



2027 LIHEAP MODEL PLAN

COMMENTS RECEIVED

The Arkansas Department of Energy and Environment, Arkansas Energy Office (AEO), Low-Income Home Energy Assistance Program (LIHEAP) thanks all who contributed comments to assist with the development of the [2027 LIHEAP Model Plan](#). Your feedback will not only have an impact on the 2027 program but also on future program seasons.

In this document, we have provided responses to all comments received by Aug. 12, 2026.

SECTION 1 – PROGRAM COMPONENTS

COMMENT:

1. ADVANCING START DATES FOR HEATING AND WINTER CRISIS ASSISTANCE:

- Section 1.1 – *Program Components* states dates of operation for Heating Assistance and Winter Crisis Assistance begin the first Monday after the New Year holiday, which is 01/05/2026 for the 2026 program year, with Heating Assistance and Winter Crisis Assistance ending 04/30/2026. We recommend the start date for each program be updated to November 1 while keeping the end date as the last day of April for both Heating Assistance and Winter Crisis Assistance. The following provides the supporting documentation and references for consideration of the change.

AEO RESPONSE:

AEO has worked extensively to find a balance that works well for all stakeholders. We must balance funding availability, needs of frontline personnel, needs of the income-qualified community, and LIHEAP reporting requirements.

Currently, the winter season has an option for community-based organizations (CBOs) to open 30 days earlier to the priority groups (disabled, elderly, families with children under 6). We recognize the value of earlier access and will continue evaluating program timing as funding levels, community needs, and federal guidance evolve.

COMMENT:

2. ALIGNING WITH OTHER ARKANSAS UTILITY WINTER DATES:

The Arkansas Public Service Commission's General Service Rule 6.15 Cold Weather Rule states: Gas utilities may not suspend residential gas service during the suspension moratorium period of November 1 to March 31...

Also noted that Regular benefits are available through March and the Winter crisis program extends through April

This rule reflects the state's recognition that November through March is the coldest and most energy-intensive part of the year, posing the greatest risk to vulnerable households. While it offers important protections, customers may be eligible to have service suspended on days the weather is above the 32 °F temperature threshold. This means a temperature above this threshold during November or December leaves low-income households in Arkansas at risk of disconnection and valuable LIHEAP support is not available to them during these months.

Aligning LIHEAP with the Arkansas Public Service Commission's Cold Weather Rule ensures assistance is available when the need is greatest.

Source:

APSC General Service Rules: https://apps.apsc.arkansas.gov/rules/general_service_rules_2016.pdf

AEO RESPONSE:

CBOs have the option to open 30 days earlier to assist priority groups (disabled, elderly, and families with children under age 6). This early opening started Dec. 8, 2025. This flexibility helps address some of the needs identified in your comment.

AEO has taken this suggestion under planning discussions and continues to discuss program timing considerations with stakeholders as part of our ongoing evaluation of long-term program design and opportunities to strengthen support for vulnerable households.

COMMENT:

3. PREVENTING UNMANAGEABLE ARREARAGES

While disconnections may be suspended during the Cold Weather Rule moratorium when temperatures are below 32°F, customers continue to accrue charges. By the time the moratorium ends on April 1, many low-income households are left with accumulated balances that are difficult to repay. Earlier access to LIHEAP funds would help reduce these

arrearages before they become unmanageable, preventing disconnections and financial crises in April.

AEO RESPONSE:

Currently, Arkansas LIHEAP provides assistance to priority applicants during the cold winter months starting in December. The general public is served starting in January. We are open to discussing additional options that could further support our clients. The AEO Winter Crisis Program, which can assist with arrearages existing for clients, continues through April. .

COMMENT:

4. CONSISTENCY WITH REGIONAL PROGRAM AVAILABILITY:

Arkansas's neighboring and regional peer states offer longer LIHEAP assistance application periods.

The following dates are from each state's 2026 Model Plan with energy burdens taken from the U.S. Department of Energy LEAD tool (see sources links below.)

Arkansas

State energy burden of 3%

Heating Assistance: Starts January 6th

Winter Crisis: Starts January 5th

Missouri

State energy burden of 3%

Heating Assistance: Starts October 1st

Winter Crisis: Starts November 1st

Oklahoma

State energy burden of 3%

Heating Assistance: Starts in December

Has Year-round Crisis

Texas

State energy burden of 2%

Heating Assistance: Starts November 1st and runs year-round.

