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BY EMAIL AND WEB POSTING

January 11, 2018

**To: All Licensed Electricity Distributors  
All Natural Gas Distributors  
All Participants in Consultation Process EB-2008-0150  
All Interested Parties**

**Re: 2016 LEAP Emergency Financial Assistance Results**

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This letter provides an update on the results of the Ontario Energy Board's (OEB) Low-Income Energy Assistance Program ("LEAP") Emergency Financial Assistance ("EFA") program reported by electricity and natural gas distributors for 2016. For the complete results, see Attachment A to this letter.

Since 2012, the LEAP program has provided grants to over 82,000 low-income customers facing disconnection. Additional support programs for low-income customers are the Ontario Electricity Support Program (OESP) launched in 2015 which provides monthly, on-bill credits to ratepayers who meet the Statistics Canada Low Income Measure and low-income targeted conservation incentives and special customer service rules designed to assist and protect consumers having difficulty making bill payments.

**2016 LEAP Results – Electricity Distributors**

A summary of the results with a comparison against 2015 is shown in the table below:

Electricity Distributors	2016	2015	Change
LEAP Funds Available	\$ 6,009,290	\$ 5,180,915	+\$ 828,375
Additional Donated Funds	\$ 2,307,901	\$ 2,574,958	-\$ 267,057
Funds Disbursed	\$ 7,776,612	\$ 6,457,863	+\$1,318,749
Applicants Assisted	14,330	14,494	-164
Average Grant	\$ 464	\$ 381	+\$ 83
# of Distributors that Fully Exhausted LEAP Funds	39 (of 70)	43 (of 73)	

Some additional highlights:

- There was \$540,579 in unused funds remaining at year-end, which was carried forward for use in 2017.
- In some jurisdictions, social agency partners waived administration costs. In 2016, social agency partners for 15 utilities did not charge those costs.
- The increase in the number of LEAP recipients from 9,656 in 2014 to 14,494 in 2015 was mainly due to an additional donation of \$2.5 million from Hydro One.

### 2016 LEAP Results – Natural Gas Distributors

In 2016, Union Gas ran out of funding from its court settlement to provide emergency financial assistance through the Winter Warmth program, which was replaced by the LEAP Program. Since 2012, Enbridge Gas has delivered funds through LEAP.

The highlights of the combined results of LEAP and Winter Warmth programs are shown in the table below. For a full breakdown of the LEAP and Winter Warmth results, see Attachment A to this letter.

Natural Gas Distributors	2016	2015	Change
LEAP and WW Funds Available	\$2,445,197	\$2,357,370	+\$ 87,827
LEAP and WW Funds Disbursed	\$2,197,157	\$2,266,209	-\$ 69,052
Applicants Assisted	5,354	4,881	+473
Average Grant	\$341	\$395	-\$ 54

Natural gas distributors had a balance of \$248,049 in unused LEAP funds remaining at year-end, which was carried forward for use in 2017.

In 2016, most electricity distributors and Enbridge Gas filed demographic information about the applicants. The information, which had been collected annually, is fairly consistent each year. In 2015, in an effort to reduce filing requirements, the OEB decided to change the frequency of reporting this information. It will next be collected in 2019 for reporting in 2020.

Questions relating to this letter should be directed to the OEB's Industry Relations Enquiry e-mail at [IndustryRelations@oeb.ca](mailto:IndustryRelations@oeb.ca).

Yours truly,

Brian Hewson  
Vice President, Consumer Protection & Industry Performance

# 2016 LEAP Emergency Financial Assistance and Winter Warmth Results

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Consumer Policy and Compliance

# Presentation Outline

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1. LEAP and Winter Warmth Program Overview
2. Detailed Results for Electricity Distributors
3. Detailed Results for Natural Gas Distributors



# LEAP EFA Program Overview

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- The Low-Income Energy Assistance Program – Emergency Financial Assistance (LEAP) is a grant program intended to provide emergency financial relief to eligible low-income electricity and natural gas customers who are having difficulty paying their bills.
- It is not intended to provide regular or ongoing bill payment assistance.
- LEAP is funded by ratepayers through their distribution rate.
- Distributors contribute the greater of 0.12% of their total OEB-approved distribution revenue, or \$2,000.
  - Up to 15% of funding may be retained for social agency administration fees.
- Social agencies are responsible for screening customers for eligibility, as per criteria and guidelines in the LEAP Program Manual.
- Grants are a maximum of \$500 per fuel, per household, per calendar year or a maximum of \$600 for electrically heated homes.



# Winter Warmth Program Overview

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- Winter Warmth (WW) is a low-income assistance program for natural gas customers.
- Enbridge depleted its Winter Warmth funds in 2012, and has delivered LEAP funds since then.
- At the beginning of 2016, Union Gas had just over \$91,000 in Winter Warmth funds remaining. As a result, Union Gas transitioned to LEAP shortly into the year.



# Distributors Participating in LEAP and Winter Warmth in 2016

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Distributors who participated in LEAP and Winter Warmth included:

- 70 electricity distributors (see the OEB website for a complete list of licensed distributors)
- 5 natural gas distributors
  - Enbridge Gas, Union Gas, Natural Resource Gas (NRG), Utilities Kingston, Kitchener Utilities

Social service agencies who participated in LEAP and Winter Warmth program included:

- 67 lead agencies (responsible for initial intake and administration)
- 149 intake agencies (responsible for meeting applicants and reviewing applications)





# Reporting Requirements

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Licensed electricity and natural gas distributors are required to report to the OEB annually the following information:

- Total Funds Available broken down by:
  - Distributor budget (the greater of 0.12% of distribution revenue or \$2,000)
  - Non-distributor funds (i.e. corporate or community donations)
  - Unused funds from previous year(s)
- Total Funds Disbursed broken down by:
  - Grants disbursed (to distributor and sub-metered customers)
  - Administration costs to social agencies
- Other
  - Total unused funds
  - Month in which LEAP funds were depleted
  - Number of applicants (distributor and sub-metered customers)
  - Number of distributor and sub-metered customers assisted (recipients)
  - Number of distributor and sub-metered customers denied



## LEAP and Winter Warmth (WW) Results Overview

Electricity Distributors	2012	2013	2014	2015	2016
LEAP funds	\$4,677,655	\$5,000,941	\$4,735,875	\$5,180,915	\$6,009,290
Non-distributor funds*	\$56,116	\$30,508	\$800,771	\$2,574,958	\$2,307,901
Funds disbursed	\$3,946,644	\$4,279,839	\$4,762,007	\$ 6,457,863	\$7,776,612
Recipients	8,053	9,293	9,656	14,494	14,330
Average grant	\$432	\$399	\$418	\$ 381	\$ 464

