



Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

Rationale:

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening



-
2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration



3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach



4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting



5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding



6. Long-term coordination and administration:

- a. ***Emergency financial assistance:*** The roles, responsibilities and structure for the long-term coordination and administration
- b. ***Low-Income Energy Assistance Program:*** The roles, responsibilities and structure for the long-term coordination and administration

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

In general agreement with the eligibility criteria developed by the group. It is important to have pre-set criteria, but allow some flexibility for the social service agencies if required. We need to rely on the experience and expertise of those that have delivered similar programs. It is also critical that the focus is on emergency financial assistance

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

The OEB will need to give final approval of the eligibility criteria as it is ultimately accountable for the program. The social service agencies must be the ones that ultimately assess eligibility. This is not something that the utilities have the expertise to do.

2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

The process should mirror the ones currently in place for similar programs.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

This should be the responsibility of the social service agencies that are delivering the program.

3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

This area needs some further discussion amongst the group members. The balance is to ensure that those in need are aware of the program and the assistance it can provide while at the same time ensuring that the agencies are not inundated with applications that are not credible. Although promotion is important it is critical that money not be wasted in this regard. The money may well be better spent serving those in need. There was some discussion in the meeting about bill inserts and on bill messaging. We need to discuss the cost and effectiveness of each of those methods of promotion.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

This needs further discussion, but there is likely a role for the OEB, the LDCs and the agencies to play a role in awareness and promotion. The Board's report recommended that the OEB accumulate an inventory of available program. Other social service agencies, in addition to those delivering the program should play a role in terms of informing those in need of the program.

4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

Once again this is something that we need to develop in conjunction with those that are currently delivering similar programs. In addition, in order to ensure that ratepayer funds used to support the program are used responsibly and on a cost-effective basis the OEB will require reporting on how the money is being spent.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting.

The OEB will need to develop reporting in conjunction with social agencies and any central body that is responsible for dispersing the funds.

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

The money should not be passed on through a whole series of transactions, but done in the most efficient way possible. There is merit in a central agency collecting the money from the LDCs and allocating it to the appropriate social



service agencies. That central agency could also take on the role of developing training manuals. There may be merit in using different models in different areas of the Province – urban, rural etc.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding.

Long-term coordination and administration:

- a. ***Emergency financial assistance:*** The roles, responsibilities and structure for the long-term coordination and administration

Needs further discussion in the group

- b. ***Low-Income Energy Assistance Program:*** The roles, responsibilities and structure for the long-term coordination and administration

Needs further discussion on the group

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Centre of Hope/SA

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

Must be in receipt of a final or disconnection notice/or currently disconnected

(This is intended as emergency financial assistance, a disconnect notice and those pending disconnection constitutes an emergency. While there is merit in providing assistance for those experiencing arrears, our experience with THAW indicates that the demand for emergency assistance will exceed the funds available, requiring prioritization of urgency so funds are directed to those most at risk.)

Must meet income criteria (Pre Tax LICO rate over 500,000).

(LICO rate is already widely used; most agencies will be familiar with it. This is the most generous application of low income criteria, allowing for many working poor to qualify. Working poor are often the most at risk group as they do not have access to CSUMB available to those in receipt of OW/ODSP. Working poor often have additional expenses related to their employment, i.e. transportation costs, clothing/work boot/special equipment needs, childcare expenses.)

Utility bill must be in applicants name/and must be residing at address.

(This ensures funds are directed to applicants who are at risk of imminent disconnection of utility service)

Must have made reasonable attempts to pay some of the utility bill(s) within the previous 4 months.

(This places some responsibility on the applicant to be making reasonable efforts to pay their bills, understanding that we see applicants with very limited incomes, if there are no attempts to pay, the sustainability of their current housing then may need to be considered. Most clients have some form of income, if they do not, they should be directed to Ontario Works for ongoing financial assistance.)

Must provide appropriate verification and identification as required and complete an application for assistance.



Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

OEB Advisory Committee

Determine and review eligibility for assistance on an ongoing basis to ensure funds are directed appropriately to those most at risk, particularly if funds are quickly depleted.

Social Service Agencies

Prescreening of applicants to ensure meet eligibility criteria to schedule appointments for completion of application.

Make determination of grant provision based on meeting these criteria.

2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

Social Service Agencies

- Complete prescreening to schedule appointments to complete LEAP application for assistance. Inform applicants of documents required.
- Inform Utility of scheduled appointment including date/address/utility account number to place collection activity on hold pending outcome of application.
- Complete application form; obtain copies of all required supporting documents. Complete all consents for information for all relevant agencies, including utilities. If applicant is in receipt of OW/ODSP complete consent for these agencies. Assessment of applicant situation and referrals to other agencies if required.
- Contact utility via email to obtain information regarding client account/includes confirmation of client name linked to that account and address/current balance outstanding/if any of balance is deposit (funds should not be provided for deposits)/last 2 payments (if any)/if there are payment arrangements on this account/confirmation account is pending disconnection.
- Determine eligibility for assistance and grant amount.
- Inform applicant of approval/denial (including reasons) and utility.



- Prepare weekly cheque requisition for payment directly to utility, includes client name/address/account number/amount of grant/agency completing application if applicable).
- Maintain client files and data base if applicable.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

- Intake and application administration should remain with social service agencies. If satellite model is used, all prescreening and intake appointments, recommendation of eligibility for funds should be completed at satellites and forwarded to lead agencies to complete cheque requisitions, notify utilities of assistance approvals.
- For program accessibility, all aspects of intake and enrollment as close to the community as possible is important, as program then remains accessible to applicants. Cheque distribution with a lead agency ensures that clients can receive prompt information regarding this if they require it (this is very important as clients are in distress and having a relationship with an agency and the ability to speak directly to the person they have seen regarding this relieves some stress). I am concerned that if cheque distribution is centralized this access to information then become much more difficult for agencies/and or client to navigate as has been the experience whenever processes become centralized. Also, if errors occur, as they will, solutions cannot be quickly resolved simply due to volume.

Promotion and outreach: The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

Every means possible at every level and in multiple languages. There has been a tendency to 'under advertise' financial assistance programs due to concern funds will be depleted quickly but this creates an inequity as only those with good skills at navigating through social service systems or contact with agencies become aware of the programs. Everyone who is in need should be able to easily obtain information regarding the LEAP Program.

OEB- Development of promotional materials in multiple languages and forms (i.e. posters, brochures, PSA) and ensure that materials can be copied (i.e. in black and white, on photocopier) for local distribution.

Co-ordinating Agency/Advisory Committee- Development of website with links to lead agencies. Ensure program is on all web based information centres. Co-ordinate inserts into OW/ODSP cheques, poster distribution and public information campaign (and ensure materials can be copied for local distribution).



Distribution of program information to government program networks (i.e. OW /ODSP offices, Housing Support Programs, OMSSA, agencies linked to health).

Develop information regarding each region and Social Service Agencies administering LEAP to distribute to all program partners for referral purposes.

Social Service Agencies- Local publicity through information networks within each community, i.e. information services, libraries, community centres, health centres. Lead agencies should be responsible to ensure local networks are well utilized (all social service agencies have access to local networks and are often involved in local community interagency committees, so have an expertise regarding information sources in their own communities). If technology is available, lead agencies can maintain information lines.

Utility Providers-ensure all collection agents are aware of program and lead agencies in each community for appropriate referral.

3. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner.

Metrics;

- Funds dispersed; by agency, utility, region or municipality, weekly
- Average assistance provided/household, region and utility
- Reason for application for assistance
- Ineligible applications and reasons
- Frequency of assistance to each household
- Amount of arrears owing
- Household information; details related to household composition, # of adults and children assisted, renters/owners/RGI and amounts paid for rent/mortgage, gender, source of income.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

OEB Advisory Group; Determine data required.

Social Service Agencies; Track data as required and report to coordinating body.



Co-ordinating Body; analysis of data, annual reports to all stakeholders.

4. Funding: The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

OEB Advisory Group; determination of funding formula for large distributors with multiple service areas. Ensure compliance by utility companies.

Co-ordinating Body; If requested by distributor, collect and direct funds to lead agencies. Assist distributors to determine social service agencies who can deliver program

- Social service agencies to deliver the program should have capacity and/or previous experience in delivery of utility assistance programs. May consider linking to Rent Bank Programs already being delivered provincially, our experience indicates that these programs are a good fit with each other and the capacity to deliver financial assistance programs would already exist.

Funds can be directed to lead social service agencies from utility provider directly without co-ordinating body. This may be appropriate in municipalities which have long established relationships with social service agencies through already existing utility assistance programs.

Notification to utility providers when funds are exhausted in each region.

Social Service Agencies; Maintain information regarding grants, prepare and distribute funds directly to utility agencies. Regular reporting to Co-ordinating body regarding depletion of funds.

Recipients should not receive funds; these should always be directed to the utility provider through the social service agency.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

4. Long-term coordination and administration:

- a. ***Emergency financial assistance:*** The roles, responsibilities and structure for the long-term coordination and administration

- b. Low-Income Energy Assistance Program:* The roles, responsibilities and structure for the long-term coordination and administration

Emergency financial assistance program and conservation programs should be accessed at single delivery point. Co-ordination Body can oversee and direct information, eligibility criteria and information regarding both programs to delivery agents.

OEB Advisory Committee to be responsible for ongoing monitoring and overseeing of both programs for compliance and changes required as program progresses.

Determine percentage of funds that social service agency can use for administrative costs. Determine pre-set annual administrative cost to maintain Co-ordinating Body role based on requirements to be determined by Advisory Committee. Develop RFP for identification of Co-ordinating Body.

Co-ordination Body should be just that, a co-ordinating role only. Should not be a provider of service.

Administrative support funds should be directed to agencies delivering the service as a percentage of funds received by the agency. 20% is a realistic amount in order to maintain adequate staffing to complete applications and provide support to households accessing the funds. Also, must keep in mind that social service agencies will receive calls from households who do not qualify for LEAP funds (as their names will be connected to the program) and there is time required to also work with these clients to problem solve and determine plans for utility arrears.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration



Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

Prepared by: Gord Eamer, CHEC

Note:

These comments are in addition to the Framework Elements as summarized after the July 21st Working Group meeting and communicated to members. As the summary captured many of the issues it was felt more appropriate to note areas of concern or expansion.

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

The criteria utilized for the Emergency Financial Assistance will most likely be utilized for the code changes proposed by the OEB. As such the definition of low income should be aimed at ensuring that the appropriate population is defined and by its nature would be more restrictive than say the conservation fund.

For the purpose of the Emergency Financial Assistance eligibility should be defined as:

1. Those receiving social benefits under other programs
2. Those qualified under the LICO table based on community size. The LICO table would be the most recent before tax numbers.

The social service agency can utilize some flexibility in how they define the community size. Where a smaller community is generally included in the larger framework of say a county then the larger number may be more appropriate. It was also noted by CHEC member LDCs that one area of a county may be significantly different than other areas in the same county. The agency would be able to adjust for some of these differences.

Rationale: The LICO table is a recognized measure and takes community and family size into consideration. Some discussion on using LIM was discussed however the LIM averages community sizes. It is suggested that this measure is too broad a measure for use in this section of LEAP.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening



The OEB is responsible for determining the funds available for any given year under by the utilities. Any rules and reporting requirements associated with these funds are the responsibility of the OEB.

The use of the funds is the responsibility of the utilities and as such they will be responsible for accounting and reporting to the OEB. The utilities will require reporting from their partners/agents to account for the funds and the individuals assisted.

The social service agencies will be responsible for the front line work with the low income customers including; confirming eligibility, determining the amount of need, confirming that payment will meet the program goals and ensuring education and support to assist with a sustainable solution.

- 2. Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

Each utility will be required to have a lead agency which coordinates the funds for their service territory. The utility will want to deal primarily with one agency and that agency can coordinate any satellite agencies if appropriate.

In smaller communities it is anticipated that the lead agency will do all of the intakes and not require other agencies to be involved. While this may require the low income customer to go from one agency to the lead agency it is anticipated that this will allow the LDC to compensate for the work the agency completed on behalf of the customer. If the LDC tried to compensate all agencies the cost of training, contracts etc. may exceed the funds placed in the LEAP program.

Satellite agencies, if used would be the responsibility of the lead agency for training, compensation and coordination.

There will need to be some coordination between the gas companies, Hydro One and the LDCs with respect to the agencies used in any given community. It would be advantageous from the customer's perspective to utilize the same agency (and also from a costing perspective). This coordination may be difficult to achieve without a central agency. While all parties are reluctant to go with a central agency due to cost and the optics of setting up another group, there may be benefits in doing. Some basic cost analyses should be completed to determine the cost benefit analysis of this approach.

In the Framework Elements put together by the consultant there is note that "verbal consent from the applicant to release information" should be sufficient. Due to current requirements a written release will be required prior to the release of account information.



Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

The Social Service Agency will be the front line for this program and deal with confirming the customer eligibility, receiving all information and approving or denying financial support. The Lead Agency will need to ensure that their staff and staff of any satellite agencies are properly trained with respect to the program. The Lead Agency will also be responsible for tracking and reporting the use of the funds to the utilities.

The utilities will be responsible for arrears management including disconnect notice, entering into a contract with a lead agency, providing account information, holding the disconnection of service as per agreement, receiving and crediting funds from the agency and up-dating the account as required. The utilities will also be responsible for reporting the use of the LEAP funds to the OEB based on information provided by the Lead Agency.

OEB will be responsible for the overall monitoring of the program and reporting to the government.

If other agencies or organizations are included in the overall structure their responsibility will need to be defined, however should not remove any responsibilities as defined for the primary participants in this program.

Promotion and outreach: The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

For the first year of this program it is suggested that for the electric support that the promotion is through the LDC defining the options to the customer including the lead agency. This will allow a targeted approach of those customers who are in need of financial support.

In addition to noting to the customers some communication with other agencies in the community noting the program and the lead agency should be provided.

