



**Illinois  
Department of Commerce  
& Economic Opportunity**

Bruce Rauner, Governor

**Low Income Energy Assistance Policy Advisory Council  
Minutes of Meeting Held on March 19, 2015  
10:00 a.m. – 12:30 p.m.**

**Attendance in Chicago**

Members: *John Knox, Department of Commerce & Economic Opportunity (DCEO); Dave Lukowicz, Nicor Gas; Chris Wheat, City of Chicago*

Guests: *Kimberly Burdine, ComEd; Allen Cherry, Attorney General; Brian Glasgow, CEDA; Nancy Kane-Richards, Community Contacts; Shelby Montgomery, CEDA; Tom Opper, CEDA; Ellen Rendos, Nicor Gas; Jennifer Schmidt, CEDA; Roy Waller, CEDA*

Staff: *Maria Gallardo, DCEO*

**Attendance in Springfield**

Members:

Guests: *Mindy Browning, ERBA; Dan Manfredo, IACCA; Kathy Walk, CEFS*

Staff: *Dennis Gorss, DCEO; Janet Hawes-Davis, DCEO; Patty Hughes, DCEO; Marie McLean, DCEO; Ben Moore, DCEO; Amy Park, DCEO*

**Attendance via Conference Telephone**

Members: *Deborah Burse, Ameren; Christian Denes, City of Chicago; Joan Howard, Illinois Commerce Commission; Doc Mueller, Illinois Municipal Electric Agency; Kris White, Will County*

Guests: *Melanie Brown, Ameren; Latoya Butler, CEDA; Jennifer Fenske, Nicor Gas; Michelle Machay, Peoples Gas/North Shore Gas; Jim Monk, Illinois Energy Association; Lauren Pashayan, Land of Lincoln Legal Assistance; Barbara Richardson, Legal Assistance Foundation of Metro. Chicago*

**Call to Order**

John Knox called the PAC meeting to order.

**Approval of Minutes**

Dave Lukowicz made a motion that the February 19, 2015 minutes be accepted as presented. Chris Wheat seconded the motion, motion carried.

## **Fiscal Report**

John Knox mentioned OEA has not received a decision or directive regarding Program Year 2016 State LIHEAP or PIPP funding. OEA will continue to prepare and plan for full funding from the Illinois Supplemental Fund and will work hard to keep the Governor's Office and the legislative process fully informed of both the mechanics of the PIPP and LIHEAP programs as well as the impact any changes in funding would have on the program and the low income households we serve.

Ben Moore covered the provided fiscal overview. OEA has about \$27.6 million out to the LAAs in Weatherization money. OEA is in the process of closing the DOE weatherization grants for FY '14 and modifying any remaining funds to FY '15. Ben hopes to get the modifications, with full administration funds, out to the LAAs soon so they have sufficient time to spend the money.

In LIHEAP there is about \$230 million out to the LAAs and about \$219 has been expended, leaving about \$10.4 available. It looks like this will be the first time in many years that there will be unserved clients. CEDA has had to quit taking applications, and OEA is monitoring the rest of the State to see how they are doing.

## **Weatherization**

John Knox talked about the production numbers provided in the overview. The agencies are down to the last four or five months and production is healthy but there is still a lot to do as is the case at this time each year. As far as spending, OEA is at about 58% of the allocated grants.

John talked about the Quality Control Inspector (QCI) Certification requirement by DOE. The test is very rigorous and a lot of people are failing. John explained that it will be a challenge to meet this training requirement by July, 2015. In May and June OEA will need to look at ways to meet the requirement, possibly sharing certified employees or contracting out. The U of I is looking at ways to help people prepare to retake the written test.

This past month OEA held a roundtable that ICAA helped facilitate. It was held in Rosemont, in conjunction with a Weatherization Conference sponsored by Wisconsin Energy. The roundtable covered what is currently happening with the program and answered technical questions for agency personnel.

OEA has received approval from Director Schultz to move ahead with the RFP to replace the current WeatherWorks system with a management and energy audit system for the Illinois Home Weatherization Assistance Program.

## **LIHEAP/PIPP**

Maria Gallardo provided program updates on LIHEAP and PIPP, reviewing the information provided in the Program Status Summary.

Maria stated that LIHEAP has spent \$148.1 million on behalf of 264,803 households.

Maria stated that there are 55,863 households receiving PIPP benefits. The average annual PIPP benefit in FY15 is \$1,106 as opposed to \$904 in FY14.

