



Ontario Energy Board

Commission de l'énergie de l'Ontario

2011 LEAP Emergency Financial Assistance & Winter Warmth Results

Staff Report to the Board

August 30, 2012

2011 LEAP EFA & Winter Warmth Results Overview

Electricity Distributors

LEAP EFA Funds Available:	\$ 3,710,153
LEAP EFA Funds Disbursed:	\$ 3,138,948
Customers Assisted:	7,756
Average Grant:	\$ 405

Natural Gas Distributors

LEAP EFA Funds Available:	\$ 556,143
LEAP EFA Funds Disbursed:	\$ 436,965
Customers Assisted:	1,143
Average Grant:	\$ 382

Winter Warmth Funds Available:	\$ 1,427,229
Winter Warmth Funds Disbursed:	\$ 1,395,797
Customers Assisted:	3,681
Average Grant:	\$ 379



LEAP EFA Program Overview

- LEAP EFA is a grant program intended to provide emergency relief to eligible low-income customers who may be experiencing difficulty paying their bills
 - Not intended to provide regular or ongoing bill payment assistance
- LEAP EFA is funded by utility ratepayers through the distribution rates of each utility
- Distributors contribute the greater of 0.12% of their total Board-approved distribution revenue, or \$2000
 - Up to 15% of funding may be retained for agency administration fees
- Social agencies are responsible for screening for eligibility, as per criteria and guidelines set out in the LEAP EFA Program Manual
- Maximum of \$500 per fuel, per household, per calendar year
 - \$600 max for electrically heated homes



Winter Warmth Program Overview

- Union Gas Limited and Enbridge Gas Distribution Inc. are subject to separate court settlements that require contributions to the Winter Warmth program
- Winter Warmth framework was used in developing LEAP EFA
- Historically, the Winter Warmth program has operated during the heating season
- In 2011, Union and Enbridge began offering assistance to low-income customers year round
 - Union has adequate funding to deliver Winter Warmth all year long
 - Enbridge delivers Winter Warmth for the heating season (Dec. – May) and uses LEAP EFA funding for the remainder of the year (June – Nov.)

Utilities Participating in LEAP EFA in 2011

- 83 utilities participating in LEAP EFA & Winter Warmth:
 - 78 Electricity Distributors*
 - Excluding 3 First Nations Power Corporation distributors
 - 5 Gas Utilities
 - Enbridge, Union, Natural Resource Gas (NRG), Utilities Kingston, Kitchener Utilities
- 120 social service agencies participating in LEAP EFA & Winter Warmth program delivery:
 - 70 lead agencies delivering LEAP EFA in the electricity sector
 - 50 agencies delivering Winter Warmth in the natural gas sector

* Middlesex Power and Chatham Kent had not yet merged



Reporting and Record Keeping Requirements (RRR) Data

- Electricity and Natural Gas Distributors are required to annually file the following information:
 - Total LEAP EFA funding available for 2011 (greater of 0.12% of distribution revenue or \$2000)
 - Total amount of LEAP EFA funding from distributor funds and non-distributor funds (donations)
 - Total amount of LEAP EFA funding provided to customers (distributor customers and unit sub-metering customers)
 - Number of applicants who received funding; number of applicants who were rejected (distributor customers and unit sub-metering customers)
 - Average amount of funding granted per applicant
 - Month in which funds were depleted
- Data collected for the period January 1, 2011 to December 31, 2011



LEAP Emergency Financial Assistance – Results from January 1, 2011 to December 31, 2011

Electricity Distributors

Total LEAP EFA Funds Available for 2011	a	\$4,308,440*	
Less Administration Costs	b	\$598,287**	14% of total
Net LEAP EFA Funds Available for 2011	c = a – b	\$3,710,153	
Total LEAP EFA Funds Provided to Customers	d	\$3,138,948	85% of LEAP funds spent
Remaining LEAP EFA Funds	e = c – d	\$571,205	
Total # of LEAP EFA Applicants		10,279	
# Customers Assisted	f	7756***	75% of applicants assisted
# Customers Rejected		2523	25% of applicants rejected
Average Grant per Customer	d / f	\$405***	

* Includes \$278,282 of donations (Hydro Hawkesbury Inc., Hydro One Brampton Networks Inc., Hydro One Networks Inc., Newmarket – Tay Power Distribution Inc., Ottawa River Power Corporation, Peterborough Distribution Inc. and Wellington North Power Inc.)

** 19 distributors did not pay admin costs

*** Includes 21 unit sub-metering customers; average grant \$368



Results for Top 12 Utilities by Distribution Revenue

Utility Name	Total Funds Available for 2011 (\$)	% of LEAP Funds Available for 2011	Net LEAP Funding Available (\$) *	Net LEAP Funds Spent (\$)	% Spent
Hydro One Networks Inc. (including Cat Lake Power)	1,732,996	40	1,463,732	1,442,644	99
Toronto Hydro-Electric System Ltd.	782,624	18	674,624	349,611	52
PowerStream Inc.	186,499	4	157,722	116,107	74
Hydro Ottawa Ltd.	173,813	4	147,741	141,276	96
Enersource Hydro Mississauga Inc.	140,000	3	119,000	119,000	100
Horizon Utilities Corp.	122,417	3	105,065	105,065	100
London Hydro Inc.	100,000	2	85,000	85,000	100
Hydro One Brampton Networks Inc.	71,448	2	60,731	60,734	100
ENWIN Utilities Ltd.	56,760	1	50,000	50,000	100
Veridian Connections Inc.	55,541	1	47,275	31,290	66
Kitchener-Wilmot Hydro Inc.	47,475	1	47,475	47,475	100
Hydro One Remote Communities Inc.	43,048	1	43,048	7,290	17
Total (Top 12 Distributors Only)	\$ 3,540,870	82%	\$ 3,001,413	\$ 2,555,489	69%
LEAP EFA Total Budget	\$ 4,308,440	100%	\$ 3,710,153	\$ 3,138,948	85%