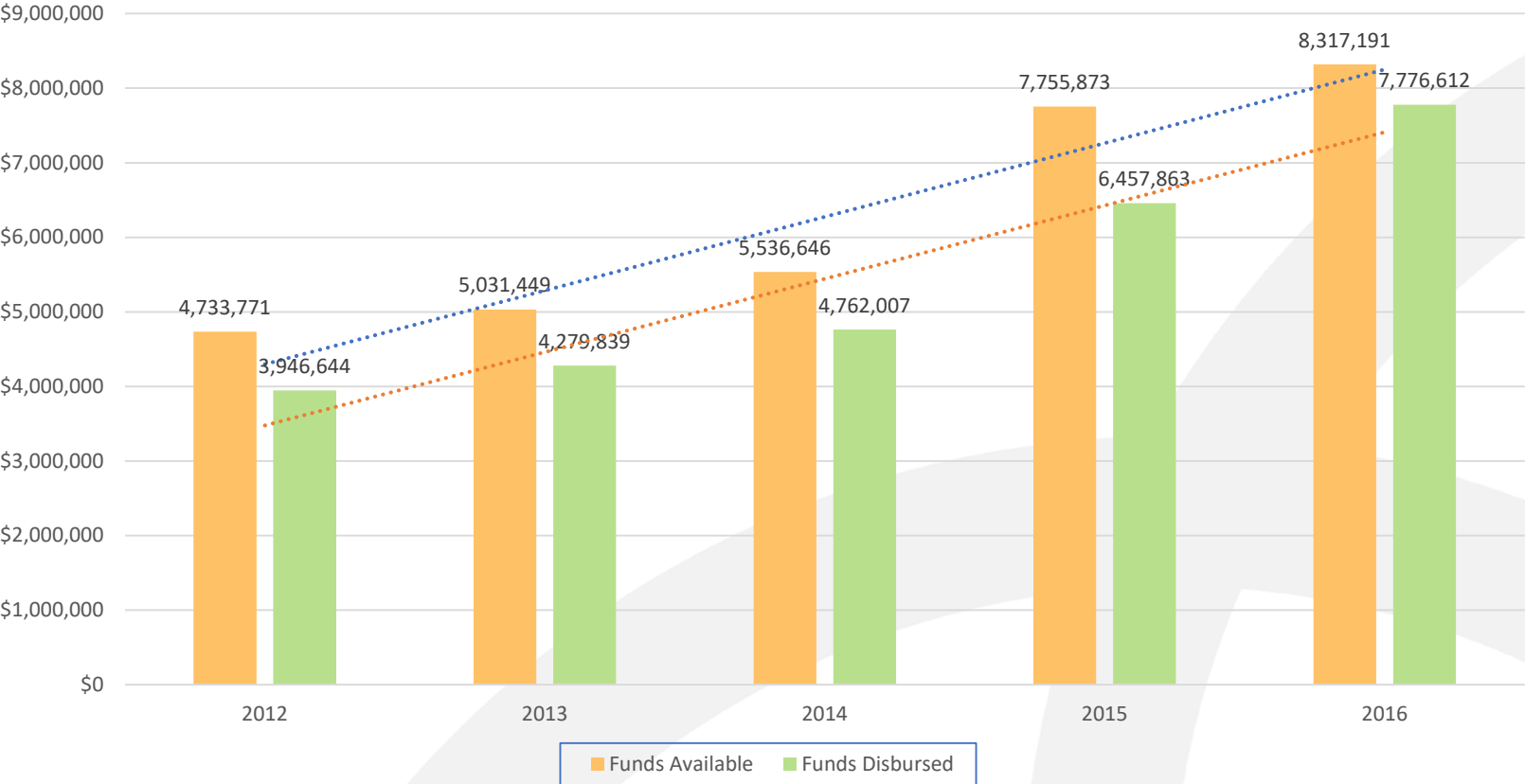
Natural Gas Distributors	2012	2013	2014	2015	2016
LEAP and WW funds	\$2,269,016	\$2,314,018	\$2,760,904	\$2,357,370	\$2,445,197
LEAP and WW funds disbursed	\$2,134,411	\$2,128,223	\$2,632,808	\$2,266,209	\$2,197,157
Recipients	4,889	4,971	6,135	4,881	5,354
Average grant	\$370	\$364	\$369	\$395	\$341

\* There were 6 distributors who contributed non-distributor funds in 2016, 8 in 2015, 4 in 2014, 3 in 2013 and 4 in 2012.



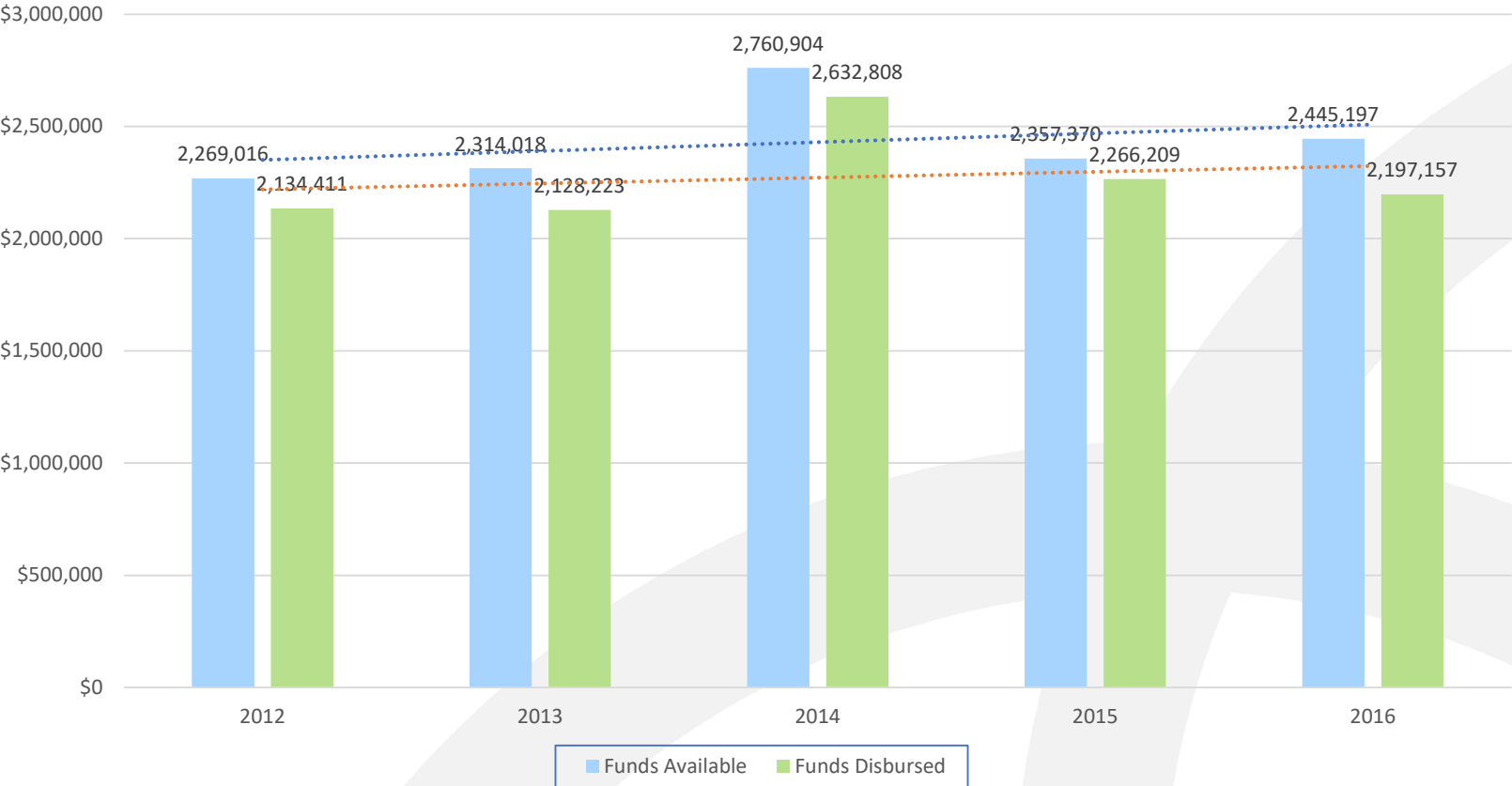
# LEAP Funds Available and Disbursed by Electricity Distributors 2012 - 2016

Hydro One's additional donations of \$2.5 and \$2.25 million in 2015 and 2016 are the main drivers for the large increases in funds available and disbursed