Moving beyond the first year the experience gained will determine whether there should be broader based promotion of the program.

Some concern exists with respect to communicating the program to the working poor. Because they do not know about the program they may make spending decisions that are negatively impacting them which could have been reduced if they were aware of the funds.



Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

As noted above.

Tracking and reporting: The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

The Lead Agency should be responsible for the tracking and reporting. The Lead Agency reports to the utilities and the utilities to the OEB.

Reports should be kept to a minimum of information required for accountability and for program improvement.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

3. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

Funding flows from LDC to the agency and the agency pays the LDCs when required.

There had been some thought that perhaps the utilities could hold the funds and merely transfer based on the lead agency direction. From the smaller LDC perspective we would prefer to transfer the funds out and have the agency monitor and manage and then provide a cheque back. This provides a more third arms length approach that can help to improve the transparency. Also if the agency has obtained funds from other sources it is all contained on the cheque which they forward to the LDC.

At the present time the Working Group all agree that the agencies need to be compensated for the work they do. Further discussion of what level of compensation is appropriate and to whom should be undertaken.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding



4. Long-term coordination and administration:

- a. **Emergency financial assistance:** The roles, responsibilities and structure for the long-term coordination and administration
- b. **Low-Income Energy Assistance Program:** The roles, responsibilities and structure for the long-term coordination and administration

Some form of coordination will be required however the cost and role is of concern. From discussions around the table a central coordinating role that choose lead agencies, provides training and higher level of reporting could cost in the order of \$360,000 (\$250,000 labour, 10,000 data collection, 100,000 promotion, not including training time). Compensation of the lead agencies at 10% based on \$4,500,000 of funds results in another \$450,000. The two added together is an administration cost of 16%. A review of potential costs would be beneficial.

From smaller LDCs the local cost can be minimized however the coordination with other LDCs and gas utilities in the area is of concern. The ability for utilities to deliver their programs through the same agencies may help to reduce the overall cost for both large and small utilities.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Coalition of Large Distributors (CLD) Financial Assistance Working Group – Framework Template

NOTE: The position outlined below is created to aid the administrators of the FAWG. It is informally presented and not meant for external publication or circulation.

1. Eligibility

The CLD is largely in agreement with the measures established by the FAWG, supporting the following:

- A firm maximum cap of \$500 per utility (providing any exceptions reduces funds available to others, and reduces the ability to serve more applicants. Average payout of Winter Warmth, and average utility arrears at disconnection are generally within \$250-\$400)
- The customer must be in arrears (notices of arrears or disconnection can be provided, but are NOT required)
- Access once per year, twice per year up to the cap at the discretion of the social service agency
- Applicant must be a customer of the LDC, name must be on the bill, must be living at the address on the bill, must demonstrate future ability to pay bills, payout must result in continued service or reconnection, etc

In terms of the income threshold, the CLD is strongly concerned about the conflict that exists between using the same low income threshold for both the emergency financial assistance portion of LEAP, and the proposed customer service measures being discussed by way of proposed code amendments. We believe that most, if not all utilities, share a similar position.

For the purposes of financial assistance, the CLD is generally in favour of a cutoff on the higher end (500K LICO+15%), as experience with the Winter Warmth program has shown that this level creates a manageable level of demand for funds, and additional funds, additional criteria (as above), and screening by social service agencies will further control access. However, with regard to the code amendments, the CLD would not like the cut off to be any higher than is necessary (no higher than LIM levels, if not lower), as otherwise it would permit large volumes of customers to be classified as “low income”, giving access to more favourable customer service terms. Without the benefit of seeing the revised proposed code amendments, a generous threshold could result in a large proportion of an LDC’s residential customers undeservedly qualifying for the potentially costly measures. This is also important, as extremely large numbers of customers could potentially be directed to social service agencies solely for the purposes of being classified as low income, regardless of whether they need emergency funding or not.

If it is the OEB's intent to use one income cutoff for both components of LEAP, then the concerns of the code amendments outweigh the desire to be generous on the financial assistance component, and the CLD would advocate for extreme caution and support a cutoff on the low end of the spectrum.

With the understanding that the social agencies typically prefer dealing with after-tax calculations, the CLD supports using after-tax tables and values to determine the low income cut off, regardless of which income model is chosen.

2. Intake and application administration

The CLD largely supports the consensus of the FAWG, and the existing Winter Warmth criteria.

3. Promotion and outreach

The CLD largely supports the consensus of the FAWG, and existing Winter Warmth criteria. We caution against active mass marketing by utilities to all customers (via bill inserts, for example), preferring targeted marketing by utilities via call centres and collections staff, in addition to direct promotions by social service agencies and the coordinating agency.

4. Tracking and Reporting

Only basic and simple metrics should be tracked and reported, including: utility's budget net of admin fees (including rollover from previous years), amount spent, amount remaining, # of applicants accepted, # of applicants rejected, average payout.

If possible: reason for application (broad categories – job loss, medical, etc) and reason for rejection (if applicable, by broad category) could be tracked (by percentages) for program improvement purposes.

All this data would be collected on a monthly and year to date basis.

It would be reported by the lead agency monthly to the LDC and the central coordinating body, and yearly by the coordinating agency (one report for all utilities) to the OEB.

5. Funding

The utility collects the money from ratepayers. The utility pays admin fees to the lead agency, and admin fees to the coordinating body (the latter could be done via quarterly OEB fees).

Remaining payout funds could either remain within the utility and be applied to customers accounts as per information sent from the lead agency, on a weekly basis (i.e the "deferral account model"), or alternatively transferred to the lead agency and 'given back' on a weekly basis (as per Winter Warmth).

Caution against the coordinating body controlling the payout funds, on account of delays in processing, and the fact that the information will be one degree removed from the program process. Attempting to centralize this function may in fact create inefficiency.

6. Long Term Coordination

a) Emergency Financial Assistance

The CLD sees the structure of the financial assistance component of LEAP mirroring the existing Winter Warmth program:

- 1) the OEB would issue directives and control the key program parameters, particularly eligibility criteria and funding levels.
- 2) a central agency or coordinating body would help utilities partner with social agencies (if necessary), provide the training and process manual to the social agencies, and perform a tracking and reporting function;
- 3) each utility would partner with one lead social agency (of its choice) to run the program in its territory;
- 4) that social service agency would run the program for the utility, processing applications, and partner with additional sub-agencies on the LDC's behalf (if necessary).

In the short term, given that a November 1 implementation is not reasonably possible, the CLD suggests that existing programs (Winter Warmth in particular) could continue to operate until LEAP is implemented, hopefully around January 1, 2010. The participating Winter Warmth utilities generally already have funding approved and available for Winter Warmth for 2009. The duration of the program can always be cut short, and a transition to LEAP can always be made in short order, once the LEAP parameters and structure is in place.

b) Low Income Energy Assistance Program

The OEB can review the parameters and guidelines governing all components of LEAP on an as needed basis, through amendments and consultations with affected stakeholders. The relationships established between the utilities, OEB, coordinating agency, and social agency will remain largely unchanged once established, so other than providing broad directional changes such as directing funding level adjustments, ongoing changes will likely not be a required fundamental component of ongoing program administration.



Direct Energy

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

Direct Energy, along with other retailers and marketers in Ontario, welcomes the opportunity to identify solutions that would assist low income consumers better manage their electricity and the gas bills. Many retailers and marketers are already contributing to energy bill assistance programs, while others are working on developing strategies to assist their low-income, vulnerable, and disadvantaged customers. Participation in the LEAP is therefore part of an overarching corporate responsibility program that many market participants seek to implement.

Direct Energy has had a history of delivering successful programs for low income customers in the US and UK markets. In the UK our “Essentials tariff Plus” provides a lower rate and free energy efficiency solutions to low-income British Gas’ customers. In Texas our Neighbour-to-Neighbour and Fresh Start program funded with DE voluntary contributions has helped over 10,000 Texans with emergency energy bill payments. We also provide a 10% discount to our eligible low income customers in Texas through a program funded by a system benefit charge.

However the regulatory framework in Ontario is very different from the one in Texas. In particular, Ontario still has default commodity prices, and retailers cannot recover program costs through ratepayer mechanisms. Our corporate contribution to the program would be purely philanthropic, similar to the donations encouraged from utility shareholders, employees, customers and contributions from businesses and individuals.

Unlike utilities that will see benefit from a bill assistance program that off-sets part of their incurred bad debt, retailers and marketers would likely not see such benefit. The bad debt of retailers and marketers is managed by utilities in Ontario for a fee. Any off-sets of those fees to retailers and marketers are yet to be determined at this point and would depend on future negotiations.

Most importantly, in Ontario retailers and marketers do not own the billing relationship with their customers. This limits the capacity of retailers to refer their customers to bill assistance programs. Finally, retailers and marketers have no guarantees of being recognized for their contribution to a utility funded program.

For all the reasons stated above, retailers and marketers recommend that:

1. The retailers and marketers’ contributions to a utility-funded Emergency Financial Assistance Framework must be voluntary and discretionary similar to the contributions of any other philanthropic donors.



2. The Framework must allow Social Agencies to accept funds from other donors directly, including retailer voluntary contributions.
3. Social agencies must use the same application form both for utility and retailer customers and routinely screen for retail customers even if no retailer fund exists at the moment.
4. The delivery of the program must be awarded to a coordinating social agency through an RFP process. The coordinating social agency may then build on its network of affiliates and satellites.
5. Retailers and marketers must be able to enter a bill assistance program and offer a top-up gas/electricity bill assistance at any time.
6. There should be a mechanism for contribution recognition for donor's, including retailer'/marketers', contributions.

The reasons above guide our recommendations for the template below.

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

**Participant criteria:
(onus Social Agencies)**

- utility customer
- retail customer (even if no specific retailer fund)
- primary/secondary name on the account
- reside at the billing address
- be in need - received disconnection notice
- After-Tax LIM thresholds
- reasonable discretion – any supplemental criteria to be properly documented by social agency and reported to utility/retailer
- arrears smaller than the bill assistance cap

**Assistance criteria:
(onus-market stakeholders within the OEB)**

- meaningful yearly caps (based on EEF historical data)
 - differentiate caps for electricity and gas heated homes

Rationale:

- Benefit going exclusively to utility/retailer customers, to ensure that the utility/retailer is assisting the very customers who contribute to the program through their own utility bills/in case of a retailer funding similar rationale.
- Retail customers must be screened to allow retailers funding top-up at any point in time
- To ensure stewardship and accountability for customer's own energy consumption

- To prevent wasted spending in cases that would result in disconnection regardless of the program
- Utility funding may not be adequate to cover all low income customers in their service territory. Therefore, prioritizing most vulnerable customers is crucial to help those most in need. Social agencies must have discretion to help the working poor when they expect lower program take up or when they have excess of funding, in which case every additional criteria used must be documented and reported to the donor.
- Assistance caps should be based on historical FA program data (for example the EEF). Also, in recognition that customers who reside in electricity heated dwellings pay more to heat their homes, and since they can not apply for emergency assistance funded by a gas utility these customers must be entitled to a higher annual amount

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

“The onion approach” - all stakeholders, OEB

- to design an EEP that would allow Social Agencies to easily accept/incorporate other donors’ contributions for emergency bill assistance
- develop an application form with minimum entry requirements, make sure the form also contains a screen for:
 - retail customers (check box) even if there is no retail fund at the moment
 - customer dwelling info (to allow identification and referral to the Energy Assistance Program for older, poorly insulated houses)

2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrolment through to receipt of funds)

- Client fills-in application
- Social Agency notifies utility (at the time of application)
- Utility holds on disconnect
- Social Agency qualifies client
- Social Agency sends cheque on behalf of customer

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

Utility/Social agency

- Efficient two- way communication channel (contacts on both ends to be specified in a bilateral contract, as well as the process of notifying the utility)

Social agencies

- Maintain a database tracking client data, number of applications per annum, able to accommodate queries for the purpose of other related programs
- Ensure a reasonable client assessment cycle keeping in mind the urgency of assistance (aim to limit it to up to 5 days, best practice - 2 business days)
- Notify utility by the end of the same day the client applies
- Send cheque on behalf of customer right after the customer has been qualified eligible (up to 2 business days after the qualification).
- Keep track of client's history with emergency FA (to ensure there is no abuse of the system, "keep it under the cap" principle)
- Ensure the customer understands who pays for the bill (utility, other customers, the customer himself, other donors if applicable)

Utilities

- Obligation to place a 10 day-hold on disconnection once the social agency notified that a customer has applied for emergency assistance
- Utility initiates the pre-payment arrangement if customer is disqualified for income reasons, etc.
- Notify social agency of any double dipping (if any incidents happen).

Retailers

- Refer customers who claim not to be able to afford their bills due to hardships or emergency situations to the utility bill assistance program, and to retailer assistance if that exists.
- Notify utilities when a Retailer Fund becomes available, the amount of funding, and the conditions of funding disbursement
- Making the coordinating social agency that won the RFP for EA program delivery their first choice in selecting delivering partners
- Leveraging on existing bill assistance infrastructure to reduce administrative costs of the program.
- Communicating to the utility, how many retail customers were served, and the average amount of funding received.