* Excluding Administration Costs



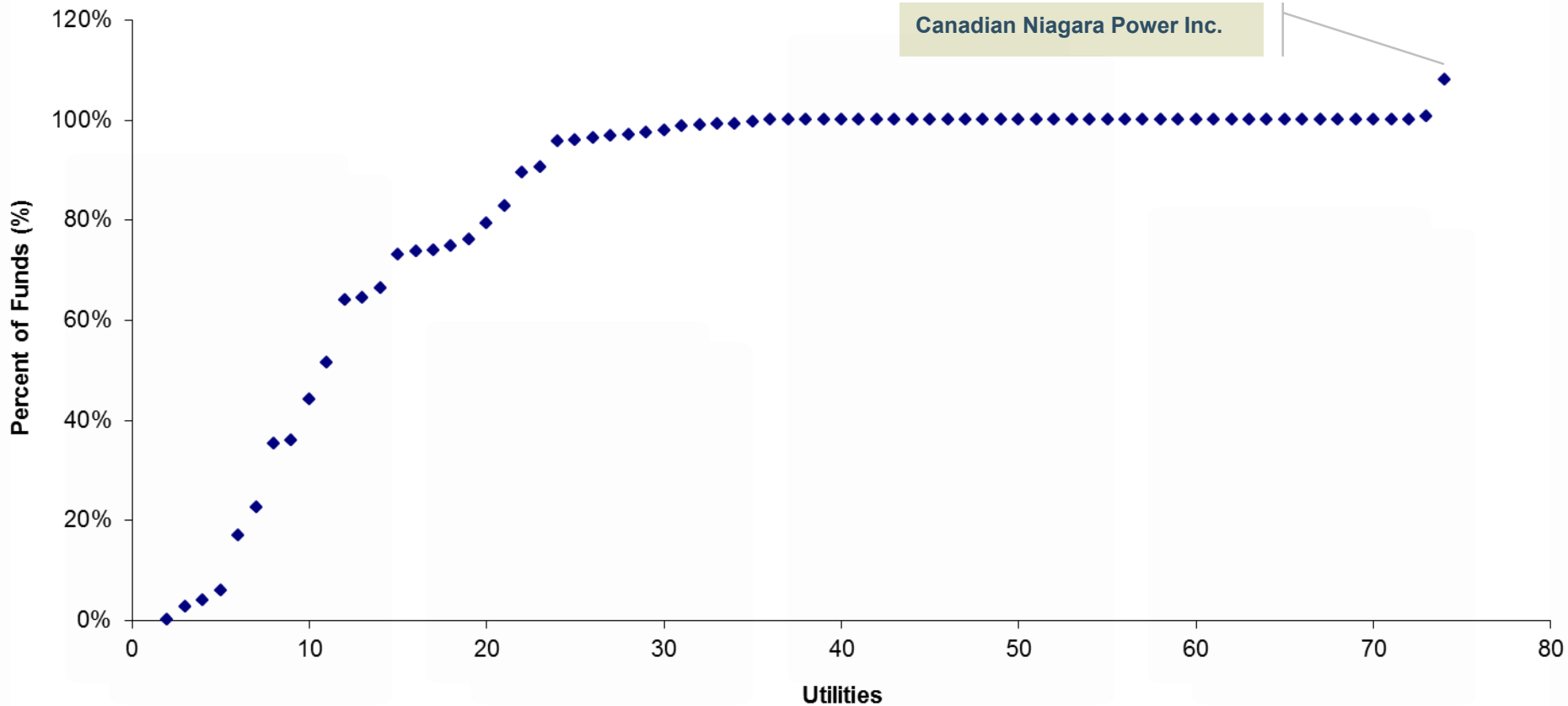
Utilities That Did Not Pay Administration Costs

Utility Name

- 1) Bluewater Power Distribution Corp.
- 2) Burlington Hydro Inc.
- 3) COLLUS Power Corp.
- 4) Chapleau Public Utilities Corp.
- 5) Chatham-Kent Hydro Inc.
- 6) Erie Thames Powerlines Corp.
- 7) Espanola Regional Hydro Distribution Corp.
- 8) Grimsby Power Inc.
- 9) Halton Hills Hydro Inc.
- 10) Hydro One Remote Communities Inc.
- 11) Kingston Hydro Corp.
- 12) Kitchener-Wilmot Hydro Inc.
- 13) PUC Distribution Inc.
- 14) Renfrew Hydro Inc.
- 15) Sioux Lookout Hydro Inc.
- 16) Tillsonburg Hydro Inc.
- 17) Welland Hydro-Electric System Corp.
- 18) West Coast Huron Energy Inc.
- 19) Woodstock Hydro Services Inc.



Percentage of Funds Distributed to Customers



- 53 utilities fully exhausted funds
- 25 utilities have funds remaining



Funds Spent by Utility

Utilities that have fully exhausted LEAP funds

1. Bluewater Power Distribution Corporation*
2. Brant County Power Inc.*
3. Brantford Power Inc.*
4. Burlington Hydro Inc.
5. COLLUS Power Corporation*
6. Cambridge and North Dumfries Hydro Inc.*
7. Canadian Niagara Power Inc.*
8. Centre Wellington Hydro Ltd.*
9. Chatham-Kent Hydro Inc.*
10. Cooperative Hydro Embrun Inc.*
11. E.L.K. Energy Inc.*
12. EnWin Utilities Ltd.
13. Enersource Hydro Mississauga Inc.*
14. Erie Thames Powerlines Corporation*
15. Espanola Regional Hydro Distribution*
16. Festival Hydro Inc.*
17. Grimsby Power Incorporated
18. Guelph Hydro Electric Systems Inc.*
19. Horizon Utilities Corporation*
20. Hydro 2000 Inc.*
21. Hydro Hawkesbury Inc.*
22. Hydro One Brampton Networks Inc.
23. Hydro One Networks Inc.*
24. Innisfil Hydro Distribution Systems*
25. Kenora Hydro Electric Corporation Ltd.*
26. Kingston Hydro Corporation*
27. Kitchener-Wilmot Hydro Inc.*
28. Lakefront Utilities Inc.*
29. London Hydro Inc.*
30. Middlesex Power Distribution
31. Midland Power Utility Corporation
32. Newmarket - Tay Power Distribution Ltd.*
33. Niagara Peninsula Energy Inc.*
34. Norfolk Power Distribution Inc.*
35. North Bay Hydro Distribution Limited*
36. Orangeville Hydro Limited*
37. Orillia Power Distribution Corporation*
38. Ottawa River Power Corporation*
39. Parry Sound Power Corporation*
40. PUC Distribution Inc.
41. Peterborough Distribution Inc.*
42. Port Colborne Hydro Inc.*
43. Renfrew Hydro Inc.*
44. Rideau St. Lawrence Distribution*
45. St. Thomas Energy Inc.*
46. Thunder Bay Hydro Electricity*
47. Tillsonburg Hydro Inc.*
48. Wasaga Distribution Inc.*
49. Welland Hydro-Electric System Corp.*
50. Wellington North Power Inc.*
51. Westario Power Inc.*
52. West Coast Huron Energy*
53. Woodstock Hydro Services Inc.*

