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SENATE JOINT RESOLUTION NO. 95

Offered January 18, 2000

Directing the Consumer Advisory Board established pursuant to the Virginia Electric Utility Restructuring Act to study low-income household energy assistance programs in the Commonwealth.

Patrons—Norment, Holland, Stolle and Watkins; Delegates: Cantor, Kilgore, Parrish, Plum and Woodrum

Referred to Committee on Rules

WHEREAS, the Consumer Advisory Board was established pursuant to the Virginia Electric Utility Restructuring Act for the purpose of assisting the Legislative Transition Task Force in its work as prescribed in § 56-595 of the Restructuring Act and on such other issues as may be directed by the Legislative Transition Task Force; and

WHEREAS, in August 1999 the Legislative Transition Task Force requested the Consumer Advisory Board to examine, among other issues, energy assistance programs for low-income households; and

WHEREAS, the Consumer Advisory Board has held several meetings and collected information regarding existing energy assistance programs for low-income households; and

WHEREAS, existing programs do not adequately address the seasonal energy needs of Virginia's low-income households; and

WHEREAS, the Consumer Advisory Board has begun the process of examining whether a need exists, in a deregulated market, for a program that ensures that low-income Virginians will have access to affordable basic electrical service; and

WHEREAS, many of the other states that have restructured their electric utility industries have implemented, supplemented or continued low-income energy assistance programs as a part of their restructuring legislation; and

WHEREAS, in the course of examining existing energy assistance programs in the Commonwealth, the Consumer Advisory Board observed that the issue of low-income energy assistance is broader in scope than ascertaining the potential effects of deregulated electricity generation rates on Virginia's consumers; and

WHEREAS, the Commonwealth does not currently have a statutory policy regarding the provision of financial assistance to low-income households for their energy needs; and

WHEREAS, the vast majority of governmental funding for low-income energy assistance is provided by the federal government through the Low Income Home Energy Assistance Program (LIHEAP), administered by the Department of Social Services, and the Weatherization Assistance Program, administered by the Department of Housing and Community Development; and

WHEREAS, the level of federal appropriations for these programs has been declining over recent years; and

WHEREAS, legislation recently proposed in Congress would have required states to provide matching funds for federal energy assistance appropriations; and

WHEREAS, some utility service providers, local governments, charitable organizations, religious institutions, and other groups currently administer energy assistance programs; and

WHEREAS, neither LIHEAP, the Weatherization Assistance Program, nor other governmental or private voluntary assistance programs limit their benefits to consumers of electricity or any other specific type of energy; and

WHEREAS, there is no single state entity charged with overseeing the provision of public funds to low-income households with energy needs; and

WHEREAS, a system for collecting data about low-income energy assistance needs and the amount of assistance provided, as well as ensuring coordination among the various public and private providers of such assistance, does not currently exist in the Commonwealth; and

WHEREAS, weatherization services are a necessary element of the effective provision of energy assistance to low-income households; and

WHEREAS, contributions from utility customers to voluntary energy assistance programs provide a significant amount of assistance to low-income households and should be encouraged; and

WHEREAS, the natural gas industry is concurrently moving toward a deregulated environment; and

WHEREAS, developing a recommendation for funding a low-income energy assistance program will require a careful analysis of its effects on all energy consumers, energy providers, and program administrators; and

WHEREAS, because an assessment of the need for a program to assist low-income Virginians in

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60 meeting their energy needs requires an examination of issues that extends beyond the scope of the
61 implementation of the Restructuring Act, the Consumer Advisory Board should be charged with
62 conducting a broad examination of whether the Commonwealth should act to help meet the energy
63 needs of its low-income households; now, therefore, be it

64 RESOLVED by the Senate, the House of Delegates concurring, That the Consumer Advisory Board
65 established pursuant to the Virginia Electric Utility Restructuring Act be directed to study low-income
66 household energy assistance programs in the Commonwealth. The study shall address, but not be limited
67 to, whether Virginia should (i) establish a State policy with respect to the availability of affordable
68 electricity and other sources of energy to all Virginians; (ii) create a new program assisting low-income
69 households with a basic level of electric utility service; (iii) expand existing programs, or establish new
70 programs, assisting low-income households with seasonal energy needs regardless of the energy source;
71 (iv) consolidate existing public programs providing energy assistance for low-income households; (v)
72 coordinate efforts of private, voluntary energy assistance programs with public programs and other
73 private programs; (vi) provide incentives to encourage voluntary contributions to energy assistance
74 programs; and (vii) address the likelihood of continued declines in federal funding for LIHEAP and the
75 Weatherization Assistance Program.

76 Staffing for the study shall be provided to the Consumer Advisory Board by the Division of
77 Legislative Services, the Department of Social Services, the Department of Housing and Community
78 Development, the Department Mines, Minerals and Energy, and the state Corporation Commission.

79 The Consumer Advisory Board shall complete its work and submit its findings and recommendations
80 to the Legislative Transition Task Force established pursuant to § 56-595 of the Restructuring Act in
81 time for the Legislative Transition Task Force to include such material, and its recommendations with
82 regard thereto, in the Legislative Transition Task Force's report to the Governor and the 2001 Session of
83 the General Assembly as required by subsection C of § 56-595 of the Restructuring Act.