



Illinois Department of Commerce

& Economic Opportunity

OFFICE OF ENERGY ASSISTANCE

Bruce Rauner, Governor

Percentage of Income Payment Program (PIPP) Steering Committee Minutes of Meeting Held on January 5, 2017 10:00 a.m. – 12:00 p.m.

Attendance in Chicago

Members: *Nancy Kane-Richards, Community Contacts; Jennifer Schmidt, CEDA*

Guests: *Ellen Rendos, Nicor Gas*

DCEO Staff: *Maria Gallardo, Cassandra Vaughn*

Attendance in Springfield

Members: *Mindy Browning, ERBA; Robin Cromer, Madison County; Leslie DeVore, Department of Commerce and Economic Opportunity (DCEO); Lauren Pashayan, Land of Lincoln Legal Assistance; Dalitso Sulamoyo, Illinois Association of Community Action Agencies (IACAA)*

DCEO Staff: *Patty Hughes, Leslie Ann Lesko*

Attendance via Conference Telephone

Members: *Melanie Brown, Ameren Illinois; Cherise Conley, Commonwealth Edison; Aimee English, Citizens Utility Board; Jennifer Fenske, Nicor Gas; Joan Howard, Illinois Commerce Commission; Jim Monk, Illinois Energy Association; Ashley Piwowarczyk, DuPage County Department of Community Services; Martha Strawser, Rockford Human Services; Kathy Walk, CEFS;*

Guests: *Chris Brinkman, Commonwealth Edison; Deborah Bursey, Ameren Illinois; Philip Gentry, Illinois Association of Community Action Agencies (IACAA); Karen Lusson, Attorney General's Office; Michelle Machay, Peoples Gas/North Shore Gas; Anthony White, Ameren Illinois*

Call to Order

Leslie DeVore called the meeting to order. Leslie announced that the Office of Energy Assistance has hired an Assistant Deputy Director, Donna Cain. Donna will be headquartered in Chicago and will start on February 16, 2017. Also, the Office of Energy Assistance (OEA) will become the Office of Community Assistance (OCA) within the next month.

Approval of Minutes

Melanie Brown made a motion that the October 12, 2016 minutes be accepted with the correction to the spelling of Maria Montemayor's name. Mindy Browning seconded the motion. A vote was taken, motion carried.

PIPP Discussion Items

PIPP was restored in program year 2017 on September 1. The program has obligated \$20,386,238 on behalf of 28,364 clients. There are approximately 1,400 clients with missed payments statewide, from October to present, and the agencies are working with them. 433 clients have been dropped since September 1. 39 were client elected drops, and 394 were dropped by the LAAs. The drops are by application and by utility or energy source. Per the business rules, the PIPP enrollment ended on December 31, 2016. The agencies are finishing up the applications that they took before the December 31, 2016 deadline. There was a question whether funding was available at the agencies for moves. Maria Gallardo explained that it was on an agency by agency basis. Some agencies left a little money to cover moves, while others might only be able to cover moves based on PIPP clients that drop. Per the PIPP Program Manual, re-enrollment of moves is subject to the agency's funding availability.

Maria Gallardo talked about the analysis of Nicor and Peoples Gas PIPP clients that are receiving little to no PIPP benefit. Maria distributed a sampling of ten accounts for each utility and those same accounts from program year 2015. The information was pulled from STARS to see what the secondary accounts were for these clients. It appears that while most of clients weren't receiving a primary PIPP benefit, their secondary PIPP benefit and their Arrearage Reduction Program (ARP) benefit totals more than they would receive in a primary and secondary Direct Vendor Payment (DVP). There were two Nicor clients that their combined primary and secondary DVP were more than their secondary PIPP, but they still wanted to participate in the PIPP program. Peoples Gas had four clients that had lower secondary PIPP benefits than their combined DVPs, but in spite of that those clients wanted to participate in PIPP. Ellen Rendos said that out of the 5,449 Nicor customers that are on PIPP, 1,014 aren't receiving a benefit. Ellen believes that we need better client education since there was no PIPP in program year 2016 and the new staff at the LAAs aren't very familiar with PIPP. Nicor receives a lot of calls where the customer is upset because they aren't receiving a Nicor benefit. Nancy Kane-Richards said she calls clients when there is a large discrepancy to try to make sure they understand that they are getting little to no Nicor benefit, and most of the time they are so focused on the large ComEd bill that they haven't paid attention to the Nicor portion. Sometimes they decide to change to a DVP and other times they want to remain on PIPP. Nancy thinks that those clients still believe they will receive a benefit on the Nicor side even though it has been explained to them that they won't. There was discussion that a curriculum needs to be put together that will be short and easily understandable to help intake workers educate clients on the PIPP program. That will be tasked to the Consumer Education Sub Committee. There also needs to be a more detailed analysis of the data on the program. Leslie DeVore said that the Office is aware of the need but we don't currently have the staff to run the reports and analyze the data.

