

Biennial Report
to the Connecticut General Assembly of the
Low-Income Energy and Water Advisory Board

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Claire Coleman, Chair

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Submitted to the following Committees:

Appropriations

Energy and Technology

Human Services

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I. Members¹

The Low Income Energy and Water Advisory Board (LIEWAB) is comprised of the following voting members; a representative of each electric and gas public service company; the chairperson of the Public Utilities Regulatory Authority; the Consumer Counsel; the chief executive officer of Operation Fuel; the executive director of Infoline; the director of the Connecticut Local Administrators of Social Services (CLASS); a representative of Connecticut Legal services, Inc., greater Hartford Legal Aid or the New Haven Legal Assistance, designated by Connecticut Legal Services, Inc.; the Connecticut state director of AARP; a designee of the Norwich Public Utility; a designee of the Independent Connecticut Petroleum Association; two representatives of water companies as defined in section 25-32a, designated by the Connecticut Water Works Association; the executive director of the Connecticut Fair Housing Center; the executive director of the Center for Children's Advocacy; the executive director of Build Green CT, formerly known as and referenced in statute as the Connecticut Green Building Council; and two representatives of the community action agencies (CAAs) administering social assistance programs under contract with the Department of Social Services, designated by the Connecticut Association for Community Action. Additionally, the following are non-voting members: the Secretary of the Office of Policy and Management (OPM) and the Commissioners of the Department of Social Services (DSS) and the Department of Energy and Environmental Protection (DEEP).² Any voting or non-voting member may appoint a designee to attend (and vote, if applicable) on their behalf.

II. Mission

The mission of LIEWAB is to advise and assist OPM and DSS in the planning, development, implementation and coordination of energy-assistance-related programs and policies and low-income weatherization assistance programs and policies. LIEWAB's role was expanded in 2024 to include assisting in the planning, development, implementation and coordination of water-assistance-related programs and policies, including programs and policies to alleviate the impact of water utility rates. LIEWAB must make recommendations to the General Assembly regarding the availability and implementation of heating and water assistance programs that benefit low-income and moderate-income households.

Additionally, LIEWAB must advise DEEP regarding the impact of utility rates and policies, and shall also make recommendations to the General Assembly regarding: (1) legislation and plans subject to legislative approval; and (2) administration of the block grant program authorized under the Low-Income Energy Assistance Act, to ensure affordable access to residential energy services to low-income residents.

¹ Conn. Gen. Stat. Ann. § 16a-41b sets forth the membership, authority and responsibilities of the LIEWAB.

² DSS, DEEP and OPM are non-voting members of LIEWAB and have not endorsed or taken a position on this Biennial Report.

III. LIEWAB Activities and Accomplishments

a. Expansion to Water by Public Act 24-37

Public Act 24-37 added water to the low-income assistance within the Board's responsibility, changing its title from LIEAB to LIEWAB. Under the new law, LIEWAB is responsible for ensuring low-income customers in Connecticut are offered assistance programs that help with their water bills. Further, LIEWAB also advises the General Assembly regarding the Low-Income Household Water Assistance Program (LIHWAP). When available, DSS administered LIHWAP in coordination with local community action agencies (CAAs) throughout the state. Customers applied for LIHWAP on the same application they submitted for energy assistance.³ While the federal government has declined to extend LIHWAP as a permanent program, LIEWAB continues to work with partners to reestablish the program. In the meantime, LIEWAB is focusing on water affordability issues and other water bill assistance programs.

b. 2024-25 LIHEAP Allocation Plan Recommendations

On July 31, DSS submitted its Low-Income Home Energy Assistance Program (LIHEAP) for fiscal year 2025 to the General Assembly and to LIEWAB. LIEWAB submitted recommendations to DSS and testimony to the General Assembly.⁴ LIEWAB recommended several modifications to the plan, that if not able to be implemented this year should be implemented going forward.

First, LIEWAB recommended increasing the basic benefit for all customers. It appears this could have been achieved this year by making more accurate assumptions about participation rates. The current LIHEAP budget has carryforward funds from last year, reflecting that the projected increases in participation rates in prior years did not materialize. Those same assumptions about increases form the basis for this year's allocations, which may cause unused funds to be additional carry-forward dollars instead of put in the hands of those who need assistance now. LIEWAB suggests that if the LIHEAP plan assumed projected enrollment based on enrollments and increases from the few previous years, rather than presuming larger increases than experienced, more money could be available for basic benefits and less would be carried forward from year to year.

If DSS has funds for supplemental awards, LIEWAB recommended that DSS disburse the supplemental benefits quicker. When funds remain available after basic benefits and crisis benefits are disbursed, and those funds will be applied toward supplemental benefits, the utilities often do not receive the supplemental funds until long after summer cooling season has passed. Disbursing those funds more quickly would ensure they reach customers' accounts at the time when they could be most used to offset summer cooling costs.

