



**Ontario Energy Board**  
Commission de l'énergie de l'Ontario

# Low-Income Energy Assistance Program (LEAP)

Presentation to the 2011 Low-Income Energy  
Network (LIEN) Conference  
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# Presentation Outline

- LEAP Progress to Date
  - Emergency Financial Assistance
  - Customer Service Rules
  - Targeted Conservation
- Next Steps



# LEAP a "Sisyphean task"



## Emergency Financial Assistance

- Starting in January 2011, available year-round & province-wide, to customers of electricity distributors & unit sub-metering providers.
- For 2011, Winter Warmth program for Enbridge & Union Gas continues.
- Assistance is emergency & temporary and not ongoing.
- Annual funding: greater of 0.12% of total distribution revenue or \$2,000.
  - Electricity Distributors contribution: \$3.8 million (in addition to late payment settlement fund)
  - Gas Distributors contribution: about \$2.1 million (including funds from the late payment settlement fund)
- Leftover funds rolled over to following year, and provided in addition to annual LEAP amount.



## Emergency Financial Assistance – Social Agency Partnerships

- Each distributor must partner with at least one social service agency. Agencies are responsible for screening applicants for eligibility, and deciding whether to approve requests for LEAP funding.
- Partnerships should follow framework outlined in the Program Manual, but some elements left to discretion of utilities & their agency partners.
- Program admin/delivery fees are limited to 15% of the LEAP funds contributed by utilities (i.e. 15% of 0.12%).
- Timing & form of payments made by utilities between social service agencies to be agreed upon between partners.
- Important that utilities ensure their social service agency partners are aware of the customer service rules.



# Emergency Financial Assistance – Program Manual

- In November 2010 the Board issued the Program Manual for Emergency Financial Assistance Program
- The Program Manual provides the framework for the administration & delivery of LEAP Emergency Financial Assistance.
  - It provides the information that guides the working relationship between utilities and the agency partners.
  - It provides the eligibility criteria and screening guidelines for social agencies.
  - It describes the processes & protocols to be used by social service agency partners.
  - It describes the reporting processes and requirements of utilities and social agencies.
  - It provides information that can be used in developing training materials for call centres of distributors.



# Emergency Financial Assistance – Eligibility Criteria

- Social agencies are responsible for screening for eligibility, as per criteria & guidelines set out in the Program Manual.
- Eligibility criteria:
  - Pre-tax household income at or below LICO+15%, taking into account family & community size
  - Existing customer of utility or unit sub-metering provider
  - Customer should reside at address with arrears
- And screening guidelines:
  - Funding will ensure (re)connection
  - Demonstrates a prior attempt to pay
  - Threat of disconnection or be disconnected
  - Accessible once per year per fuel, up to a financial cap (\$500, or \$600 for electrically heated homes)



# Emergency Financial Assistance – Results to Date

- LEAP Emergency Financial Assistance
- Winter Warmth
  - Enbridge
  - Union



## Emergency Financial Assistance - Questionnaire

- Electricity distributors were asked to provide the following information:
  - Total LEAP funding amount available for 2011
  - Total amount of LEAP funding spent
  - Number of applicants who received funding
  - Number of applicants who were rejected
  - Average amount of funding granted per customer



## LEAP Emergency Financial Assistance - Preliminary Results from January 1, 2011 to April 30, 2011

### Electricity Distributors

Budget for 2011	\$	3,838,617
Total spent	\$	1,798,241
Remaining LEAP funds	\$	2,040,376
Total customers applied for LEAP		4,983
Total customers assisted		3,938
Total customers rejected		1,045
Average payout (including admin fee)	\$	457



# Winter Warmth Results for 2010/2011 Heating Season

## Enbridge Gas Distribution

Budget for 2010/2011 heating season	\$	615,940
Less administration fees	\$	91,820
Total payout to April 30 <sup>th</sup>	\$	487,592
Remaining funds from Winter Warmth	\$	36,529
LEAP Emergency Financial Assistance payments	\$	190,000
Total households assisted		1,257
Average payout	\$	388



# Winter Warmth Results for 2010/2011 Heating Season

## Union Gas

Budget for 2010/2011 heating season	\$	894,383
Less administration fees	\$	113,975
Total payout to April 30 <sup>th</sup>	\$	499,558
Remaining funds from Winter Warmth	\$	280,850
Total households assisted		1,357
Average payout	\$	368



# Low Income Funds Available in Ontario

- Total amounts spent to date:
  - Electricity distributors: \$ 1.8 million
  - Natural gas distributors: \$ 1.3 million
- Estimated total amounts to be spent by year end:
  - Electricity distributors: \$3.8 million
  - Natural gas distributors: \$2.1 million
- Government of Ontario Emergency Energy Fund (\$2.1 million)
- Late payment electricity settlement fund (\$11.2 million)



# Customer Service Rules - Low Income Electricity Customers

- Final Customer Service Rules (excluding low-income) were issued July 2, 2010.
- Final Customer Service Rules for Low Income Customers were issued March 29, 2011.

<p><b><u>Customer Eligibility</u></b></p> <ul style="list-style-type: none"> <li>- Pre-tax household income at or below LICO+15%, taking into account family &amp; community size</li> </ul>	<p><b><u>Security Deposits</u></b></p> <ul style="list-style-type: none"> <li>- Security deposits to be waived</li> </ul> <p><b><u>Disconnection Notices</u></b></p> <ul style="list-style-type: none"> <li>- Disconnection suspension for 21 days</li> <li>- Assistance information before disconnection</li> </ul>
<p><b><u>Billing &amp; Bill Payment Plans</u></b></p> <ul style="list-style-type: none"> <li>- Equal billing payment plans</li> <li>- Correction of billing errors</li> </ul>	<p><b><u>Arrears Management</u></b></p> <ul style="list-style-type: none"> <li>- Down payment up to 10%</li> <li>- Repayment time period extended to 8, 12 and 16 months depending on amount owing</li> <li>- Service charges are waived with exception of the late payment charge but no additional late payment charges are allowed</li> <li>- At least two payment defaults are allowed over a two month period</li> <li>- Can renew arrears agreement</li> </ul>
<p><b><u>Load Control Devices</u></b> (Applied to all customers)</p> <ul style="list-style-type: none"> <li>- Written explanation of use</li> <li>- Load control device cannot be installed if customer enters into an arrears management program</li> </ul>	

## Targeted Conservation for Low Income Customers - Natural Gas DSM and Electricity CDM

- Natural Gas Distributor's 2011 Demand Side Management (DSM) plans including low-income DSM plans were approved by the Board in 2010.
- In January 2011, new DSM Guidelines for 2012 and beyond were issued for comment after extensive consultations. Low Income DSM is included in the proposed DSM Guidelines.
- DSM programs (including low income) for 2012 and beyond are expected to be reviewed by the Board in 2011.
- OPA has launched its low income CDM programs.



## Next Steps in LEAP Implementation

- Monitor and assess the performance of the Emergency Financial Assistance Program
- Transition Winter Warmth into the LEAP Emergency Financial Assistance Program
- Develop customer service rules including low-income rules for:
  - Natural gas distributors
  - Unit sub-metering providers
- Finalize DSM Guidelines in order for gas distributors to develop their DSM Plans (including low income DSM plans) for 2012 and beyond.



# LEAP Going Forward



Questions?