**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 58‑4‑140 SO AS TO CREATE A NONPROFIT ENTITY NAMED “OPERATION EMPOWERED” IN ORDER TO PROVIDE FINANCIAL ASSISTANCE TO LOW‑INCOME HOUSEHOLDS TO IMPLEMENT ENERGY EFFICIENCY AND CONSERVATION MEASURES.

Whereas, energy efficiency and conservation can bring substantial benefits, both environmental and economic, to this State by reducing the need for the construction of electricity generating facilities and by helping keep South Carolina electricity rates reasonable; and

Whereas, lower income citizens have a difficult time implementing energy efficiency and conservation measures to reduce their energy consumption because of the expense of such measures; and

Whereas, it is appropriate for the State to take steps to encourage the formation of a nonprofit, tax‑exempt organization that will be able to receive tax‑deductible contributions and grants for the purpose of assisting low‑income citizens in implementing energy efficiency and conservation measures. The entity also should be authorized to receive funds from grants and from class action settlements where appropriate; and

Whereas, the Office of Regulatory Staff currently manages the Lifeline and Link‑up programs, which offer assistance to low‑income citizens for the initial installation of telephone service and maintaining continued telephone service; and

Whereas, the Office of Regulatory Staff, with a minimum of additional staff or budget, could expand its management of the Lifeline and Link‑up programs to include the management of a program to assist low‑income citizens with implementing energy efficiency and conservation measures. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 4, Title 58 of the 1976 Code is amended by adding:

“Section 58‑4‑140. (A) The Office of Regulatory Staff (ORS) shall form a nonprofit entity named ‘Operation Empowered’ that qualifies to receive tax deductible contributions to promote energy efficiency and conservation and provide low‑income bill payment and crisis assistance. The entity must be formed as a nonprofit corporation pursuant to Chapter 31, Title 33, and shall assist the ORS with programs to provide financial assistance to low‑income citizens to implement energy efficiency and conservation measures and to provide low‑income bill payment and crisis assistance.

(B) The State Regulation of Public Utilities Review Committee, as created by Chapter 3, Title 58, shall serve as the board of directors of the nonprofit entity. The function of the nonprofit entity is to receive funds from contributions, grants, class action settlements, and other appropriate sources, and to manage the funds to maintain the tax exempt status of the fund, and to make the funds available to promote the purposes of this section. The entity shall disburse the funds in accordance with regulations promulgated by the ORS. The board of directors may use part of the funds to defray the expenses of the ORS in pursuing the purposes of this section.

(C) The ORS may appoint an advisory committee of persons from electric utilities, electric cooperatives, and other energy related organizations, as well as persons from poverty assistance organizations. The purpose of the advisory committee is to provide advice and guidance to the ORS in designing programs to further the goals of this section.

(D) The ORS shall promulgate regulations to:

(1) implement a program to provide assistance to low‑income citizens to allow them to take energy efficiency and conservation measures with respect to their residences in this State. The regulations must define income qualifications for the program. A person whose household income is at or below the federal poverty level as defined by the United States Department of Health and Human Services qualifies. The regulations may allow a person to qualify up to a level of two hundred percent of the federal poverty level;

(2) define a process by which a person who qualifies for assistance shall receive the assistance;

(3) ensure that funds provided by the program are directed to energy efficiency programs and that the funds are actually spent directly on these programs;

(4) define specific programs that are available;

(5) provide for a qualification procedure for a contractor or other person who wishes to deliver energy efficiency programs to low‑income citizens; and

(6) implement a program to provide low‑income bill payment and crisis assistance to:

(a) address service disconnections and related costs to a retail electricity consumer and electric utility, with priority assistance directed to a low‑income residential electricity consumer who is in danger of having his electricity service disconnected;

(b) require that Santee Cooper, an electrical utility as defined in Section 58‑27‑10, a municipal owned electrical system, and an electric co‑operative shall offer to a consumer residing in this State a program that automatically rounds up a participating consumer’s electric bill to the next highest dollar, with the proceeds to be remitted to the nonprofit entity to be created by ORS pursuant to this section;

(c) define a process by which a person who qualifies for assistance shall receive the assistance;

(d) ensure that funds provided by the program are directed to low‑income bill payment and crisis assistance programs and that the funds are actually spent directly on these programs; and

(e) define specific programs that are available.

(E) The ORS shall:

(1) disseminate information about the low‑income energy efficiency assistance program to a person who may qualify; and

(2) promote the goals of this section by engaging in activities intended to educate the citizens of this State.

(F) In order to promote the purposes of this section and to encourage contributions to the fund, an electrical utility, as defined in Section 58‑27‑10, is allowed to treat certain contributions to the fund as operating expenses for rate‑making purposes. A contribution must be treated as an allowed operating and maintenance expense of the electrical utility for rate-making purposes.”

SECTION 2. This act takes effect upon approval by the Governor.

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