As discussed in greater detail later, LIEWAB recommended a thorough evaluation of its prior recommendation that DSS include CEAP on the common benefits application (the application for SNAP, Husky, etc.). Customers who receive other DSS benefits are also eligible to receive CEAP, yet

³ LIHEAP energy assistance in Connecticut is administered through the Connecticut Energy Assistance Program ("CEAP").

⁴ LIEWAB Comments before the Connecticut General Assembly's Appropriations, Human Services, and Energy & Technology Committees, Aug. 13, 2024, available at <https://www.cga.ct.gov/2024/APPdata/TMY/2024ZZ-00000-R000813-Nora%20Duncan,%20Claire%20Coleman,%20Co-Chairs-LIEWAB-LIHEAP%20Allocation%20Plan--TMY.PDF>

currently they have to fill out a separate application to receive help with their energy bills. Consolidating the applications may ensure that households receive all of the benefits they need. Increased federal assistance defrays the assistance costs borne by ratepayers. Based on LIEWAB's recommendations, DSS has agreed that until any consolidation of the applications, it will include the link to the CEAP application on its benefits portal and will proactively contact recipients of other DSS benefits to inform them of energy assistance and the separate application.

LIEWAB made further recommendations regarding CAAs sharing delivered-fuel CEAP benefit levels with the utilities (to allow the utilities to place the customer on the low-income discount rate tier), encouraging DSS to examine the deductible expenses allowed in LIHEAP, and allowing fixed income customers to attest to their income rather than resubmitting income information. LIEWAB also noted improvements that DSS and the utilities have made based on past LIEWAB recommendations and LIEWAB recommended that these practices continue, the primary of which is data sharing between DSS and the utilities.

c. Federal and State Energy Assistance Advocacy

LIEWAB continues to advocate for greater federal and state funding for energy and water assistance for low-income customers. In the 2024 special session, LIEWAB advocated for ARPA funding to be allocated to energy assistance for low-income customers, resulting in the General Assembly awarding DSS \$14.5 million and Operation Fuel \$3.5 million of additional funds. Unfortunately, the Special Act limited the funds to those who already had received initial payments and did not provide the funds to the many whose need arose later in the year. With such limitations, some of those funds remained unused and the 2023 Midterm Budget Adjustment reallocated such unused funds for other purposes. This resulted in the total supplemental funding amount from ARPA funds in 2023 being approximately \$8.5 million for DSS and \$1.75 million for Operation Fuel.

Additionally, the Chair and other representatives from LIEWAB took part in the National LIHEAP Action Day in Washington DC in January, advocating for federal LIHEAP funding. Following this day of advocacy, the U.S. House Appropriations Committee released a second and final minibuss spending bill for FY24 that represented an increase in the reliable appropriation of regular LIHEAP funds, and is considered a victory by advocates in a year when cuts to domestic programs have been front and center in appropriations discussions. Funding for LIHEAP was proposed at \$4.025 billion, an increase of about \$25 million compared to FY23 regular appropriations. For Connecticut, this addition brought Connecticut's total allocation to \$79,502,080.⁵

As we head into the winter season, and at the time of this report, Congress has an October 1, 2024, deadline to approve a FY 2025 budget or enact a stopgap measure to avoid a government shutdown and the halt of critical services. While the proposed House and Senate Appropriations Committee budgets provide increases to the program over last year's funding levels -- \$4.040 billion and \$4.125 billion respectively -- states should prepare to receive the FY 2024 appropriation allocation, ostensibly as a result of a stopgap measure or Continuing Resolution.

⁵ [LIHEAP Second Funding Release for States and Territories FY24 \(hhs.gov\)](https://www.hhs.gov/press/2024/spe-001)

IV. Energy

a. Overview of Energy Assistance

Low-income customers may receive energy assistance in a variety of ways, including utility assistance programs for customers with arrearages, protection from termination during the winter, the low-income discount rate for electric utilities, and direct assistance from Operation Fuel or other fuel banks. Each is described below.

i. Utility Assistance Programs

The utilities offer ratepayer-funded arrearage forgiveness programs for customers with a financial hardship designation who have an arrearage on their utility account. In 2024, the electric and gas utilities (The Connecticut Light and Power Company and Yankee Gas, dba Eversource Energy, and The United Illuminating Company, The Connecticut Natural Gas Corporation, and The Southern Connecticut Gas Company; CL&P and Yankee Gas are Eversource; UI, CNG, and SCG are Avangrid) began participating in opt-out data sharing with the Department of Social Services (DSS). Unless a DSS client opts out of data sharing, DSS will inform the utility of the client's eligibility for income-eligible programs and the utility automatically will designate that customer's account as financial hardship.⁶

The primary arrearage forgiveness program is the Matching Payment Program (MPP), which is governed by General Statutes § 16-262c. If a customer participates in MPP, the utility will match the customer's payment each month⁷ and will match any energy assistance the customer receives, down to a zero balance on the customer's account.