Maria Gallardo discussed PIPP pledge rejects. A small percentage of clients had exceeded the \$1800 annual cap when the program year 2015 data was analyzed. OEA developed a plan that would check the pledges that the utilities send both monthly and annually. The plan is that PIPP will check pledges received per month for all vendors, at both primary and secondary caps, if the pledge is found to be over the monthly limit for that vendor then PIPP will reject that pledge. The same process will be done on an annual basis to limit the maximum annual benefit amount. The utilities have been working with Capital Strategies to test the process. The plan is to go live on February 20, 2017. OEA is working on a way to display the information to the LAAs so that they are aware when there is a PIPP pledge reject, so that the client can be made aware of what they need to do. OEA will work with the Consumer Education Committee to develop a script and a letter that can explain to the client what happened. Capital Strategies

has been working with OEA to develop webinars for both the utilities and the LAAs that would occur prior to the rollout, most likely the end of January. In the October meeting, Ben Moore had discussed that this situation would happen most at the end of the program year when a pledge would be received at the end of June but that pledge would correspond to July. The plan for those clients is to hold that pledge and release that register in July, which is a new fiscal year, so that the client won't be impacted. Ben had mentioned that this could also occur when clients move, but there isn't an easy system fix to make sure that doesn't happen.

OEA had asked the LAAs what PIPP refresher or process webinars would be helpful. The webinars that were requested are: Client Intervention; Transfers; Appeals; and the New PIPP Recertification and True-Up Refresher.

In 2015 OEA automated the PIPP Recertification Process so that the annual utility true-up happens at the same time as the PIPP recertification. The process had gone live in April of 2015 and had handled a couple hundred clients and then the program was suspended. So there is definitely a need for the refresher webinar. The first 60 day advance True-Up notices could be expected to start in April of 2017. OEA is looking to provide a webinar to the agencies in March so that they are refreshed on the process before it starts happening.

At the last meeting the discussion of the minimum PIPP benefit level versus the administration cost was left that OEA would look into some language to change the Energy Assistance Act. OEA was talking about this internally when Senate Bill SB2814 passed in December. It extends the LIHEAP supplemental fund to 2025 and it amends some of the PIPP section of the Act. One of the changes talks about a Supplemental Arrearage Reduction Program (SARP). It indicates that the utilities can implement a Supplemental Arrearage Reduction Program (SARP) to clients who are not eligible to become plan participants, but it also authorizes the utilities to continue to implement an ARP in the event that PIPP or LIHEAP are suspended due to lack of funding. Maria Gallardo believes those are the main changes to the Energy Assistance Act concerning PIPP. Dalitso Sulamoyo thought that the reason they included the new ARP language was so that if the State funding was suspended again, or funding runs out, that the utilities could still legally offer ARP to customers if they have funding available. Jim Monk said he intends to get the utility group together to analyze how SB2814 affects not only the program as a whole, but the utilities as well, before the bill becomes effective June of 2017. Jen Schmidt asked that the LAAs be kept apprised of what SB2814 means to the PIPP benefit level versus the administration costs so that at the next PIPP Steering Committee Meeting is not just informational on this topic.

Other Business

Maria Gallardo explained that the Consumer Education Sub Committee will be meeting to develop materials regarding the PIPP pledge reject. The hope is to provide better education to the LAAs, letters regarding the PIPP reject, and to develop a script so that all clients receive the same information. They are also going to work on a PIPP client education curriculum to better educate the clients about PIPP versus DVP, especially the possibility of no primary PIPP benefit and whether it would be more beneficial for them to receive DVPs. Maria asked if there were suggestions about other issues that the Consumer Education Sub Committee should address. Nancy Kane-Richards would like them to develop energy conservation information that the LAA could talk to the client about when they come in to True-Up for PIPP. Aimee English also talked about developing materials for both LAA staff and clients, which explain the client's ability to be on budget billing even if they couldn't be on PIPP. Maria talked about

having the meeting between now and the PAC meeting on January 19, 2017. Maria Gallardo will send an invite after checking video conference and member availability.

Meeting Schedule

The next meeting of the PIPP Steering Committee will be held on April 6, 2017 from 10:00 a.m. to 12:00 p.m.

Adjournment

A motion was made to adjourn. Motion was seconded. Motion carried.