

By: Representative Ellis (By Request)

To: Public Utilities

HOUSE BILL NO. 944

1 AN ACT TO CREATE NEW SECTION 43-33-151, MISSISSIPPI CODE OF  
 2 1972, TO CREATE THE MISSISSIPPI CUSTOMER ENERGY ASSISTANCE PROGRAM  
 3 (CEAP) FUND FOR THE PURPOSE OF PROMOTING HOME ENERGY  
 4 AFFORDABILITY, AND TO REQUIRE THE DIVISION OF COMMUNITY SERVICES  
 5 OF THE DEPARTMENT OF HUMAN SERVICES TO ADMINISTER THE FUND; TO  
 6 CREATE NEW SECTION 43-33-153, MISSISSIPPI CODE OF 1972, TO DEFINE  
 7 CERTAIN TERMS RELATING TO THE CEAP FUND; TO CREATE NEW SECTION  
 8 43-33-155, MISSISSIPPI CODE OF 1972, TO REQUIRE ELECTRIC AND  
 9 NATURAL GAS UTILITIES OPTING TO PARTICIPATE IN THE CEAP FUND TO  
 10 COLLECT A MONTHLY CHARGE FROM RESIDENTIAL CUSTOMERS, TO DEFINE  
 11 PURPOSES FOR WHICH CEAP FUNDS MAY BE USED AND TO REQUIRE THE  
 12 DEPARTMENT TO ESTABLISH THE MAXIMUM INCOME ELIGIBILITY FOR  
 13 SERVICES FUNDED WITH CEAP FUNDS; TO CREATE NEW SECTION 43-33-157,  
 14 MISSISSIPPI CODE OF 1972, TO REQUIRE THE DEPARTMENT OF HUMAN  
 15 SERVICES TO REPORT TO THE LEGISLATURE ON THE OPERATIONS OF THE  
 16 CEAP FUND; AND FOR RELATED PURPOSES.

17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

18 **SECTION 1.** The following shall be codified as Section  
 19 43-33-151, Mississippi Code of 1972:

20 43-33-151. The Mississippi Customer Energy Assistance  
 21 Program (CEAP) Fund is created. The purpose of the CEAP Fund is  
 22 to promote home energy affordability for income-eligible  
 23 residential electric and natural gas consumers. The Department of  
 24 Human Services, Division of Community Services, shall administer  
 25 the fund according to Sections 43-33-151 through 43-33-157 and  
 26 those rules and regulations adopted by the department for the  
 27 administration of the fund.

28 **SECTION 2.** The following shall be codified as Section  
 29 43-33-153, Mississippi Code of 1975:

30 43-33-153. As used in Sections 43-33-151 through 43-33-157  
 31 the following words and phrases the meanings ascribed in this  
 32 section unless the context clearly indicated otherwise:

33 (a) "Department" means the Department of Human  
 34 Services, Division of Community Services.



35 (b) "Participating distribution electric utility" means  
36 an electric public utility, including a municipal electric utility  
37 or electric cooperative, affirmatively opting to participate in  
38 CEAP and to collect the CEAP charge pursuant to Section 43-33-155.

39 (c) "Participating distribution natural gas utility"  
40 means a natural gas public utility, including a municipal natural  
41 gas utility or natural gas cooperative, affirmatively opting to  
42 participate in CEAP and to collect the CEAP charge pursuant to  
43 Section 43-33-155.

44 (d) "Fund" or "CEAP Fund" means the Customer Energy  
45 Assistance Program (CEAP) Fund.

46 (e) "Residential accounts" or "residential customers"  
47 means residential accounts or residential customers of a  
48 participating public utility as those accounts or customers are  
49 classified by the rate schedules or service rules of the  
50 participating utility.

51 **SECTION 3.** The following shall be codified as Section  
52 43-33-155, Mississippi Code of 1972:

53 43-33-155. (1) (a) Each participating distribution  
54 electric utility shall collect a nonbypassable undifferentiated  
55 monthly charge of One-tenth of One Cent (1/10 of 1¢) per  
56 kilowatt-hour per month, not to exceed One Dollar (\$1.00) per  
57 month, from each residential account receiving electricity.

58 (b) Each participating distribution natural gas utility  
59 shall collect a nonbypassable undifferentiated monthly charge of  
60 Three Cents (3¢) per hundred cubic feet per month, not to exceed  
61 One Dollar (\$1.00) per month, from each residential account  
62 receiving natural gas.

63 (c) Participating distribution electric utilities and  
64 participating distribution natural gas utilities collecting CEAP  
65 charges shall remit all CEAP charge revenues to the State  
66 Treasurer, who shall deposit the monies in the CEAP Fund. The  
67 treasurer shall make disbursements from this fund in accordance



68 with rules promulgated by the department. The unencumbered or  
69 unobligated monies remaining in the fund at the end of any fiscal  
70 year will be maintained in the CEAP Fund and will be available for  
71 expenditure during subsequent fiscal years until expended for the  
72 purposes for which originally collected.

