# **ENERGY AFFORDABILITY AND COVID-19:** Program Innovation During the Pandemic

### Background

Millions of American households suffered economic effects as a result of the COVID-19 crisis. Utility companies reported staggering increases in arrearages and unemployment soared as the economy adjusted to this new reality. The existing network of utility providers, nonprofit fuel funds, Community Action Agencies, providers of the Low Income Home Energy Assistance Program (LIHEAP), government entities, national partners, and trade organizations took the necessary steps to improve energy security for vulnerable families and individuals. Below, the National Energy and Utility Affordability Coalition (NEUAC) has highlighted the extraordinary creativity in the field that modernized program delivery.

### **Reimagining LIHEAP** — Nonprofit Innovation

- **Expanding eligibility:** LIHEAP providers moved quickly to adjust eligibility when appropriate and possible to 150% of the Federal Poverty Level or 60% of state median income, maximizing potential to help more households.
- **Streamlining requirements:** Weighty requirements were reduced when possible, e.g. asset tests, reduced time periods to show eligibility in order to serve those recently unemployed, expanded definitions of "crisis" in order to access assistance.
- **Supplemental benefits** were added to eligible house-holds that continued to carry arrearages.
- Investing in weatherization and energy efficiency: Up to 15% of LIHEAP funds can be passed through to provide weatherization to eligible households, or up to 25% with a waiver from the U.S. Dept. of HHS. The majority of states take advantage of this opportunity to improve the efficiency of aging housing stock of LIHEAP-eligible households.
- **R.ecord-setting expansion of cooling programs:** LIHEAP set a record in 2020 of 1.2 million households receiving life-critical cooling assistance, helping to ad-dress the need for equity in disadvantaged households and communities most impacted by a warming climate.



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### **Expanding Possibilities — Utility Strategies**

- Voluntary moratoria and extensions: Evergy issued a voluntary compassionate moratorium on disconnections for both residential and small business customers who owed past-due balances.
- Temporarily reduced rates during pandemic: During the coronavirus pandemic, Tampa Electric significantly decreased bills with residential customers seeing a 20 percent reduction throughout the summer months, along with a reduced fuel rate through December 2020 an estimated savings of \$90 on residential bills.
- Community involvement: The PG&E Corporation
   Foundation donated \$1 million in shareholder funds from
   their foundation to the community and the utility supplied
   nearly a million N95 masks and surgical masks to
   California hospitals and other first responders facing a
   critical shortage of Personal Protective Equipment (PPE)
   due to the COVID-19 pandemic.



#### **Outreach Ingenuity and Use of Technology**

• Agencies and utilities used social media platforms like NextDoor, Twitter, Facebook, and Instagram to connect with households and spread awareness of the availability of assistance.



- Webinars and video instruction for customers: Spire launched a webinar and posted it to YouTube to help customers fill out the application for LIHEAP assistance.
- **Statewide coalitions** between utilities and nonprofit/ government partners like *LIHEAP Helps California* and *The Coalition to Keep Michigan Warm* have disseminated information and provided valuable outreach and collaboration during COVID-19.
- Secure and confidential community drop boxes were established to collection applications.
- **Online applications** are available in 36 states for LIHEAP.