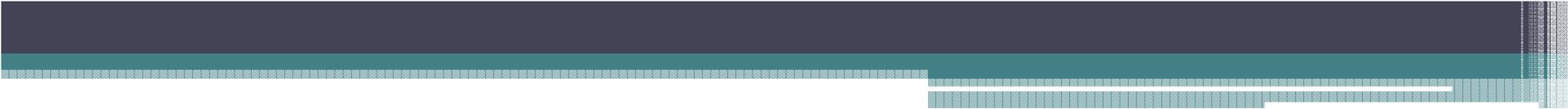


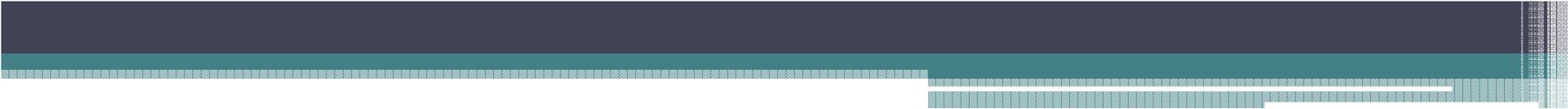
# Developing Partnerships to Measure Performance:

Strategies from State  
Low Income Home  
Energy Assistance  
Programs (LIHEAP)



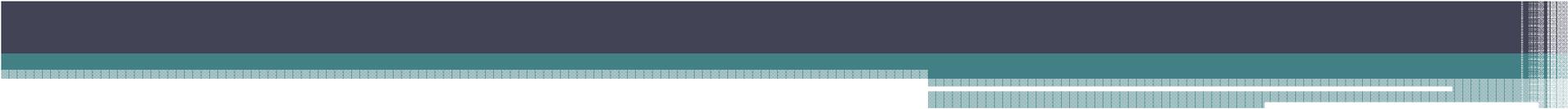
# Panel

- Ms. Leslie Lee, *Moderator* – Delaware  
Department of Health and Social Services
- Ms. Janet Cesner, *Panelist* – Ohio Department  
of Development
- Mr. Akm Rahman, *Panelist* – Massachusetts  
Department of Housing and Community  
Development
- Mr. Richard Moffi, *Panelist* – Vermont  
Department for Children and Families



# Objective

- Provide best practices for developing partnerships to collect data.
- Discuss partnerships with regulated and unregulated vendors.
- Answer questions; please hold them until the end.
- Complete session survey.



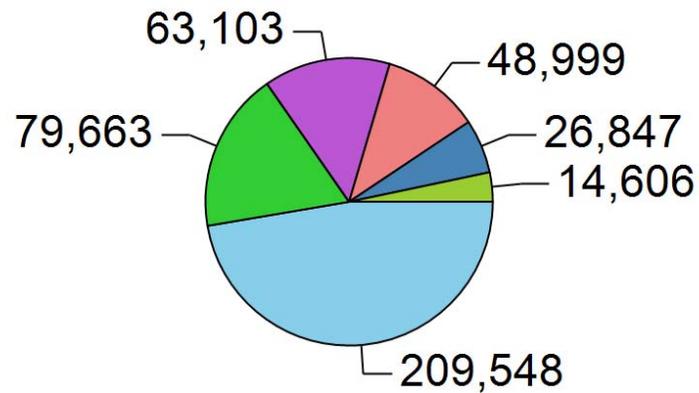
# Introduction

- Pressure exists to evaluate performance and demonstrate the impact of LIHEAP services and resources.
- HHS work group is developing recommendations for implementing LIHEAP performance measures .
- Partnerships with stakeholders is vital for collecting household data.

# Regulated Vendors: Ohio

# Program Overview

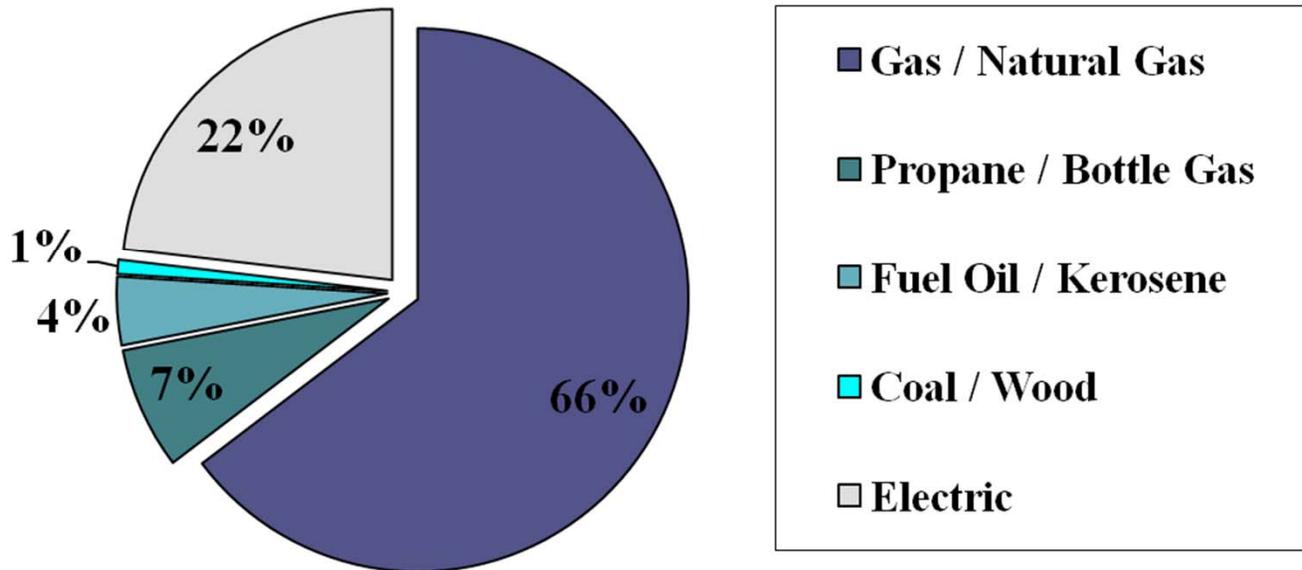
**Regular HEAP Poverty Ratio Breakdown**