Has Year-round Crisis

Tennessee

State energy burden of 2%

Heating Assistance: Starts October 1st and runs year-round.

Has Year-round Crisis

Mississippi

State energy burden of 3%

Heating Assistance: Starts October 1st

Has Year-round Crisis

Louisiana

State energy burden of 3%

Heating Assistance: Starts November 15th

Has Year-round Crisis

Sources:

LIHEAP Clearinghouse 2025 State Plans: <https://liheapch.acf.gov/stateplans.htm>

U.S. Department of Energy: <https://www.energy.gov/scep/slsc/lead-tool>

Arkansas remains the only state in this regional comparison that delays regular heating assistance until January, despite sharing similar winter weather patterns and energy burdens. Aligning Arkansas's program with its neighboring states and regional peers would support more equitable access to assistance and better reflect the realities of seasonal energy needs.

AEO RESPONSE:

AEO has initiated discussions with community partners to explore whether viable solutions are available.

SECTION 2 – HEATING ASSISTANCE

COMMENT:

5. UPDATING BENEFIT LEVELS FOR HEATING AND CRISIS ASSISTANCE

The Arkansas 2026 LIHEAP Model Plan provides the following benefit amounts in Section 2.6 – Heating Assistance and Section 4.12 – Crisis Assistance:

- Heating Minimum: \$60
- Heating Maximum: \$570
- Winter Crisis Maximum: \$600

To bring Arkansas in line with regional norms, we recommend increasing the minimum and maximum heating benefit levels, as well as the maximum winter crisis benefit, to align Arkansas's program with the five-year regional average.

Recommended Adjustments for 2027 Plan:

- Heating Minimum: \$263.90
- Heating Maximum: \$1,018.75
- Winter Crisis Maximum: \$1,197.50

These recommended values are based on a five-year regional benchmark using LIHEAP Clearinghouse benefit levels from FY 2022 through FY 2026. Because the purpose of this benchmark is to compare Arkansas against regional peer programs, Arkansas is excluded from the calculated average. Texas and Oklahoma are also excluded due to outlier benefit structures.

Five-Year Average Regional Comparison

State	Current Energy Burden	5-Year Average Heating Min	5-Year Average Heating Max	5-Year Average Crisis Max
Arkansas	3%	\$52.00	\$494.00	\$520.00
Missouri	3%	\$153.00	\$495.00	\$800.00
Tennessee	2%	\$501.60	\$974.00	\$1,990.00
Mississippi	3%	\$1.00	\$1,500.00	\$1,000.00
Louisiana	3%	\$200.00	\$800.00	\$1,000.00
Oklahoma	3%	\$40.00	\$500.00	\$750.00
Texas	2%	\$1.00	\$12,360.00	\$1,160.00

Arkansas, Texas, and Oklahoma are shown for context but are not included in the calculated peer-state benchmark.

Sources:

LIHEAP Clearinghouse - State Benefit Levels, FY 2022 through FY 2026:

<https://liheapch.acf.gov/tables/benefits.htm>

U.S. Department of Energy: <https://www.energy.gov/scep/slsc/lead-tool>

AEO RESPONSE:

Thank you for your detailed review and for providing regional benchmark information. Arkansas' model plan is distinct from those of neighboring states. While we often look at other states when developing our policies, it is important to note that no two states are exactly alike. Various factors influence how the program operates, including legislation, population, weather, goals, and funding.

For the 2027 Model Plan, Arkansas has increased benefit levels by 10% (Regular) and 16.7% (Crisis) The 10% increase to heating assistance benefits sets the heating minimum at \$66 and the maximum at \$627. The 16.7% increase for winter crisis benefits results in a maximum of \$700; this represents a \$100 increase

We regularly evaluate ways to extend program dates, increase assistance amounts, and reach the greatest number of people while keeping services available as long as possible.