Until this year, the utilities also offered their own arrearage forgiveness programs for income-eligible customers in addition to MPP. Eversource offered New Start, which forgave one-twelfth of a customer's arrearage upon each monthly payment, such that after one year of New Start payments the customer would have their entire arrearage forgiven. Avangrid offered the Bill Forgiveness Program (BFP), which could extend up to thirty-six months but forgave a customer's entire arrearage amount if the customer successfully completed the program.⁸ These programs are being phased out in the fall of 2024 with the implementation of the New MPP.

These arrearage forgiveness programs for income-eligible customers are in addition to the utilities' flexible payment plan that is available to any customer, regardless of income. The flexible payment

⁶ DSS does not inform the utility of what government benefits the customer receives or of the customer's income.

⁷ Under the previous MPP design, MPP was divided into two phases and a customer had to make all six payments for each phase to have any payment matched. This has changed and the utility matches the customer's payment monthly now. Additionally, a customer is not required to receive energy assistance to participate in MPP, although if the customer does receive energy assistance the utility will match the amount received. A customer now may also participate in MPP on both their electric and gas accounts, regardless of heating source.

⁸ Eversource and Avangrid proposed in Docket No. 24-05-01 to sunset New Start and BFP in favor of the New MPP. The previous benefit to New Start and BFP is that they were available to electric customers who did not heat with electricity and the old MPP was not available to such customers. Since Public Act 23-102 made the New MPP available to all customers with a financial hardship designation, the need for New Start and BFP will diminish.

plan amortizes a customer's arrearage a maximum of eighteen months and the customer pays each month the amount of the amortized arrearage plus their current usage.

Any customer actively participating in any payment arrangement or arrearage forgiveness program is protected from service termination. Additionally, customers with a financial hardship designation are protected from service termination for their electric and gas utilities from November 1 through May 1 regardless of their participation in a payment plan. Customers with medical protection applied to their account are also protected from service termination; those with a serious illness designation are protected from termination from November 1 through May 1 and those with a life-threatening illness designation are protected all year.⁹

ii. Termination Protections

Pursuant to General Statutes § 16-262c(b)(1), the utilities offer Winter Protection from termination. Any customer with a financial hardship designation or a medical protection designation on their account is protected from termination from November 1 through May 1 of each year. The customer is encouraged to participate in an arrearage forgiveness plan or remain current on their payments during this time, as any customer not current or not actively participating in a payment arrangement may be eligible for termination beginning May 2.

In addition to Winter Protection, pursuant to General Statutes § 16-262c(b)(1) and General Statutes § 16-262d(b), customers may have medical protection placed on their account. Customers with a life-threatening designation on their account may not be terminated at any time. Customers with a serious illness designation receive seasonal protection from November 1 to May 1. Customers do not have to demonstrate financial need to receive medical protection on their account. To receive medical protection, a registered physician, physician's assistant or APRN must complete the medical protection form and certify that the customer is medically eligible. The designation must be resubmitted by the registered physician, physician's assistant or APRN annually, and therefore a customer may continue with a medical protection designation for as long as eligibility is certified. Participation in a payment arrangement or remaining current with their bills is encouraged because these customers will be responsible for substantial arrearages when the protection is removed from their accounts.

iii. Low Income Discount Rates

In addition to arrearage forgiveness programs, income-eligible electric utility customers also are automatically enrolled on the low income discount rate (LIDR).¹⁰ The LIDR currently is structured with two tiers, a 10% discount rate for all customers with maximum 60% state median income and a 50% discount rate for customers with maximum 160% of the Federal Poverty Guidelines. Currently, the utilities automatically apply the 10% LIDR to all accounts with a financial hardship designation, but any customer with a financial hardship designation may contact the utility and provide it with

⁹ The customer's physician's office indicates to the utility which designation (serious illness or life-threatening) the customer's account should receive. Customers must update their medical protection annually, or less if the physician's office indicates the designation should be for less than one year. See Conn. Agencies Regs. § 16-3-100(e).

¹⁰ CNG and SCG proposed a LIDR in their most recent rate case, Docket No. 23-11-02. A Decision is due on October 18, 2024.

information regarding income or government benefits to be placed on the 50% LIDR. The Public Utilities Regulatory Authority (PURA) currently is considering amending the structure of the LIDR tiers in Docket No. 17-12-03RE11. A final decision with amendments to the program is expected on November 6, 2024.