*** These 46 utilities received additional Late Payment Penalty funding from the United Way**



Funds Remaining by Utility

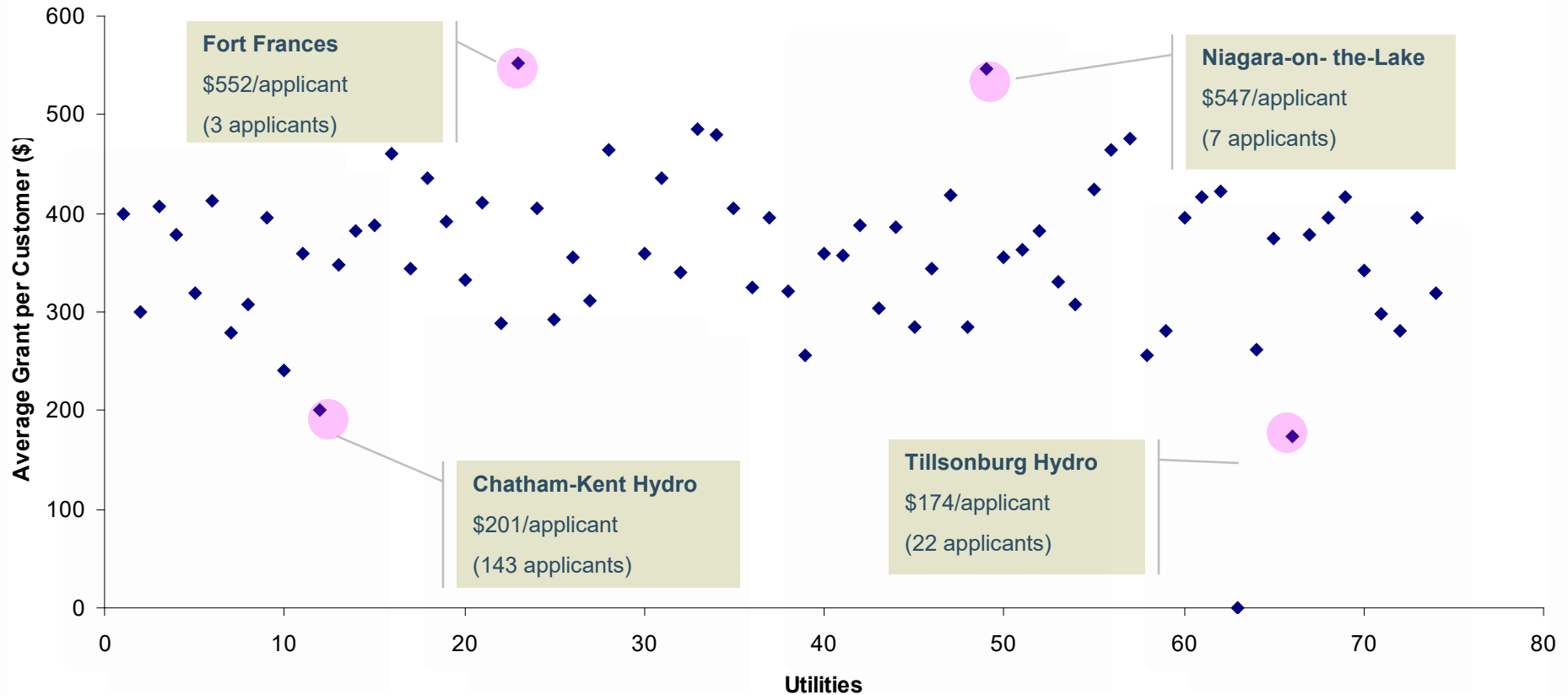
Utilities that have funds remaining

1. Algoma Power Inc. (\$6,235)
2. Atikokan Hydro Inc. (\$1,100)
3. Burlington Hydro (\$25,679.14)
4. Chapleau Public Utilities Corporation (\$1,283)
5. Cornwall Street Railway Light and Power Company Ltd. (\$534)
6. Essex Powerlines Corporation (\$2,379)
7. Fort Frances Power Corporation (\$45)
8. Greater Sudbury Hydro (\$217)
9. Haldimand County Hydro Inc. (\$1,493)
10. Halton Hills Hydro Inc. (\$11,221)
11. Hydro One Remote Communities Inc. (\$35,758)
12. Hydro Ottawa Limited (\$6,465)
13. Lakeland Power Distribution Ltd. (\$167)
14. Milton Hydro Distribution Inc. (\$12,922)
15. Niagara-on-the-Lake Hydro Inc. (\$909)
16. Northern Ontario Wires Inc. (\$2,153)
17. Oakville Hydro Electricity Distribution Inc. (\$3,214)
18. Oshawa PUC Networks Inc. (\$8,181)
19. PowerStream Inc. (\$41,615)
20. Toronto Hydro-Electric System Limited (\$327,972)
21. Veridian Connections Inc. (\$15,985)
22. Waterloo North Hydro Inc. (\$7,525)
23. Whitby Hydro-Electric Corporation (\$19,406)

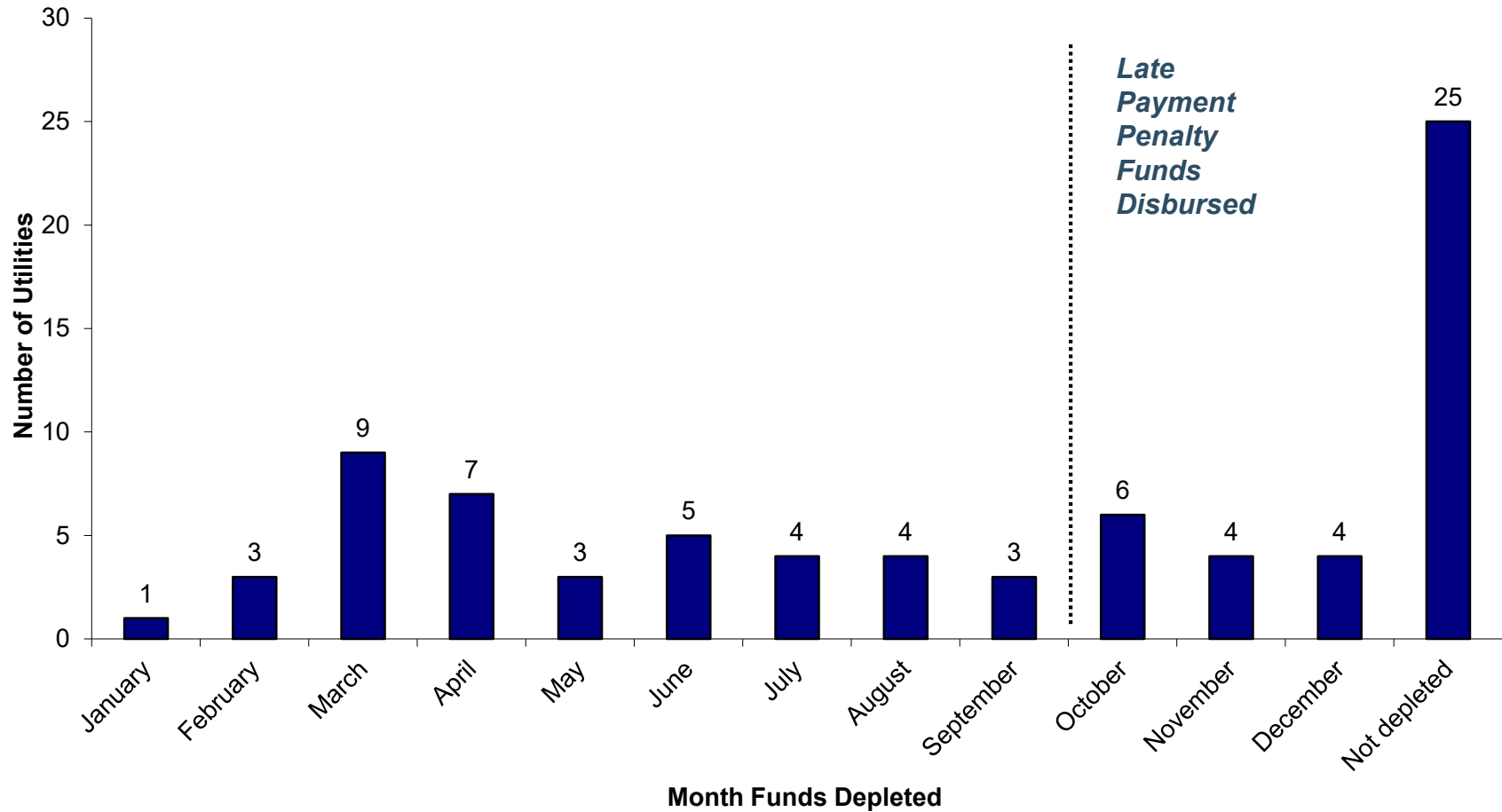
- Sioux Lookout Hydro spent \$0 (\$2,130 remaining)
- Hearst Power Distribution spent \$0 (\$1,700 remaining; \$300 was provided to social agency)