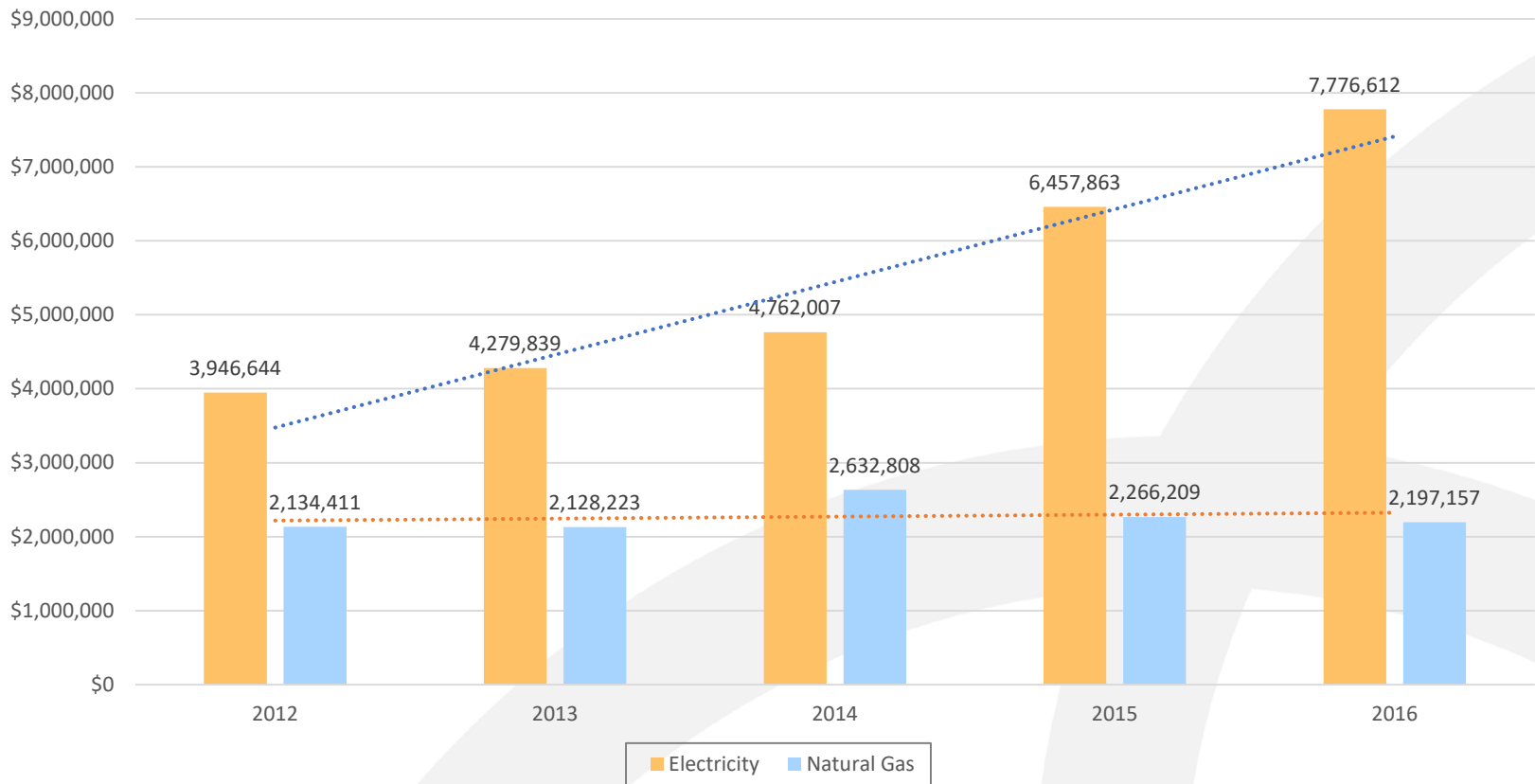
# LEAP and Winter Warmth Funds Available and Disbursed by Natural Gas Distributors 2012 - 2016

LEAP and Winter Warmth funding for natural gas customers has remained stable for the past 5 years



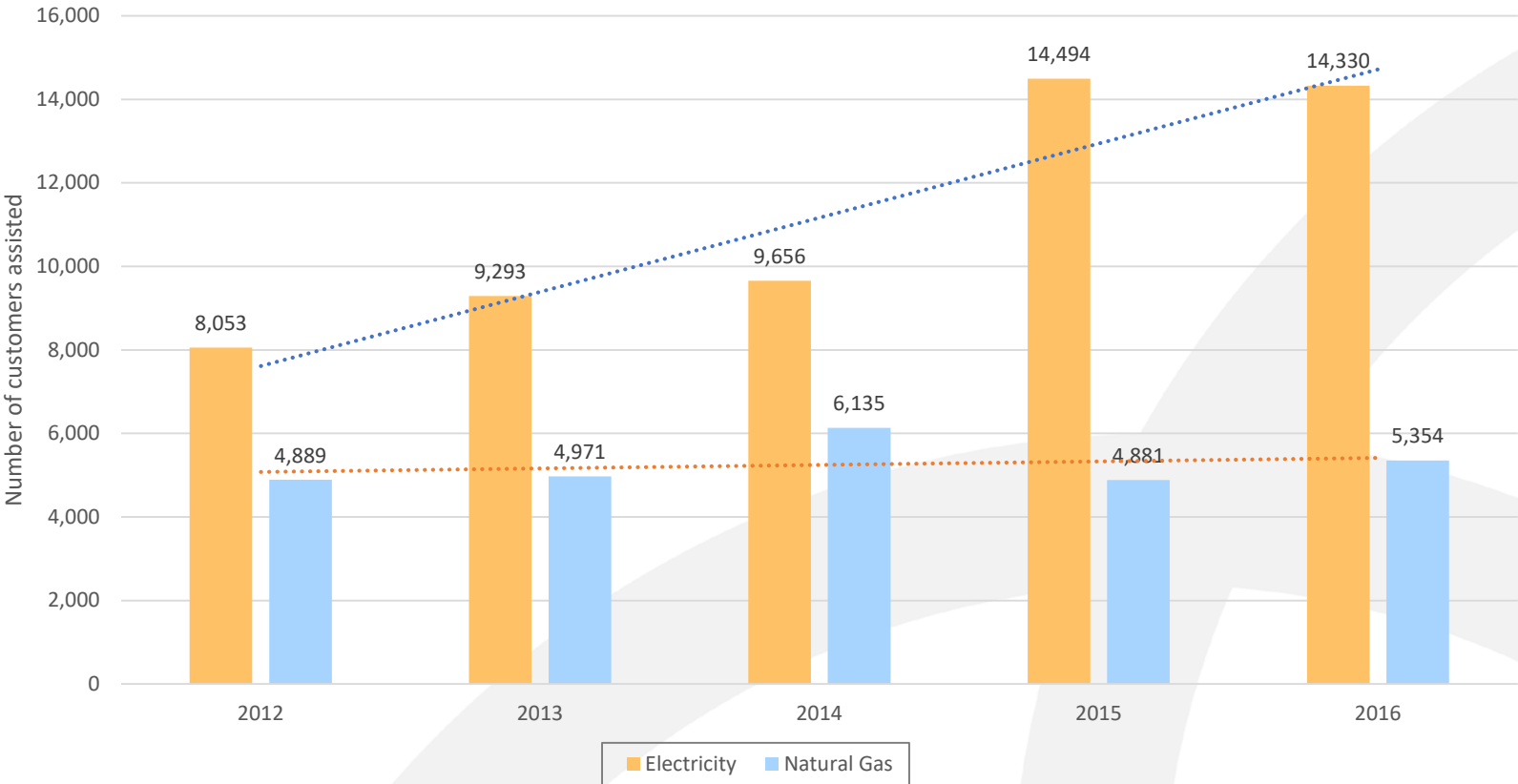
# LEAP and Winter Warmth Funds Disbursed 2012 – 2016

Over the past 5 years, LEAP and Winter Warmth programs provided over \$38 million in emergency grants to low-income electricity and natural gas customers