At present, data sharing with DSS helps inform the utilities as to which customers are eligible for the LIDR. Any customer with a financial hardship designation on their account as a result of data sharing is currently placed on the LIDR Tier 1.

In recent rate cases, PURA has ordered that the Aquarion Water Company and Connecticut Water Company implement discount rates. These rates are now in their initial or formation stages and did not have data to report for the 2024 fiscal year. PURA is also considering a gas customer discount rate as part of the most recent rate case for Connecticut Natural Gas (CNG) and Southern Connecticut Gas (SCG) — both subsidiaries of AVANGRID, Inc... Discount rates remain a viable way to make the utility bill less regressive and address the reality that low-income customers face a significantly higher energy burden than many others in our state. Making bills more affordable can also benefit all ratepayers because it makes it more likely that customers struggling with tight monthly budgets will pay their utility bill, which would in turn lower arrearages that turn into uncollectibles, which are paid for by all ratepayers.

iv. Operation Fuel Energy Assistance

In addition to the arrearage forgiveness programs and the LIDR, customers may receive financial assistance from Operation Fuel. Operation Fuel provides assistance to customers with slightly higher incomes than required for a financial hardship designation (up to 75% of the state median income). Customers must submit an application directly to Operation Fuel. To be eligible, a customer must have made at least four utility payments in the past twelve months and have an arrearage. Customers will receive up to \$500 once per year from Operation Fuel.

During 2024 (January through August 2024), Operation Fuel served almost 6000 households and disbursed almost \$3.5 million in non-federal assistance. Operation Fuel also disbursed almost \$1.5 million in American Rescue Plan Act funds. Operation Fuel was unable to remain open throughout the entire winter season of 2023-24. Pursuant to General Statutes § 16-41(a), PURA has an option of directing funds received from fines toward Operation Fuel, and from June 20, 2023, through June 30, 2024, PURA was required to direct not less than ninety-five percent of any fine it levied to a nonprofit agency engaged in energy assistance programs. Operation Fuel was awarded more than \$1.3 million from PURA in 2023 and \$328,500 to date in 2024.

The arrearage forgiveness programs (MPP, New Start, and BFP) and the LIDR are paid for by ratepayers through a charge on their utility bills.¹¹ Additionally, through a charge on their utility bills, ratepayers provide \$2.1 million annually to Operation Fuel, and they may add a voluntary donation to their utility

¹¹ If a customer is veteran disabled during time of war, they may also be eligible for assistance under General Statutes § 27-125; however, such assistance is limited and at the discretion of the Commissioner of Veterans Affairs. Customers may also contact 211 to try to find assistance through local non-profits or religious organizations, but such assistance is not consistently available.

payment.¹² The charges that pay for these programs are volumetric, meaning the charge increases with the customer's usage. As a result, customers who can afford greater energy efficiency measures, such as solar panels and battery storage, are better able to control these charges than lower income customers. Low-income customers often find themselves paying significantly for their own assistance with utility bills.

b. CEAP

i. Administration and Availability

Unlike the arrearage forgiveness programs and LIDR, CEAP is funded through a federal block grant administered by the Office of the Administration for Children & Families within the U.S. Department of Health & Human Services.¹³ CEAP is administered by DSS in partnership with local CAAs throughout the state. Customers must apply for CEAP separately from the process to apply for other government benefits administered by DSS, since the CAAs process the CEAP applications and disburse the CEAP funds. The CAAs disburse funds directly to delivered-fuel vendors or to the utilities. Recent legislation requires a delivered-fuel vendor to be paid within 10 days of providing an invoice to the CAA. Funding is not disbursed to the utilities until much later in the season, with some heating funds not being disbursed until summer.

In the 2023-2024 program year, 119,710 CEAP applications were received and 102,940 were approved. This represents 6.1% fewer applications received than in the 2022-2023 year and 2.7% fewer applications approved. CEAP funding for the 2023-2024 program year was \$88.5 million. This funding remained unchanged for 2024-2025, with the basic benefit remaining at \$480 for non-vulnerable households. Customers who heat with a deliverable fuel (such as fuel oil) have an opportunity to receive up to three additional benefits of \$410 (\$1,230), which is not available to customers heating with electric or gas. If, at the end of the season, funds remain available after heating assistance and deliverable fuel crisis assistance have been fully disbursed, a portion of these residual funds are applied to electric accounts.