Average LEAP Grant Provided Per Distributor



Month Funds Were Depleted



Enbridge Results for 2011

		Winter Warmth	LEAP	Total
		(Dec. 1, 2010 – May 31, 2011)	(June 1, 2011 – Nov 30, 2011)	
Budget for Dec. 2010 & 2011	a	\$615,150	\$600,000	\$1,215,150
Less Administration Costs	b	\$90,143 *	\$90,000 *	\$180,143
Total Funds Available	c = a – b	\$525,006	\$510,000	\$1,035,006
Total Funds Provided to Customers	d	\$517,132 **	\$393,322 ***	\$910,454
Remaining Funds (Net Admin Costs)	c – d	\$7,874	\$116,678	\$124,552
Total # Customers Assisted	f	1,349	1,008	2,357
Average Grant per Customer	d / f	\$383	\$390	\$387

*15% of Total Funds

** 99% of Total Funds Available

*** 66% of Total Funds Available



Union Gas Winter Warmth Results for 2011

Budget for Dec. 2010 & 2011	a	\$ 1,033,383
Less Administration Costs	b	\$ 131,160 *
Total Funds Available	$c = a - b$	\$ 902,223
Total Funds Provided to Customers	d	\$ 878,665 **
Remaining Funds (Net Admin Costs)	$c - d$	\$ 23,558
Total # Customers Assisted	f	2,332
Average Grant per Customer	d / f	\$ 377

* 13% of Total Funds

** 97% of Funds Available to Customers



Other Natural Gas Participants (NRG, Kitchener Utilities, and Utilities Kingston)

Budget for 2011	a	\$ 51,157
Less Administration Costs	b	\$ 5,014 *
Total Funds Available for 2011	$c = a - b$	\$ 46,143
Total Funds Provided to Customers	d	\$ 43,643 **
Remaining Funds (Net Admin Costs)	$e = c - d$	\$ 2,500
Total # Customers Assisted	f	135
Average Grant per Customer	d / f	\$ 323

* 10% of Total Funds (Utilities Kingston did not charge admin fees)

** 95% of Funds Available to Customers





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2011 Monthly Monitoring Results

LEAP EFA Monthly Monitoring Data

- Electricity and Natural Gas Distributors were asked to provide applicant demographic information such as:
 - Primary source of household income
 - Housing type
 - Applicant type
 - Reasons for requesting assistance
 - Reasons for assistance denial
 - Information sources
- 45 Electricity distributors and Enbridge provided information
 - Milton Hydro, Hydro Ottawa, Brant County Power did not track data for 2011 but will do so in future
- 33 Electricity distributors did not respond
- Data collected for the period January 1, 2011 to December 31, 2011



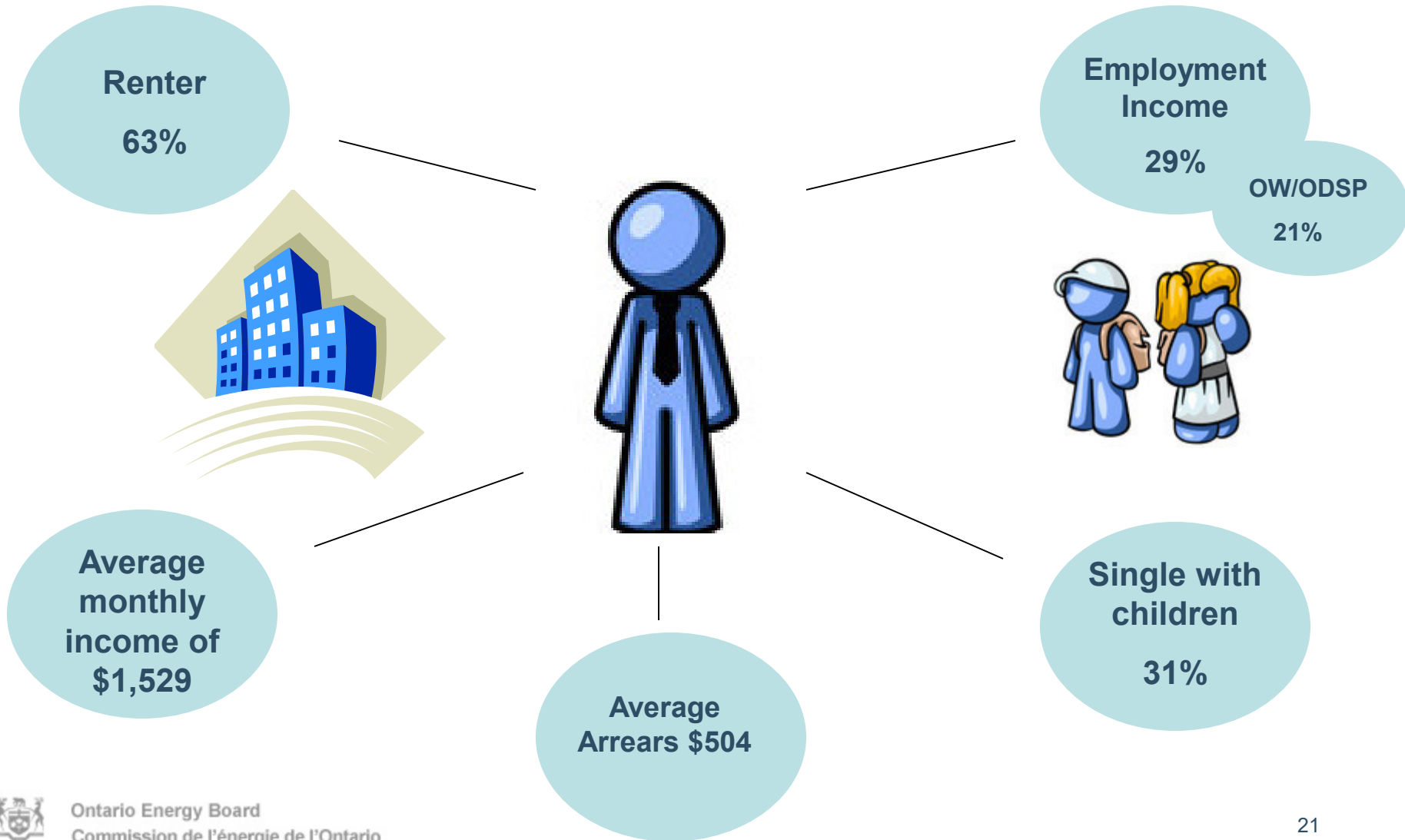
Electricity Distributors That Provided Monthly Data

