

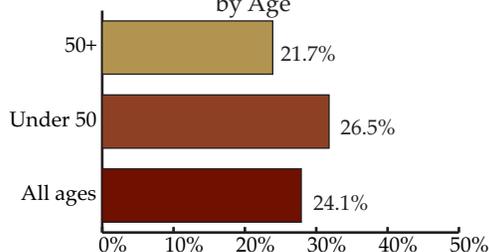
Energy and Telephone Assistance in the States

Montana

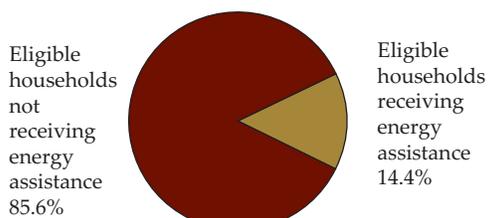
Montana in Brief (2006)

Total state population:	944,632
State median income:	\$49,124
Percent households age 50+:	50.3%

Percent Households under 150% of Poverty, by Age

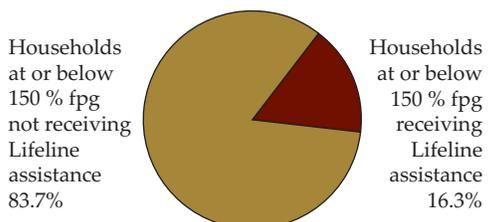


Energy Assistance among Households with Incomes at or Below 150% of Poverty



Telephone penetration rate in state: 92.9%

Percent Households At or Below 150% of Poverty Receiving Lifeline Assistance



Telephone Assistance

Lifeline and Link-Up are the primary sources of telephone assistance for low-income households in Montana. These programs are collectively known as the Montana Telephone Assistance Program.

Lifeline

Lifeline provides participating low-income households with a monthly credit toward the price of basic local telephone service.

Benefits (2006)

Maximum monthly credit: \$13.50
 Basic federal support: \$8.25
 State support: \$3.50
 Federal match: \$1.75

Customers on or near tribal lands may qualify for additional federal benefits.

Funding (2005)

Federal: \$2,579,195
 State: \$651,000 (est.)

Local telephone companies recover the cost of providing the state portion of this benefit (\$3.50 per subscriber) in the rates they charge non-Lifeline subscribers for basic local telephone service.

Eligibility (2006)

State residents must complete an application and return it to their local Office of Public Assistance. The Department of Public Health and Human Services (DPHHS) Central Office determines if applicant is a Medicaid recipient and forwards approved applicants to the telephone company. The DPHHS verifies a sample of households periodically for continued eligibility.

Participation (2005)

Households served: 15,500
 Participation rate: 27.7% (based on participation in Medicaid)

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Link-Up

Qualified customers receive a discount on the price of installing new telephone service.

Benefits (2006)

Link-Up subscribers receive the following:

- A credit of \$30 or a 50% reduction, whichever is less, on the charges customers pay for connecting to new telephone service
- The option of deferring payment on the balance of the connection fee (up to \$200) with no interest charges for a period not to exceed one year

Funding (2005)

Federal: \$31,612

Eligibility (2006)

Eligibility requirements are the same as for Lifeline.

Participation (2005)

Households served: 2,135

Energy Assistance

Low-income energy assistance programs in Montana include the following:

- Low-Income Home Energy Assistance Program (LIHEAP)—Low-Income Energy Assistance Program (LIEAP)
- Weatherization Assistance Program (WAP)
- Universal Systems Benefits Charge (USBC)
- Energy Share of Montana

Low-Income Home Energy Assistance Program (LIHEAP)—Low-Income Energy Assistance Program (LIEAP)

The federal Low-Income Home Energy Assistance Program (LIHEAP) provides the state of Montana with a block grant to help eligible low-income households meet their immediate

home energy needs. With this grant, Montana distributes payments through its Low-Income Energy Assistance Program (LIEAP), which includes two categories of assistance: heating and crisis. The state also uses a portion of the grant to supplement funding for Montana's Weatherization Assistance Program (WAP).

Benefits (FY2005)

Heating: \$1,845 maximum per household; \$477 average per household
Crisis: Amount needed to address emergency

Clients receive one benefit a year. Benefits are paid to the energy provider unless the client's home energy costs are included in rent, in which case the payment is sent directly to the client. All LIEAP clients are automatically considered for weatherization services as well. Heating assistance is available from October 1 to March 30. Crisis assistance is available year-round.

Funding (FY2006)

Total: \$23,909,340

Federal: \$23,213,979

Tribal-set aside: \$2,172,889

Regular net block grant: \$12,178,414

One-time additional net block grant: \$2,380,928

Total emergency/cont.: \$5,933,691

Temporary Assistance for Needy Families (TANF): \$500,000

Oil overcharge: \$48,057

State: \$695,361

The Department of Public Health and Human Services (DPHHS), Human and Community Services Division, distributes grants to community action agencies (CAAs) throughout the state. These agencies accept applications, determine eligibility, notify clients, and make payments to energy providers and clients.

