



**Illinois
Department of Commerce
& Economic Opportunity**

JB Pritzker, Governor

**Low Income Energy Assistance Policy Advisory Council (PAC)
Minutes of Meeting Held on Thursday, April 25, 2019
10:00 a.m. to 12:30 p.m.**

Attendance in Springfield and Chicago:

PAC Members: Brian Maruyama, Nicor Gas; David Wortman, DCEO

Guests: Mindy Browning, ERBA; Melanie Brown, Ameren; Kim Campbell, Vistra Energy; Karen Lusson, Attorney General's Office; Jim Monk, IL Energy Association; Shahi Nawab, CEDA; Kimberly Roberts, CEDA; Kathy Walk, CEFS

DCEO Staff: Angela Baldwin, Maria Gallardo, Wayne Hartel; Leslie Ann Lesko; Ben Moore; Marie Mueller, Mick Prince

Attendance via Conference Telephone:

PAC Members: Elizabeth Berendsen, City of Chicago; Christine Brinkham, Commonwealth Edison; Deborah Bursey, Ameren IL; Barbara Eskildsen, IL Area Agency on Aging; Joan Howard, Illinois Commerce Commission; Dalisto Sulamoyo, Champaign County; Lorrie Walls, City of Chicago; Kris White, Will County

Guests: Jennifer Fenske, Nicor Gas; John Pady, CEDA; Eric Schrader, Peoples Gas; Aarian Smith, ComEd

Call to Order

David Wortman called the meeting to order.

Approval of PAC Minutes

There were no corrections from the February 7, 2019 minutes. A vote to approve the minutes was taken and the motion carried. The minutes were approved.

Fiscal

Ben Moore provided a report about the Weatherization funding. He referenced the Program Status report that was distributed to the attendees. He said the Weatherization program has about \$39 million available funds out in the network. The grantees have utilized about \$19.5 million to date. There is about \$19.6 million available for this program year which ends June 30, 2019. The State and HHS grants (shown at the top of the list), end date is not until the end of September. He said that funds are still available until then.

Ben indicated that LIHEAP has about \$222 million out in the network. He said about \$157.9 million have been expended with roughly \$64 million available even though the program ends in May 2019. The

19224 is a grant that extends until the end of June 2020. The \$23.5 million, if available, will carry-over to the start-up of the program and the department will be issuing modifications in mid-summer with the remaining funds to allow the grantees to start in October.

Ben stated that OCA- Fiscal is in the process of processing the initial grants for Program Year 2020. He anticipates having them in place before the program starts in October for LIHEAP. In previous years, there were delays. This year they started earlier and are hopeful that the Weatherization grants will be ready by July. He also stated that fiscal is in the process of preparing and submitting the Weatherization State Plan to the Department of Energy (DOE) for PY2020.

Dalitso Sulamoyo asked if it was typical to have such a balance in both programs close to the end of the program year. If so, he asked what some of the reasons are why. Ben stated that it wasn't necessarily typical, he said there have been some challenges this year. He said procurement has been an issue for several years in Weatherization.

Mick Prince stated that we had an extremely harsh winter this year and this contributes to a low production during the winter months. He said the network was given an extension on the HHS and State grants. Mick indicated that IHWAP is a 15 month grant now so it really isn't an extension. When more time is given, the LAAs take more time to complete production. The intent of making those 15-month grants was basically to make sure the agencies always had funding available because of slow processing in previous years.

Ben said as for LIHEAP, fiscal had a significant amount of carry-over from last year. As we have discussed previously, client application had been down in the past few years. The balance is not typically as much at the end of the LIHEAP program year. Ben mentioned the priority is to make sure the 18-224 HHS grant is expended in full.

Mick also mentioned there is utility funding in the network for Weatherization that often compete for priority at local agencies causing funds to be available. They are hiring new staff, so they can try to fulfill their obligation to both the grants and utilities.

Leslie Ann stated that OCA wants to make sure all the funds for grant 18-224 HHS are spent because we do not want to send any funds back to HHS. OCA is carefully allocating the money on LIHEAP.net.

Dalitso wanted to know whether the agencies would be in danger of having to pay back any unspent funds to the federal government for both programs. Ben said at this point it doesn't appear so. The \$1.8 million remaining in the 2018 LIHEAP fund are portions of furnace funds for agencies that are finishing up and are watching the grant closely making sure the oldest funds are spent first. Ben said if there were any funds to be returned, it would very minimal.

Karen Lusson wanted to know regarding the LIHEAP balance whether the LAAs or DCEO have made any analysis as to if there are pockets or locations in the state where the interest in getting LIHEAP grants or applications have been affected by the suspension of PIPP several years ago due to the state budget impasse.