COMMENT:

6. REGIONAL AVERAGES

Texas and Oklahoma are left out of the average below due to their outlier values. Texas is excluded due to a remarkably high maximum benefit structure, while Oklahoma has several of the lowest values in the region. A trimmed mean was used to calculate these averages to better reflect what is typical for the region without being skewed by extreme cases. The resulting peer-state benchmark uses Missouri, Tennessee, Mississippi, and Louisiana benefit levels from FY 2022 through FY 2026.

Rounded Five-Year Average Regional Benchmarks:

- Heating Minimum: \$264.00
- Heating Maximum: \$1,019.00
- Crisis Maximum: \$1,198.00

AEO RESPONSE:

Please see response to No.5's comments about increased benefits for next year, which represent an available increase of \$100.

COMMENT:

7. ARKANSAS FALLS BELOW REGIONAL BENCHMARKS

- Heating minimum is \$204.00 below benchmark
- Heating maximum is \$449.00 below benchmark
- Crisis maximum is \$598.00 below benchmark

To bring Arkansas closer to regional norms, we recommend the following increases. Each value is calculated by aligning Arkansas's benefit level with the five-year regional benchmark:

Heating Minimum:

- Current: \$60.00
- Amount Below Five-Year Regional Benchmark: \$204.00
- Recommendation: $\$60 + \$204.00 = \mathbf{\$264.00}$

Heating Maximum:

- Current: \$570.00
- Amount Below Five-Year Regional Benchmark: \$449.00
- Recommendation: $\$570 + \$449.00 = \mathbf{\$1,019.00}$

Winter Crisis Maximum:

- Current: \$600.00
- Below Five-Year Regional Benchmark: \$598.00
- Recommendation: $\$600 + \$598.00 = \mathbf{\$1,198.00}$

Financial Impact

According to the National Energy and Utility Affordability Coalition (NEUAC), Arkansas had 309,241 federally income-eligible households in FY2024, with 51,964 households served through LIHEAP. NEUAC also reports that 29,299 households received heating assistance with an average heating benefit of \$118. If those same households received assistance based on Black Hills Energy's recommended heating benefit range of \$264 to \$1,019, the estimated average benefit would be \$641.50, using the midpoint of the recommended range.

This would increase the estimated customer bill offset from \$118 to \$641.50 per heating household, or an additional \$523.50 per household served. Applied to the 29,299 heating households served in FY2024, the recommendation would represent approximately \$15.3MM in additional bill offset for Arkansas LIHEAP heating assistance customers.

Arkansas's 2026 Model Plan allocates 40% of LIHEAP funding to heating assistance, which equals approximately \$17.1MM based on NEUAC's reported total funding available. When compared with the estimated \$3.5MM in heating assistance reflected by NEUAC's reported average benefit, the current benefit level appears low relative to the funding set aside for heating assistance. Increasing benefit levels would help Arkansas convert more of its planned heating assistance funding into direct bill relief for households already being served.

Using the midpoint benefit of \$641.50, the recommended heating range would require approximately \$18.8MM for the FY2024 heating caseload, or 43.9% of total LIHEAP funding. This is 3.9 percentage points above the current 40% heating allocation. Because actual costs depend on participation and the final benefit matrix, the recommendation may align more closely with the 40% allocation than the midpoint estimate suggests. This approach is also consistent with LIHEAP Assurance 1, which focuses assistance on low-income households with the greatest home energy needs and costs. Black Hills Energy recommends evaluating whether the overall LIHEAP funding structure should be adjusted to provide a more meaningful heating benefit while maintaining support for other program components.

Source:

NEUAC, Arkansas State Sheet FY24: <https://neuac.org/wp-content/uploads/2026/01/Arkansas-State-Sheet-FY24.pdf>

AEOL RESPONSE:

Ensuring that the maximum number of eligible households can benefit from LIHEAP and receiving meaningful assistance remains a core priority for Arkansas. We appreciate the detailed analysis you provided regarding regional benchmarks, benefit ranges, and potential financial impacts.

Our program is updated regularly and the 2027 Model Plan already includes planned adjustments; 10% for Regular benefits (heating benefit increasing to \$66 minimum and \$627 maximum) and 16.7% for crisis benefits (increasing from \$600 to \$700).

Arkansas will continue working with our funder and subgrantees to strengthen the LIHEAP program, balance resources across components, and ensure assistance remains available to households with the greatest energy needs.