OEB

- Develop in consultation with market stakeholders a Best Practice Guide for intake and application turnaround, to be used by utilities and social agencies for EFA program administration

3. Promotion and outreach: The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

- Web-sites
- Bill inserts (mandatory at the time of disconnection notice)
- Visual materials/print-outs/other marketing tools
- Call centres



- Educational programs

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

Utilities

- Allocate a portion of the program budget (especially when a program funding >\$100,000) for the print-out of visual materials.
- Mandatory program description and referral to partnering social agencies with their contact information on the utility web-site, customer section
- Visual materials to include banners with utility's logo and program names, pamphlets, brochures that:
 - Provide a description of the program,
 - Specify the contact information of the partner social agencies
 - Disclose funding channels (other donors, distribution rates)
 - Are printed in several ethnical languages of visible minority groups
 - Will be distributed, including with the help of partnering social agencies, to local food banks, thrift stores, OW/ODSP offices, community centers, charities, etc.
- Send bill inserts with referral to program when a disconnection notice is sent to a customer

Retailers

- Distribute program communication materials to customers
- Scripts with referrals developed for retailer call centres
- Distribution of visual materials on their program component to social agencies
- Post information on retailer assistance, program description and referral to social agency partners on their web-site

Social agencies

- Placing visuals (example: utility logo/pamphlets/brochures containing a program description) in halls/ client waiting areas
- Referring customers to utility programs
- Helping utilities/other donors to place program promotion materials in local areas of low income concentration/traffic

OEB

- Post on the OEB web-site/customer section a description of low income programs funded through distribution rates
- Invite social services partnering with utilities to post their contact details on the site to help customers to self-identify



4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

Annual program reporting metrics:

- # of distributor customers, of them # of retailer customers
- average \$\$\$ amount of assistance per customer (also by main heating fuel)
- aggregate annual \$\$\$ amounts received by utility from social agencies/off-set utility customer arrears (from all funding streams)
- customer average income at the time of application
- customer average income for program beneficiaries
- average customer beneficiary arrears
- # of customers referred to LI DSM/CDM programs
- other customer statistics (dwelling characteristics, size of the household, number of children per served household, single headed household, etc)

Utility funding reporting by funding streams:

- distribution rate funded
- shareholder contributions
- employee donations
- customer donations
- other donors' contributions

Program administration:

- Utility's partnering social agencies and annual amounts per each partner
- Administrative fee for program delivery as a percent of program cost
- Client assessment turnaround (days)
- Utility notification that customer is under review by social agency (days)
- Cheque mailed on behalf of the customer (days)
- Unspent budgets/shortage of funds
- Overall demand for program services (# of customers that applied after the program funds were exhausted)

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

Utilities to report to the OEB:

- all program funding by source
- all program administration metrics listed above
- off-set customer arrears due to the money transferred to utility by social agencies (to include utility funding and other donors)
- program reporting metrics aggregated at the level of utility
- other statistics collected through the social agencies

Social agencies

- Tracking all program metrics enlisted above by utility/retailer in the social agency's service territory
- Report on program administration process statistics (average days spent on client assessment, utility notification, cheques mailed etc)
- Other customer statistics as required by utility

OEB

- Mandate that utilities properly account and report on the funding streams
- Mandate that utilities collect data (see metrics above) from social agencies, analyze it and report it to the OEB.
- Aggregate data at the provincial level and report to the general public and other stakeholders on an annual basis.

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

Funding to flow to social agencies in three streams:

- I. Utilities (distribution rates, additional funding – shareholder, customer, employee contributions)
- II. Other donors (retailers/marketers, community, ethnic organizations, private corporations, individuals)
- III. Provincial/municipal governments (not discussed below)

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

Process (utility level):

Within a reasonable time before the end of the year, each utility shall announce:

- its budget for the EFA program
- its main social agency partners and the amount assigned to each organization
- The administrative fee it pays the social agencies
- Utility/social agency contacts assigned for program administration
- Plans on using additional voluntary contributions (shareholder/employee/customer) for top up.

Process (other donor level)

- Other donors plan on their contributions
- Contact social agencies to provide top-up funding

Process (funding disbursement)

- Utility to disburse funding to social agency in either lump sums or equal instalments (semi-annually, quarterly)



- Utility may provide additional funding to social agency at a later time in the year subject to contributions collected from other sources (shareholder, employee, customer donations)
- Other donors, as negotiated with social agencies.

1. Long-term coordination and administration:

- b. ***Emergency financial assistance:*** The roles, responsibilities and structure for the long-term coordination and administration
 - c. ***Low-Income Energy Assistance Program:*** The roles, responsibilities and structure for the long-term coordination and administration
- Build in a screening mechanism/or at least a referral mechanism to both programs in the EFA and LI EA program design
 - Utility-social agency cooperation and integrated delivery approach, sharing of contact details of clients. Cross reference clients/automatic client referral when they are found eligible under one program to identify whether client may be eligible for the other program/also referral if customer's situation changes.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Social agencies and utilities:

- One contact point for both programs
- Refer clients routinely to both programs
- Clients participating in one program automatically referred to the other
- Routinely collect information on client's dwelling and its EE
- Include in print-outs info on both programs, highlighting that:
 - Emergency Financial assistance offers an "immediate" solution, while
 - Low Income Energy Assistance program offers a "long-term" solution

OEB:

- Include information on both programs on the OEB web-site,
- Provide a basic eligibility test, that may help customers self-identify

Enbridge

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

- **Must be low-income – fall within the LICO's +15% target or whatever the consensus is (LIM or just LICO)**
- **Must be in arrears or in danger of going into arrears or have received a disconnection notice or have been disconnected**
- **Must be a current customer – title name or secondary name on the bill of the utility**
- **Must produce a bill with a valid account number**
- **This is all documented in the process manual for the Winter Warmth Program. Just needs to be tweaked for new rules.**
- **Screening should be done in person but may be done over the phone depending on, distance, disability, affordability and availability (i.e. job)**

Rationale:

- **Ensure client is in need due to circumstances mentioned above.**
- **Ensure client is a customer with a valid account number**
- **It is important to develop a process manual that works for all stakeholders. The current Winter Warmth Manual can and should be used with revisions as agreed upon. Why re-invent the wheel. Most agencies are used to the manual which would ensure a smooth and seamless transition to LEAP.**

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

- **Utilities supply funding to Central Body organization and coordination internally with call centre/customer care.**



- **Central Body distributes funds, tracks & monitors, develops agreements with lead agencies & maintains database.**
 - **Social Service Agencies distribute funds, screen applicants, track funds, communicate with call centres at utilities & maintains database**
 - **OEB provides oversight**
2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)
- **An application must be entered into the database or written depending on web-site access with all pertinent information.**
 - **Must be able to provide information that is needed to complete the application such as:**
 - **Utility account number**
 - **Bank receipts**
 - **Willing to sign off on privacy**
 - **Communicate with utilities to provide information on clients, issue instructions.**
 - **Track information such as how many households breaking it down to adults and children, seniors, individuals, ages through the database or hard copy etc. Information to be decided by governing body.**
 - **Cheque to be issued on behalf of the client in the most efficient way. For example; every two weeks on a spreadsheet with relevant information.**

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

- **Utilities to have call centre/customer care trained and informed of the program. This includes providing them with all communication pieces and process manual to be used as reference.**
- **Utilities to provide information for call/centre such as bi-weekly updates in order to direct customers.**
- **Social agencies/Central body to communicate all client's information to call centre with specific telephone numbers and contacts**



- **Social agencies/Central body to provide tracking information**
 - **OEB to provide oversight**
3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program
- Brochures & Posters
 - Distribution to service and outreach clubs such as senior clubs, out reach facilities, libraries, school boards and other social agencies.
 - Distribution to politicians and government departments and agencies, Municipal, Provincial and Federal
 - 211
 - Press release both provincial & locally. A template should be developed for use in local media.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

- Central Body would be responsible with coordination of OEB, utilities and social agencies
 - Historically, utilities have done all their outreach. This includes press release, printing of brochures & Posters, letters to politicians, web-site, bill inserts and CSR reports
4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner
- Bi-weekly report on:
 - Amount of grants given in two week period
 - Amount remaining in the fund
 - The amount given to the agencies
 - How many households were assisted
 - How many were turned down

- A semi annual or annual report on the breakdown by household. For example: Children, seniors, how many in the family or just an individual. This is important in order to track for CSR stats for the utilities

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

- Social Agencies/Central Body

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)
 - The monies should be distributed through an agency/central body as per our instructions. This should not be left up to the agency/central body but to the utility that has historical information as to which community needs it the most. This is based on total customers, total arrears by regions and historical information.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

- Utilities, Social agencies/Central body

6. Long-term coordination and administration:

- a. ***Emergency financial assistance:*** The roles, responsibilities and structure for the long-term coordination and administration
 - i. ***The utilities should be able to direct the funds through an agency or central body to disperse to the social delivery agents.***
 - ii. ***There should be accountability and governance throughout this process by ensuring the framework is followed, adhered to (with some room for flexibility by the agency) and reported back to the utility. This funding is rate-based and the utilities are accountable to their ratepayers, regulators and stakeholders.***
 - iii. ***A process manual based on the Winter Warmth programs are written by the OEB or a central body (which should be a social agency or someone with experience in emergency energy***

assistance) with modifications that are decided during the working group sessions.

- iv. *Training should be conducted with all parties involved which will include; social agencies, OEB, call centres and anyone else who might have a vested interest in energy poverty and assistance i.e. government ministries and non participating social agencies.*
- v. *Reporting information needs to be conducted by all social delivery agencies to ensure transparency, communication and strength and weaknesses. This is very important again for all ratepayers, regulators and stakeholders. We have to be seen as making a difference!*
- vi. *The launch of this program should be in 2010. November 1st, 2009 is not feasible and would create confusion with existing participants in Winter Warmth, THAW, FUSE and other energy assistance programs.*

b. *Low-Income Energy Assistance Program:* The roles, responsibilities and structure for the long-term coordination and administration

- i. I see LEAP as an inclusive program. Conservation programs to control energy bills, is a must in order to eradicate energy poverty.*

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

HYDRO ONE

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

Income-related eligibility:

Statistics Canada produces the LICO and LIM thresholds for low-income, both easier to use than the Market-Based measure. Hydro One Networks is estimating that approximately 30% of its customers could qualify using the LIM threshold, and approximately 15% could qualify using the appropriate geographic areas of the LICO thresholds. While there are other considerations for choosing the appropriate low-income threshold reference -- such as ease of use, provincial consistency, the age of LICO base survey data and the potential that geographical differences are outdated -- in deciding on the income reference the OEB should consider the Program's ability to manage customer demand for SSA evaluations and the potential for limited availability to the Financial Assistance fund.

Non-income eligibility:

*Must be customer of the utility, primary or secondary name on the account
Must reside at the address for which there are energy bill arrears
Is eligible if receiving other social assistance
Funding available once per calendar year, and one additional hardship per year (at discretion of SSA), up to the funding cap.
Funding cap should be set at \$450 for house with electricity and is gas-heated, and \$600 for an electrically-heated home. (This recognizes the higher arrears amounts for homes that are all-electric.)
Applicant must demonstrate a prior attempt to address the bill arrears. (Demonstrated attempt will be at discretion of the SSA using account history information provided by the Utility.)
Must be in threat of disconnection
Assistance must result in reconnection of the energy service
Applicant must demonstrate sustainability/future ability to pay the energy bill, based on income budget review.*



NOTE: It is assumed the criteria above will be used to identify a customer for specific Utility bill payment and arrears processes, to be established in upcoming Code changes. Specifically, the SSA will recommend if eligible customer should qualify for these extended collections services during their evaluation of sustainability and future ability to pay energy bills.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

Social Service Agencies responsible to apply eligibility criteria fairly and prudently.

Utility and their Lead Agency work together to establish processes to exchange customer account information.

- 2. Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

Each Utility to adopt Lead agency/Satellite or intake agency “model” used successfully in other instances.

Establish Lead agency through Utility process for selecting delivery agents. Selection of Lead at discretion of Utility, which allows Utilities to build on existing relationships.

Lead agency to set up network of local Satellite or intake agencies. Recommendations for funding to be made by Intake agency, reviewed and approved by the Lead agency.

Lead Agency to maintain and publish list of intake/local agencies part of the program, by geographic location, for OEB and Utility use in customer referrals.

Automating the exchange of customer account information between Utility and Intake will be considered, for process efficiency and quicker service to client.

Intake agency accountable to gain consent for utility to disclose customer information to Agency. The legalities of collecting and keeping this information, and other information privacy considerations, will be established in contract between Utility and Lead Agency.

Accounts eligible for this funding are in a pending disconnection situation. Utility will manage extension of the disconnection timelines, until decision made by SSA on eligibility. A time limit to the extension should be established; we recommend an extension of up to 21 days would be appropriate. Despite the ability to recommend extensions, SSAs should educate customers on Utility billing practices and the lead time



available once disconnection notice is received, to minimize the need for Utilities to manually manage disconnection timelines.

Other operational tools will be developed between Utility and Lead Agency, as required to manage the program.

For provincial consistency a single set of standards should be established, including a standard program manual, including eligibility criteria and a core set of reporting requirement.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

Utility: Select Lead Agency; establish contract.

Issue Fund dollars to Lead Agency

Set processes for exchange of customer information.

Lead Agency: Establish network of Intake agencies

Set processes to evaluate clients, funding approval, etc.

Collect data and reporting

Intake Agencies: Evaluate clients, recommend funding.

OEB or Steering Committee: Establish standards, procedure manual, etc.

- 3. Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

During the first year of the program, promotion and outreach should be targeted to the eligible audience as much as possible, by:

Referrals from Utility and OEB call centres.

Information to MPP offices

Using communication avenues through existing Social Services programs and processes.

A promotion plan should be established between the Utility and Lead Agency.

Plan should include educating clients on Utility billing practices, and what Utilities expect from customers to address their arrears.



Materials will be produced in multi-languages, and to minimize costs this should follow individual Utility practices.

This approach to target the promotion should be reviewed after the initial year of the program to evaluate effectiveness and consider expanding.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

Promotion to Utility customers to be developed jointly between Utility and Lead Agency.

Utility: Train call centre agents on referral processes and scripting

Provide information to MPP offices

Lead/Intake Agencies: Participate in delivering the promotion and outreach.

Identify communication avenues through Social Services programs and processes.

- 4. Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

Reporting should follow reporting as established today by Winter Warmth: Monthly reporting from the Lead Agency on: Agencies participating, geographic location; Funding available for clients; Money spent in month, and year-to-date; Funds remaining; Number of households assisted in month, and year-to-date; Average pay out; Number of households turned away.