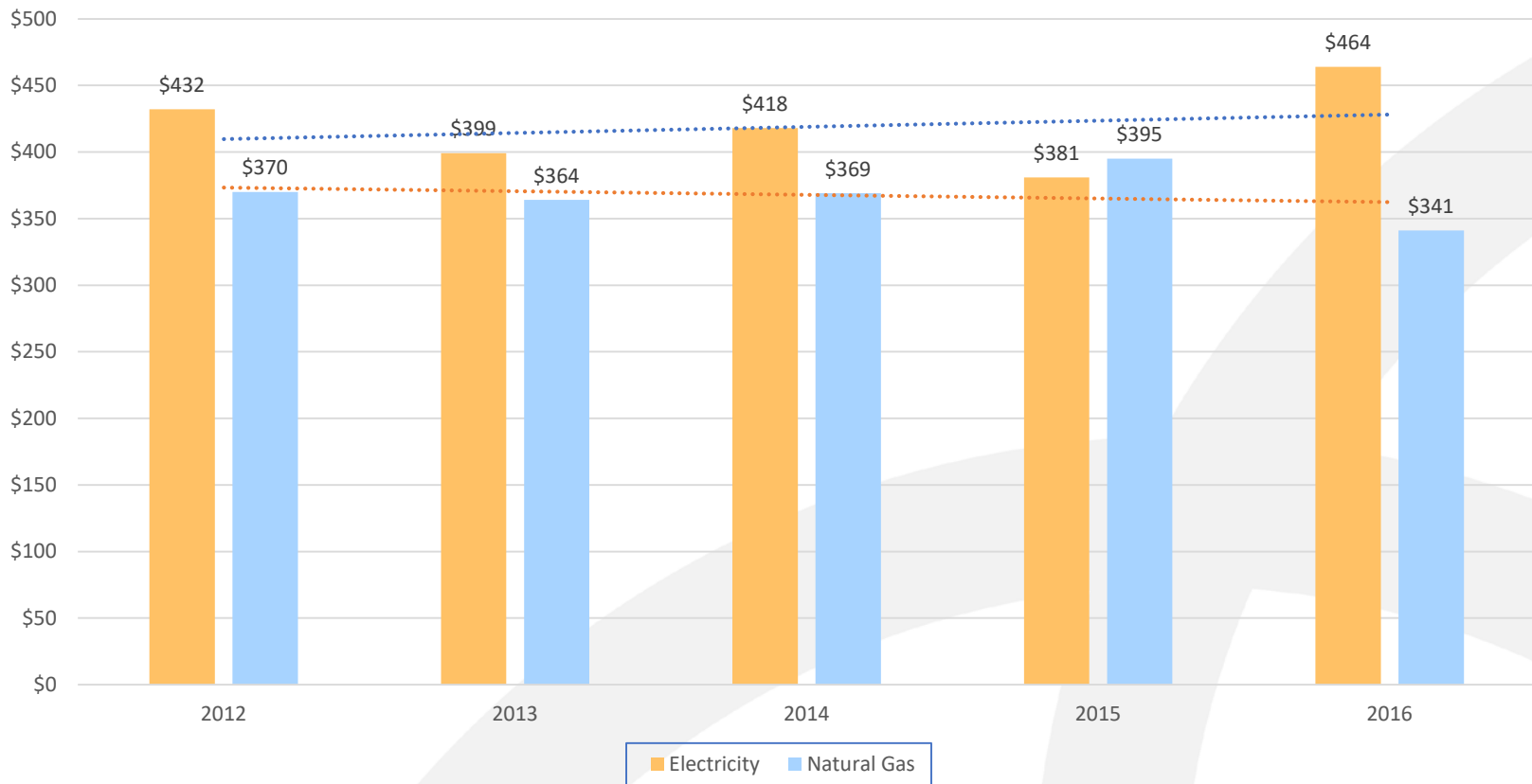
# LEAP and Winter Warmth Applicants Assisted 2012 – 2016

Over the past 5 years, LEAP and Winter Warmth programs have helped over 82 thousand low-income electricity and natural gas customers



# Average Dollar Amount LEAP or Winter Warmth Grant 2012 – 2016

In the past 5 years, grants have averaged around \$420 for electricity customers and \$370 for natural gas customers



# LEAP 2016

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## Detailed Results for Electricity Distributors



January 11, 2018



## LEAP Results for Electricity Distributors

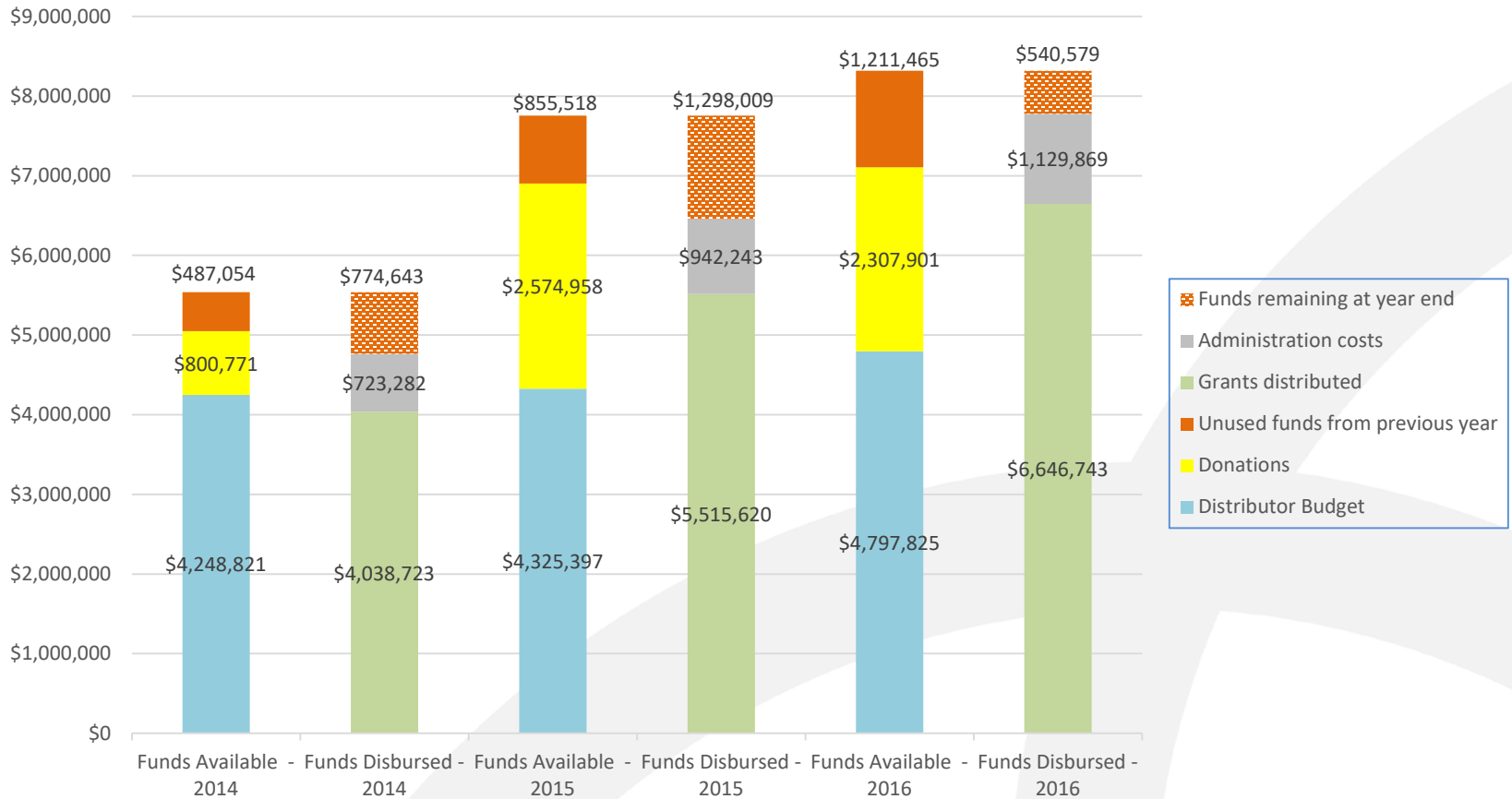
LEAP EFA	2016	% of Total funds available	2015
LEAP funds (distributor budget and unused funds from previous year)	\$ 6,009,290	72.3%	\$ 5,180,915
Non-distributor funds (donations)	\$2,307,901	27.7%	\$2,574,958
<b>Total funds available</b>	<b>\$8,317,191</b>		<b>\$7,755,873</b>
LEAP grants	\$ 6,646,743	79.9%	\$ 5,515,620
Administration cost	\$ 1,129,869	13.6%	\$ 942,243
<b>Funds disbursed</b>	<b>\$ 7,776,612</b>	<b>93.5%</b>	<b>\$ 6,457,863</b>
Unused funds at year-end (LEAP and donations)	\$ 540,579	6.5%	\$ 1,298,009
Applicants	20,554		18,325
Recipients	14,330		14,494
Customers Denied	6,224		3,831
Average Grant	\$ 464		\$ 381



