

By: Senator(s) Robertson, Williamson

To: Public Utilities

SENATE BILL NO. 2819

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 have 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 USC, 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.

