



## Illinois Department of Commerce

& Economic Opportunity

OFFICE OF COMMUNITY ASSISTANCE

Bruce Rauner, Governor

### Low Income Energy Assistance Policy Advisory Council Minutes of Meeting Held on January 19, 2017

10:00 a.m. – 12:30 p.m.

#### **Attendance in Chicago**

Members: *Leslie DeVore, Department of Commerce & Economic Opportunity (DCEO); Aimee English, Citizens Utility Board; Wanda Hopkins, South Austin Coalition; Ellen Rendos, Nicor Gas*

Guests: *Latoya Butler, Community & Economic Development Association (CEDA); Shelby Montgomery CEDA, Shahi Nawab, CEDA; Jennifer Schmidt, CEDA*

Staff: *Donna Cain; Maria Gallardo; Cassandra Vaughn; Kristal Young*

#### **Attendance in Springfield**

Members: *Deborah Bursey, Ameren Illinois; Joan Howard, Illinois Commerce Commission*

Guests: *Melanie Brown, Ameren Illinois; Jim Monk, Illinois Energy Association*

Staff: *Janet Hawes-Davis, DCEO; Patty Hughes, DCEO; Leslie Ann Lesko, DCEO; Ben Moore, DCEO*

#### **Attendance via Conference Telephone**

Members: *Dave Baron, Peoples Gas/North Shore Gas; Grace Brigando, Commonwealth Edison (ComEd); Doc Mueller, Illinois Municipal Electric Agency; Dalitso Sulamoyo, Illinois Association of Community Action Agencies (IACAA); Lorrie Walls, Chicago Department of Family & Support Services; Kris White, Will County Center for Community Concerns*

Guests: *Chris Brinkman, ComEd; Cherise Conley, ComEd; Jen Fenske, Nicor Gas; Phillip Gentry, IACAA; Deb Hozzian, Peoples Gas; Nancy Kane-Richards, Community Contacts; Michelle Machay, Peoples Gas/North Shore Gas; Lauren Pashayan, Land of Lincoln Legal Assistance*

#### **Call to Order**

Leslie DeVore called the meeting to order.

#### **Announcements**

Leslie DeVore announced that the Office of Energy Assistance (OEA) is now the Office of Community Assistance (OCA). The Office is made up of the Low Income Home Energy Assistance Program (LIHEAP), the Illinois Home Weatherization Assistance Program (IHWAP) and the Community Services Block Grant (CSBG) Program.

Leslie also announced that the Office has a new Assistant Deputy Director, Donna Cain. Donna will be headquartered in the Chicago Office.

Leslie also mentioned with the reorganization, the Office of Community Assistance will be able to add ten new staff to help with the understaffing issue.

### **Approval of Minutes**

Deborah Bursey made a motion that the July 21, 2016 minutes be accepted. Ellen Rendos seconded the motion. A vote was taken, motion carried.

Ellen Rendos made a motion that the October 19, 2016 minutes be accepted. Deborah Bursey seconded the motion. A vote was taken, motion carried.

### **Fiscal Report**

Ben Moore explained that there is roughly \$25.5 million in Weatherization out to the Local Administering Agencies (LAAs). There have been expenditures of \$4.8 million so there is \$20.6 million left. OCA has about completed reconciling the carry over money from last year's weatherization program. There will likely be a small amount of funds available for those agencies who have already expended theirs this year.

In LIHEAP there is roughly \$141.5 million out to the LAAs. There has been about \$108 million in expenditures so there is about \$33 million left. OCA does have some reserve money if agencies expend what they have. OCA anticipates that there will be sufficient money to get through the end of this program year and have some startup money for next program year. The application period for the Percentage of Income Payment Program (PIPP) ended December 31, 2016. The agencies are finalizing the applications and once OCA determines that all applications are processed any remaining balance will be moved to LIHEAP. There was 30 million in PIPP out to the LAAs and the Fiscal Report shows 29 million because it was clear that some agencies wouldn't be using all of their allocation so it has been taken and moved to LIHEAP. Once OCA is sure that all PIPP applications are processed, the balance will be moved to LIHEAP to help cover Direct Vendor Payments (DVPs), the current balance is approximately 8.9 million.

### **Weatherization**

Mick Prince was in training, so Leslie Ann Lesko provided the Weatherization update. There are 628 weatherization jobs that are complete this program year through final inspection. There are 681 jobs that are in progress. There have been delays in getting the money out and now the agencies are getting production ramped up. There was a question if the 3200 units on the report was the Weatherization goal. Ben Moore explained that it was, but as more jobs come in and the average cost per home is realized that the number would most likely go down because of the braided funding approach. Braided funding is applying multiple funding sources to the home, when possible, in order to maximize the measures installed in each home. The goal is to leave the home with no energy penalties. By utilizing the braided funding agencies are able to provide more weatherization measures for each home because HHS and State funding is a lot more flexible than DOE.