1. Atikokan Hydro Inc.
2. Brantford Power Inc.
3. Burlington Hydro Inc.
4. COLLUS Power Corporation
5. Chapeau Public Utilities Corporation
6. Chatham-Kent Hydro Inc.
7. E.L.K. Energy Inc.
8. ENWIN Utilities Ltd.
9. Enersource Hydro Mississauga Inc.
10. Erie Thames Powerlines Corporation
11. Espanola Regional Hydro Distribution Corp.
12. Festival Hydro Inc.
13. Greater Sudbury Hydro Inc.
14. Guelph Hydro Electric Systems Inc.
15. Halton Hills Hydro Inc.
16. Horizon Utilities Corporation
17. Hydro Hawkesbury Inc.
18. Hydro One Networks Inc.
19. Kenora Hydro Electric Corporation Ltd.
20. Kingston Hydro Corporation
21. Kitchener-Wilmot Hydro Inc.
22. Lakefront Utilities Inc.
23. Lakeland Power Distribution Ltd.
24. Middlesex Power Distribution Corp.
25. Newmarket-Tay Power Distribution Ltd.
26. Niagara Peninsula Energy Inc.
27. Niagara-on-the-Lake Hydro Inc.
28. Norfolk Power Distribution Inc.
29. North Bay Hydro Distribution Ltd.
30. Oakville Hydro Electricity Distribution Inc.
31. Orangeville Hydro Ltd.
32. PUC Distribution Inc.
33. Parry Sound Power Corporation
34. Peterborough Distribution Inc.
35. PowerStream Inc.
36. St. Thomas Energy Inc.
37. Thunder Bay Hydro Electric Distribution Inc.
38. Tillsonburg Hydro Inc.
39. Toronto Hydro-Electric System Ltd.
40. Veridian Connections Inc.
41. Wasaga Distribution Inc.
42. Waterloo North Hydro Inc.
43. Welland Hydro-Electric System Corp.
44. Whitby Hydro Electric Corporation
45. Woodstock Hydro Services Inc.

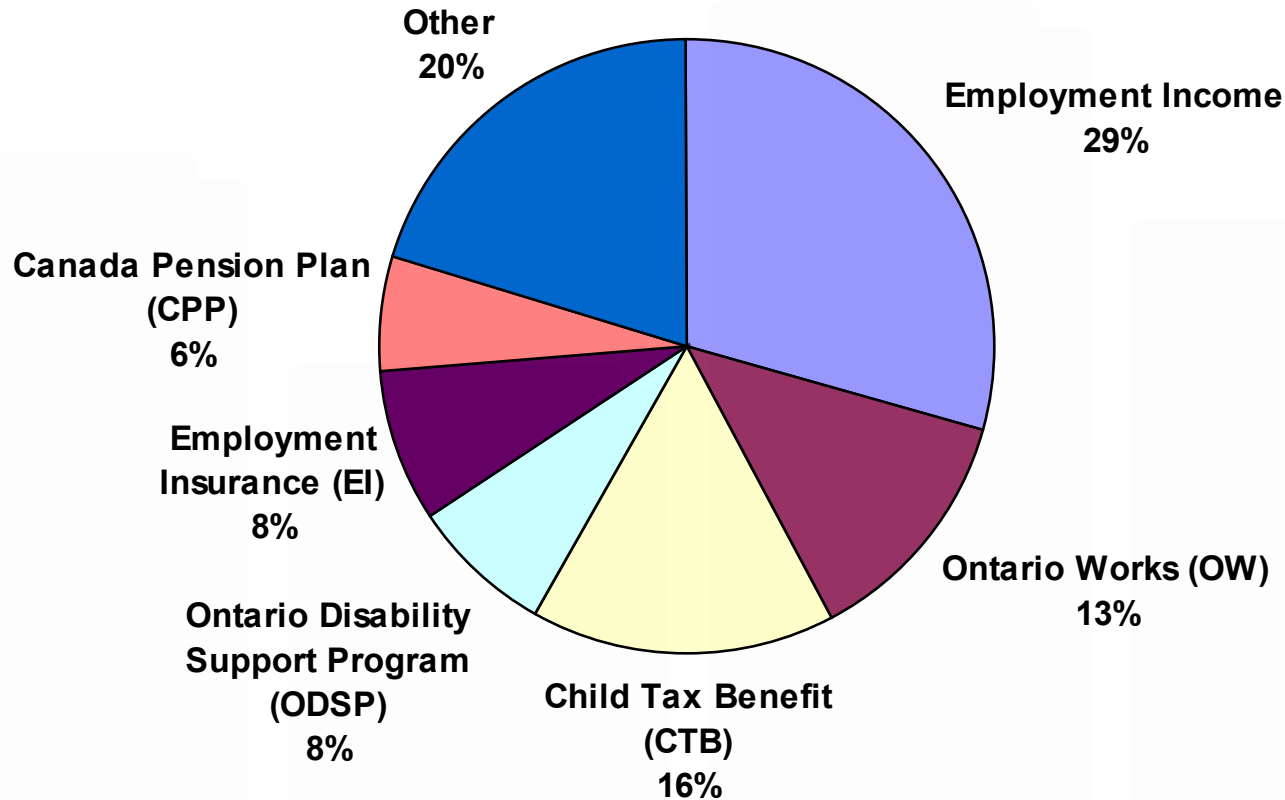
*** These utilities serve 70% of customers**