In addition, data should be collected to evaluate the administration of the program and Program objectives, and could include:

Reasons clients were ineligible for assistance

Reason funding was granted

If funds granted from other sources

of repeat clients

Funding approval at what income levels



Additional reporting may be required by Utility, and should be established in contract between Utility and Lead agency.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

Utility and Lead Agency establish reporting.

OEB or Steering Committee establish the core reporting requirements that will consolidate and measure the Program

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

Adopt method currently used by Winter Warmth

Lead Agency manages the fund and remits back to Utility amounts approved by account number.

Specific process of remittance to be developed between Utility and Lead agency, and will depend in part on capabilities of Utility billing systems.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

Lead Agency: Manage fund spending on behalf of Utility.

Utility: Establish the remittance process.

6. Long-term coordination and administration:

- a. **Emergency financial assistance:** The roles, responsibilities and structure for the long-term coordination and administration

Establish a Steering committee to:

Set the standard processes, manual, training, core reporting.



Consolidate reporting from all Utilities and Lead agencies across the province.

Evaluate effectiveness of the Program

Review Program elements (such as Eligibility criteria) for adjustment if required.

Recommend any modifications to the OEB.

- b. *Low-Income Energy Assistance Program:*** The roles, responsibilities and structure for the long-term coordination and administration

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

7. Additional comments:

- a) Should the Financial Assistance program not be available by early Winter 2010:**

Hydro One Networks will take steps to continue with a pilot of Winter Warmth in 2010/11, pending approval of funding from our sponsorship program managers and a SSA partner to work with. This would not be implemented province-wide, but would increase the number of communities over 2009 pilot.

- b) Central Coordinating Body:**

Many of the proposed frameworks presented on August 4 included a Central Coordinating Body. Given this provincial Program will be delivered via up to 90 Utilities, there will be a need to consolidate information and measure program to meeting objectives. To deliver consistency across the province, there is also a need for standard manuals, processes, training and core reporting. Whether there is a central coordinating body and steering committee, or, one entity, the OEB should be aware the cost of administration does not grow beyond what ratepayers would deem acceptable.



c) **Flexibility:**

The final Program Framework should be flexible in operational areas to be adopted to each Utility / Lead Agency partnership. Operation steps and administration costs may vary by Utility, given service territory, billing systems, and contractual requirements.

Barb Allen
Hydro One
August 7, 2009

**Ideas for consideration:
Framework for LEAP financial
assistance program**

Low Income Energy
Network

August 4, 2009



Ideas

This presentation is not a formal submission, but rather some ideas for the consideration.

Eligibility and Screening

Criteria:

- INCOME
 - 125% of pre-tax LICO for a community size of 500 000+
 - Considered over a 3-month period
 - Income should be a parameter that is considered, but should not automatically include or exclude anyone
- NEED
 - Extraordinary circumstances such as unexpected disruption in income, illness and family crisis should be considered
 - Social service agencies should be provided with the flexibility to use discretion in the distribution of assistance on an as-needed emergency basis.
- IMPACT
 - Receipt of financial assistance results in ability to sustain housing and energy

Eligibility and Screening con't

Rationale:

- **INCOME**

- LICO is easily available and widely used.
- Eligibility will be increased by using a pre-tax LICO, rather than a post-tax LICO, as the pre-tax LICO is higher than the post-tax LICO and the Low Income Measure.
- The LICO is outdated for two reasons. Firstly, it is based on 1992 expenditures and consumption patterns. Secondly, the figures are always released with a one year lag. Using 120% of pre-tax LICO for a city of 500 000 + is recommended as a way to address the fact that the LICO is outdated.
- Examining the recent income history will allow consideration of loss of income and/or extraordinary expenses.

- **NEED**

- Low and moderate income families often do not have resources to cope with unexpected expenses and/or unexpected loss of income. Further, given the precarious and unstable nature of much of low-wage work and the lack of benefits or paid leave time to cope with occurrences as simple as a sick child to as significant as a catastrophic illness or accident, it is crucial that emergency financial assistance not be solely available on the basis of income, but also on an as-needed basis.

Eligibility and Screening con't

Roles and responsibilities:

- **Oversight bodies:**
 - Eligibility criteria should be reviewed by the oversight bodies on an annual basis. (Oversight bodies: coordinating and administrative body, advisory body, OEB)
 - Advisory body should make recommendations to OEB regarding eligibility criteria.
- **Social service agencies:**
 - The eligibility criteria should be administered fairly and discretion exercised wisely by the social service agencies.

Intake and application

General goals:

- The intake and application process should be simple and accessible.
- Multiple entry points should exist, while containing administration costs
- Intake and application for conservation program should be available at the same time and place as application for financial assistance program.
- A fair, clear, standardized and well-publicized appeal process should be available.

Intake and application con't

Roles and responsibilities:

Utilities:

- Utilities should select social service agencies to deliver and administer program using an RFP process.
- (If a central coordinating and administrative body is tasked with identifying social service agencies to deliver the program, an RFP process should be used and the existing relationships local utilities have with social service organizations should be considered.)
- Selection criteria should include: history distributing funds to low-income people, ability to make referrals to other relevant programs and services, ability and commitment to using data base for tracking and reporting requirements, good governance structures and processes.
- Upon receiving confirmation that a social service agency is working with a customer, the utility should halt any collection or disconnection action on the client's account for a period of 30 days to allow for client appointment to be booked, assessment completed and payment issued

Intake and application con't

Coordinating and administrative body should:

- be responsible for the creation and maintenance of a standardized database.
- establish a clear and simple standardized appeal process that the lead social service agencies should be required to publicize and follow.
- be responsible for creating and updating a standard training manual and training program that lead social service agencies should be required to use in their delivery of training to staff.
 - In addition to the logistics of intake and application procedures and requirements, training topics should include: working with clients in a respectful manner, confidentiality, energy conservation, other services available for referral, data collection and management.

Intake and application con't

Social service agencies:

- Social service agencies should be responsible for administering the intake and application process in a fair, transparent and professional manner and publicizing the availability of an appeal process.
- Social service agencies should be responsible for making a telephone application process available for clients with transportation difficulties and where transportation is a barrier, clients should be permitted to submit their assessment documentation via fax for verification
- With client permission, social service agencies conducting intake should be responsible for contacting the utility to suspend any credit or disconnection action on the applicant's account.
- Lead social service agencies should be responsible for identifying any additional delivery agents required to address geographic expanse and/or the needs of particular communities. (In some communities, a single agency will act as lead and intake.)
- Lead social service agencies should be responsible for conducting the appeal process, using the standardized process established by the coordinating and administrative body.
- Lead social service agencies are responsible for conducting training of all service delivery agents, relying on the standardized training manual and program provided by the oversight body.
- Lead social service agencies are responsible for ensuring intake and application process, including data input on central database, is done to a high standard.

Promotion and Outreach

- Promotional materials should include: flyers, posters, ad copy for advertising in community-based media, PSAs, website, mail outs, bill inserts and on-bill messages.
- Promotional materials should be available in languages other than English and French.
- Promotion and outreach for financial assistance program should be combined with promotion and outreach for energy conservation program.
- Promotion and outreach efforts should be evaluated on an annual basis and adapted as required.

Promotion and outreach con't

Roles and responsibilities:

Coordinating and administrative body:

- Coordinating and administrative body should create a distinct website for LEAP. There should be a prominent link to the LEAP website on the OEB website. Information about the program including eligibility criteria, the type of assistance available and local contacts should be included.
- Coordinating and administrative body is responsible for creation and distribution of promotional materials to utilities that can be adapted for local use.
- Coordinating and administrative body is responsible for annual evaluation of promotion and outreach.

Utilities:

- Utilities are responsible for local distribution of promotional materials to organizations including: social service agencies, welfare offices, schools in low-income neighborhoods, churches, EI offices, bankruptcy offices, financial planning services and MPPs' offices.
- Utilities should be encouraged to adapt standardized promotional materials rather than produce their own materials in order to build broader public support for and awareness of LEAP.

Social service agencies:

- Lead social service agencies should be required to assist with distribution of promotional materials (If lead social service agencies do not have the capacity to distribute such resources, they should provide the coordinating and administrative body with the contact information for the appropriate venues in their service territory.)

Tracking and reporting

- Good data collection and analysis is key to LEAP's success
 - Collection of data is critical to ensure LEAP can be effectively evaluated and adapted. Without good data, the program will not succeed.
- A centralized database is essential: Who, why, what, when, where
- Data that should be collected includes:
 - Reasons people were found ineligible for assistance
 - Amount of assistance provided
 - Number of grants distributed
 - Whether other forms of funding were required to halt disconnection
 - Cause of emergency
 - Total amount of arrears owing
 - Payment schedule arranged
 - Whether disconnection has already occurred
 - Exceptional circumstances (i.e. illness, recent job loss)
 - How applicant learned about the program
- Cost analysis
 - Cost/benefit analysis for utilities should be conducted

Tracking and reporting con't

- Who is accessing LEAP?
 - Detailed household information (family size and composition, income source, annual income level, gender, age, housing tenure, race/ethnicity, first language spoken, comfort level speaking and reading English, disability status, years of residency in Ontario, citizenship status, highest level of education completed, primary fuel type used for heating, energy consumption characteristics, annual energy costs)
 - Need to understand who is accessing LEAP and who isn't
 - Help build a picture of energy poverty in Ontario

Tracking and reporting con't

- The LEAP should be evaluated on an annual basis. However, the metrics should study both the short and long-term impacts of the program.
- Monthly metrics to track (can be reported on less than monthly basis so long as they are monthly data).
- For each metric, data should be reported for: (1) total residential accounts (R); and (2) for residential accounts having received LEAP within last twelve months (LI).
- Specific references to “low-income” below are references to customers who had received LEAP in previous two years.
- All references are to residential accounts.

Tracking and reporting con't

- **Question to track: Do people maintain service after receiving LEAP grant?**
- **Metrics to track:**
 - Number of service disconnections for nonpayment (R and LI).
 - Number of service reconnections after disconnection (R and LI).
 - Number of total shutoff notices issued (by type of notice if different) (R and LI).
 - Number of “final” shutoff notices issued (R and LI).
 - Number of customers entering heating season without service (R and LI).

Tracking and reporting con't

- **Question to track: Do customers have the ability to stay out of payment trouble?**
- **Metrics to track:**
 - Number of accounts in arrears (R and LI)
 - Number of LEAP recipients who had also received LEAP: (1) in previous year; and (2) in more than one of previous three years (two separate metrics)
 - Number of LEAP recipient accounts that still have \$0 arrears after (3, 6, 12 months after receiving LEAP assistance) (three separate metrics).

Tracking and reporting con't

- **Question to track: Do customers successfully retire their arrears?**
- **Metrics to track:**
 - Number of accounts in arrears on payment plans (R and LI)
 - Dollars of arrears on payment plans (R and LI).
 - Number of “new” payment plans (R and LI).
 - Number of “completed” (or “successful”) payment plans (R and LI).
 - Number of defaulted payment plans (R and LI).
 - Number of accounts for whom LEAP payment completely retires arrears.
 - Dollars of account balance remaining after application of LEAP payment.

Tracking and reporting con't

- **Question to track: Do LEAP customers generate good payment behaviors?**
- **Metrics to track:**
 - Payment coverage ratio (payments / bills) monthly (R and LI).
 - Payment coverage ratio (payments / bills) year-to-date cumulative (R and LI).

Tracking and reporting

- **Question to track: Do LEAP customers make payments without prompting?**
- **Metrics to track:**
 - Total number of residential collection actions exerted (R and LI).
 - Total number of residential new security deposits posted (R and LI).
 - Total number of residential security deposits held (R and LI).
 - Total dollars of residential security deposits held (R and LI).
 - Total number of residential security deposits applied against arrears (R and LI).
 - Total dollars of residential security deposits applied against arrears (R and LI).
 - Total number of accounts with balance remaining after deposit applied (R and LI).

Tracking and reporting con't

- **Question to track: Baseline data**
- **Metrics to report:**
 - Number of bills rendered this month (R and LI).
 - Number of payments received this month (R and LI).
 - Dollars of bills rendered this month (R and LI).
 - Dollars of payments received this month (R and LI).
 - Number of accounts receiving LEAP payments.
 - Dollars of LEAP payments received.

Tracking and reporting con't

- **Question to track: Is LEAP funding sufficient to meet the demand for LEAP funds?**
- **Metrics to track (by LEAP administering agency):**
 - Number of accounts for which LEAP insufficient to cover entire arrears.
 - Number of customers on waiting list for LEAP benefits.
 - Number of accounts refused assistance due to lack of funds.

Tracking and reporting con't

Roles and responsibilities

Role of coordinating and administrative body:

- creation and maintenance of data base
- establishing mechanisms and processes to ensure data is being properly collected
- creation of training tools to ensure social service providers are properly trained
- supporting service delivery agents with data collection
- data analysis
- releasing an annual report documenting the impact of the program, areas of concern and future priorities. The report should be submitted to the OEB and opportunity should be provided for public review and comment

Tracking and reporting con't

- **Role of social service agencies:**
 - thorough data collection to a high standard
 - staff training and support
 - critically important to have “buy-in” from social service agencies regarding importance of data collection and input

Tracking and reporting con't

Role of utilities:

- Data collection and submission

Tracking and reporting con't

Role of advisory board:

- Consider analyzed data and make strategic recommendations

Funding

- The allocation and management of funding for the program should be effective, efficient and sufficient.
- Lead agencies should have experience disbursing funds.
- Satellite offices should not be involved in the management of the funding or issuing of cheques.
- Any funds remaining at the end of the fiscal year should be “rolled over” into the following year’s budget.

Funding con't

Roles and responsibilities:

- **OEB:** OEB is responsible for an annual audit of the program.
- **Utilities:** Utilities/retailers are responsible for: dispersing funds to lead social service agency (or possibly central coordinating and administrative body), receiving and reviewing financial reports, collecting and submitting data.
- **Lead social service agencies:** Lead agencies are responsible for: receiving funds, disbursing funds to satellites, issuing cheques to utility, managing program funds, completing and submitting annual financial reports to utility. (This role could possibly be filled by central coordinating and administrative body.)

