HAP-AFT Alignment

Scenario	Program	Lifetime forecast	Total Forecast of Household Uptake by Level (%)			Forecast of <u>first year</u> program participation	Total number of households potentially eligible for program	Additional notes about the forecast of eligible households
			Level 1	Level 2	Level 3			
Income based on LIM (after-tax)	**HAP**	60,000	0%	40%	60%	17,000	1,600,000 (AFT eligibility should be 3,500,000 b/c OESP is currently a HAP qualifier)	Not aligned with gas
	AFT	100,000	60%	30%	10%	50,000	3,900,000	Most savings come from in-suite measures; Level 2 & Level 3
Income based on LICO+35% (before-tax)	**HAP**	60,000	100%	100%	60%	17,000	1,600,000 (data captures households not residential ratepayer accounts)	Aligned with gas
	AFT	100,000	60%	30%	10%	50,000	3.500,00	Ave Income: from $65k to $95k

Footnotes:

LIM: Low Income Measure
LICO: Low Income Cut Off

Bulk metered accounts would be represented in the HHs, but would not be indicative of total HHs eligible for either HAP or AFT.

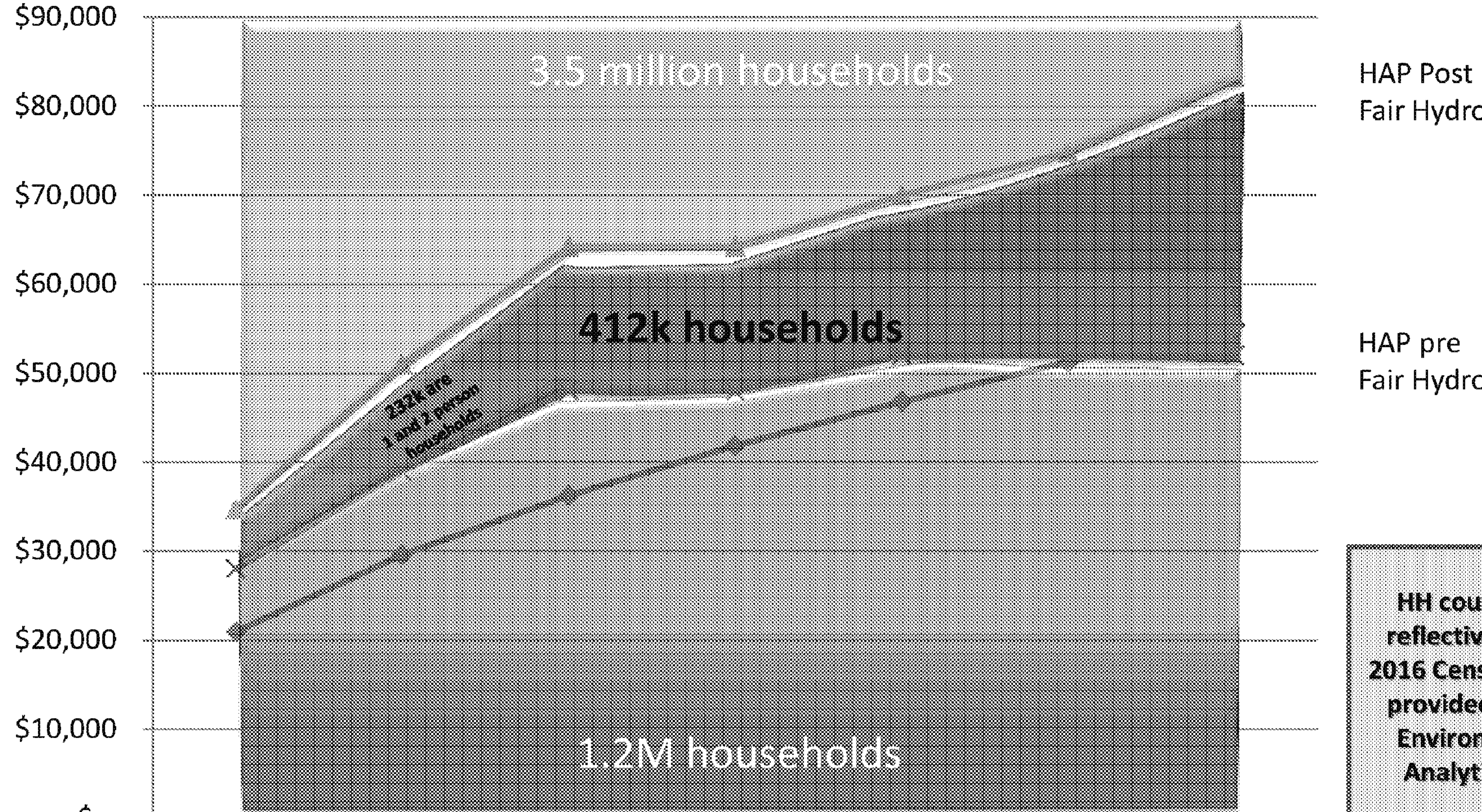
Level 3 include Levels 1 and 2 measures; similarly, Level 2 household would receive Level 1 measures

Changes will impact only the characteristics of the homes served:

- shifts HH incomes significantly higher for the AFT

- Limits our ability to serve 1 and 2 person HHs with significant measures due skewed distribution of EABs; namely, smaller electricity bills and similar incomes

Proposed HAP Eligibility Impacts



*HAP 2018 is LICO gross + 35% or higher OESP levels

	1	2	3	4	5	6	7
LIM Net	$20,933	$29,604	$36,257	$41,866	$46,808	$51,275	$55,384
HAP pstFH	$34,700	$51,000	$64,200	$64,200	$70,000	$74,760	$83,236
HAP preFH	$28,000	$39,000	$48,000	$48,000	$52,000	$52,000	$52,000
Net Difference	81,085	151,135	82,765	39,375	58,030		

HH counts reflective of 2016 Census as provided by Environics Analytics

Proposed HAP Eligibility Impacts

- Agree – the alignment of both AFT and HAP with Gas may by helpful in the coordination of the programs from a market perspectives

- HAP pre-qualification through other low-income programs based on similar income eligibility levels is helpful in identifying customers in need

- LDCs are asking how robust their assessment of low-income program participation must be to 'disqualify' customers from the 11 HAP pre-qualifying programs before enrolling applicants into AFT. IESO exploring means to move this eligibility requirement into the intake protocols, which enhance AFT process flow and resolve LDC concern.

- Impact will shift HAP and AFT household characteristics
  - Higher average incomes (from **~$65k** in 2017 HAP to **~95k** in 2018 HAP)
  - Housing types will move away from social housing and condos (AFT eligibility is ratio of electricity charges to income)