Although CEAP participation has dropped from its increased levels during the pandemic, participation still remains consistently greater post-pandemic, reflecting the increased energy burden families face and corresponding need for CEAP funding. As noted, the basic benefits for electric and gas customers are woefully insufficient to cover their heating costs, which continue to rise. Although electric and gas customers receiving CEAP may not be disconnected throughout the winter, the disproportionate assistance they receive relative to delivered fuel customers causes electric and gas customers to accumulate mounting arrearages that they must pay in addition to their current bills. The matching payments and any additional utility assistance they receive is funded by all other ratepayers, not by federal or state tax dollars. If customers received more CEAP funding, it could be applied to supplemental or cooling assistance to help customers with their electric bills.

¹² Operation Fuel also received a \$30,000 federal grant in 2022 and may receive a portion of the civil penalties PURA levies. <https://operationfuel.org/about/mission-history/>

¹³ [Low Income Home Energy Assistance Program \(LIHEAP\) | The Administration for Children and Families \(hhs.gov\)](https://www.hhs.gov/low-income-home-energy-assistance-program-liheap/).

As recently experienced, customers' electric bills soar in the summer, and greater funding would reduce the amount of assistance currently required from other ratepayers.¹⁴

CEAP funding levels should acknowledge the increasing energy burden on low-income customers and the rising bills experienced by all ratepayers. Government assistance is needed, both to ensure that low-income customers are able to maintain their utility service in the summer and to ensure that ratepayers are not overburdened with charges that could be better borne by government funding. While the February 2024 special session acknowledged the need for and allocated some ARPA dollars, this was restricted to emergency supplemental assistance and was not enough to alleviate customers of the significant energy burden they face.

Appropriating ARPA (emergency pandemic) funding to reduce built-up late bill charges makes sense because the pandemic and related economic pressures caused much of this debt. Our neighbors in [New York, Maine, Massachusetts, and New Jersey](#) have allocated state and federal funding to assist low-income families with their energy bills. In 2024, New York allocated \$200 million for bill assistance to electric and natural gas customers.¹⁵ In 2023 Massachusetts allocated \$57 million to supplement its LIHEAP program¹⁶ and in 2022 Maine allocated \$474 million in winter heating relief.¹⁷ Further, as recently as August of this year, New Jersey passed a Residential Energy Assistance Payment initiative totaling \$51 million, which will provide a one-time bill credit of \$175 to low-income customers.¹⁸ LIEWAB recommends allocating federal or state funds to address unpaid energy bills, which in turn reduces the burden on all ratepayers who fund the bill assistance provided by the utilities.

iii. Future of CEAP

As the cost of energy supply and delivery continue to increase, it is important to recognize that more Connecticut residents will need CEAP funds to offset their energy costs. In addition to advocating for more funding, LIEWAB also has sought pathways to ensure that all eligible Connecticut residents are aware of and receiving CEAP.

Individuals who are eligible for the benefits on the common benefits application are also eligible for CEAP and in 2022 and 2023 LIEWAB suggested that consolidating the applications, and therefore reducing the number of applications an individual must ultimately submit, might provide CEAP funds to more individuals that need them. Further, consolidating the applications moves toward the state's No Wrong Door policy of ensuring that Connecticut residents receive the benefits for which they are eligible with minimal bureaucratic hindrance.¹⁹ As shown in the Administration for Children &

¹⁴ See [LIHEAP Toolkits | The Administration for Children and Families \(hhs.gov\)](#). With or without additional funding, it would assist customers if, in years where supplemental funds will be available, DSS disbursed those funds to the utilities in a timelier manner to allow them to assist with customer bills. Currently, the utilities often do not receive supplemental payments until late fall, long past when the payments could assist with summer bills.

¹⁵ [Governor Hochul Announces \\$200 Million in Utility Bill Relief for 8 Million New Yorkers | Governor Kathy Hochul \(ny.gov\)](#)

¹⁶ [Session Law - Acts of 2022 Chapter 268 \(malegislature.gov\)](#)

¹⁷ [FAQs — Winter Energy Relief Payments | Office of Governor Janet T. Mills \(maine.gov\)](#)

¹⁸ [nj.gov/bpu/assistance/reap/](#)

¹⁹ As noted by [Code for America](#), Connecticut's enrollment system has improved, but still has room to grow to match other states with fully integrated applications.

Family's LIHEAP Performance Management Website,²⁰ Connecticut's LIHEAP participation has increased from 16.8% in 2021 to 24.3% in 2023. This is likely attributable to DSS placing the CEAP application online, making improvements to the application to make it easier to complete, and implementing data sharing with the utilities, which in turn increases targeted communications from the utilities to eligible customers encouraging them to apply for CEAP. Despite this increase, the data shows that three-quarters of the households eligible to apply for CEAP do not apply. Although Connecticut is on the right path, it still has a long road ahead to ensure all eligible customers receive energy assistance.