# LEAP Results for Electricity Distributors

## Flow of Funds

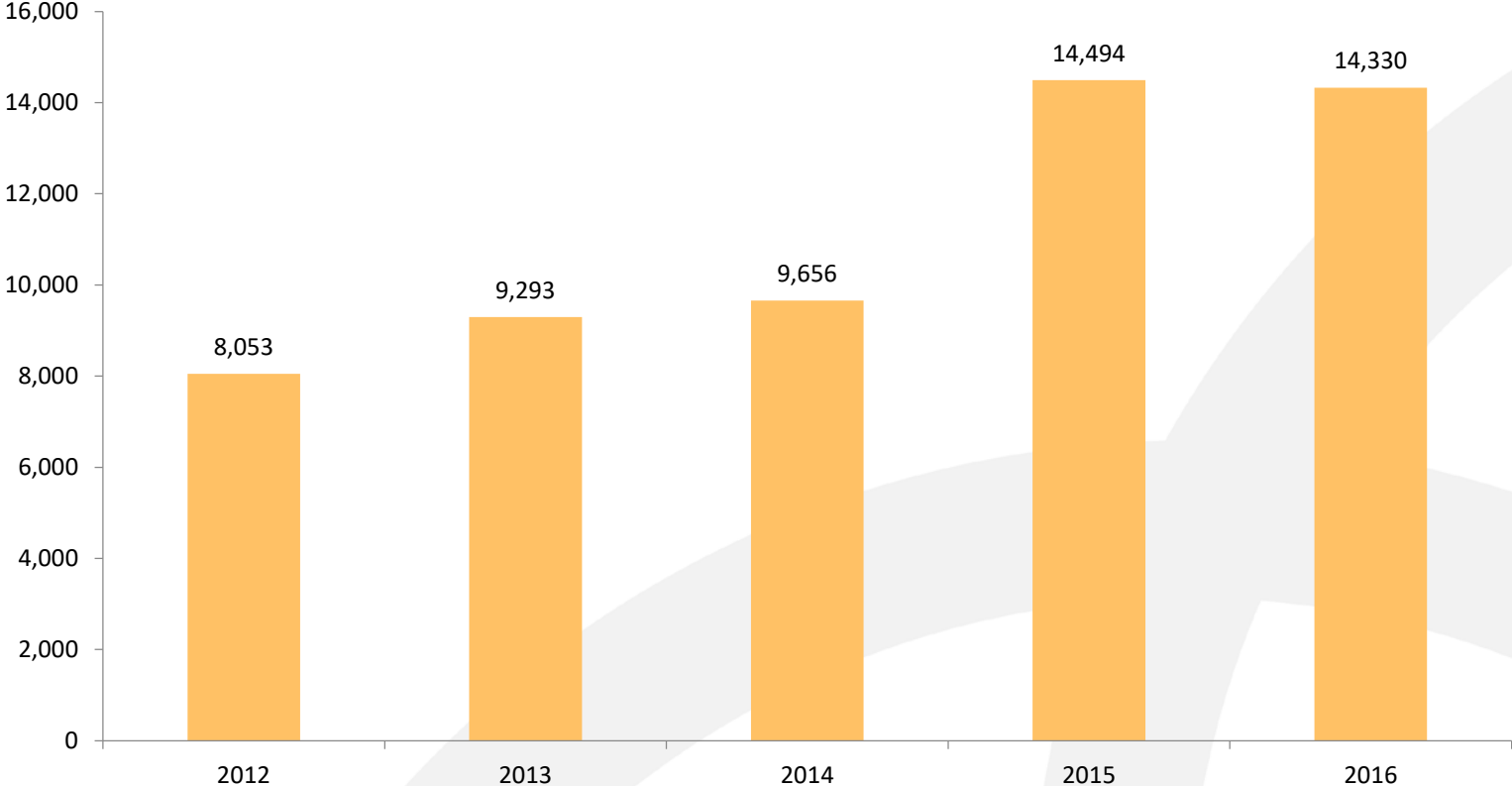
Corporate and community donations have increased funds available for LEAP grants



# LEAP Results for Electricity Distributors

## Number of Recipients 2012 - 2016

Higher funding due to corporate and community donations has allowed more low-income customers to be helped



# LEAP FUNDS of the Top 10 Distributors by Distribution Revenue - 2016

Distributor	Distributor budget	Non-distributor funds (Donations)	Unused funds from previous year	Funds available*	% of total funds available across all distributors	Grants disbursed	Recipients	% of recipients across all distributors
Hydro One Networks Inc.	1,845,400	2,250,000	679,200	4,774,600	57.4%	4,035,872	7,509	52.4%
Toronto Hydro-Electric System Limited	910,000		14	910,014	10.9%	773,460	1,945	13.6%
Hydro Ottawa Limited	210,054		88,163	298,217	3.6%	186,144	482	3.4%
London Hydro Inc.	200,000			200,000	2.4%	170,000	454	3.2%
PowerStream Inc.	188,000		12,082	200,082	2.4%	164,925	438	3.1%
Enersource Hydro Mississauga Inc.	150,000			150,000	1.8%	127,500	261	1.8%
Horizon Utilities Corporation	143,034		352	143,386	1.7%	121,578	342	2.4%
Hydro One Brampton Networks Inc.	84,681		189,390	274,071	3.3%	59,573	119	0.8%
Veridian Connections Inc.	74,054		21,726	95,780	1.2%	73,328	164	1.1%
EnWin Utilities Ltd	56,760			56,760	0.7%	49,665	123	0.9%
<b>Sum (Top 10 Distributors):</b>	<b>3,861,983</b>	<b>2,250,000</b>	<b>990,927</b>	<b>7,102,910</b>	<b>85.4%</b>	<b>5,762,045</b>	<b>11,523</b>	<b>80.4%</b>
<b>Grand Total (All Distributors):</b>	<b>4,797,825</b>	<b>2,307,901</b>	<b>1,211,465</b>	<b>8,317,191</b>	<b>100.0%</b>	<b>6,646,743</b>	<b>14,330</b>	<b>100.0%</b>
<b>% (Top 10 Distributors / All Distributors):</b>	<b>80.5%</b>	<b>97.5%</b>	<b>81.8%</b>	<b>85.4%</b>	<b>85.4%</b>	<b>86.7%</b>	<b>80.4%</b>	<b>80.4%</b>

\*Funds available is the sum of distributor budget, non-distributor funds (donations) and unused funds from previous year



# Distributors That Were Not Charged Administration Costs in 2016

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Out of 70 distributors, 15 were not charged social agency administration costs in 2016 and 13 were not charged such costs in 2015

- |   |                                      |
|---|--------------------------------------|
| 1. Atikokan Hydro Inc.                              | 9. Hydro One Remote Communities Inc. |
| 2. Bluewater Power Distribution Corporation         | 10. Kingston Hydro Corporation*      |
| 3. Burlington Hydro Inc.                            | 11. Lakefront Utilities Inc.         |
| 4. Chapleau Public Utilities Corporation            | 12. Ottawa River Power Corporation   |
| 5. Entegrus Powerlines Inc.*                        | 13. Renfrew Hydro Inc.               |
| 6. Espanola Regional Hydro Distribution Corporation | 14. Tillsonburg Hydro Inc.           |
| 7. Grimsby Power Incorporated                       | 15. West Coast Huron Energy Inc.     |
| 8. Hydro 2000 Inc.                                  |                                      |

