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Summary of HEA 1002 Provisions Related to Low-Income Customer Assistance

Low-Income Customer Assistance Programs

A new chapter (IC 8-1-47) mandates that every rate-regulated electricity supplier (other than municipal utilities) under IURC jurisdiction establish and operate a low-income customer assistance program *by July 1, 2026,* for customers who are eligible for and who have applied for assistance from a home energy assistance program administered under IC 4-4-33. *See* IC 8-1-47-1, -3, -5(a). A program an existence before July 1, 2026, that meets the requirements of this chapter qualifies as a low-income customer assistance program for purposes of this chapter. *See* IC 8-1-47-5(a).

In connection with its low-income customer assistance program, an electricity supplier may establish per customer funding limits, enrollment limits, or other limits, caps or restrictions, based on funds available for the program. *See* IC 8-1-47-5(b). However, if these limits, caps, or restrictions come into play in any year, any program funds must be segregated and held in trust to be used for the low-income customer assistance program in the following year. *See* IC 8-1-47-5(c).

HEA 1002 explicitly provides that a low-income customer assistance program offered under this chapter is not discriminatory. *See* IC 8-1-47-10.

Customer Notice Requirements

Electricity suppliers must include in each residential bill issued *after June 30, 2026*, a notice that informs customers about the low-income program offering and includes a toll-free telephone number or a link to a web page to access information on how to apply for assistance under the program. *See* IC 8-1-47-7(a).

Not later than July 1, 2026, electricity suppliers must publish the above information on their websites. *See* IC 8-1-47-7(b).

If *at any time an electricity supplier is no longer able to provide assistance* to additional eligible customers due to funding limits, etc., the electricity supplier must include a statement on its website notifying customers of that fact. *Once the electricity supplier is accepting applications again*, it must remove that statement and post a new statement indicating the program is once again accepting applications. *See* IC 8-1-47-7(b).

Funding Requirements

Beginning in 2027, not later than March 1 of each year, each electricity supplier must annually fund its program in an amount equal to at least 0.2% of the electricity supplier's jurisdictional revenues from residential customers, plus any additional contributions from government agencies or third parties. *See* IC 8-1-47-6.

Enrollment

If a customer who applies for assistance is found eligible for the program, the electricity supplier is required to enroll the customer (subject to limits, caps, etc.) — enrollment is not discretionary for eligible applicants. *See* IC 8-1-47-8.

Cost Recovery

An electricity supplier may, but is not required to, petition the IURC for approval to recover eligible program administrative costs through rates, in a base rate case or an independent proceeding. Costs covered by contributions provided at no cost to the utility (*e.g.*, government grants or third-party donations) do not qualify as “eligible program costs” for cost recovery purposes. The Commission may not approve such program cost recovery if it would result in an average aggregate retail rate increase of more than 2% per year. *See* IC 8-1-47-9.

Annual IURC Reporting

Beginning in 2027, the IURC must include in its annual report information on each electricity supplier's low-income assistance program performance for the most recently concluded state fiscal year. *See* IC 8-1-47-11.