The Most Common LEAP EFA Applicant



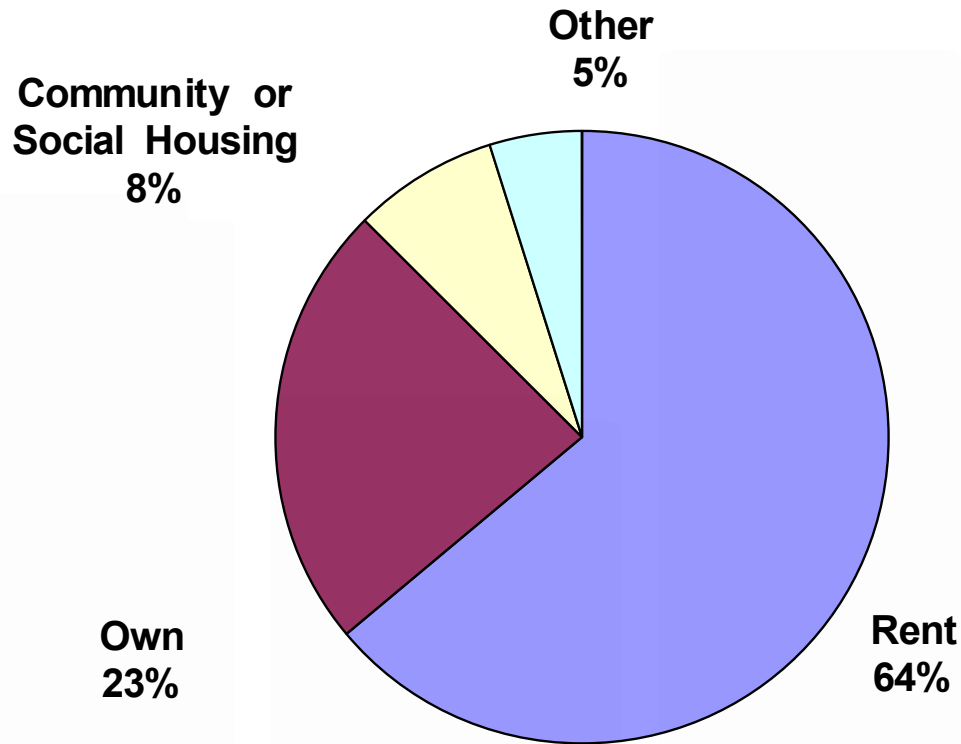
Major Sources of Household Income



“Other” includes: OSAP, Social Assistance, WSIB

In addition, Child Support, Old Age Security and Alimony were mentioned in the comments

