

Senator moves to amend the delete-everything amendment (SCS2393A-3) to S.F. No. 2393 as follows:

Page 11, after line 14, insert:

"Sec. 5. Minnesota Statutes 2024, section 216B.16, is amended by adding a subdivision to read:

Subd. 1b. **Definitions.** For the purposes of this section, "low-income" means a household:

(1) who is approved as qualified for energy assistance from the low-income home energy assistance program;

(2) whose household income is 50 percent or less of the state median income; or

(3) who meets another qualification established by the commission.

Sec. 6. Minnesota Statutes 2024, section 216B.16, subdivision 14, is amended to read:

Subd. 14. **Low-income electric rate discount.** A public utility shall fund an affordability program for low-income customers at a base annual funding level of \$8,000,000. The annual funding level shall increase in the calendar years subsequent to each commission approval of a rate increase for the public utility's residential customers by the same percentage as the approved residential rate increase. Costs for the program shall be included in the utility's base rate. ~~For the purposes of this subdivision, "low-income" describes a customer who is receiving assistance from the federal low-income home energy assistance program.~~ The affordability program must be designed to target participating customers with the lowest incomes and highest energy costs in order to lower the percentage of income they devote to energy bills, increase their payments, lower utility service disconnections, and decrease costs associated with collection activities on their accounts. For low-income customers who are 62 years of age or older or disabled, the program must include a \$15 discount in each billing period. For the purposes of this subdivision, "public utility" includes only those public utilities with more than 200,000 residential electric service customers. The commission may issue orders necessary to implement, administer, and recover the costs of the program on a timely basis.

Sec. 7. Minnesota Statutes 2024, section 216B.16, subdivision 15, is amended to read:

Subd. 15. **Low-income affordability programs.** (a) The commission must consider ability to pay as a factor in setting utility rates and may establish affordability programs for low-income residential ratepayers in order to ensure affordable, reliable, and continuous

2.1 service to low-income utility customers. A public utility serving low-income residential
2.2 ratepayers who use natural gas for heating must file an affordability program with the
2.3 commission. ~~For purposes of this subdivision, "low-income residential ratepayers" means~~
2.4 ~~ratepayers who receive energy assistance from the low-income home energy assistance~~
2.5 ~~program (LIHEAP).~~

2.6 (b) Any affordability program the commission orders a utility to implement must:

2.7 (1) lower the percentage of income that participating low-income households devote to
2.8 energy bills;

2.9 (2) increase participating customer payments over time by increasing the frequency of
2.10 payments;

2.11 (3) decrease or eliminate participating customer arrears;

2.12 (4) lower the utility costs associated with customer account collection activities; and

2.13 (5) coordinate the program with other available low-income bill payment assistance and
2.14 conservation resources.

2.15 (c) In ordering affordability programs, the commission may require public utilities to
2.16 file program evaluations that measure the effect of the affordability program on:

2.17 (1) the percentage of income that participating households devote to energy bills;

2.18 (2) service disconnections; and

2.19 (3) frequency of customer payments, utility collection costs, arrearages, and bad debt.

2.20 (d) The commission must issue orders necessary to implement, administer, and evaluate
2.21 affordability programs, and to allow a utility to recover program costs, including
2.22 administrative costs, on a timely basis. The commission may not allow a utility to recover
2.23 administrative costs, excluding start-up costs, in excess of five percent of total program
2.24 costs, or program evaluation costs in excess of two percent of total program costs. The
2.25 commission must permit deferred accounting, with carrying costs, for recovery of program
2.26 costs incurred during the period between general rate cases.

2.27 (e) Public utilities may use information collected or created for the purpose of
2.28 administering energy assistance to administer affordability programs."

2.29 Page 16, after line 9, insert:

3.1 "Sec. 13. Minnesota Statutes 2024, section 216B.2402, subdivision 16, is amended to
3.2 read:

3.3 Subd. 16. **Low-income household.** "Low-income household" means a household whose
3.4 household income:

3.5 (1) is 80 percent or less of the area median household income for the geographic area
3.6 in which the low-income household is located, as calculated by ~~the United States Department~~
3.7 ~~of Housing and Urban Development~~ a body of the state or federal government; or

3.8 (2) meets the income eligibility standards, as determined by the commissioner, required
3.9 for a household to receive financial assistance from a federal, state, municipal, or utility
3.10 program administered or approved by the department."

3.11 Renumber the sections in sequence and correct the internal references