### **LIHEAP/PIPP**

Maria Gallardo said as of January 18, 2017 there was \$82,168,991 spent on behalf of 181,004 households receiving LIHEAP. When OCA compared applications taken this program year to the applications taken

during the last two program years, there is a reduction in the number. Maria thinks it is because of the reintroduction of PIPP this program year and the amount of time it takes at each appointment to explain the program, along with a warmer winter thus far. The enrollment period for PIPP ended on December 31, 2016 and the agencies have until January 31, 2017 to finish processing applications. Hopefully the agencies will start seeing more LIHEAP applications after that time.

OCA was running a Federal Energy Regulatory Commission (FERC) Reconnection Assistance Program along with the Attorney General's Office. Last year the program was suspended because there wasn't a PIPP program due to a lack of funds. This year the FERC program is again running. As of January 18, 2017 a total of \$40,402 has been allocated on behalf of 99 FERC clients. The remaining balance in FERC is approximately \$239,000. In past years OCA had been having challenges spending the money because it is a small amount of money compared to LIHEAP or PIPP. Also, it was labor intensive for the agencies because the goal was to reconnect clients in the Commonwealth Edison (ComEd) territory that met some guidelines on the FERC and then enroll those clients in PIPP to encourage good payment behavior and help them maintain energy service through the year. This year OCA and the Attorney General's Office decided to remove the PIPP qualification requirement. So as agencies run out of PIPP money they can use the FERC to reconnect their clients in the ComEd territory.

Maria Gallardo said that PIPP has obligated \$20,525,768 annually on behalf of 28,692 clients that are receiving PIPP benefits. The PIPP enrollment period ended December 31, 2017. Before the end of the program there were approximately twelve (12) agencies that had exhausted either all of their PIPP funds or PIPP funds in certain counties. The agencies have until January 31, 2017 to process all PIPP applications. Maria explained that we are having PIPP Steering Committee Meetings on a quarterly basis. The last meeting was held on January 5, 2017. One of the discussion items was the PIPP pledge reject code that will be programmed in the STARS system. That change will be implemented on February 20, 2017. There will be a Webinar provided for the local agencies before the change is implemented. It was discovered that some clients were receiving more than the \$1,800 maximum annual PIPP benefit or more than the maximum monthly benefit. The majority of the instances were happening at the end of the State's fiscal year in June when the utilities sent two pledges because of their billing cycles. There were also instances where clients moved and received two pledges in one month. The STARS system will now automatically reject the extra pledge. The Consumer Education Subcommittee is working to develop talking points for the LAAs and utilities and letters for clients that are impacted. Also discussed at the PIPP Steering Committee Meeting were the Webinars that OCA and Capitol Strategies are developing on the different processes for PIPP. Some of the webinars are: PIPP Intervention; How to Do a Transfer; The Appeal Process and PIPP Recertification Refresher. Also discussed at both the PIPP Steering Committee and previous PAC meetings was the PIPP benefit versus administrative costs. OCA has been discussing whether to propose new language to the Energy Assistance Act so that the clients would get the maximum benefit possible while being fair to the local agencies so that they can recoup their administrative money. When the agencies enroll a client with no PIPP benefit, they aren't earning any administrative money for all the work involved with the PIPP program. SB2814 was introduced and passed in a very short timeframe in December. With the passage of SB2814, OCA lost the opportunity to introduce new language for inclusion in the Energy Assistance Act anytime soon. SB2814 extends the LIHEAP Supplemental Fund to 2025; it also amends the PIPP portion of the Energy Assistance Act, specifically the Supplemental Arrearage Reduction Program (SARP). It allows the utilities to continue running the ARP for clients that aren't eligible for PIPP due to any number of reasons, including no State funds allocated for PIPP in a program year. Dave Baron and Jim Monk commented that the utilities had

gotten together to try to get a handle on what SB2814 does or is supposed to do. The more they discussed the more they realized that it was very complex and that it would be very beneficial if there was a meeting of the utilities, all the other stakeholders and DCEO to discuss how all of this would fit together with what we currently have. There is the potential for some fairly significant changes in some aspects of the PIPP program because of what is in the legislation. OCA will be in contact with the utilities and other stakeholders soon to setup further meetings and discussions about what SB2814 means to the PIPP program. The bill goes into effect June 1, 2017.

Maria Gallardo also mentioned that the Consumer Education Subcommittee met yesterday to work on developing materials to educate the client on PIPP pledge rejects. The subcommittee also started talking about developing an intake and client education curriculum. They decided to focus first on developing some brochures and short videos that could explain; budget billing, how PIPP works, the ARP component, client moves and what could happen with eligibility, and Alternative Retail Gas Suppliers (ARGS) and Alternative Retail Electric Suppliers (ARES) and how they can impact PIPP eligibility. The goal was to come up with broad topics so that the subcommittee can develop standardized educational materials that can be provided to the LAAs so that everyone will be providing the same message. OCA will talk with the DCEO Marketing Group and see if this is something that could be done in house and if not what the next step is. Also, the group would like to develop materials on energy efficiency further down the road.

### **Other Business**

Last year Gail Hedges and Angela Westbrook had been working to make sure we had current PAC member designation letters. OCA is still missing several. OCA will be contacting those that are missing in the next couple weeks to get those returned.

### **Meeting Schedule**

The next meeting of the Policy Advisory Council is April 20, 2017.

A motion was made to adjourn, motion carried.