\* Distributor not on this list in 2015



# LEAD Agencies That Did Not Charge Administration Costs to Distributors in 2016

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LEAD agencies for 15 distributors did not charge administration costs in 2016

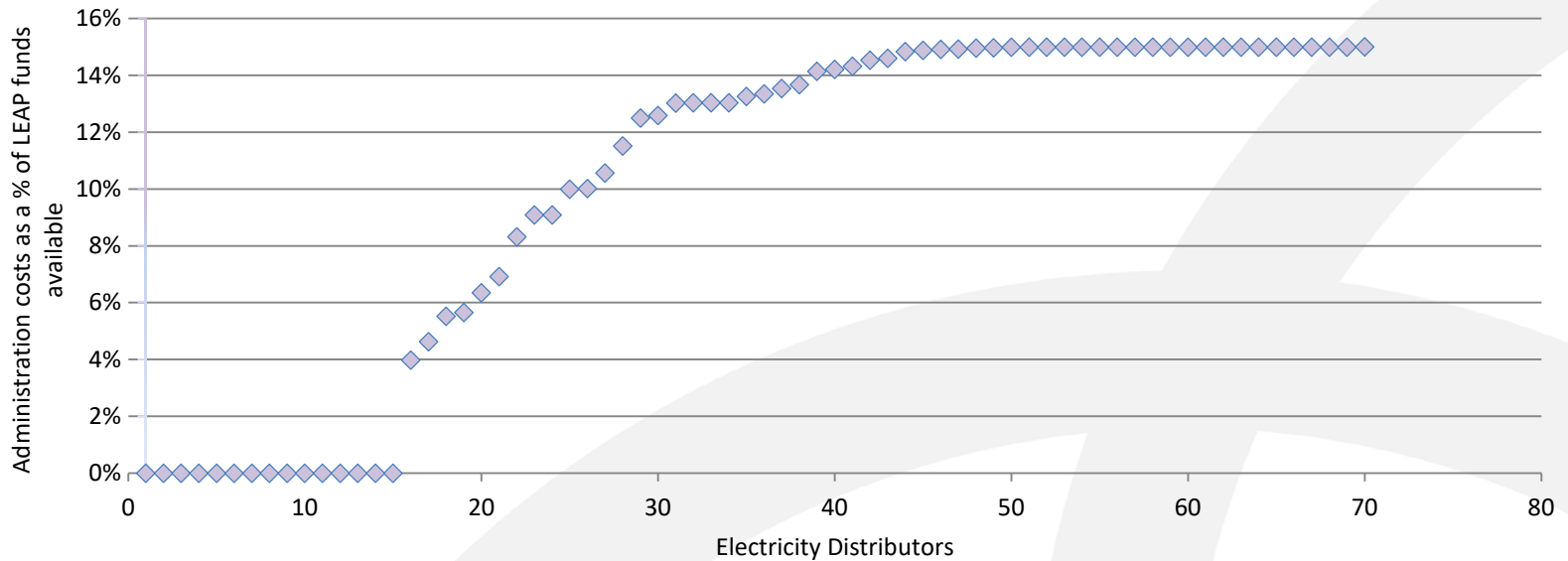
1. Rainy River District Social Services Administration Board (Atikokan Hydro Inc.)
2. Inn of Good Shepherd (Bluewater Power Distribution Corporation)
3. The Salvation Army (Burlington Hydro Inc.)
4. United Way Sudbury & District, District Social Services Advisory Board (Chapleau Public Utilities Corporation)
5. The Salvation Army (Chatham-Kent, and Strathroy) (Entegrus Powerlines Inc.)
6. The Manitoulin-Sudbury District Services Board (Espanola Regional Hydro Distribution Corporation)
7. Grimsby Benevolent Fund (Grimsby Power Incorporated)
8. United Counties of Prescott and Russell (Hydro 2000 Inc.)
9. Ontario Native Welfare Administrators Association (Hydro One Remote Communities Inc.)
10. Rising Heights (Kingston Hydro Corporation)
11. The Help Centre of Northumberland (Lakefront Utilities Inc.)
12. County of Lanark, Social Services Department, and County of Renfrew, Ontario Works (Ottawa River Power Corporation)
13. County of Renfrew – Social Services (Ontario Works Department) (Renfrew Hydro Inc.)
14. The Salvation Army (Tillsonburg Hydro Inc.)
15. Huron County Social Services (West Coast Huron Energy Inc.)



# Administration Cost Analysis

	2016	2015	Change
Total Administration Cost	\$ 1,129,869	\$ 942,243	+\$ 187,626
Administration Cost / Applicant	\$ 57.89	\$ 53.60*	+\$ 4.29

Administration Costs as a Percentage of LEAP Funds Available

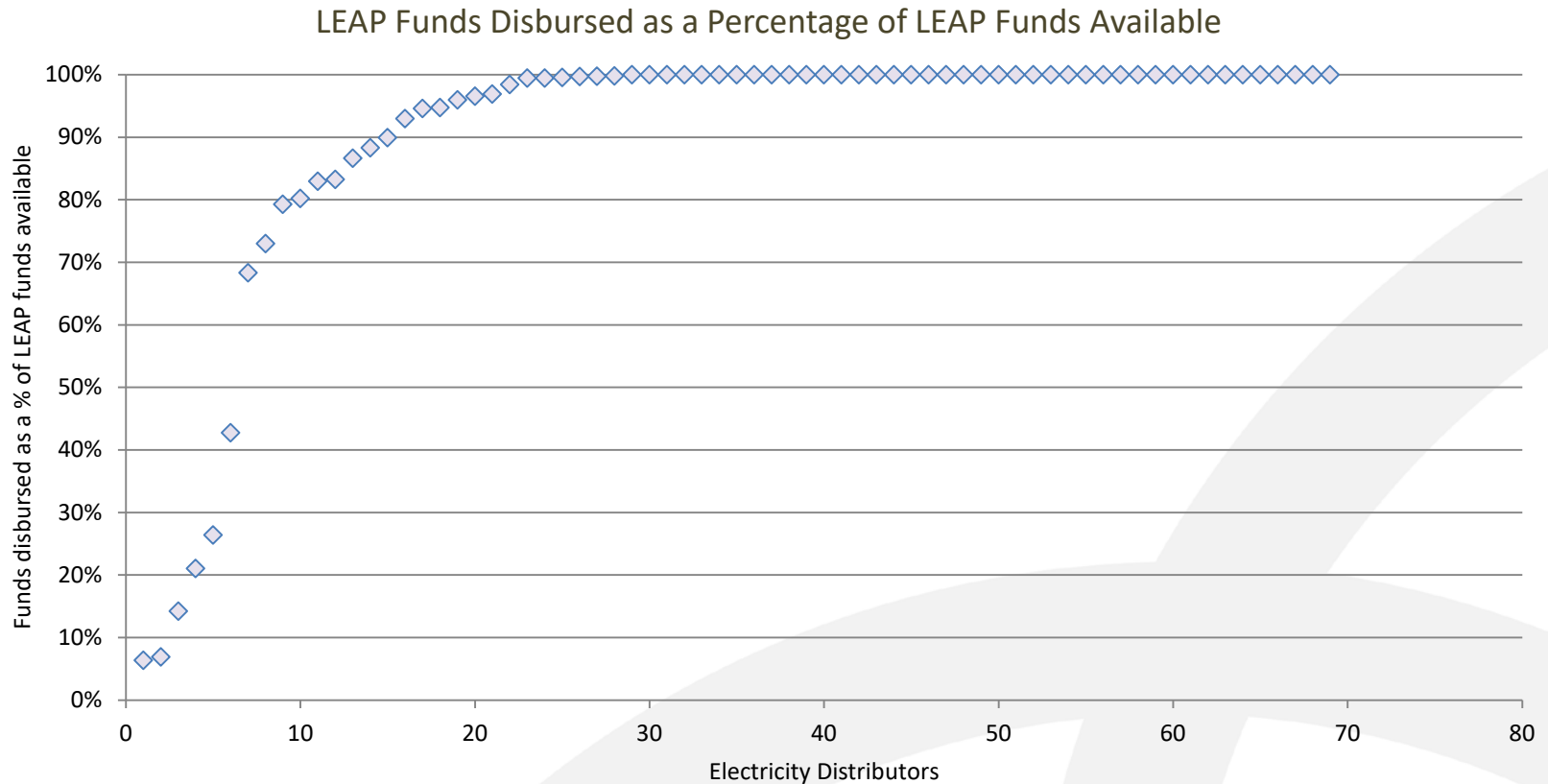


Distributors are allowed to spend up to 15% on social agency administration costs