One strategy the Board has considered and advocated for in the past to expand access to CEAP is for DSS to incorporate the CEAP application onto the common benefits application (the DSS application for SNAP, Husky, etc....). This year the CAAs and DSS expressed some reservations regarding this proposal to integrate CEAP on the DSS common benefits application, and therefore LIEWAB determined it would assemble a working group to fully understand any impediments DSS or the CAAs would face if the state made this transition. The working group began meeting in September and will present recommendations to DSS for DSS to include in the Fiscal year 2025-2026 LIHEAP proposal.

An additional strategy that has been the focus of the utilities, DSS, and the LIEWAB Chair include the implementation of data sharing to help identify eligible applicants. As discussed previously, DSS and the utilities have recently begun opt-out data sharing. This data sharing identifies for the utilities the customers who should be eligible for a financial hardship designation based on their receipt of other DSS benefits. Unfortunately, because CEAP is not administered by DSS, it is not part of the direct data sharing. Receipt of CEAP must be shared directly from the CAAs to the utilities, not from DSS. Further, if a customer applies for CEAP for a non-utility heating source and does not include their utility information on their application, then the CAAs are unable to identify the customer to the utilities. As a result, many customers that heat with fuel may not be identified as financial hardship in the utilities' systems unless supplemental assistance is available that year. Ensuring that utility information is captured for all customers is a recommendation from LIEWAB that will help these customers receive assistance for all of their utilities.

c. Energy Efficiency

Energy efficiency barriers remain one of the biggest obstacles to heating and cooling costs in Connecticut. Our state has one of the oldest housing stocks in the country and low-income individuals often live in older homes and apartments. Older housing may contain asbestos, lead, vermiculite, and other contaminants that require remediation before newer energy efficiency measures may be installed. Low-income households often lack the financial resources for costly remediation, which means they cannot take advantage of energy efficiency measures that could lower their heating and cooling costs.

Connecticut offers a program to assist low-income households with remediation. The Department of Energy and Environmental Protection (DEEP) administers the Residential Energy Preparation

²⁰ [Custom Reports | LIHEAP Performance Management \(hhs.gov\)](#) One may run a custom report for Connecticut by selecting Percent Served by LIHEAP, Total (Any Type of Assistance), check box for Select data fields, select Connecticut under Select grantees, and select years 2021, 2022, and 2023, then click Create Your Data Report.

Services program (REPS). Income-eligible customers who receive CEAP and whose homes have been deferred from energy efficiency upgrades due to remediation needs may access REPS to help them address their remediation barriers. REPS is funded in part by LIHEAP and in part by State Energy Program funds and funds from the American Rescue Plan Act. Because ARPA funding has ceased, therefore decreasing LIHEAP funding, the General Assembly should consider long-term funding strategies for the REPS program that do not require the program to be funded through charges on customers' utility bills.

If low-income customers have their remediation issues addressed, they may be eligible for energy efficiency measures through the Weatherization Assistance Program (WAP) and Home Energy Solutions – Income Eligible (HES-IE). WAP is a federally funded income-eligible program administered by DEEP in conjunction with the CAAs that assists low-income persons in minimizing energy-related costs and fuel usage in their homes through retrofits and home improvement measures. HES-IE is a ratepayer funded income-eligible program administered by DEEP in conjunction with the utilities that makes energy savings improvements in people's homes.

V. Water

Pursuant to Public Act 24-37, the Low-Income Energy Advisory Board now includes water in its mission to aid in assistance programs to allow all Connecticut residents access to the utilities they need. While they have a necessary obligation to provide safe and clean water to all Connecticut residents, water utilities face rising costs, some of which are outside their control, and those rising costs are passed to consumers creating more pressure on affordability of water bills.

With climate change causing more frequent and powerful storms, contamination of the water supply only increases leading to large, and often unexpected clean-up costs from storms; and lead service lines, which can cause contamination of the drinking water that flows through them, must be replaced. Significantly, in April of this year, the EPA announced the first federal standard limiting PFAS contamination in drinking water, requiring all public water drinking systems to remove designated PFAS from their supply.²¹ PFAS, or perfluoroalkyl and polyfluoroalkyl substances, are a large family of synthetic chemicals that are highly stable and resistant to degradation, earning them the nickname forever chemicals. PFAS, when ingested, can cause developmental problems, increased risk of cardiovascular issues, increased risk of cancer, and affect immune function. These chemicals are found in common household products, often used to make non-stick and water-resistant surfaces. Since PFAS do not naturally biodegrade, once they enter the water system, they must be removed, which the recent EPA ruling seeks to enforce. The removal of these chemicals may, in some cases, overlap with current techniques to remove other contaminants from the water supply, but will often require new and costly removal technology. For example, the latest estimates of necessary investments to remove PFAS from the Connecticut Water Company water supply range from 80-120 million dollars.²²

²¹ 89 Fed. Reg. 32532-757 (April 26, 2024).