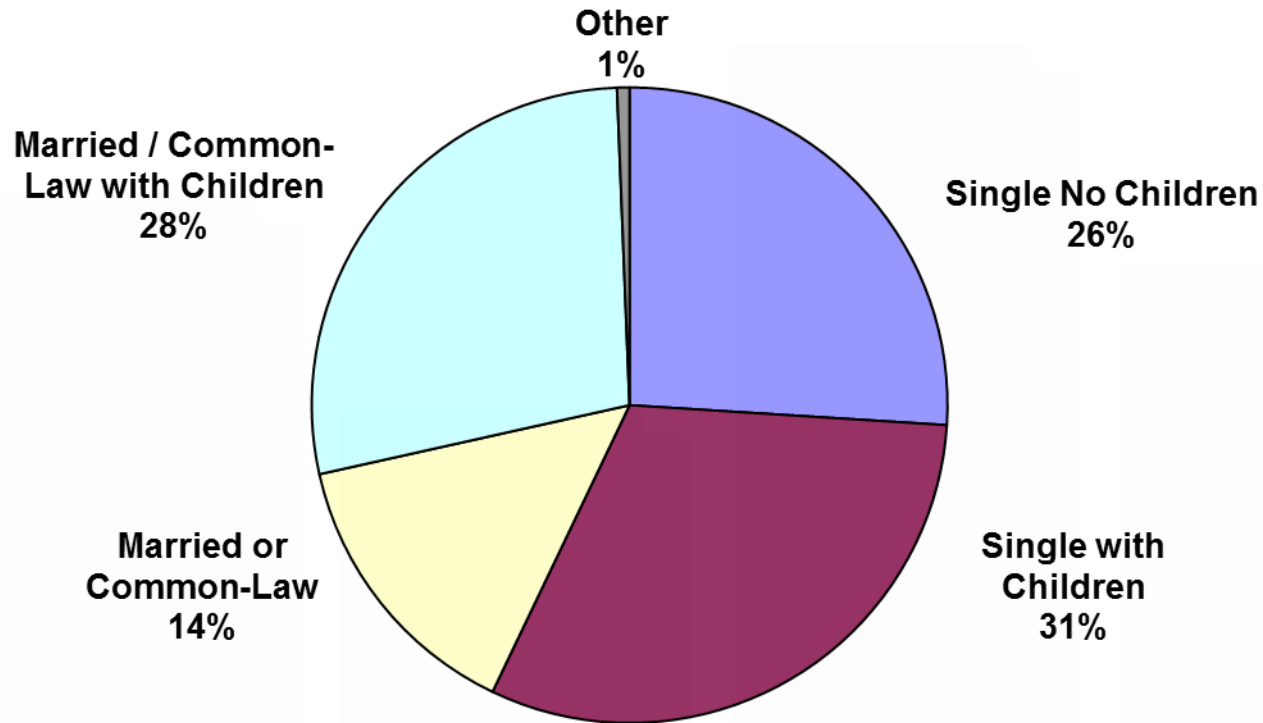
Applicants by Housing Type



“Other” includes: Type of Housing
i.e. Apartment, Townhouse

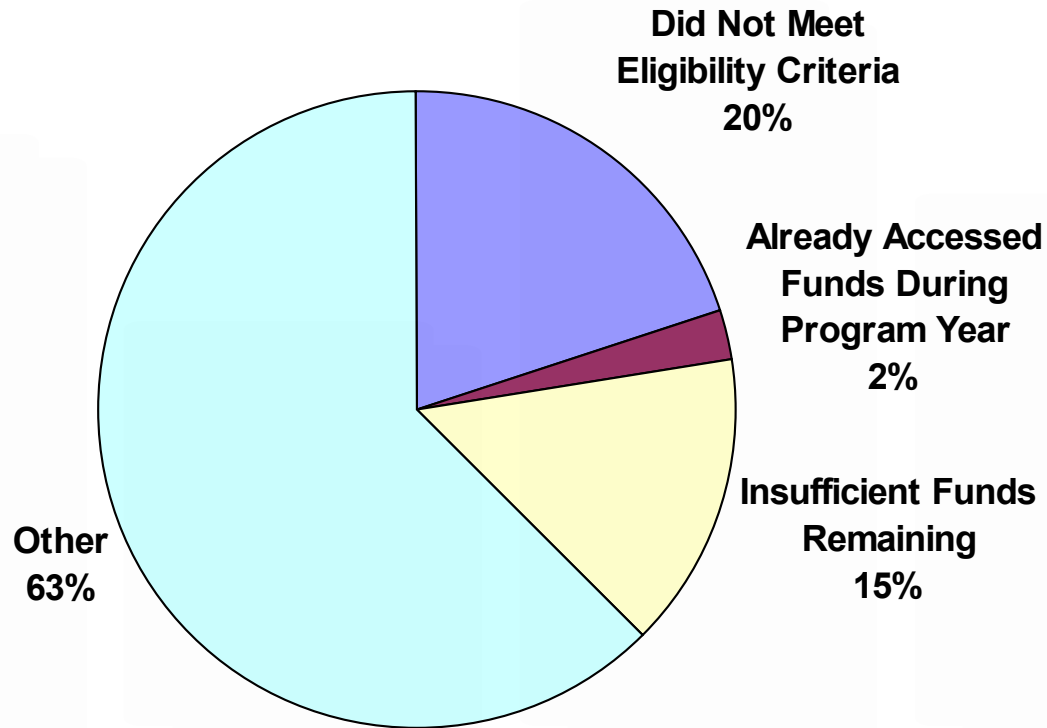
• Represents 4,838 applicants

Applicants by Family



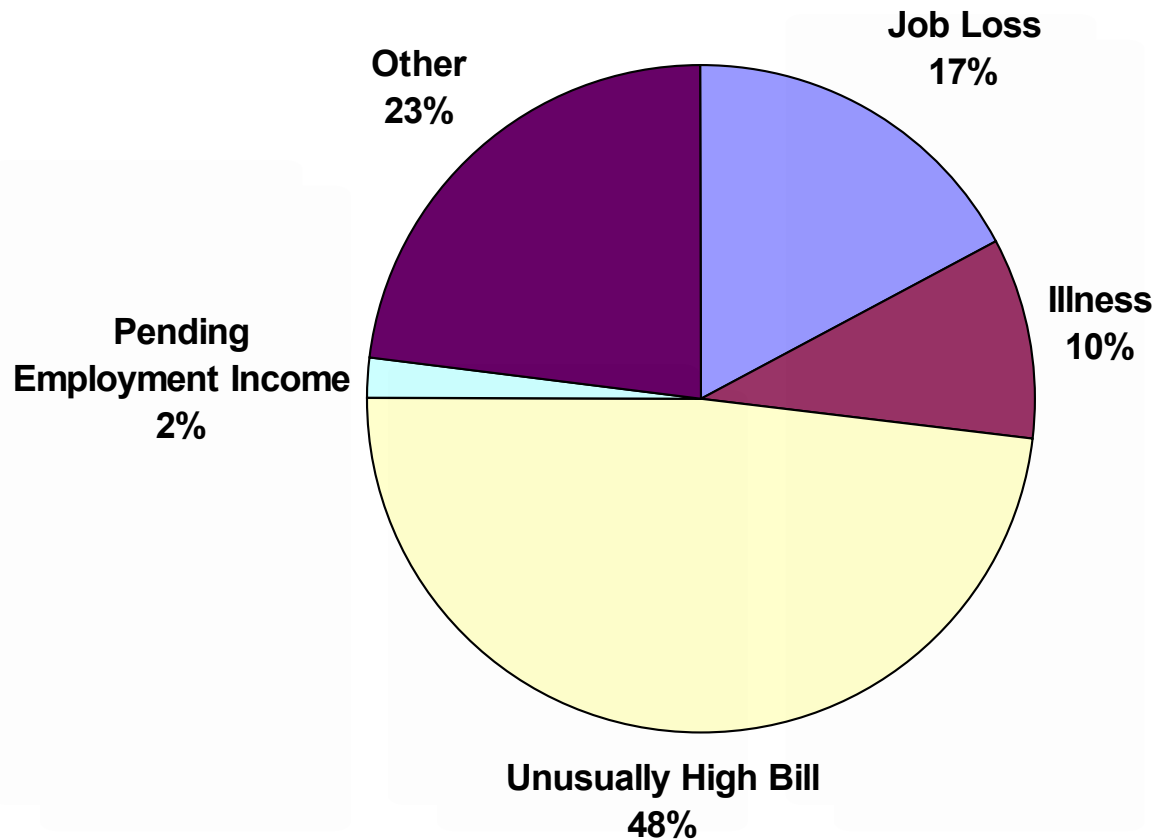
• Represents 4,838 applicants

Reasons for Application Rejections



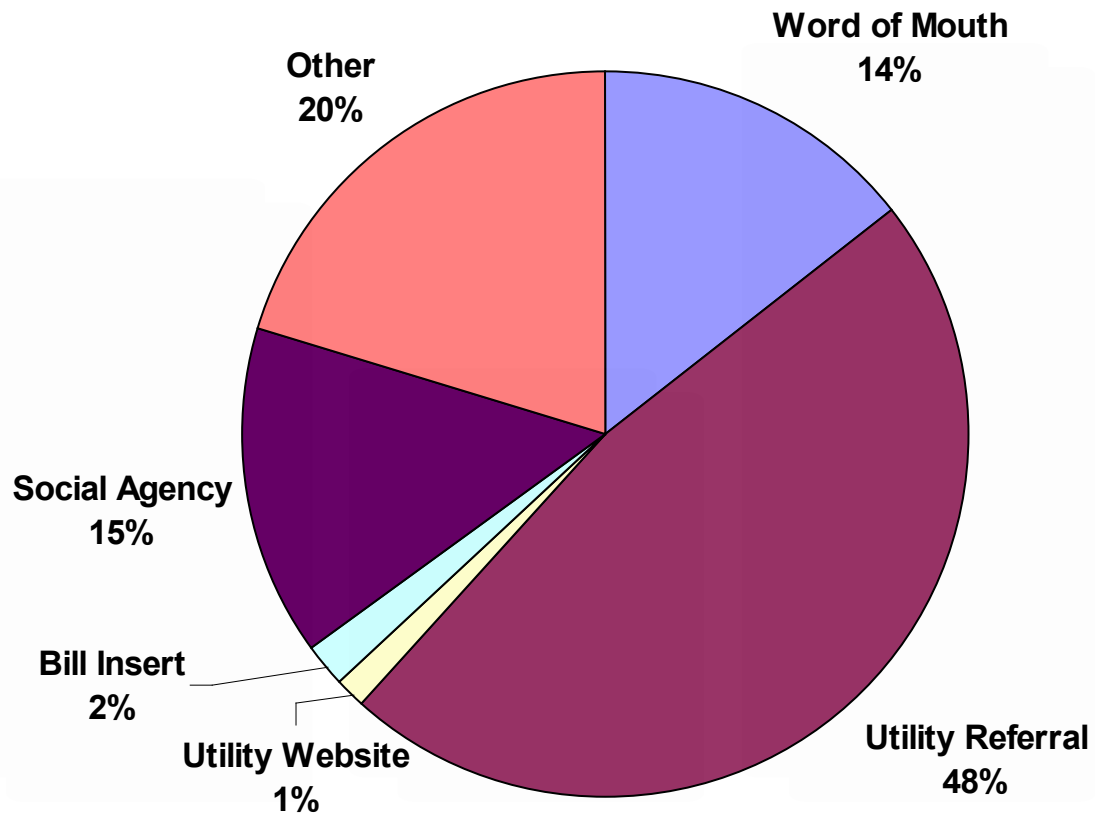
“Other” Includes: Referrals to OW/ODSP and other programs, Applicants not following through or providing documentation, Miscellaneous Reasons