\* Number from 2015 LEAP report revised



# Percentage of LEAP Funds Disbursed in 2016



- 51 distributors had effectively exhausted their LEAP funds (39 disbursed 100% of available funds while 12 reported closing the program due to small balances remaining or ran out of LEAP funds before additional donations were received)
- 19 distributors had funds remaining at year-end





# Distributors That *Fully* Depleted Their LEAP Funds in 2016

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1. Bluewater Power Distribution Corporation
2. Brantford Power Inc.
3. Burlington Hydro Inc.
4. Canadian Niagara Power Inc.
5. COLLUS PowerStream Corp.
6. Cooperative Hydro Embrun Inc.
7. E.L.K. Energy Inc.
8. Enersource Hydro Mississauga Inc.
9. Entegrus Powerlines Inc.
10. EnWin Utilities Ltd.
11. Essex Powerlines Corporation
12. Greater Sudbury Hydro Inc.
13. Guelph Hydro Electric Systems Inc.
14. Halton Hills Hydro Inc.
15. Hydro 2000 Inc.
16. Hydro Hawkesbury Inc.
17. Kenora Hydro Electric Corporation Ltd.
18. Kingston Hydro Corporation
19. Kitchener-Wilmot Hydro Inc.
20. Lakefront Utilities Inc.
21. Lakeland Power Distribution Ltd.
22. London Hydro Inc.
23. Midland Power Utility Corporation
24. Milton Hydro Distribution Inc.
25. Niagara Peninsula Energy Inc.
26. North Bay Hydro Distribution Limited
27. Oakville Hydro Electricity Distribution Inc.
28. Orangeville Hydro Limited
29. Orillia Power Distribution Corporation
30. Ottawa River Power Corporation
31. PUC Distribution Inc.
32. Renfrew Hydro Inc.
33. Sioux Lookout Hydro Inc.
34. Thunder Bay Hydro Electricity Distribution Inc.
35. Tillsonburg Hydro Inc.
36. Wasaga Distribution Inc.
37. Welland Hydro-Electric System Corp.
38. West Coast Huron Energy Inc.
39. Westario Power Inc.



# Distributors That *Effectively* Depleted Their LEAP Funds in 2016

12 distributors had less than the average grant amount of \$464 remaining by year end with 5\* reporting the month in which they effectively ran out of funds.

Distributors	Unused funds
1. Horizon Utilities Corporation	353
2. Chapleau Public Utilities Corporation	267
3. Espanola Regional Hydro Distribution Corporation	265
4. Rideau St. Lawrence Distribution Inc.	192
5. Newmarket-Tay Power Distribution Ltd.* (May)	106
6. Oshawa PUC Networks Inc.	92
7. Wellington North Power Inc.	90
8. Cornwall Street Railway Light and Power* (April)	71
9. Toronto Hydro-Electric System Limited* (Sept)	38
10. Festival Hydro Inc.	30
11. Energy Plus Inc.* (April)	1
12. Centre Wellington Hydro Ltd.* (June)	1



# Distributors That Have LEAP Funds Remaining at Dec 31, 2016

Of the distributors who had funds remaining, St. Thomas Energy reported ending its program in November.

Distributors	Unused funds	Distributors	Unused funds
1. Hydro One Brampton Networks Inc.	\$ 201,796	9. Northern Ontario Wires	\$ 5,318
2. Hydro One Remote Communities Inc.	139,323	10. Hearst Power Distribution Company Limited	4,427
3. Hydro Ottawa Limited	80,565	11. Grimsby Power Incorporated	2,336
4. Niagara-on-the-Lake Hydro Inc.	16,599	12. Fort Francis Power Corporation	1,810
5. Whitby Hydro Electric Corporation	11,362	13. Atikokan Hydro Inc.	881
6. Veridian Connections Inc.	9,659	14. St. Thomas Energy Inc.	741
7. Waterloo North Hydro Inc.	9,312	15. Erie Thames Powerlines Corporation	664
8. PowerStream Inc.	8,058	16. Algoma Power Inc.	568



## Distributors Who Contributed Non-distributor Funds (Donations) During the Year Reporting Unused Funds Remaining at Dec 31, 2016

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Of the distributors who had funds remaining, 3 had contributed non-distributor funds during the year

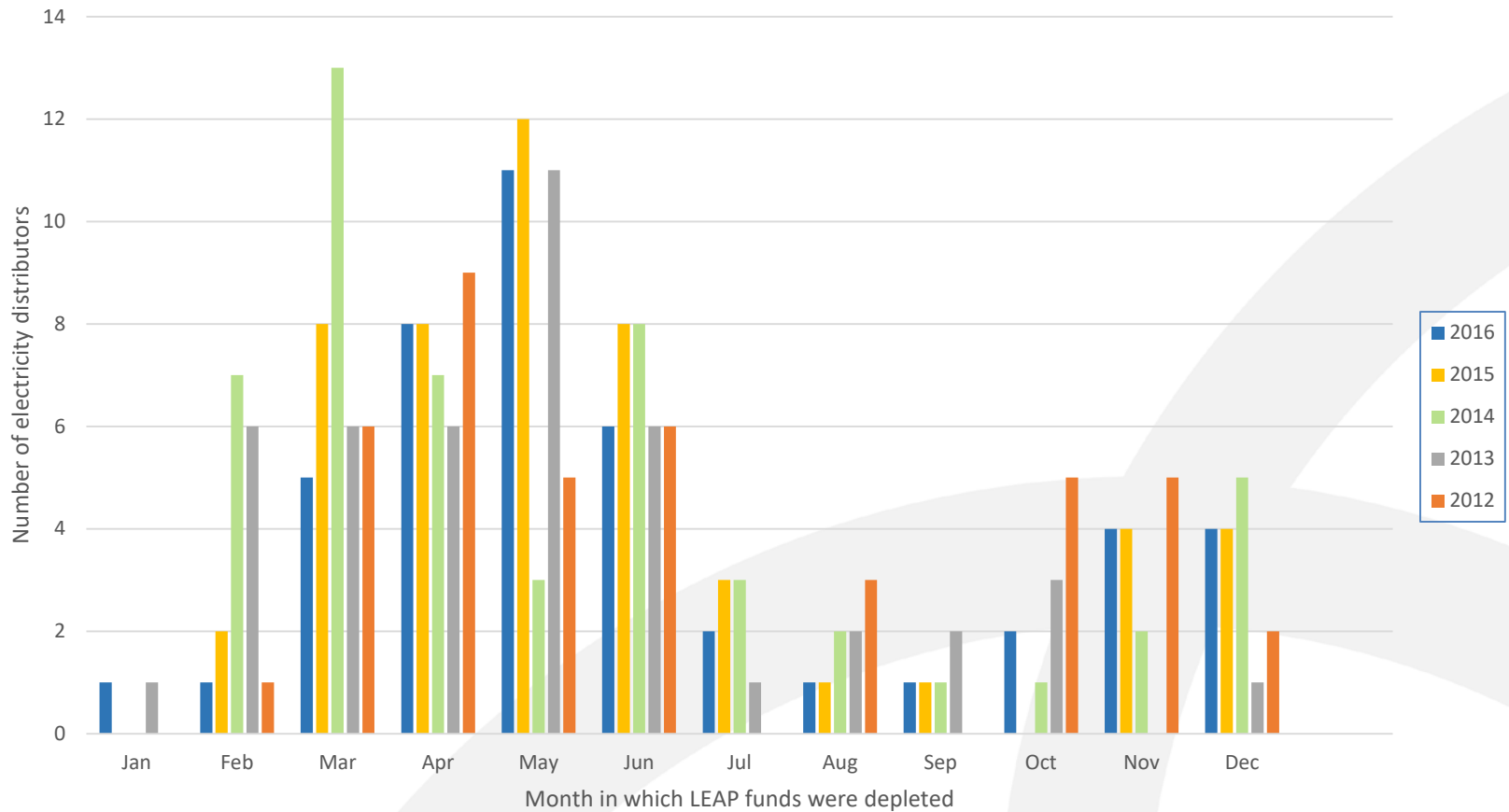
Distributors	Non-distributor funds contributed in 2016	Unused funds at Dec 31, 2016
1. Hydro One Networks Inc.	\$ 2,250,000	\$ 26,515
2. Peterborough Distribution Incorporated	28,108	10,000
3. Innpower Corporation	12,000	1,059