Long-term coordination and administration

- Requirements:
 - Representative advisory body
 - A single coordinating and administrative body with dedicated staff resources and relevant expertise (identified through an RFP process)

Long-term administration and coordination

- Utilities:
 - Utilities play a relatively small role in the oversight and administration of LEAP, other than collecting revenue, posting benefits, and reporting data.
- OEB:
 - OEB should not be the administrative entity. It lacks the expertise to do so.
 - OEB is the “board of directors”, the policy-maker taking advice and direction from the advisory board.
 - OEB role is also financial, ensuring cost recovery by utilities.
 - OEB responsible for program financial auditing.

Long-term coordination and administration con't

- Representative advisory body:
 - representatives of the utilities, including a representative of a small utility
 - social service delivery agents
 - low-income program participants
 - low income advocacy group (without a direct stake in LEAP)
 - environmental/energy conservation advocacy group (without a direct stake in LEAP)
 - delivery agents of conservation programs
- Coordinating and administrative body:
 - Dedicated staff that provides the following resources and expertise: organizational management and coordination, database management and support, database analysis, research & analysis, communications and organizational administration.

Long-term coordination and administration con't

- The role of the coordinating and administrative body is to support the mandate of LEAP by:
 - promoting LEAP
 - supporting service delivery (by providing support to program partners including utilities and social service agencies)
 - ensuring program integrity (including database management and analysis and program evaluation)
 - supporting the advisory board and the OEB with the creation, implementation and evaluation of strategic plans

Long-term coordination and administration con't

- Budget oversight and administration.
 - Allocation of budget between agencies.
 - Utilization of budget (for example, how much has been committed, how much is left in Fiscal Year; how much goes to arrears; does any go to usage reduction).
 - Are costs diverging from budgeted or projected costs (up or down) and why.
- Programs operations:
 - Is the program adhering to all elements of the program “logic” throughout its operation?
 - Is the program developing a problem resolution process that maintains the integrity of the original program design while recognizing the need for responsiveness and flexibility?
 - Is the program appropriately responding to operational problems, in that problems are seen as start-up bugs, program design flaws, program tactic flaws, or program implementation flaws.
 - Responsible for overseeing program-wide staffing. Are staff skills matching program needs? Does the structure of staff resources match program task needs? Does the level of staff resources match program needs by task need or geographic areas? etc.
 - Responsible for staff training. Must ensure that training is timely, effective, comprehensive and understandable staff training?
 - Responsible for problem resolution. Must be able to identify operational problems; address and resolve operational problems; and document problem resolution.
 - Responsible for procedures. Must be able to define and document procedures; communicate procedures to line staff; and ensure that program procedures are adhered to.
 - Responsible for ensuring overall management control. Must be able to ensure that local staff understand and carry out its responsibilities and conform to the program design?
- Spokesperson:
 - Charged with being “spokesperson” for the program before the OEB.
 - Charged with being spokesperson for the program in any official forum (legislative, regulatory, executive).
 - Charged with primary responsibility of developing cross-cutting program operations with related but different public and private programs.



NIP/HHAO

Financial Assistance Working Group – Framework Template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

As established by FAWG

Rationale:

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening.

2. Intake and application administration

- Applicant contacts the Intake/ Service agency to request assistance.
- A telephone pre-screening occurs and an interview/intake appointment is arranged for those qualified, using a standard computerized form.
- Applicant signs consent form to allow staff at local utility and Intake/Service Agency to exchange information
- Intake/Service Agency staff contacts the designated staff at the local utility to place a hold on the account, to confirm the amount in arrears and to negotiate payment options.
- Intake/Service Agency staff makes final decision on the application
- Intake/Service Agency forwards all appropriate applications to the Lead Agency.



- Appeals handled by the Intake/Service agency using existing agency practices (Management Committee to assist in policy development if no policy exists).

Roles and responsibilities:

Lead Agency (e.g. HHAO & NIP)

- Promotes program through province wide association
- Provides training and related manuals
- Provides support to Intake/Service Delivery Agencies via website discussion boards
- Identifies and reaches out to agencies providing housing help services in areas where program is new
- Receives payments from OEB.
- Makes payments to utilities on behalf of Intake/Service Delivery Agency based on the given funding formulas.
- Forwards payments to Utilities on an agreed to schedule.
- Maintains records and statistics on behalf of all Intake/Service Delivery Agencies
- Reports to utilities, OEB and LEAP.
- Works with a professional consultant to develop a training manual, available on-line, with content provided by experienced energy assistance service delivery agencies currently delivering programs.
- Be the contact point for agencies for follow-up questions and issues regarding applications.

Intake/Service Delivery Agency

- Pre-screening (all pre-screening should happen at the local level)
- Intake interview including assessment of housing stability

- Insure all documentation including consent forms is in order
- Contact with local utility (including payment history and negotiation of arrears, ability for budget billing or preauthorized payment)
- Makes application decisions. (To fund application or not and if funding is granted by how much.)
- In addition, Intake/Service staffs are expected to offer other appropriate services to the applicant as is now the practice. These services vary from one community to another, but may include budget counselling, voluntary trusteeship, access to food, income security, clothing and furniture banks, rent banks, referrals to other agencies such as social housing providers and advocacy on behalf of the applicant.
- Be the contact point for applicants for follow-up questions and issues.
- Promotes program to local referral sources
- Utilize the all the existing Winter Warmth participating agencies as the system and knowledge already exist; Lead Agency will assist with identification of agencies in the new service areas.

Local Utility

- Refers clients to Intake/Service Agency
- Identifies one (or more) staff person to work with Intake/Service Delivery Agency (ies)
- Provides information to the Intake/Service Delivery Agency
- Negotiates payment options with the Intake/Service Delivery Agency

3. Promotion and outreach

Lead Agency

- Will create a map of Intake/Service Agencies around the province to ensure full coverage

- Ensure that all agencies currently delivering Winter Warmth programs are offered the opportunity to participate in LEAP
- Provide specific outreach to agencies that offer housing help services in areas not currently covered by Winter Warmth.
- Promotional and training material sent to all Ontario 211 centres, all local information centres, libraries, local newspapers and appropriate web sites with training support offered.
- Dedicated 1-800 number with trained staff to respond to telephone questions.

Will establish or continue partnerships with agencies such as COTA Health, MS Society, ALS, VON, St. Elizabeth that have relationships with clients that include home visit service providers from these agencies will be coached to assist applicants in completing the intake form, which is web based. Applicant can mail relevant documentation and consent forms to the intake agency.

Utilities

Provide LEAP information on their websites.

In cooperation with Intake/Service Delivery Agency (ies) solicit media coverage.

Consider adding LEAP information in inserts, on bills, posters in their offices.

Roles and Responsibilities:

- HHAO will be the lead in organizing promotion and outreach using the network that exists for housing help providers and the on-line discussion board already used by housing help providers for resource and information sharing
- Intake/Service Agencies and HHAO members would be contacted by HHAO to ensure province wide distribution of information
- HHAO would promote the program at the fall conference October 6&7/09
- Utilities would be asked to support the distribution of information their web by informing appropriate staff and by considering links to their web sites.



- All partners would solicit media coverage of this initiative.

4. Tracking and reporting: The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

Utility Provider & Account #

Demographics (family composition, language spoken)

Reasons for arrears

Owner or Renter

Shelter to Income Ratio (STIR)

Source of Income

Amount of funds requested

Amount of funds granted

Number of households refused and reasons

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting.

Statistics can be instantly collected from the central database over the Internet since all essential application data has been entered during the application process. There is no need to manually collect data from agencies across the province through telephone and emails, which could often cause delays. The Lead Agency will be able to produce statistical reports at any time through use of the online program.

- Lead Agency assists Intake/Service Agencies in using program to track local use.
- Lead Agency tracks client information (address, account #, utility, demographic data) using existing and expanded program

5. Funding

OEB sets the amount of funds required from Utilities for this program. All funds will be collected and dispersed by Lead Agency.

- Funds are sent to the Lead Agency by the OEB (this could also be done by Utilities)
- Administration Funding is disbursed to Intake/Service Agencies by the Lead Agency on an agreed to schedule.
- Lead Agency receives approved applications and forwards money to the utilities on behalf of the Intake/Service Agency on an agreed to schedule.

Roles and Responsibilities

OEB

- Sets standards of funding required from Utilities
- Ensures compliance from Utilities
- Assists in setting required rate changes as required

Lead

Lead reports fully to Intake/Service Agencies, OEB, Utilities and Management Committee

- Ensures sound financial practises and reports

Utilities

- Forwards required amount of funding to OEB or Lead Agency (to be decided) as per agreed upon schedule

6. Long-term coordination and administration:

- a) Emergency financial assistance: The roles, responsibilities and structure for the long-term co-ordination and administration

--To utilize the existing Winter Warmth network and resources. Current participating Winter Warmth agencies have the skills, experience and knowledge

of how to deliver energy assistance programs and many agencies have developed close working relationships with utility companies. The new energy assistance program should maintain and strengthen the current partnership with all the existing Winter Warmth agencies. HHAO will identify agencies in the new service areas.

- b) Low-Income Energy Assistance Program: The roles, responsibilities and structure for the long-term co-ordination and administration.

A Management Committee formed to provide oversight and support to the overall program. Committee composition would include partner representatives and include rural and urban representation. As a start:

HHAO (1) as Provincial body in partnership with NIP to deliver program;

NIP (1) as Central Admin Agency;

Hydro One (1) as a large rural electricity supplier;

CHEC (1) as small rural electricity supplier;

Union Gas (1);

Enbridge (1);

Large urban centre (1) ex. Toronto, Ottawa or London;

Intake/Service Agencies (2);

LIEN (1)

ACTO (1)

OEB (1).

Roles and responsibilities: Covered by the above questions

The Management Committee (as a working title only) would provide: the governance; ensure stakeholder input; provide program support; policy development; and program. This group



would meet at a minimum of twice a year to receive reports and undertake any directional changes based on analysis of current program to meet future needs.

HHAO would chair this group and act as the coordinating body with other stakeholders (as detailed above) who would select their own representatives.

LEAP PROSPOED MODEL OVERVIEW—SUBMITTED BY HOUSING HELP ASSOCIATION ONTARIO (MARY ANNE ROWLANDS) & NEIGHBOURHOOD INFORMATION POST (GLADYS WONG)

--HHAO and NIP propose that we utilize our existing technology, skills, experience, commitment to clients and governance structure to deliver the LEAP program.

--Winter Warmth currently has a strong system with experience in delivering energy assistance programs. Some of the Winter Warmth delivery agencies are pioneers in energy assistance in Canada, and have been advocating and delivering energy assistance for over 10 years.

--We believe that there is NO NEED to create a new delivery system or use an RFP to recruit service delivery agencies in areas where there are existing Winter Warmth delivery agencies with experience, knowledge and skills in delivering energy assistance programs. We should build on the existing Winter Warmth model, preserve the existing local partnerships, which saves time and money. Moreover, the public associates existing service delivery agencies with energy assistance programs. It makes sense to continue LEAP with these agencies.

--Our proposed model consists of: 1) a Lead Agency; 2) Local Service-Delivery agencies; and 3) a LEAP Advisory Committee.

--The Lead Agency will: 1) provide program oversight and financial management of the program; and 2) perform program co-ordination and administrative functions.

--The Lead Agency will be responsible for liaising with the OEB and utility companies; maintaining public relations and provincial promotion; recruitment of agencies in new service areas; and delivery of training, ongoing support for local delivery agencies and the creation of a manual.

--The lead agency also receives revenue from utility companies; distributes administrative funds to service delivery agencies; develops and implements an online program that enables staff to

track statistics and conduct intake and assessment. It provides payments to utilities for approved applications on behalf of all local delivery agencies; and provides statistical and financial reporting to utilities and stakeholders. For details, please refer to the following chart.

--We strongly insist that the Lead Agency should be a social service agency with experience and knowledge in frontline work. Many of social service agencies have existed for decades and deliver housing stability services according to their legal purpose as stated in articles of incorporation. In any credible model, these agencies will deliver the frontline LEAP program and are already delivering complementary services such as Rent Bank, Provincial Energy Fund and local funds such as FUSE. The layering of available services to LEAP households will ensure maximum social value is derived from the funds donated by utilities and other sources.

--The Lead Agency will develop and implement the online intake and assessment tool, as well as to provide training and develop the manual. It is important that the lead agency works under policies and procedures that embrace professional social work standards. The organization must have actual experience providing intake, assessment and working with clients, and be familiar with the needs and issues faced by low-income energy consumers.

--The Local Service Delivery agencies will receive adequate and fair administrative funding, which will be sent to them from the Lead Agency; be in charge of local promotion; conduct intake and assessment for applicants and offer comprehensive services to meet their multiple needs; approve applications and communicate their decisions to the Lead Agency. We insist that all pre-screening, intake and assessment be done at the Local Service agency level, not at the lead agency level.

--An online program will be developed and implemented to conduct intake and assessment and keep a database of all the vital statistical information on applicants (including financial and demographic).

--A LEAP Management Committee will be created to provide oversight and support to the overall program. The Committee will ensure stakeholder input; provide program support; policy development and program evaluation.