Montana allocates LIHEAP funding in the following manner:

Heating assistance:	69%
Crisis assistance:	4%

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Weatherization:	15%
Administration, etc.:	12%

Funding (FY2005)

Total:	\$5,991,696
Federal:	\$4,823,696
Department of Energy:	\$2,530,390
Additional LIHEAP funding:	\$1,917,276
Bonneville Power Administration:	\$376,030
Utility:	\$1,168,000

Eligibility (FY2005)

State residents with household incomes at or below 150% of poverty are eligible for assistance. Montana also uses an assets test to determine the financial eligibility of clients for LIHEAP. Participation in Montana's LIEAP program does not reduce the client's eligibility or benefits under other state assistance programs.

Participation (FY2005)

Households served by program component:

- Heating: 20,463
- Winter/year-round Crisis: 706
- Weatherization: 575

The Montana Department of Public Health and Human Services distributes grants through 10 Human Resources Council offices and community action agencies and one tribal housing authority throughout the state. These agencies accept applications, determine eligibility, and provide weatherization services, such as performing energy audits and implementing suggested measures.

Weatherization Assistance Program (WAP)

Through the Weatherization Assistance Program (WAP), the U.S. Department of Energy provides Montana with a formula distribution grant to help low-income residents—especially those 60 years and older, disabled, or living with young children—increase the energy efficiency of their homes, reduce their energy expenditures, and improve health and safety.

Benefits (FY2005)

Maximum benefit per household: No maximum
Weatherization technicians use energy audits to identify and implement energy-saving measures for each home. Examples of these measures include the following:

- Insulating attics, floors, water heaters, and exposed pipes
- Tuning up, repairing, or replacing the furnace or heating unit and/or air conditioner
- Providing ventilation fans—including electric, attic, ceiling, or whole-house fans—to increase air circulation
- Stopping air infiltration by weather-stripping and caulking around doors and windows, replacing broken glass panes, and installing storm windows

Eligibility (FY2005)

State residents with household incomes at or below 150% of poverty are eligible for assistance. Priority is given to high-energy-burden households and households containing elderly (60 or older) and disabled residents. The program is available to owners, renters, and mobile home owners.

Participation (2005)

Households served: 1,503

Universal Systems Benefits Charge (USBC)

Montana's 1997 electric restructuring established a universal systems benefits charge (USBC) that all electric customers pay, regardless of their utility or choice of supplier, to help fund energy conservation, low-income weatherization, renewable resources, and payment assistance for low-income utility customers throughout the state.

Another Montana law, which restructures the gas industry, established a gas USBC that all natural gas transmission or distribution service providers charge to all end users.

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Benefits (FY2005)

The low-income portion of the USBC funds a discount ranging from 15% to 30% of the eligible customer's monthly bill as well as weatherization assistance.

Funding (2004)

Total: \$5,000,000 (approx.)

Northwestern Energy: \$3,700,000

Electric USBC: \$2,200,000 (approx.)

Gas USBC: \$1,500,000

Other Montana utilities (investor owned and electric coops): \$1,200,000

Electric USBC: From January 1, 1999, through December 31, 2009, all Montana utilities are required to set aside 2.4% of their retail sales revenues (based on 1995 levels) to fund energy conservation projects and applications and low-income energy assistance programs. Of the \$15,700,000 raised annually from this charge, at least 21% must be spent on low-income energy and weatherization assistance.

Northwestern Energy contributions comprise most of USBC funds, and the utility recovers the cost of providing a 15% low-income rate discount from the fund. In November 2005, the Montana Public Service Commission ordered Northwestern to increase the rate discount to low income to 25% for electric customers and 30% for natural gas customers from November 2005 to April 2006, at which time the discounts would fall back to 15%. The commission also required that the utility increase low-income weatherization funding to \$962,843 and Energy Share of Montana funding to \$576,000.

Gas USBC: Natural gas utilities are required to provide no less than 0.42% of their annual revenue derived from delivering gas to end-use customers to fund low-income weatherization and bill assistance.

The Department of Public Health and Human Services, which administers this program, identifies LIHEAP recipients for the discount and sends the information to utilities; these households receive the discount automatically.

Eligibility (2005)

Customers of utilities providing discounts who are eligible for LIHEAP are eligible for low-income rate discounts.

Participation (2005)

Households served: Approximately 14,000 households received utility company discounts

Energy Share of Montana

Energy Share of Montana helps eligible state residents to pay for fuel or emergency repairs to heating systems.

Benefits (2005–2006)

Average: \$358 per household

Energy Share of Montana benefits may be used to pay energy bills or fund heating equipment repairs. The fund provides one-time assistance as loans or grants, and recipients are encouraged to repay the loans in manageable amounts when possible so that other eligible households can benefit.

Funding (FY2006)

Bill support and furnace safety: \$926,000

Energy Share of Montana, a statewide nonprofit organization, is funded through the state universal systems benefits charge (USBC) and donations from individuals and businesses.

Eligibility (2006)

Energy Share of Montana eligibility is based on immediate need for assistance and, in the case of USBC funds, 150% of poverty or documented exceptions.

Participation

Households served: 2,300 (average annual participation for past five years)

Seasonal, Health-, and Income-Related Disconnection Policies

Seasonal

Between November 1 and April 1, Montana prohibits utilities from disconnecting service to residential customers enrolled in any public assistance program, or whose household contains at least one member who is over age 62 or disabled.

Health

The state requires utilities to delay disconnecting residential service whenever it is determined that such an action would aggravate a customer's existing medical emergency or that of a permanent member of his or her household.

Deferred Payments

Before disconnecting residential service for nonpayment, electric and natural gas utilities are required to offer the customer a deferred-payment agreement.