Milton Hydro and Tillsonburg Hydro had also contributed non-distributor funds in 2016 which were *fully* exhausted by year end.



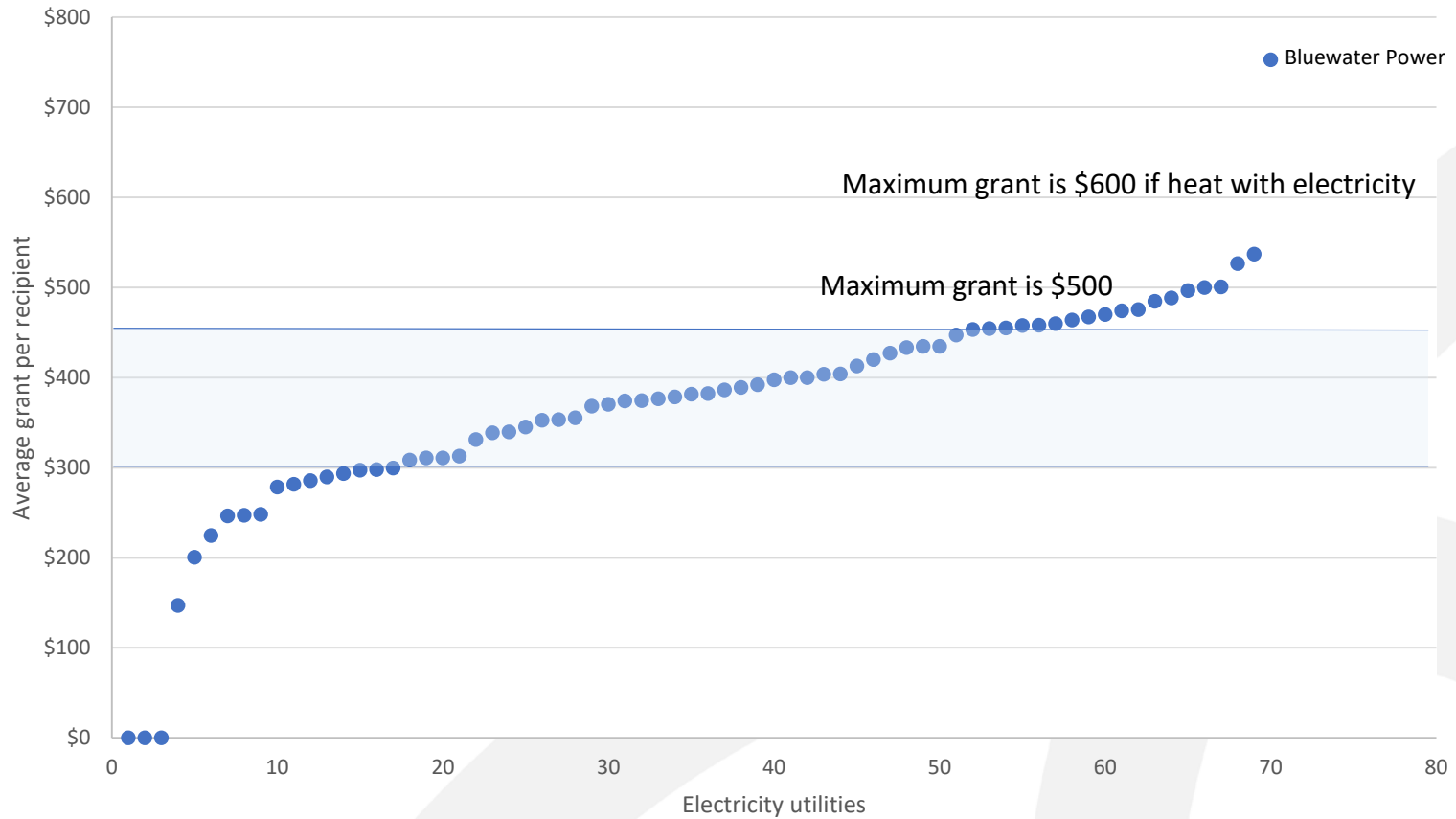
# Reported Month in Which LEAP Funds Were Depleted

Almost half of all distributors ran out of LEAP funds by summer



# Average 2016 LEAP Grant Disbursed per Recipient

The majority of grants ranged between \$300 and \$450



# LEAP 2016

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## Natural Gas Distributors – Detailed Results



January 11, 2018

## LEAP Results for Enbridge Gas Distribution Inc.

	LEAP 2016	% of LEAP funds available	LEAP 2015
LEAP funds available (distributor budget and unused funds from previous year)	<b>\$ 1,380,010</b>		<b>\$ 1,370,563</b>
LEAP grants disbursed	\$ 1,098,059	79.6%	\$ 1,164,970
Administration costs	\$ 193,775	14.0%	\$ 205,583
Funds disbursed	<b>\$ 1,291,843</b>	93.6%	<b>\$ 1,370,553</b>
Unused funds	\$88,176	6.4%	\$ 10
Applicants	5,390		4,932
Recipients	3,444		3,016
Applicants denied	1,946		1,916
Average grant	\$319		\$ 386

Non-distributor funds were not provided



January 11, 2018



## Winter Warmth and LEAP Results for Union Gas Limited

	Winter Warmth and LEAP 2016	% of WW and LEAP funds available	Winter Warmth 2015
WW and LEAP funds available	<b>\$ 1,012,151</b>		<b>\$ 937,087</b>
WW and LEAP grants disbursed	\$ 681,601	67.3%	\$ 718,555
Administration costs	\$172,705	17.1%	\$ 127,385
Funds disbursed	<b>\$ 854,305</b>	84.4%	<b>\$ 845,940</b>
Unused funds	\$ 157,846	15.6%	\$ 91,147
Applicants	3,039		3,011
Recipients	1,794		1,746
Applicants denied	1,245		1,265
Average grant	\$380		\$ 412



## LEAP Results for Other Natural Gas Distributors - 2016

	Natural Resource Gas	Kitchener Utilities	Total	% of LEAP funds available
LEAP funds available	<b>\$8,824</b>	<b>\$ 44,212</b>	<b>\$53,036</b>	
LEAP grants disbursed	\$ 5,915	\$ 37,580	\$43,495	82.0%
Administration costs	\$882	\$ 6,632	\$7,514	14.2%
Funds disbursed	<b>\$6,797</b>	<b>\$ 44,212</b>	<b>\$51,009</b>	96.2%
Unused funds	\$2,027	\$ 0	\$2,027	3.8%
Applicants	19	97	116	
Recipients	19	97	116	
Applicants denied	0	0	0	
Average grant	\$311	\$ 387	\$375	

Note: Data for Utilities Kingston is unavailable



# LEAP and Winter Warmth Results for Natural Gas Distributors

## Number of Recipients 2012 - 2016

The number of Enbridge Gas recipients has been rising while the number of Union Gas recipients has been declining. The number for the other distributors has been flat.