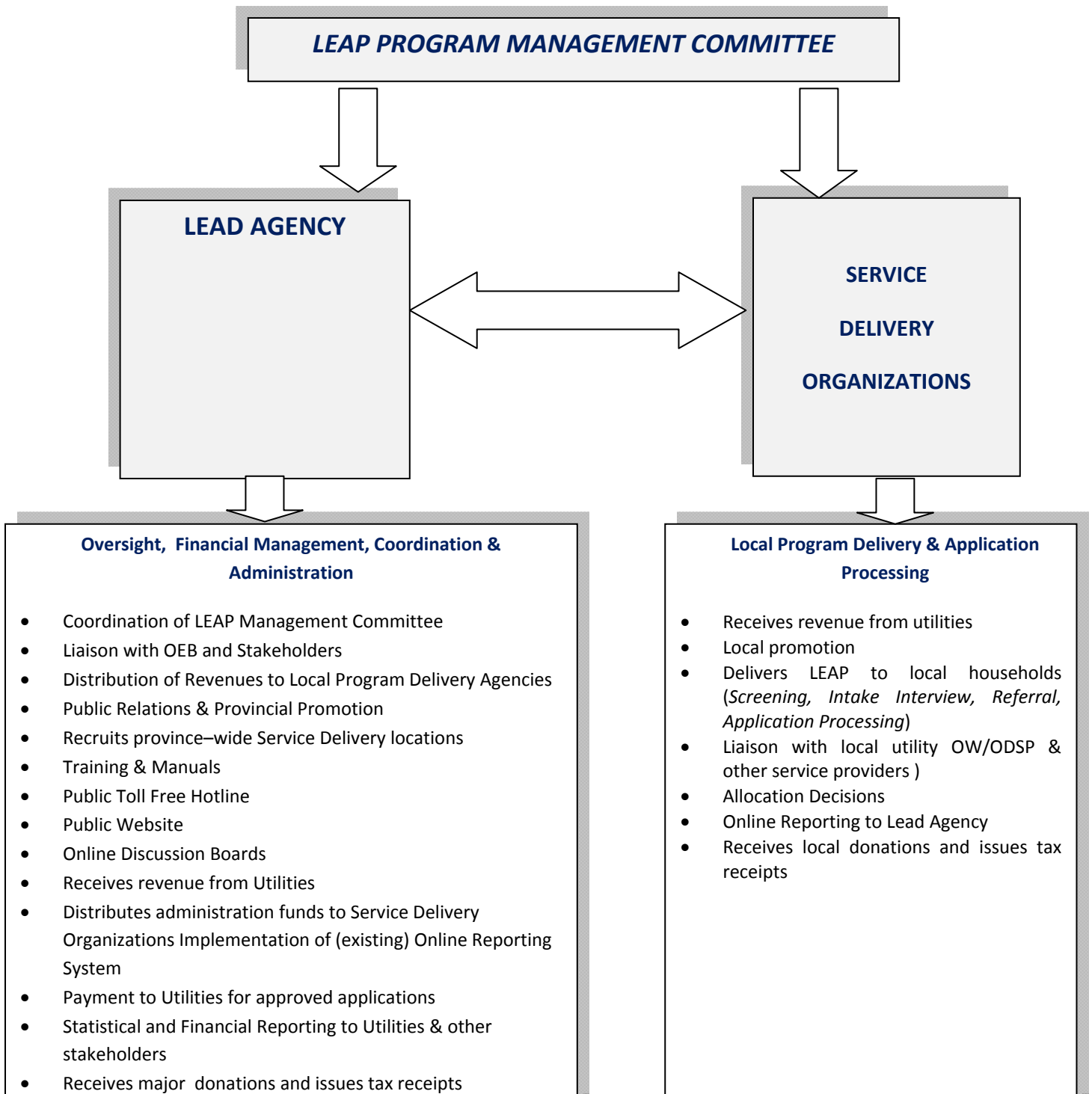
Housing Help Association of Ontario

&

NEIGHBOURHOOD INFORMATION POST

LEAP Proposed Service Model

August 2009





Union Gas Submission

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

Criteria has already been discussed at length and documented by IndEco during the working group sessions.

Rationale:

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)
 - **Common pre-screening script for initial qualification. Screening ideally done through on-line database for ease of tracking and reporting.**
 - **done through a central coordinating body for the province and entered on a centralized database (perhaps through a toll free number), particularly helpful for customers in rural and remote locations**
 - **or, by any qualified/approved social service agency with access to central database**
 - **If pass pre-screening:**
 - **Central group notifies utility and requests that disconnection be put on hold while customer navigates emergency funding approvals**
 - **Customer is told location of closest local agency outlet and advised to make appointment. Local Agency notified by central group of new client application pending.**



- **Local Agency meets with client and gathers required customer specific information (ie. copies of bank statements, pay stubs, etc) . Has customers sign necessary consents (ie. privacy release).**
Note: for rural and remote locations these steps may be required to be done by phone and fax.
- **Local Agency completes application on database, reviews customer file and determines if they are eligible for emergency funding and the amount of the grant.**
- **Local Agency advises customer and utility of grant amount**
- **Central Database is updated with information on decision.**
- **Local Agency notifies central coordinating body**
- **Central coordinating body issues cheque to utilities weekly with customer specific account information and payment amount.**

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program
 - By referral from utility contact centers
 - Insert notification included in Ontario Works and ODSP cheques
 - Posters at Social Service Agencies and MPP offices
 - Notifications sent to specific government offices. (ie. MPP's, Municipal Officials)
 - Press release launch
 - Ontario Energy Board Website
 - Central Coordinating Body Website (new – would need to be created)
 - Whether or not customer donations are pursued should be left to the discretion of each utility.
 - Do not recommend that mass communications occur through bill inserts to all customers. This action could have the unintended consequences of flooding the social agencies with requests. Recommended approaches listed above such as directly through social service agencies and client communications are the preferred approach and more targeted to the low-income consumer.



Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

METRICS:

- Total funds available by utility, then sub-segmented by geography
- Funds granted year-to-date by utility, by geographical area and funds remaining
- Total number of applications received for each utility, and number granted and denied for each local agency
- Number of Emergency Fund Applications granted and their dollar value by utility and by local agency.

Central Coordinating Body Tracking and Reporting Requirements:

- Total amount of funding available for each specific utility for the defined annual period (and tracked by sub-segment by allocation for each geographic area)
 - Funding levels to be provided to central group by each utility annually
- Central coordinating body will track each community and utility funds by geographic area and report on a bi-weekly (weekly? monthly?) basis the amount of funds dispersed and the amount of funds remaining for each geographic area. This information would be provided to the utilities and to the participating social agencies.
- The Central coordinating body should have the ability to request to redistribute the funds between communities. After consulting with utility, and receiving approval for the funds to be re-allocated.

Individual Social Agency Requirements:

- Enter information into database to track individual requests. (Note: Database management and associated reporting would be done by central coordinating body as described above.)
- Use on-line application as an automatic tool which will keep track of applications granted and the associated dollar value. It will also track applications that are denied. This will reduce the amount of administration and tracking required by individual social service agencies.

Utility Requirements:

- Keep records received from Central Coordinating Body which details the amount of funds that have been dispersed and what is remaining by geographic area.

- ?

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)
 - Amount of funding per utility determined per OEB formula.
 - Annually each utility provides the central coordinating body with a total allocation for the year.
 - Utility identifies the geographic locations to be served and the associated amount of funds allocated.
 - Utility sends the funds to the central coordinating body for tracking and future disbursement.
 - Social agencies do intake and determination of amount of grant provided for individual cases. Social agencies send approved request to central coordinating body through database for processing.
 - Lead Agency issues payment to utilities weekly which identified the customer name, account number and amount.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

6. Long-term coordination and administration:

- a. **Emergency financial assistance:** The roles, responsibilities and structure for the long-term coordination and administration
- b. **Low-Income Energy Assistance Program:** The roles, responsibilities and structure for the long-term coordination and administration



See power point attachment for diagrams of:

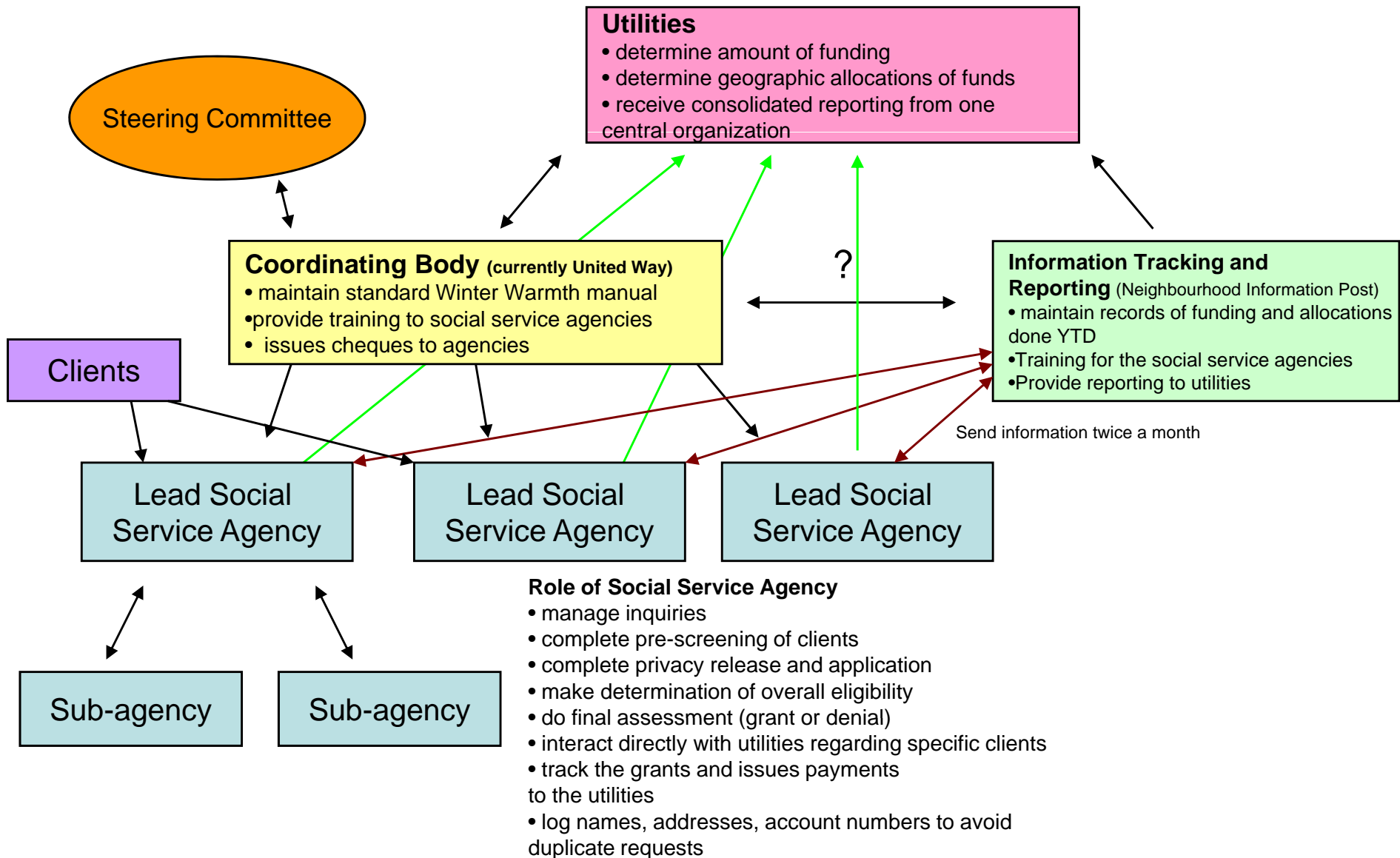
Current Model (Winter Warmth) and Future Emergency Funding Model (Straw-Man End-State)

Advantages (future state diagram):

- Funded through a portion of the LEAP funds obtained by each of the participating utilities
- Standardized program elements, administration and policies
- Removes or simplifies tracking and reporting for the local social service agencies and allows them to dedicate more time to their prime activity, delivery of client counseling and services
- Maintenance and distribution of promotional materials coordinated through central body
- Consistent with the Emergency Financial Assistance Working Group guiding principles and builds on recommendations from United Way Toronto report
- Central Coordinating Body will have dedicated staff for the program and provide a single point of contact and increased accountability

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

Current Model - Winter Warmth (for illustrative purposes only)



Disadvantages:

- local social service agencies burdened with administration
- Consolidated reporting not easily obtained
- Inconsistent with efficient streamlined working group guiding principles

Future Emergency Funding Model (straw-man)

Ontario Energy Board

- Determine funding requirement for each utility



Utilities

- Determine geographic allocations of funds
- Receive consolidated reporting from one central organization



Central Coordinating Body

- Responsible for all Tracking and Reporting and overall financial oversight
- Establishment and maintenance central database used by all participating social agencies
- Development and training of network of social agencies across province
- Development of on-line pre-screening tool
- Complete pre-screening of clients and if approved forward client to local their local social service agency
- Maintain records of funding and allocations done year to date for all utilities
- Provide individual specific reporting to each participating utility
- Provide database client information to utilities for low-income conservation program

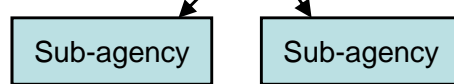
Low-Income Client Seeking Emergency Financial Assistance

- contacts central body for pre-screening



Low-Income Clients from Database

- Utilities contact customers for potential installation of conservation deep measures