Leslie Ann believes there is still fallout from that because she went to a training at a state agency and met a person from the Department of Aging who believed also LIHEAP was over. Leslie Ann said that really hurt the program. Even though the applications are still down this year to date, the LAAs are gaining speed. She also said that they are trying to do different analyses to better understand how to best help increase the number of applications taken and served

Maria Gallardo added the department has issued three press releases during the program year to announce the funding availability. In the past only one press release was sent to announce the start of the program. She also said the department is looking into the Census data to determine how many people are being served per county and compare this to the people in need. Maria said they reached out to the Department of Human Services (DHS) to understand if the reduction in applications is only for LIHEAP or is it happening to them as well. The DHS contact said the number of served households has remained the same for the SNAP recipients. She also said it is important to let people know that the program still is available.

Shahi Nawab said that compared to last year, even though the number of applications is down, CEDA is spending more money because of the increase in LIHEAP benefit amounts. He also said they have reached out to the customers who applied last year and have not applied yet in PY2019 and encouraged them to reapply. As a result, CEDA had 1,000 more applications compared to last year in the month of February. Maria stated that there is a report available in LIHEAP.net which LAAs can use to identify customers who had not applied for assistance yet in the PY.

Kathy Walk reminded everyone that the changing of the LIHEAP heating season start date to October could be an issue in addition to the budget impasse that affected the start of the program as well. It was asked if DCEO would consider starting the program again in September like it used to be because that could have something to do with why people may not be applying for assistance like in previous years. Ben Moore said not at this time because the start of the program now coincides with the new federal award, which is October 1. He also said that one of the main reasons OCA moved the start of the program year was because agencies were running out of funds in September. It would cause a lapse because the grantees could not take applications. Leslie Ann added that DCEO receives the award letter from the federal government in October, but sometimes we don't get the funds for quite a while.

Dalitso asked Ben if the amount being spent during the first month of the program year is still around \$30 million. He said he wasn't sure but believed it increased because we could be serving the population who used to be served in September now in October along with the other priority groups.

WEATHERIZATION

Mick Prince provided the Weatherization report. He stated a total of 1,452 units have been completed to date. The goal was set at 2,950. Mick believes the goal is being affected by the weatherization program run by the utilities. He said, due to the additional utility funds available to the network, it is difficult to project the number of units that will be completed. There are many variables, but the goal of 2,950 units was increased from the year before. They have 712 projects in work order print status which 25 are multi-family. With the weather improving, OCA hopes to get closer to reaching the program goal. Mick also indicated that OCA is trying to get recertification of the energy-audit tool-WeatherWorks. OCA has submitted the documents to the Department of Energy (DOE) to review and provide feedback. The Weatherization State Plan will be submitted soon, hopefully in the beginning of next week. He thanked

the PAC members that called in on the special PAC meeting scheduled via phone call on April 18, 2019, to approve the plan for Federal Year 2020. Mick said there was little change made to the program. He said they completed the 2CFR 200 procurement training and the LAAs are currently busy procuring contractors for PY20. They have encouraged the LAAs to work together and do market analysis and use shared services. They have also encouraged IACAA to assist in the process.

LIHEAP

Leslie Ann Lesko gave an update of the LIHEAP program. She reported the program is still available and a total of \$128,306,241 has been spent statewide on behalf of 223,461 households receiving at least one LIHEAP benefit. See breakdown by LAA in the Program Status report. The Furnace Assistance Program ended on March 31st. OCA is working with few LAAs to get their final furnace costs entered in LIHEAP.net and to make sure we spend the 2018 grant funds. We don't anticipate running out of funds currently and we hope to continue taking applications through May 31st, which is when the program ends. The application intake trend is down by 4% now compared to this time last year, but the number of applications is picking up. The disconnected and/or households with disconnect notices applying for Reconnection Assistance after the winter moratorium ended is contributing to that. OCA did another press release during the last week in March, in preparation for April 1st disconnection season, to continue promoting the program.

OCA is having a few LIHEAP Working Group meetings (during the months of April and May) with a small group of LAAs representing the network and discuss policy that needs to be clarified or added in the Energy Assistance Procedures Manual for the next Program Year. The meetings are between Office of Community Assistance staff and Local Administrating Agencies staff that are throughout the state. The group will have a special meeting to focus on furnace assistance and get input on Weatherization with some coordinators. There are at least three more meetings scheduled. In addition, we will share with them the draft of 2020 LIHEAP State Plan to gather their input before the document is shared with the PAC in the July meeting. It will help OCA also preparing for the policy and procedure workshop which is August 20, 2019.

Regarding the 2020 LIHEAP State Plan, major changes are not anticipated, however, changes may include the benefit matrix update, policy clarifications, and some Weatherization's health and safety policy that could affect Furnace Assistance. OCA anticipates an increase in LIHEAP benefits but we don't have all the details yet. Our LIHEAP Performance Measures report indicates the 0-50% of federal poverty level population still has a high energy burden after receiving LIHEAP. We plan to present a draft of the State Plan at the next PAC meeting in July.