²² CT PURA Docket No. 23-08-32 Transcript p. 358-59.

With these rising costs, maintaining and monitoring water affordability is critical to ensuring all Connecticut residents have access to this life-sustaining service. The EPA uses a drinking water affordability threshold of 2% of household income and combined water and wastewater threshold of 4.5%.²³ Operation Fuel recently examined water burden by census tract, and found that 37 tracts, home to over 47,000 households, had water burdens that exceed the 2% affordability threshold. Moreover, their report found that water costs have outpaced inflation for the past two decades, and if rates continue to increase at 5% annually, estimated that the number of census tracts facing unaffordable average water burdens will increase to nearly 50 tracts by 2025.²⁴

The Low-Income Household Water Assistance Program (LIHWAP) provided critical federal funding during the COVID-19 pandemic to assist low-income households with water and wastewater bills,²⁵ but currently, there is no federal funding available for LIHWAP. Funding for LIHWAP expired this year, after over [1.6 million households](#) received assistance. Other low-income water assistance programs available in Connecticut—namely, (1) Operation Fuel Assistance programs and (2) low-income discount rate programs—are all funded by ratepayers. Customers are therefore having to make up the gaps where federal government funding is running short. As water customers continue to see rate increases, the current reliance on ratepayers for water affordability programs will not be sustainable in the long-term. The following section provides an overview of each program.

a. Federally funded Water Assistance Program

As noted above, LIHWAP²⁶ was a federally funded program that provided funds to assist low-income households with water and wastewater bills. There is currently no funding available for LIHWAP.

LIHWAP became available in 2021 and was administered in Connecticut by DSS. When it was in place, LIHWAP provided initial assistance of up to \$1,000²⁷ and it could be used to “prevent water shut-offs, restore water service for homes that have been disconnected, and reduce overdue bills.” LIHWAP eligibility was aligned with CEAP—households earning less than 60% of the state median income were eligible. If a household member received Supplemental Nutrition Assistance Program, Temporary Family Assistance, Supplemental Security Income, State Supplement for the Aged, Blind, and Disabled, and/or Refugee Cash Assistance, no proof of income was needed for the application.

²³ U.S. Environmental Protection Agency. Affordability Criteria for Small Drinking Water Systems: An EPA Science Advisory Board Report By the Environmental Economics Advisory Committee of the EPA Science Advisory. 2002. The EPA is also in the process of developing a Water Affordability Needs Assessment and Report to Congress, as required by the Bipartisan Infrastructure Law, which will put forth EPA’s recommendations on how to address low-income water affordability challenges.

²⁴ [Mapping Connecticut Household Cost Burdens \(operationfuel.org\)](#)

²⁵ The U.S. Department of Health & Human Services (HHS), released a [report](#) on the temporary Low Income Household Water Assistance Program (LIHWAP), finding that by June 2023 it had restored water service or prevented disconnections over 650,000 times for low-income households.

²⁶ “Low-Income Household Water Assistance Program (LIHWAP),” *Office of Community Services*. <https://www.acf.hhs.gov/ocs/programs/lihwap>; “How to Apply - Connecticut Low Income Household Water Assistance Program (LIHWAP),” *Connecticut’s Official State Website*. <https://portal.ct.gov/dss/highlights/low-income-household-water-assistance-program-coming-to-ct/how-to-apply>.

²⁷ LIHWAP recipients later received a second supplemental benefit of \$285.

While in place, LIHWAP aided over 7,000 households in Connecticut by restoring service and preventing disconnection.²⁸

Given that LIHWAP currently has no funding -- though there are proposals before Congress to reinstate the program -- LIEWAB continues to advocate for a permanent federal low-income water assistance program. LIEWAB recommends that our state and federal legislators support further federal funding of this program to supplement the ratepayer-funded programs.²⁹ LIEWAB also encourages the General Assembly to consider providing state funding until more federal funding can be secured to alleviate the ratepayer burden while ensuring low-income customers continue to receive utility services.

b. Ratepayer-funded Water Assistance Programs³⁰

There are different customer or ratepayer-funded water assistance programs available to eligible customers depending on which water utility is providing service. Program administration also varies by program, with some being administered by Operation Fuel, while others process applications through Connecticut's CAAs. The following section outlines some of the key program details of the main water assistance programs currently available to eligible Connecticut water customers.

