li> <li>§ <b>Tier 5 (200-300% FPL):</b> 5%</li> </ul> <p>The <b>North Shore Gas discounts</b> are:</p> <ul style="list-style-type: none"> <li>§ <b>Tier 1 (0-50% FPL):</b> 75%</li> <li>§ <b>Tier 2 (50-100% FPL):</b> 55%</li> <li>§ <b>Tier 3 (100-150% FPL):</b> 25%</li> <li>§ <b>Tier 4 (150-200% FPL):</b> 10%</li> <li>§ <b>Tier 5 (200-300% FPL):</b> 5%</li> </ul> <p>The <b>PGL discounts</b> are:</p> <ul style="list-style-type: none"> <li>§ <b>Tier 1 (0-50% FPL):</b> 83%</li> <li>§ <b>Tier 2: (50-100% FPL)</b> 68%</li> <li>§ <b>Tier 3: (100-150% FPL)</b> 45%</li> <li>§ <b>Tier 4: (150-200% FPL)</b> 20%</li> <li>§ <b>Tier 5: (200-300% FPL)</b> 5%</li> </ul> <p>This discount is applied to the whole bill.</p>	<p>The matter is currently pending before the ICC.</p>
<p>NY Tiered Discount</p>	<p>NY PSC Case 14-M-0565, Order Adopting Low Income Program Modifications and</p>	<p>In this Order, the NY PSC adopted a policy of a 6% target energy burden for all LI households in NY and establishes a default tiered discount, but allows utilities some flexibility provided that the alternative</p>	<p>NY’s Low-Income Electrification Energy Affordability Guarantee Pilot. NY PSC Case 14-M-0565 (Aug. 15, 2024).</p>

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	Directing Utility Filings (eff. May 20, 2016)	accomplishes the same results. This Order anticipated the ability of utilities to automatically enroll NY LIHEAP recipients regardless of fuel or benefit type.	The pilot is designed to address the knowledge gap regarding low-income adoption of heat pumps and the impact on household energy cost-burdens. This pilot builds on the tiered discount work to achieve a LI 6% energy burden. For the 1000 LI households enrolled in this pilot, there is a fund identified to ensure that household electric bills will remain at 6% of household income.
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