

### **Attachment 3**

## **Laclede Experimental Low-Income Energy Assistance Program (LELIEAP)**

**Goal – To assist low-income/disabled customers maintain consistent gas utility service by sustaining bill payments on an annual basis, in an effort to break the on and off cycle that may cause accumulating/rolling debt arrearage.**

#### **Objectives:**

- Leverage payments between utility, Community Action Agency (CAA) and customer
- Minimize impact of income on all aspects of payment performance
- Improve consistent bill payments with customers remaining on the system
- Interrupt the arrears-to-disconnect cycle by assisting customers who fall into payment trouble
- Improve capacity of existing bill payment processes to be effective for all customers
- Determine the overall impact of a low-income program on all ratepayers, i.e., reduced un-collectibles, lower collection costs, savings on recurring reconnection cost, and reduced late fee collections
- Determine if the program's discount levels make service affordable.

#### **Goal Measurements (to be collected monthly by Laclede and/or the CAA and reported quarterly to the Review/Evaluation Team):**

1. Total number of residential customers
2. Total number of residential customers in the program
3. Total number of residential customers in each program income range
4. For residential customers in the program, provide the total number of: (a) elderly, (b) disabled and (c) low-income residents with children in the home under 5 years of age and the total number of individuals within the household
5. For individual residential customers in the program, provide per month the total bill amount, late fees, payments, number of disconnects, reconnects, number of customer notices identified by date, other written contacts, and amounts written-off as un-collectible for 12 months pre-program and throughout life of the program, regardless if the customer remains on the program.
6. Total number of participants at the start, during and at the end of the program
7. Each participants beginning and ending arrearage amount
8. Amount of funds contributed by Laclede.
9. Total Number of customers turned off or disconnected due to nonpayment
  - a. Number of notices provided to participants prior to disconnection
  - b. Number of payment arrangements made prior to disconnection
10. Individual customer usage in the 12 months before the program start and individual customer usage throughout the life of the program from program beginning
11. Pre- and post-grants and self payments by individual program participants
12. Number of participants who remain on utility system after program participation

13. Number of sustained bill payments-seasonal
14. Number of sustained bill payments on an annual basis
15. Number of heating degree days for entire program cycle
16. Energy-saving measures implemented (housing stock improvements, programmable thermostat, thermal window coverings, weather stripping, energy efficient appliance changes, etc.)
17. Number of participants who are renters versus homeowners

**Program Evaluation:**

- Does the program change individual customer behavior?
- Does the program identify a relationship between weather influences, housing stock and usage?
- Does the program identify a group(s) of customer who benefited most?
- Does the program demonstrate a substantial benefit to leveraging assistance dollars?
- Does the program demonstrate a savings to all utility company customers? Has bad debt declined? Has Company reduced disconnects? Has Company collections decreased?
- Does the program demonstrate a savings to the utility?
- Do payment arrangements decrease?
- By each Federal Poverty Level (FPL) or range, are customers able to pay their utility bill with the assistance of the leveraged dollars, and does that translate to a decrease in the costs of collection activities?
  - What is that decrease in costs?
  - What is the benefit/cost ratio for this program?

**Voting Members:** Laclede Gas Company  
Staff  
Office of the Public Counsel  
Any other Stipulation Signatories who wish to participate

**Program Evaluation: Independent Third Party**

**Program Review and Evaluation Team:** Laclede Gas Company  
Community Action Agency  
Missouri Public Service Commission Staff  
Office of the Public Counsel  
Department of Family Support

**Note: Meetings will be open meetings with 24 hour notice to the public**

**Program Administrators:** Laclede & CAA

## **LELIEAP Program Description:**

### **Program Life – Three (3) years or As Directed by the Commission**

Any participant from the previous low-income program will be allowed to participate in this program.

Any participant in the program shall be allowed to default once and remain on the program once they make-up the defaulted amount difference.

**Intent for equity– The number of participants and program dollars should be spread proportionally among the various FPL ranges for review, should any necessary changes or revisions be required for study purposes during the life of the program.**

#### **1. Arrearage Repayment Incentive:**

1. Participants will make a flat rate up-front payment
2. 0-50 % FPL - \$ 25.00
3. 51%-99% FPL - \$ 35.00
4. 100%-125% FPL - \$ 55.00
5. 126%-185% FPL or above where applicable and identified by CAA through documentation available for review by the Review Team - \$ 65.00
6. Dollar for dollar matching until arrears is paid in full
7. Program requires participants to be placed on budget billing with the option to opt out of set budget billing provided customer is willing to pay current bill amounts plus any additional amount which will be matched by program funds. Arrearage is to be spread over a 24 month period with at least a minimum payment amount of \$5.00 per month.
8. Existing customer on the previous program will be transferred to this program transparently and for customers who were dropped previously, they will be reinstated into this program.

#### **2. Bill Credit:**

1. Bill credits are to be applied monthly to the customer's bill for 24 months after the customer enters the program.
2. Bill credit amounts:
  - i. 0-50% FPL - \$60.00
  - ii. 51% - 99% FPL - \$40.00
  - iii. 100%-125% FPL - \$30.00
  - iv. 126%-185% FPL or above where applicable and identified by CAA and documented, bill credits of \$10.00 should apply.

### **3. LIHEAP (ECIP) Grants:**

1. For participants of this program who are eligible for ECIP funds, ECIP funds shall not be matched under the Arrearage Repayment Incentive component of this experimental program.
2. No credit refunds are to be issued by the Company to a participant enrolled in the arrearage forgiveness or bill credit component of the program for the life of the program period.

### **4. Administration and goal measurements:**

1. CAA must obtain a signed release from participants to allow the sharing their customer specific account information to the Review/Evaluation team
2. Company will provide on-site staff to work with the CAA, to verify eligibility and arrange program participation, as well as, provide real-time customer status.
3. Company will develop a program that will track participants account by listing consumption per month, payments, arrearage balance if applicable, current account balance, and pledged/leveraged dollars (i.e. LIHEAP or private funds).
4. Program measurements will be provided every three months one week prior to the quarterly meeting to the Staff, OPC, DFS and any other interested parties to this case, in summary form (in attached format) with backup data provided upon request.