Christine Brinkham asked what was at the poverty line. Leslie Ann said that the 0-50% of federal poverty is the population who still has a high energy burden after receiving LIHEAP.

Karen Lusson asked if there will be a summer cooling assistance program. Leslie Ann said that OCA does not plan on having one. The only way we would do it is if HHS releases emergency funds for cooling needs. She said there is a possibility of using Assurance 16 funds that LAAs could utilize if they want to help with summer fill-up programs for propane or cooling needs. Some agencies have other funds they can use. Kathy said there could be confusion with utilizing Assurance 16 because some agencies request using these funds and others do not, and any program associated with Assurance 16 will have to be done

manually. Leslie Ann will check into how other states deal with it, since the nature of Assurance 16 is to allow regional programs within a state, based on more local needs. It was agreed that it would cause problems.

PIPP

Maria Gallardo provided the PIPP report. She stated that a total of \$24,956,169 will be annually obligated on behalf of 23,080 customers that are receiving PIPP benefits. See breakdown by LAA in the Program Status report.

OCA and the LAAs are preparing for the next Recertification Process phase that will be starting on July 1st. In preparation for this activity, a Procedure Letter will be sent to the LAAs sometime in May to announce the start of the recertification and provide guidance to the agencies. Around this time, OCA also updates the income guidelines, so an updated Benefit Comparison can be presented to customers. We will also manage the 6/30 special drops with the programmers. This is the population who had a drop with one of the PIPP Participating Utility during the program year and the programmers drop the Active PIPP utility by 6/30. We do this to allow this population to return during their next priority period and apply for assistance again.

A PIPP Recertification refresher webinar will be scheduled on Wednesday, May 22nd.

Our contract with Kestner Consulting expires on July 13th. As you know, they provide support to STARS-PIPP. The Department is working on a full solicitation and we expect to have the new contract in place by this time. The goal is to avoid a disruption in support.

The PIPP Steering Committee met on April 11th and we discussed the status of the program and Recertification Process. The group has discussed in the past how we can help PIPP customers with high usage who could experience a higher True Up at their next recertification. Normally, we do not intervene during the program year and we identified a couple of strategies to incorporate in the program. The top priority is to better educate the customer during the time of recertification or initial enrollment.

Maria said OCA is working with Kestner Consulting to produce a new usage report that can be made available to agencies to run in STARS so the utilities can inform the LAAs when there is a future supplier intervention as well as sending letters to intervene during the program year.

She said OCA is allocating approximately \$40 million again for the 2020 PIPP program year. OCA is encouraging the agencies to offer PIPP more aggressively during the next program year. Maria also stated that the goal is to add more PIPP customers, per funding availability by county and by utility. OCA will work with the LAAs to determine if PIPP can be expanded in their service area.

Maria said that of the \$40 million, in PY2019 we are spending around \$25 million. She reiterated that the goal for PY20 is to allocate the same amount and be able to offer PIPP to new customers. As a reminder, there were some LAAs who did not enroll new customers on PIPP in PY2019 due to funding and/or administration constraints.

It was asked if IACAA could confirm if the agencies have been instructed to look at the customer's bills and determine whether they are on an alternative supplier. Leslie Ann said OCA instructed the agencies to

do that starting in PY2020. Kathy Walk said she requested a report from DCEO- IT staff that provided a list of the customers with alternative suppliers. She said her staff is going through the list, checking accounts to see if the customers still have those alternative suppliers and looking at what they are paying. When looking at the utility bill, they found that a lot of the customers changed over the winter. Kathy said they have a letter ready to go out to the customers stating they are concerned about the amounts they are paying and there are resources available if interested. Basically, letting them know they have options.

Aarian Smith asked how long it will be when the new OCA system project be available and whether Kestner Consulting will be a part of it. Maria said there will be a new procurement process that vendors could submit their proposals. OCA will share more information when it becomes available. David Wortman agreed and explained it is a very large project.

Karen Lusson asked for confirmation that each agency can see via LIHEAP.net whether their clients are enrolled with an alternative supplier. Leslie Ann said there is a report available that tells at the point of the LIHEAP application when a customer has an alternative supplier. She emphasized that the customer could have changed the next or the same day, but the data will be based on the application date.

Joan Howard asked if other agencies outside of the Ameren service area are also able to see what the customers are paying. It was said these LAAs can only see what is on the customer bill and no other utility has a portal like Ameren. Aimee English asked what the percentage of customers is with alternative suppliers. Maria said OCA has not analyzed the data yet because it is a new process implemented in PY19 and we need to wait until the end of the program year in order to have one year of data.

Leslie Ann stated that for the next PAC meeting OCA is planning to provide this report. It was agreed that low-income customers are targeted by these alternative suppliers that in some cases offer a higher energy price.

Other Business

No other business was discussed.

Meeting Schedule

The next quarterly meeting dates are: July 25 and October 24

Adjournment

The meeting was adjourned at 1:18pm.