



March 21, 2023

Senator Jason Rarick  
95 University Avenue W.  
Minnesota Senate Bldg., Room 3413

Re: Support for SF 2987 – Amending the definition of “low-income household” for purposes of receiving energy conservation assistance

Dear Senator Rarick,

I am writing on behalf of the Citizens Utility Board of Minnesota (CUB) to express support for SF 2987. This bill is a needed fix to the definition of “low-income household” with respect to the utility low-income conservation programs (Minn. Stat. 216B.2402-241).

In 2021, the ECO Act updated this statute to include a definition of “low-income household” that limited eligibility for low-income utility energy efficiency programs to households with incomes at or below 60% of state median income (SMI). This new definition is a lower income threshold than some existing, long-standing low-income efficiency programs. It would result in fewer eligible households, even as the ECO statute increased the amount of funding required in these programs.

Efficiency programs are very important for households that face challenges with energy affordability. Many households above 60% SMI (approximately \$46,600 in 2021) still struggle to afford household energy, more so given recent inflation and the rise in fuel prices. Energy efficiency improvements provide long-term bill savings.

This bill provides an important revision to the definition of “low-income.” Further, it will reduce administrative burden and duplicative paperwork by allowing households to qualify by demonstrating that they have already proven eligibility for another income-qualified program.

Thank you for carrying this important bill.

Sincerely,

Annie Levenson-Falk  
Executive Director

cc: Chair Nick Frentz  
Justin Emmerich, Committee Administrator  
Joe Birkholz, Office of Governor Tim Walz