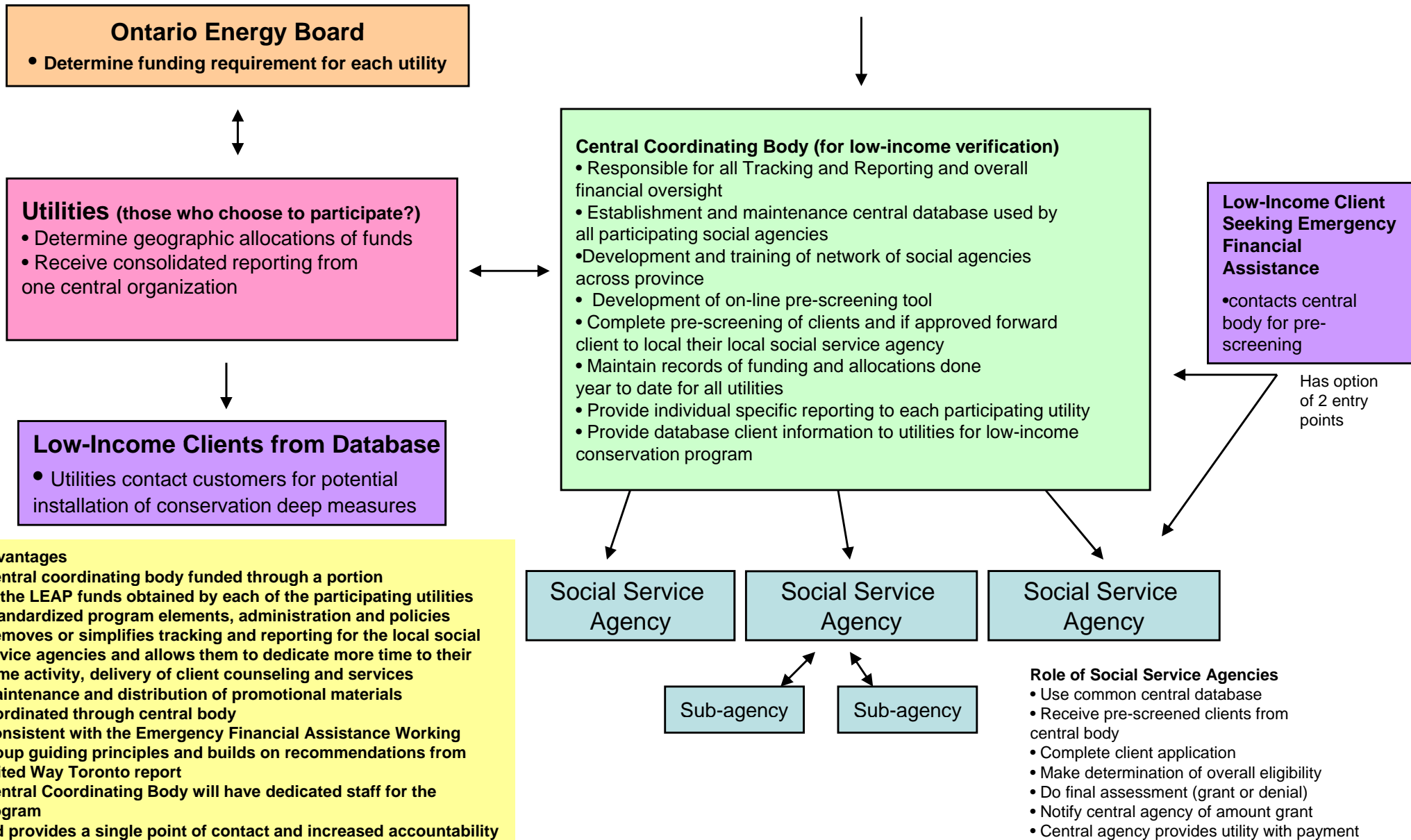
Role of Social Service Agencies

- Use common central database
- Receive pre-screened clients from central body
- Complete client application
- Make determination of overall eligibility
- Do final assessment (grant or denial)
- Notify central agency of amount grant
- Central agency provides utility with payment

Advantages

- Central coordinating body funded through a portion of the LEAP funds obtained by each of the participating utilities
- Standardized program elements, administration and policies
- Removes or simplifies tracking and reporting for the local social service agencies and allows them to dedicate more time to their prime activity, delivery of client counseling and services
- Maintenance and distribution of promotional materials coordinated through central body
- Consistent with the Emergency Financial Assistance Working Group guiding principles and builds on recommendations from United Way Toronto report
- Central Coordinating Body will have dedicated staff for the program and provides a single point of contact and increased accountability

Future Emergency Funding Model (straw-man)





United Way

Financial Assistance Working Group – Framework template

Please complete the following template for each element of the framework for the emergency financial assistance component of the Low-Income Energy Assistance Program (LEAP).

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

Basic Criteria - As per discussions with working group utilizing LICO figures.

Rationale:

The LICO figures have worked very well for Winter Warmth and we have had no issues reported from agencies, consumers or utilities.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

Central Lead agency

- Obtain and distribute annual LICO figures.
 - Work with governance structure (LEAP Committee) to annually review and recommend changes to criteria and procedures as required.
2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)
 - All forms should be available on-line or via mail so that consumers can complete forms independently but still be processed through a local intake site.
 - LEAP application process should accommodate individuals living in the north or at some distance from intake sites where in-person applications are not practical.
 - Multi-lingual LEAP application and marketing materials must be developed.



- Allow local agencies flexibility in managing funds. For example, rural areas funded by small utilities may want to lower max grant available locally to \$200 to help maximize # of families assisted and reduce risk that a few applications utilize all available funding.

Intake functions:

- speaks with consumers and verifies initial qualifications (income and customer of participating utility)
- collects required information
- provides counseling and referral as appropriate
- makes recommendation to agency that makes final approval and issues payments
- confirms account information with utility
- record keeping

Administrative functions:

- approve funding based on recommendations
- issue payments to utility
- ensuring reporting

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

- Small communities/small utilities may be able to utilize one agency to manage the whole LEAP process.
- Mid to larger communities will likely need to separate functions to ensure workload is distributed or will need to provide adequate funding to agency for the functions.

Central Lead Agency:

- Maintain subcommittee of agencies to annually review LEAP procedures and make recommendations for changes and improvements.



- Translation and development of multi-lingual materials.

3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

- Primary outreach and promotion through utility, through call centres and billing process, websites.
- Branding for LEAP must be coordinated through central lead agency to ensure standards and consistency of information.
- Information should also include customizable materials for local use by utilities and agencies.
- Each utility should be responsible for printing and distribution of materials to meet their needs.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

Central Lead agency:

- Design and distribute annual marketing material for LEAP program including standardized materials and templates that may be customized with local information. (e.g. brochures, posters, press releases, website information, use of logo, translation of materials).
- Coordinate and maintenance of branding and marketing development: working with marketing company on development of “LEAP” brand, logo and ensuring local use consistent.
- Coordinate media events and communications.
- Source information and personal stories for media stories.
- Coordinate information to 211 services.
- Outreach to provincial organizations that work with low-income individuals likely to require assistance (e.g. disability organizations, seniors organization, ethnic organizations)
- Coordinate provincial directory for service/media enquiries.
- Coordinate LEAP website.
- Payment of vendors as required (brochure production, logos etc)



Local agency

- Input local info into communications templates (brochures, posters etc).
- Respond to local media requests.
- Provide local stories of families assisted by LEAP for use for annual media materials.
- Outreach to local organizations that work with low-income individuals likely to require assistance (e.g. disability organizations, seniors organization, ethnic organizations)

Utility:

- Pay for production and distribution costs of local materials.
- Advertise LEAP on website
- Ensure customer service reps knowledgeable about LEAP and local resources

OEB:

- advertise on website

4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner
 - Reporting needs will vary from utility to utility. Small utilities will be able to receive one report from one agency but utilities with large areas will require support to collect and collate information from multiple sites and agencies. Cost sharing can easily be set up as per Winter Warmth model, with utilities paying core, mandatory costs for delivering the program and utilities requiring additional support paying additional funds for extra services. I would recommend this is coordinated through one agency to simplify communications with local agencies.
 - Reporting requirements should be minimized to reduce the burden on agencies.
 - Only basic financial and uptake information should be collected from all sites on an ongoing basis e.g. funds spent during period, # of households assisted, # of enquiries, funding issued during period. Our experience with Winter Warmth has shown that agencies struggle greatly with data collection for



anything beyond basic uptake information. Increasing data collection requirements will also increase admin burden on agencies and result in higher admin costs for LEAP to compensate agencies.

- Establishing on-line application system/database would greatly assist data collection and remove burden on agencies.
- Program evaluation should be completed using targeted approach – i.e. selection of sub-set of agencies/communities for in-depth evaluation. Program evaluation looks at assessing short, medium and long term impact of services and is not the same as reporting basic statistics regarding program uptake and financial reporting. *NOTE: United Way Toronto has considerable experience in promotion and implementation of formal program evaluation. A basic estimate for cost of program evaluation is 10% of total program budget.*

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

Local agency

- Basic data collection and reporting (financial information and basic usage statistics)
- Small utilities can receive reports directly from local agency.

Central Lead agency

- Development and distribution of annual standard report templates. (This has proven to be a critical element in Winter Warmth where information coming from sites has been at times inconsistent).
- Answer questions from local sites re reporting.
- Collection of aggregate information for completion of annual report.
- Completion and distribution of annual report.
- Assessment of program evaluation needs.
- Coordination of program evaluation needs (e.g. RFP for consultants, payments, reviews of materials).
- Coordinate data collection for large utilities (e.g. Union, Enbridge, Hydro One, Direct Energy)

- Maintain or provide input into governance structure to determine reporting and evaluation needs.
5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)
- Small local utilities will only need to deal with one local agency to disburse funds. These utilities can directly pay the local agency, which then issues payments back to the utility as grants are approved.
 - Payments should be standardized – e.g. weekly, bi-weekly or monthly payment periods. Standard payment reports should accompany each payment outlining required information (total payment, account information, special notes for the customer, funds remaining). Payment reports should be the sole report received by a utility. In Winter Warmth agencies provide payment reports AND largely redundant bi-weekly usage reports.
 - Large utilities will require central agency support in developing budgets and managing funds across territory. It is not essential for large companies to disburse funds to each of the communities covered by their service area. For large companies like Enbridge, Union, Hydro One and Direct Energy, one agency can be secured to manage all of the funds and issue payments. This may be one agency that assists each utility or each utility may have a separate company – for economy of scale and ensuring appropriate communication and coordination, it is recommended that one agency be chosen.
 - For large utilities being centrally coordinated, there are basically two options for implementing and budgeting LEAP. The choice for budgeting does **not** need to be the same for each utility and one central agency should be able to manage the different options listed:
 - Establish local budgets for each community.
 - Establish one pool of funds for all customers of a specific utility i.e. no local budget – all customers of the utility would have access to funds on a first come, first serve basis. This minimizes reporting from across all sites and also ensures that communities do not run out of funding early while others have funds remaining. **For Hydro One and Direct Energy, this option is highly recommended since they are provincial in scope and it would be extremely challenging to develop meaningful budgets for each of their individual communities.**



- Intake for both options remains local – the only difference being local agencies would not hold or issue funds. (This is essentially a broader version of what commonly happens in Winter Warmth).

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

Local agency working with small local utility:

- Receive funds and manage funds.
- Inclusion of funds in annual audit.
- Payments to utility.
- Financial reporting as required.
- Appeals process.
- Maintain local committee to approve amounts over cap (if allowed under LEAP)

Central Lead Agency

General duties:

- Establish, distribute and maintain standard payment forms/reporting templates.

Extra duties for large utilities:

- Work with utility to establish local budgets (if required)
- Communicate budgets with local agencies (if required)
- On going oversight of local uptake for LEAP and management of funds.
- Issue payments as per schedule.
- Potentially verify account information (need to review the procedures to determine appropriate and effective practices).
- Receive funds and ensure adequately differentiated in General Ledger.
- Inclusion of funds in annual audit.



6. Long-term coordination and administration:

Recommendations for role-out of LEAP and long-term coordination.

Short term/ Launch of LEAP

- Establish sub-committee of agencies to review applications and necessary forms.
 - a) OEB legal supports to review application and forms for use by all utilities.
 - b) Utilize Winter Warmth applications and forms as starting point since all were reviewed by utility legal counsel in 2007.
- Utilize existing network of agencies involved with Winter Warmth as basis for delivering LEAP:
 - a) Network already exists and covers almost all of Ontario. New utilities coming on board can utilize existing relationships and do not need to secure new agencies.
 - b) Agencies have been reviewed and chosen by United Ways for participation in Winter Warmth based on standards of expertise, reputation and accountability.
 - c) United Ways across Ontario are willing to help coordinate the network of agencies.
- Establish sub-committee of agencies to review manual and training practices with a consultant experienced in adult education. Feedback from UW review of Winter Warmth in April 2009 pointed to a potential need for improvements in training and manual.
 - a) Feedback on manual historically largely very positive.
 - b) Training for Winter Warmth has been on-going issue since no agency has been responsible for total oversight of the program.

Long-Term Coordination

- Establish LEAP Committee providing policy oversight for LEAP
- Establish regional subcommittees of LEAP committee. Sub committees created to facilitate communication with multiple partners in local area.
- Issue RFP for lead agency that will be responsible for coordinating LEAP.



Structure/Model

- As with Winter Warmth, support a turn-key model where agencies and utilities benefit from centrally developed and supported program, allowing consistency across Ontario and economy of scale, while still allowing for local flexibility to meet needs of local community (e.g. small utilities lowering cap to allow support for more families)
- Also allow for variable cost structure so small utilities pay minimal costs while larger utilities pay for optional supports over and above essential program expenses.

Central Lead Agency

Purpose:

- Responsible for managing all elements of LEAP program necessary for launch and delivery of turn-key provincial program.
- Responsible for managing communication between key stakeholders.
- Central contact point for media and interested parties.
- Responsible for maintaining and supporting governance oversight body for LEAP.

Duties:

- Manual preparation and dissemination.
- Preparation of all program collateral: brochures, posters, media templates, reporting templates.
- Translation of materials.
- Training coordination for intake agencies on LEAP processes, reporting, resources.
- Coordinate and maintenance of branding and marketing development: working with marketing company on development of “LEAP” brand, logo and ensuring local use consistent.
- Sourcing new agencies as required.
- Maintain directory of agencies involved in LEAP.
- Contentious issue monitoring and resolution.
- Training and support for utility staff for implementation and maintenance of LEAP.



- Coordinate invoices to utilities for mandatory LEAP costs (common materials etc).
- Maintain financial records as required.
- Issue payments to utilities.
- Issue payments to local agencies for services provided.
- Coordinate specific needs of large utilities – costs for coordination are over and above the mandatory LEAP costs. (for example, communication with local agencies, report collection and consolidation, distribute information).
- Main media contact.
- Coordination for energy retailers e.g. Direct Energy
- Development and maintenance of on-line applications and customer database.
- Preparation of Annual Report.
- Coordinate annual audit and financial reports for funds managed.
- Program evaluation.
- Completion and maintenance of funding agreements/templates.
- Coordinate annual feedback process from intake sites/consumers/utilities.
- Support for LEAP Committee, including secretarial support, maintenance of minutes and staff support of Committee initiatives (see below).
- Source technical support as required for data maintenance, security and web-based applications.