The Aquarion Customer Assistance Program (CAP), or Customer Voucher Program (CVP), provides up to \$50 prevention assistance or up to \$250 intervention assistance on a customer's water bill. To qualify for this one-time assistance, individuals must (1) earn up to 75% State Median Income; (2) "Demonstrate making at least 4 payments on the bill in the past year, have a past due bill, and provide income documentation for the past 4 weeks"; and (3) submit an application through Operation Fuel. This program runs between July 1st and June 30th, until the \$50,000 total allocation is distributed on a first come, first serve basis. Applications, along with required documentation, may be submitted via mail or email to Operation Fuel.

The Aquarion Low-Income Rate Assistance Program (LIRAP) provides a 15% monthly bill discount for eligible customers in Connecticut. To be eligible for the program, Aquarion customers must (1) earn 60% SMI or below; (2) have made at least 4 payments in the past 12 months. Customers that qualify for the program receive a 15% discount off their Aquarion water bill each month. Applicants need to provide basic household information and specific income documentation to Operation Fuel as part of their emailed/mailed/faxed application package. Households with categorical eligibility, obtained through participation in other income-based programs like SNAP, do not need to provide proof of income.

²⁸ See *Annual Reports | LIHWAP Data Dashboard*, [https://lihwap-hhs-acf.opendata.arcgis.com/pages/annual-reports\(arcgis.com\)](https://lihwap-hhs-acf.opendata.arcgis.com/pages/annual-reports(arcgis.com))

²⁹ See *liwcap-full-final-report-formatted.pdf(awwa.org)*.

³⁰ "Get Help," *Operation Fuel*. <https://operationfuel.org/gethelp/>; "Low Income Rate Assistance Program (LIRAP)," *Aquarion*. <https://www.aquarionwater.com/customer-care/customer-assistance-programs/lirap/>; "Assistance Programs for Aquarion Water Customers," *Operation Fuel*. <https://operationfuel.org/aquarion/>; "Water Rate Assistance Program (WRAP)," *Connecticut Water*. <https://www.ctwater.com/service-billing/your-bill/pay-your-bill/financial-support/water-rate-assistance-program-wrap/>

Connecticut Water Company (CWC) customers can apply for assistance through Operation Fuel or through the Water Rate Assistance Program (WRAP). Through WRAP, income-eligible CWC customers can qualify for a “10%, 40% or 80% reduction on their water bill.” The customer’s household income level determines which discount they are eligible to receive: households earning 100% Federal Poverty Level (FPL) are eligible for an 80% water bill discount; households earning 200% FPL are eligible for a 40% water bill discount; and households earning 60% SMI are eligible for a 10% discount. To apply, customers need to reach out to an authorized agency, which includes the customer’s local social service agencies, CAAs, and Operation Fuel. This authorized agency will help fill out CWC’s “Financial Assistance Eligibility Authorization” form on the customer’s behalf and, once the agency confirms the customer’s income eligibility, CWC will enroll the customer in any financial assistance programs they may qualify for. Customers need to re-apply for this program every 2 years to confirm their income eligibility.

CWC customers may also apply through Operation Fuel for a grant of “up to \$500 on their water bill.” Eligible customers must (1) earn up to 60% SMI and (2) submit current income and most recent bill.

According to Operation Fuel’s funding season data presented at LIEWAB’s August 2024 meeting,³¹ Operation Fuel had supported 101 households — equivalent to 247 residents — served by Connecticut Water. For the Metropolitan District Commission (MDC), which is a municipal water district serving the greater Hartford area, Operation Fuel had supported 117 households, equivalent to 310 residents. The MDC program shut down early May 2024 due to lack of funds. Operation Fuel tracks Aquarion data separately and thus, it was not included along with the other data updates provided above but will be included in future updates to LIEWAB.

Though the assistance programs outlined above are available to Connecticut customers, all are funded by ratepayers, and the availability of such programs is dependent on the utility administering them. As water costs continue to rise, more Connecticut consumers will have difficulty paying their bills. The more avenues available to prevent water shut-offs and allow all Connecticut residents access to safe and clean drinking water, the less the burden will be placed on ratepayers to fill the gap for low-income customers. It is the recommendation of this board that federal LIHWAP funding be made available for Connecticut customers to ensure access to water for all.

VI. Conclusion

As the first biennial report to the legislature, LIEWAB hopes this provides an overview of the various programs and assistance provided to help address energy and water affordability challenges in Connecticut. Upward pressure on energy and water rates are likely to continue as inflationary pressures exist, and climate change, pollution, and increasingly frequent and damaging storms occur, requiring infrastructure investments. We look forward to working with members of the General Assembly on addressing these challenges and providing as much support to low- and middle-income energy and water consumers as possible.

³¹ Minutes and recordings of past Low-Income Energy and Water Advisory Board (LIEWAB) meetings can be accessed on the Department of Energy and Environmental Protection’s (DEEP) website at <https://portal.ct.gov/deep/energy/low-income-energy-advisory-board/lieab-meetings>.