



BY E-MAIL AND WEB POSTING

August 30, 2012

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

Re: 2011 LEAP Emergency Financial Assistance & Winter Warmth Results

In March 2009, the Ontario Energy Board (the "Board") issued its *Report of the Board: Low Income Energy Assistance Program* (the "LEAP Report") which describes policies and measures to be implemented by electricity and natural gas distributors to assist low-income energy consumers, including emergency financial assistance ("EFA").

The LEAP EFA program for electricity and natural gas distributors was implemented starting in January 2011. Enbridge Gas Distribution Inc. ("Enbridge") and Union Gas Ltd. ("Union") are currently subject to separate court settlements that require contributions to the Winter Warmth program.

In its February 4, 2011 letter, the Board described information to be filed by electricity and natural gas distributors in relation to the LEAP EFA and Winter Warmth programs. In the same letter, the Board indicated the importance of evaluating and measuring program performance so as to understand how funds have been disbursed and how effective LEAP has been in "managing low-income energy consumer issues in relation to their use of natural gas and electricity such as disconnections, bad debt expenses, etc".

The purpose of this letter is to provide an update on the results of the LEAP EFA and Winter Warmth programs reported by electricity and natural gas distributors for 2011.

Electricity Distributors

On April 30, 2012, electricity distributors filed their annual LEAP EFA results for the period January 1, 2011 to December 31, 2011, as part of the Board's Reporting and Record Keeping Requirements ("RRR"). In addition, they filed monthly monitoring data which captures demographic information about the applicants.

Below are the highlights from the annual and monthly electricity LEAP EFA data:

- Over \$3.1 million was spent assisting 7,756 low-income consumers throughout Ontario;
- The average electricity LEAP EFA grant was \$405 per customer;
- There is \$571,205 in remaining funds to be carried forward for use in 2012, in addition to the distributors' 2012 LEAP EFA funding amount;
- 53 out of 78 utilities fully exhausted their LEAP EFA funding for the year;
- \$278,282 in charitable donations was provided;
- Social agency partners for 19 utilities did not retain administration costs; and
- The typical LEAP EFA applicant rents their home, is single with children, has an average monthly income of \$1,529, receives support from Ontario Works or the Ontario Disability Support Program, and is in arrears of approximately \$500.

Further details regarding the 2011 LEAP EFA results are provided in Attachment A.

Natural Gas Distributors

On March 31, 2012, Enbridge and Union filed with the Board a copy of their final Winter Warmth reports from their respective United Way agencies for the period December 1, 2010 to December 31, 2011. Historically, the Winter Warmth program has operated during the heating season. However, in 2011, Enbridge and Union began offering assistance to low-income consumers year round. While Union has adequate funding from its court settlement to provide emergency financial assistance through the Winter Warmth program all year long, Enbridge is using LEAP EFA funding to enable it to offer emergency financial assistance year round.

Below are the highlights from the final Winter Warmth reports:

- Nearly \$1.4 million was spent assisting 3,681 low-income natural gas customers;
- The average Winter Warmth grant was \$ 379 per customer; and
- There is \$31,432 in remaining funds to be carried forward for use in 2012.

On April 30, 2012, Enbridge, Natural Gas Resources Limited, Utilities Kingston and Kitchener Utilities filed their annual LEAP EFA results.

Below are the highlights from the annual natural gas LEAP EFA data:

- More than \$550,000 was spent assisting 1,143 low-income natural gas customers;
- The average natural gas LEAP EFA grant was \$382 per customer; and
- There is \$122,438 in remaining funds to be carried forward for use in 2012, in addition to the distributors' 2012 LEAP EFA amount.

Further details regarding the 2011 Winter Warmth and LEAP EFA results are provided in Attachment A.

Board Staff Recommendations

On June 6, 2012, Board staff presented the preliminary 2011 LEAP EFA and Winter Warmth results to the Financial Assistance Working Group ("FAWG"). Based on the input from the FAWG, the following recommendations were put forward to the Board:

1. The results of the Monthly Monitoring demographic information is beneficial to the program evaluation of LEAP EFA and should continue to be tracked annually;
2. The Low-Income Cut Off (LICO) Table in the LEAP EFA Program Manual should be updated annually, as soon as the information is available from Statistics Canada;
3. The electricity RRR data should track the amount of LEAP EFA funding a distributor has carried forward from the previous year; and

4. The annual reporting deadline for natural gas distributors of March 30th should be amended to April 30th to coincide with the filing deadline for electricity distributors.

The Board supports the above recommendations and expects they will be implemented accordingly in 2012. The annual LEAP EFA and Winter Warmth reporting deadline for natural gas distributors is now amended to April 30th.

Any questions relating to this letter should be directed to the Market Operations Hotline at market.operations@ontarioenergyboard.ca or at 416-440-7604. The Board's toll free number is 1-888-632-6273.

DATED at Toronto, August 30, 2012

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Attachment A: 2011 LEAP & Winter Warmth Results