LEAP Committee

- Provide overall governance for LEAP program.
- Responsible for all policy decisions affecting LEAP (or for making recommendations to OEB if OEB governance unable to divest responsibility due to legislation or policy)
- Based on geographical breakdown of Ontario with representatives for Central Ontario, Northern Ontario, South Western Ontario and Eastern Ontario.
- Reporting to Ontario Energy Board.
- Represent agencies, OEB, utilities and consumers.



- Limit term of office to 3 years.

Regional Sub-Committees

- Develop sub-committee to represent 4 standard geographical areas of Ontario: Central, Eastern, Northern and South-Western.
- Primary purpose of sub-committees will be to assist Central Lead Agency with communication between LEAP committee, and local agencies/utilities.
- Collaborate on coverage models for areas with little or no agency support (e.g. Northern Ontario).
- Coordinate annual feedback surveys.
- Potential to develop regional training workshops.

Intake Agencies

Purpose:

- Local contact point for LEAP program and local utility(s).
- Provide expertise in assisting low-income households, enhance consumer financial literacy.
- Provide intake services assessing application need and qualifications against LEAP criteria.

Duties:

- Advertise program through local venues.
- Respond to local queries regarding LEAP.
- Respond to local media regarding LEAP.
- Review LEAP applications, determine need and make funding recommendations.
- Manage local LEAP budget (if applicable).
- Maintain filing system for LEAP application forms.
- Participate in training for LEAP program.
- Reporting to utilities and Central Lead Agency



Program and Administrative Cost Structure:

Key Principles:

- Central administration of core elements of LEAP is most cost effective approach.
- Must recognize the different needs of large utilities versus small utilities, ensuring all companies pay a pro-rated portion of total cost.
- Agencies should be adequately compensated for their services.

Winter Warmth Expense Description:

- 15% of funding provided to a community may be utilized for local administration and program expenses for delivering LEAP.
- Utilities all pay these mandatory expenses for the support of the Winter Warmth program (e.g. Neighbourhood Information Post was retained to provide on-going support throughout the program for all sites delivering Winter Warmth) with the amount prorated against the total number of utility customers.
- In Winter Warmth the funding provided by each utility varied greatly but under LEAP, a straight percentage may be charged against annual contributions as the funding amount is to be based on a standard percentage of utility revenue.
- Other costs such as development of media materials were split between utilities with amounts prorated against the total number of customers for each utility.
- Each utility received templates for marketing material and could print/distribute any quantity they required. Each utility paid for local printing and distribution.

LEAP Basic Expense Formula:

- 3% of total LEAP funding (anticipated to be \$5 million) provides \$150,000 for support of the annual program and funding for the Central Lead Agency.

Small utilities:

- Small utilities serving one area can simply forward LEAP funding to the local agency which will provide intake and admin/reporting functions. These utilities will also send payment to the Central Lead Agency for annual support of the LEAP program.
- At 3% of total contribution, a small utility providing \$2000.00 in annual funding for LEAP would pay **\$60.00** towards the maintenance of the program key



elements and ensuring local agencies do not have to dedicate resources towards replicating programs.

Summary of Expenses for Small Utilities:

LEAP Core Expenses: 3% of annual contribution for support of Central Lead Agency supports.

Local admin expenses and program expenses: 12% to 15% of annual contribution.

Note: the local admin and program percentages should be applied to additional funding obtained beyond the utility annual contribution (e.g. donations), but should be exempt from LEAP Core Expenses.

Large utilities:

- Utilities with large geographical areas will need to decide if they want one agency to hold LEAP funds or if they would like to disburse funds to multiple agencies across their service areas.
- The option of one agency holding all LEAP funds for a utility may be the only practical option for companies like Hydro One, where breaking down individual community budgets will be very difficult and require additional staff support.
- In the case where one agency holds all funding for a utility, a new payment model will need to be developed to compensate agencies providing intake services.

Summary of Expenses for large Utilities:

LEAP Core Expenses: 3% of annual contribution for support of Central Lead Agency supports.

Local intake grants: tbd – funding for agencies that perform intake but do not hold money or perform financial reporting.

Local Lead Agency Admin expense: tbd – funding for agency(s) that manage funds for utility.

Additional charges: utility may need to negotiate additional services such as consolidated reporting with Central Lead Agency if required.

VECC's Input

Financial Assistance Working Group – Framework template

1. **Eligibility and screening:** Characteristics of a participant that make the participant qualified or entitled to receive emergency financial assistance.

Criteria:

- As a matter of principle, VECC believes that the eligibility criteria for emergency financial assistance should be applied with some discretion by the social agency administering the program (i.e., the agency doing the intake). As a result, pre-established income cut off levels should be viewed as “guidelines” as opposed to strict criteria such that income just over the limit does not automatically disqualify an applicant.
- Income Criteria – The criteria suggested by LIEN (125% of pre-tax LICO for a community of 500,000+) is a reasonable starting point.
- Need – Eligible when
 - Household is in arrears on utility bill
 - Household is unable to pay utility bill and maintain service. Note: VECC considers explanation/demonstration of this requirement (and the following requirement) to be more critical than the “income test”.
 - Provision of emergency financial assistance will sustain utility service (i.e., Continuity of service is viable if emergency assistance provided).
- Level/Frequency of Assistance
 - Level of assistance is at discretion of Intake agency.
 - There should be a general guideline as to the maximum amount payable per application/commodity - \$500. However, as noted above, there should be some flexibility to address individual “Need” circumstances. In particular, discretion to increase the maximum should be provided when typical bill for two billing cycles exceeds \$500.

Rationale:

- Use of LICO
 - Broadly Used Measure

- Objective is to define households with relatively little discretionary income as it is such households where unforeseen events are likely to lead to a temporary problem in paying utility bills. The LICO definition is compatible with this objective.
- Use of Pre-Tax Income
 - Easier to measure – just determine income.
- Use of 125%
 - Recognizes that while LICO is adjusted annually for CPI it is based on an outdated family expenditure survey.
- Need
 - Typically the “need” will be linked to one-off events that have led to a temporary inability to pay utility bills. Otherwise, the need is not an “emergency” and the funding will not support service sustainability.
- Level
 - Increase to \$500 recognizes continuing escalation in utility bills (particularly electricity). Also recognizes pending application of harmonized sales tax to utility bills.
 - Rate levels and billing practices vary widely by utility – particularly for electricity where some customers use power for space heating. There is no single value that is correct for all utilities and circumstances.
- Frequency
 - Generally, once per year. However, some discretion should be allowed to address emergency circumstances. In considering such circumstances a key issue will be “service sustainability”.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to eligibility and screening

Utilities:

- Respond to information queries from authorized lead/intake social agencies (with appropriate customer consent as required)

Lead Social Agency:

- Provide standardized program training and manuals.

- Provide advice and guidance to Intake agencies on application of eligibility criteria as required.

Intake Social Agencies

- Ensure line staff are familiar with eligibility criteria and that they are administered on a consistent and fair basis.

OEB

- Establish oversight “advisory” body responsible for reviewing eligibility criteria and making recommendations to OEB annually.

2. **Intake and application administration:** The process through which low-income energy consumers are enrolled in the program and receive the emergency financial assistance (e.g. enrollment through to receipt of funds)

- Responsibility for intake of applications and subsequent information gathering and assessment should rest with the Intake agency.
- Lead Agencies should be selected with a view to ensuring program is easily accessible by persons experienced in dealing with related issues. The selection of the “Lead Agency” should also include consideration of competencies of both the Lead Agency and the associated Intake Agencies and the overall accessibility provided.
- There should be multiple means of “intake” – particularly for those customers where travel is a potential issue due to age, health or distance. Again, this should be a consideration in selection of the Lead Agency.
- There should be an established appeals process.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to intake and application administration

Utilities:

- Select (e.g., RFP) lead social agency (agencies) for coordinating emergency financial assistance program. For utilities with large service areas there may need to be more than one lead agency.
- Respond to information queries from authorized lead/intake social agencies (with appropriate customer consent as required).

- Ensure a “hold” is placed on any further collection/disconnection action when notified by Intake agency of a pending application.

Lead Social Agency:

- Provide standardized program training and manuals.
- Provide guidelines for appeals process
- Maintain central record of all applications. Note – Ideally the data required will be provided by the Intake agencies at the time the individual applications are processed.

Intake Social Agencies

- Respond to queries for assistance. Note: Lead agency may also be one of the Intake agencies.
- Process applications, requesting information from customer and utility (after appropriate customer consent) as required
- Advise Utility of active applications in process to ensure service maintained
- Provide recommendations on application acceptance/rejection within required timeframes (per program manual) to Lead Agency.
- Establish and administer appeals process

3. **Promotion and outreach:** The methods/avenues used to make low-income energy consumers aware of the emergency financial assistance program

- Availability of program should be promoted by both the utility and social agencies.
- Means of promotion should include:
 - Web-Sites of utilities and agencies
 - Posters in appropriate locations
 - Bill Stuffers/Utility Newsletters
 - On-bill Messages

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to promotion and outreach

Utilities:

- Work with Lead Agency to standardize promotional materials
- Promote through traditional customer communication channels
- Ensure Call Centers promote were appropriate

Lead Social Agency:

- Develop standardized promotional materials/messages
- Promote within own Agency
- Promote program to other social agencies (apart from Intake agencies).

Intake Social Agencies

- Promote within own Agency and its clients

OEB

- Promote on Web-Site, etc.

4. **Tracking and reporting:** The program metrics that need to be tracked; and the tracking and reporting requirements of each program partner

- Tracking requirements should focus on:
 - Circumstances When Assistance Provided
 - Amount
 - Reason (Cause of Problem)
 - Arrears Owing at Time of Application and Service Status (i.e., connected / disconnected)
 - Other Assistance Accessed
 - Income of Applicant
 - Circumstances When Assistance Not Provided
 - Arrears Owing / Service Status
 - Reason Not Provided
 - Note – There will need to be some direction provided as customers may self-disqualify as they realized they do not meet the eligibility requirements. One way would be to focus on

those who “pass” initial screening and the utility is asked to “hold” the account pending application review.

- Success of Program
 - Status Follow-Up –is service still being provided 12 months later (Note – This should come from Utility). Perhaps for first year a six month status report should be prepared.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to tracking and reporting

Utilities:

- Report Program results to OEB.
- Report on program success re service continuity.

Lead Social Agency:

- Collect and report on program activity to Utility. Note – Ideally the data required will be provided by the Intake agencies at the time the individual applications are processed and approved.

Intake Social Agencies

- Provide recommendations on application acceptance/rejection within required timeframes (per program manual) to Lead Agency. Along with “recommendation” provide any other reporting information required by Lead Agency.

OEB

- Establish oversight “advisory” body responsible for reviewing program and making recommendations to OEB annually. This could include recommendations regarding tracking requirements.

5. **Funding:** The process through which monies for financial assistance is dispersed (e.g. utility/retailer to social service agencies to recipient)

- The funding process should be centralized to the extent possible in order to reduce administration costs (i.e., those managing funds inevitably have to track and account for them.)
- All funding provided should be pooled and made available to Lead agency for disposition. There should be no “earmarking” of funds for specific

purposes/customers by the utilities/retailers as this is consistent with providing the Intake agencies with the discretion to determine eligibility.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to funding

Utilities/Retailers:

- Provide funding based on OEB approved amounts to Lead Agency.
- Solicit additional funding (e.g., voluntary contributions from customers and 3rd parties) and provide same to Lead Agency.

Lead Social Agency:

- Manage program funds – i.e., Receive funds from Utility/Retailer. Issue cheques to utility based on approvals as provided by Intake agencies (Note: The Lead Agency may also be an Intake Agency)
- As practical, solicit additional funding for program from 3rd parties. Note – this should not be a primary activity of either the Lead or Intake agencies; however, they should be able to accept contributions when offered.
- Provide administrative funding (out of total program \$ available) to intake agencies based on agreed formula. Note: The Lead Agency may (itself) also be an Intake Agency.
- Provide financial reports to the Utility quarterly

Intake Social Agencies

- Provide recommendations on application acceptance/rejection within required timeframes (per program manual) to Lead Agency.

OEB

- Ensure utility rates include appropriate funding.
- Provide guidelines regarding appropriate level of administrative funding. Funding formula should address both Lead and Intake agency requirements.
- Establish oversight “advisory” body responsible for reviewing program activity and funding and making recommendations annually.

6. Long-term coordination and administration:

- a. **Emergency financial assistance:** The roles, responsibilities and structure for the long-term coordination and administration
 - b. **Low-Income Energy Assistance Program:** The roles, responsibilities and structure for the long-term coordination and administration
- Long-term coordination should be provided through an OEB sponsored steering/advisory committee.
 - If practical, should have separate groups for Emergency Financial Assistance program and the LEAP program overall. The former would deal just with the EFA program and address issues specific to it. The later (i.e., the overall Low Income Energy Assistance program) would deal with integration issues and the overall landscape for assistance to low income consumers.
 - The working groups should seek to identify “gaps” in program execution that need to be addressed and establish the necessary work programs. However, they should also seek to identify “best practices” that can be shared with others.

Roles and responsibilities: The major partners in the emergency financial assistance program (e.g. utilities/retailers, social service agencies, OEB, other) and their roles and responsibilities related to long-term coordination and administration

- Representatives on the EFA advisory group would be drawn from utilities/retailers, the Lead agencies and the Intake agencies. The group should also include representation from low income advocacy groups.
- Representatives on the LEAP advisory group would include representation from the foregoing along with that from groups involved in energy conservation delivery and advocacy.