The new PIPP Recertification and True-Up process was deployed in STARS on February 15, 2015. We are currently receiving the 60 day advance true-up notices from the utilities in STARS. The first recertification and true-ups should start by mid-April. OEA is currently drafting a procedure letter to the LAAs answering questions that came up during the webinars offered to the LAAs related to the new PIPP Recertification and True-Up process. OEA's hope is to get that out to the agencies by next week. Also, a letter has been drafted to PIPP clients letting them know the recertification process is going to change and to look for more information from their local agency. However, the letter hasn't been sent until OEA finishes the PIPP drop list so that clients won't get a letter telling them to come in at a later date for their true-up and then a letter dropping them from the PIPP program.

Maria talked about propane. There has been a drop in propane applications from this time last year by 18%. It seems that the prices have remained steady so far and there doesn't seem to be a transportation issue. It was discussed that it would be helpful to offer the benefit during the summer months when the prices are lower. Maria explained that when the discussion came up last year, the LAAs mentioned that if a cooling program was offered they would be busy with that program and that most of their propane clients were elderly or disabled so they would be served in September. There was discussion about ways to get the lower rate without being able to pay for it until the program starts in September. It was also brought up that we need to continue this discussion before there is a crisis and OEA has to deal with it.

The 2015 Annual Energy Assistance Conference will be held this year in Springfield from June 9-11. More information will be forthcoming at a later date.

John discussed how the process was going regarding the PIPP drops due to funding limitations in FY16. Much discussion followed regarding how OEA got into this position to begin with. John explained how OEA came to the decision that the last clients enrolled in PIPP would be the first to be dropped. He also explained that it was more equitable to sort the list by number of benefits provided rather than enrollment date, so that was how it was done. There are about 1,018 clients on the list in the Ameren territory, 7,400 in Peoples Gas and 5 in Nicor. There was extensive discussion about the problems with allowing ComEd customers to remain on the PIPP and then giving them a DVP for the other utility. It was asked if we did this in PY16 would it be offered that way going forward. It was suggested that this would be a trial period using this as an option to lower the impact to the clients. There was extensive discussion on who could appeal, and how the appeal process would work. Discussion followed about the client letter, what needed to be added, and how we can't add too much without confusing the clients any further. Anyone who has suggestions about Legal Services contact information or other information for the letter is to email those to Maria by tomorrow close of business. Once all the decisions have been made and the final letter is ready, it will be sent along with the final drop list to everyone.

### **New Business**

John Knox discussed the problems OEA faces with starting the LIHEAP program in September. OEA receives the new LIHEAP federal award from HHS on October 1st, but doesn't usually

receive the funds until mid-November. OEA would normally use the carry-over money to start the program, but as was previously discussed, those funds won't be available. Given this shortage of funds to start the 2016 program, the most obvious solution to this problem is to move the start of the 2016 program from September 1<sup>st</sup> to October 1<sup>st</sup> to coincide with the beginning of the 2016 federal LIHEAP funding from HHS. DCEO must seriously consider this option unless the carryover money in the State LIHEAP fund becomes available for use to start the 2016 program in September. Another possibility is moving the priority period back a month or having shorter priority periods. Since OEA will have less LIHEAP funds available, there is a need to look at the benefit matrix and discuss what changes need to be made. OEA currently serves households that are 150% of poverty. HHS rules allow OEA to move to 60% of state median income or 150% of the poverty guidelines, whichever is less. OEA needs to do an analysis and see if that would save funds. It was suggested that OEA review the need for priority periods for certain groups. Maria explained that two program years ago, OEA made changes to the LIHEAP benefit matrix in response to the increased cost in energy bills. OEA raised the electric benefit by 33%, lowered the gas benefit by 10% and increased propane/fuel oil benefits to be the same amount as a natural gas household would be receiving. Maria explained that with staff reductions OEA currently doesn't have the ability to review all the necessary/complex information that should be considered when changing the benefit matrix. It was discussed that the finalized annual report will help with all of the information gathering and analysis. Ben asked that between now and the next PAC meeting that everyone considers what ideas would be the most practical and have the least impact on clients.

Dave Lukowicz announced his retirement from Nicor Gas after working there for 35 years. He thanked the Council for the opportunity to serve for the 18 years that he has, and for the remarkable work that's been done. He introduced his successor on the Council, Ellen Rendos.

### **Meeting Schedule**

The next meeting of the PAC will be April 16, 2015.