73 (2) Whether an eligible utility chooses to participate in  
74 CEAP or to terminate the utility's participation in CEAP is solely  
75 at the discretion of the utility. There is no necessity or  
76 requirement for approval by any regulatory authority of the  
77 utility's participation or termination of participation in CEAP of  
78 any utility decision regarding participation in CEAP or of the  
79 billing and collection of the charges required under subsection  
80 (1) of utilities participating in CEAP. However, a utility's  
81 participation must be pursuant to Sections 43-33-151 through  
82 43-33-157. No responsibility or liability attaches to any  
83 decision by a utility to participate, not participate or terminate  
84 participation in CEAP.

85 (3) (a) Once an eligible utility opts to participate in  
86 CEAP, the billing of the charge pursuant to subsection (1) will  
87 begin with the first billing cycle of the prospective billing  
88 month that the utility designates as the billing month for  
89 beginning the billing of the CEAP charge.

90 (b) When a utility terminates its participation in  
91 CEAP, the termination will be effective after the end of the  
92 billing month that the utility designates as the final month of  
93 the utility's participation, which end of the month must be  
94 prospective from the date on which the utility makes its decision  
95 to terminate its participation.

96 (4) The department shall distribute funds from the CEAP Fund  
97 pursuant to the rules adopted by the department, which rules must  
98 include the purposes for which funds may be distributed,  
99 including, but not necessarily limited to:



100 (a) Energy efficiency measures allowed by the U.S.  
101 Department of Energy under the federal Weatherization Assistance  
102 Program, 42 U.S.C., Section 6861, et seq., or its successor;

103 (b) Home water conservation measures;

104 (c) Incidental housing repairs determined by the  
105 department to be necessary to ensure the viability of energy  
106 efficiency investments;

107 (d) Electric and natural gas bill affordability  
108 assistance; and

109 (e) Program administrative costs, however, no more than  
110 ten percent (10%) of the total CEAP Fund may be expended on  
111 program administrative costs in any given year. The department's  
112 rules must provide that the distribution of funds from the CEAP  
113 Fund must be for the purpose of making natural gas and electric  
114 utility bills more affordable to income eligible customers.

115 (5) The department may reserve from the funds collected in  
116 any fiscal year an amount not to exceed ten percent (10%) to  
117 provide, directly or indirectly, training and technical assistance  
118 to local agencies delivering CEAP services. This training and  
119 technical assistance may include providing information concerning  
120 conservation practices to income eligible customers.

121 (6) The department shall prescribe, by rule, a maximum  
122 income eligibility for receipt of services funded by the CEAP Fund  
123 which maximum income eligibility may not exceed one hundred and  
124 seventy-five percent (175%) of the federal poverty guideline, as  
125 determined annually by the U.S. Department of Health and Human  
126 Services. However, the department may, define, by rule,  
127 households participating in means-tested state or federal programs  
128 with similar eligibility guidelines, including, but not limited  
129 to, Food Stamps, Temporary Assistance to Needy Families and  
130 Supplemental Security Income, as eligible for assistance through  
131 the CEAP Fund. The department may define other low-income  
132 populations with particular physical or economic vulnerability to



133 weather conditions or energy supply interruptions as eligible for  
134 assistance from the CEAP Fund.

135 (7) An eligible residential customer may receive one or more  
136 of the forms of assistance available from the CEAP Fund and may  
137 not be required to participate in the state or federal energy  
138 assistance or weatherization assistance programs as a condition of  
139 participating in the CEAP Fund programs.

140 (8) Services funded through the CEAP Fund will be provided  
141 without consideration of the source of revenues if the low-income  
142 customer receiving assistance is a customer of a participating  
143 distribution electric utility or participating distribution  
144 natural gas utility collecting the CEAP charge from its  
145 residential customers.

146 **SECTION 4.** The following shall be codified as Section  
147 43-33-157, Mississippi Code of 1972:

148 43-33-157. (1) The department shall monitor and evaluate  
149 the provision of services funded from the CEAP Fund in order to  
150 ensure the effective provision of assistance for low-income  
151 persons.

152 (2) The department shall deliver to the Legislature an  
153 annual report that must include, for each fiscal year in which the  
154 CEAP Fund operates, the following:

155 (i) The number of households eligible to  
156 participate in the CEAP Fund;

157 (ii) The number of households that participated in  
158 the CEAP Fund in the preceding year;

159 (iii) Program revenues, expenditures, and benefits  
160 provided; and

161 (iv) A description of the program activities.

162 (3) Beginning in 2005 and every third year thereafter, the  
163 department shall report to the Legislature the results of the  
164 department's monitoring and evaluation.



165           **SECTION 5.** This act shall take effect and be in force from  
166 and after July 1, 2002.

