Re: Affordability Fund - TB note and TBS Q

From: "Katona, Keley (ENERGY)" <keley.katona@ontario.ca>
To: "Teliszewsky, Andrew (ENERGY)" <andrew.teliszewsky@ontario.ca>
Cc: "Imbrogno, Serge (ENERGY)" <serge.imbrogno@ontario.ca>, "Whittington, Matt (ENERGY)" <matt.whittington@ontario.ca>, "Esdaile, Trevor (ENERGY)" <trevor.esdaile@ontario.ca>, "Pagel, Alexa (ENERGY)" <alexa.pagel@ontario.ca>, "Baker, Carys (ENERGY)" <carys.baker@ontario.ca>
Date: Sun, 05 Mar 2017 11:55:59 -0500

Sorry, the 'she' is the associate DM. I'll ask for the time.

From: Teliszewsky, Andrew (ENERGY)
Sent: Sunday, March 5, 2017 11:53 AM
To: Katona, Keley (ENERGY)
Cc: Imbrogno, Serge (ENERGY); Whittington, Matt (ENERGY); Esdaile, Trevor (ENERGY); Pagel, Alexa (ENERGY); Baker, Carys (ENERGY)
Subject: RE: Affordability Fund - TB note and TBS Q

Good Afternoon:

This is fine to go. One inquiry would be whom is the “she” in your question below? Liz or Helen? Can we please try to determine what the timeslot for this item will be, given that folks are stretched attending the Arcand meeting and subsequent briefings, please?

Many thanks, in advance.

Andrew Teliszewsky

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From: Katona, Keley (ENERGY)
Sent: March-04-17 9:58 PM
To: Teliszewsky, Andrew (ENERGY)
Cc: Imbrogno, Serge (ENERGY); Whittington, Matt (ENERGY); Esdaile, Trevor (ENERGY); Pagel, Alexa (ENERGY); Baker, Carys (ENERGY)
Subject: Fw: Affordability Fund - TB note and TBS Q

Hi Andrew,
Attached are our comments on the TB assessment note as well as an answer to a question from TBS below. Ok to share with TBS?
Keley

Question

Would Energy have more information in terms of the eligibility criteria for the Affordability Fund - specifically, she would like to know what is considered to be in “frequent arrears” and how can the program ensure that the efficiency measures will go those most in need (and not those who “choose” to not pay their bills).

Response

As outlined in the TB Submission, ENERGY has developed high-level principles by which the Affordability Fund will operate and will continue to refine these principles through discussion with all LDCs. LDCs are best positioned to provide further guidance on principles as they are closest to the customer and will be responsible for identifying the customers in need and delivering assistance to them. All LDCs will be able to apply to access to the Affordability Fund so they may address the needs of their customer base. The principles outlined in the TB Submission include (with additional explanation below):

- Customers do not qualify for low-income conservation programs (i.e. are above Statistics Canada’s Low-Income Measure).
- LDC has reasonable evidence to indicate that the customer requires financial assistance to pay for energy efficiency measures.
    - The Trust will be expected to consider the appropriate indicators for determining whether customers are reasonably in need. The Ministry does not expect that a new income threshold would be established, due to the administrative costs and timelines required to implement income-eligibility tests. The Ministry believes that other indicators available to LDCs would be sufficient.
- Customers may have triggered action by an LDC collection department (e.g., customers are in arrears, have been placed on one or more payment plans, are due to be disconnected, etc.).
    - Arrears are defined by the OEB as accounts that are 30 or more days past the 16-day minimum payment period.
    - LDCs have communicated that their customer care departments keep track of their customers who are in “frequent arrears” or “chronic arrears.”
    - These terms are qualitative (i.e. do not refer to a set length of time or number of times customers are in arrears); however, generally ENERGY understands the bounds of these terms to be, on one end, customers who are in arrears for more than one billing period, and on the upper end, customers that have several thousand dollars in payments owing, accumulated from a number of missed or partially missed billing periods.
    - While arrears are an important indicator of need to LDCs, LDCs have also indicated that there may be customers who are keeping up with their bills, but at the expense of paying for food or other basic needs. LDCs have asked for discretion to also offer energy efficiency measures to these customers.
- Priority could be given to eligible customers in electrically-heated homes, or other unique circumstances.
- Other factors as agreed by the Trustees.

Hydro One is expected to use the principles developed by ENERGY (with input from LDCs) to establish the Trust Deed. It is critical that there be fair and appropriate eligibility criteria for LDCs to consistently apply across the province to ensure that support is provided to those customers in need and to prevent any potential gaming. The Trustees must be given some flexibility to determine this criteria. Flexibility is also desirable as it is expected that the Trustees will have knowledge of the LDC sector, customer needs and/or low-income and conservation programs to further refine appropriate customer eligibility criteria. It is also expected that Trustees will engage with other LDCs and industry experts as needed to inform eligibility criteria.