Reasons for Needing Assistance



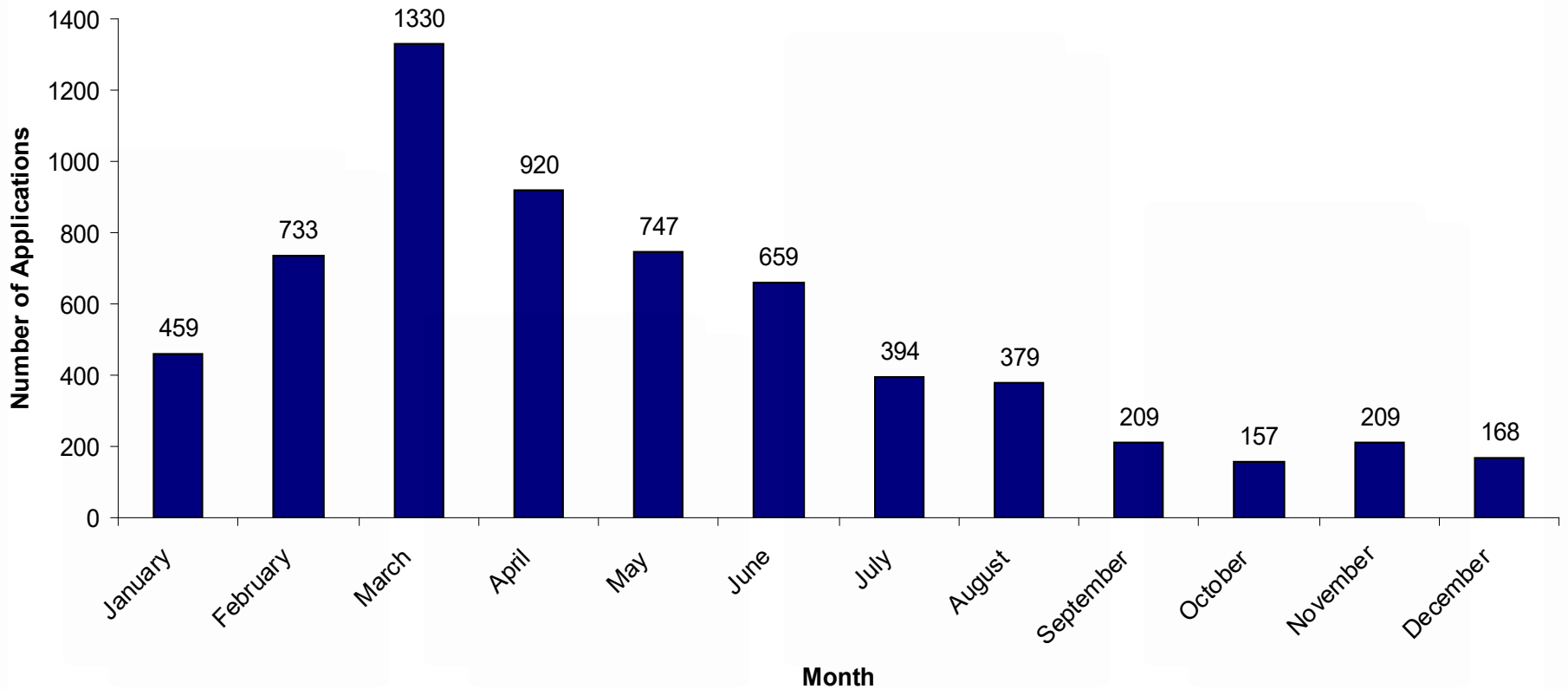
“Other” Includes: Marital Breakdown, Child Support, Emergency Situations (i.e. car repairs)

Information Sources



“Other” includes: OEB website, OEB Call Center, TV, Radio, Newspaper, Posters

Applications Per Month





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Late Payment Penalty Funding Update

Late Payment Penalty Settlement

- 135 defendants, of which 71 are utilities
- The United Way Toronto determined that Late Payment Penalty (LPP) funds would be used to supplement LEAP EFA
- In some communities, as an alternative or in conjunction with the LEAP EFA program, the Province's Emergency Energy Fund (EEF) may also be used
- LPP funds paid by each defendant will be used exclusively for customers of each utility or residents of that municipality only, and are not part of a general pool of funds.
- Agencies may use up to 15% of total funds received for administration of the program

Late Payment Penalty Funds

- Total amount available for Energy Programs: \$10,119,138*
- Number of local agencies administering LPP: 59**
- Start date of United Way Toronto disbursements: Oct. 17, 2011

Total Amount Available for Energy Programs	\$10,119,138***	
United Way Toronto Disbursements to Local Agencies Across Ontario (Oct 2011 – March 2012)	\$1,515,495	15%
Total Amount Remaining for Agencies	\$8,603,643	85%
Local Agencies Disbursements (Oct 2011 – March 2012)	\$777,383	51%

* \$4.5 M is dedicated to Toronto Hydro

** 88% of these agencies deliver LEAP EFA

*** \$8,601,268 LPP funds available net 15% Admin Costs



Total Funds Disbursed in 2011 per Program

Electricity

LEAP EFA Funds Disbursed:	\$ 3,138,948
LPP Funds Disbursed:	<u>\$ 1,515,495</u>
Total	\$ 4,654,443

Natural Gas

LEAP EFA Funds Disbursed:	\$ 436,965
Winter Warmth Funds Disbursed:	<u>\$ 1,395,797</u>
Total	\$1,832,762

Grand Total **\$ 6,487,205**



Financial Assistance Working Group Feedback

Preliminary results were presented to the FAWG on June 6

The following input was provided:

- Beneficial to continue collecting Monthly Monitoring data annually
- 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
- The electricity RRR data should track the amount of LEAP EFA funding a distributor has carried forward from the previous year
- The annual reporting deadline for natural gas distributors of March 31st should be amended to April 30th to coincide with the filing deadline for electricity distributors
- Government consolidation of the Community and Start-Up Maintenance Benefit, the Emergency Energy Fund and other programs will result in greater demand for LEAP EFA