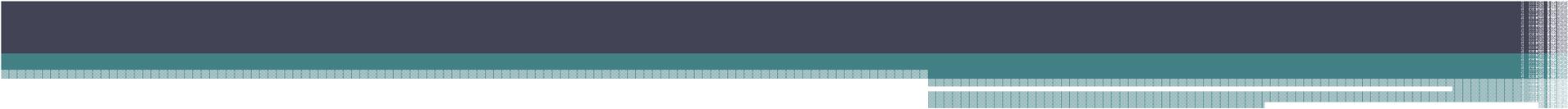


- 1- Below 75%
- 2- 75% to 100%
- 3- 101% to 125%
- 4- 126% to 150%
- 5- 151% to 175%
- 6- 176% to 200%

# Program Overview (Continued)

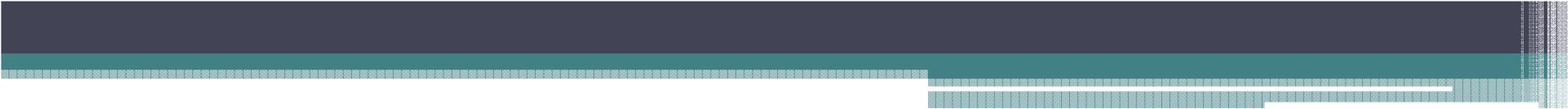
**Ohio LIHEAP Summary by Fuel Type**





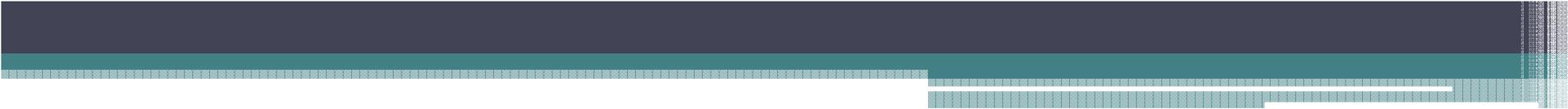
## Program Overview (Continued)

- Ohio Community and Energy Assistance Network (OCEAN)--a centralized web-based data collection system.
- Mail-in applications are accepted and keyed into OCEAN.
- Grants provided to 52 local designated agencies to administer LIHEAP Crisis Program.



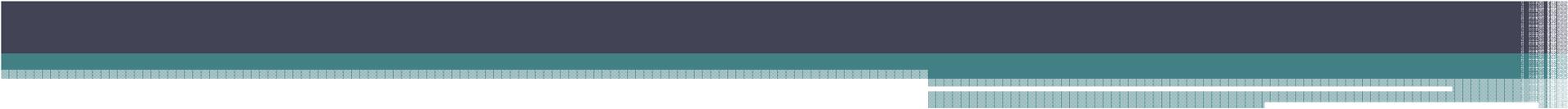
## Program Overview (Continued)

- Local agencies access OCEAN for processing:
  - LIHEAP Subsidy and Crisis applications
  - Percentage of Income Payment Plan (PIPP) enrollments and re-verifications for customers of regulated utilities.
- Since 1983, state office and local agencies have acquired much of the customer service work for PIPP.



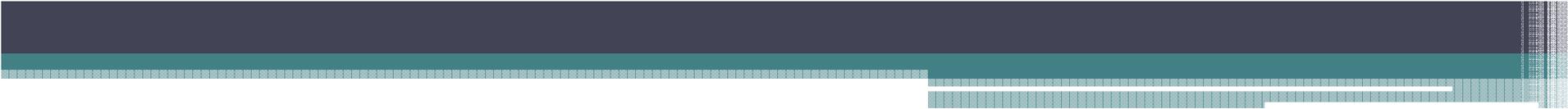
## Program Overview (Continued)

- LIHEAP is integrated with PIPP in OCEAN.
- November 1, 2010, PIPP became PIPP Plus, which includes
  - Arrearage crediting component
  - New reporting requirements for companies
  - New responsibilities for state office/local agencies.



# Partnerships

- Local LIHEAP Agencies
- Public Utilities Commission of Ohio (PUCO)
- Regulated Utility Companies



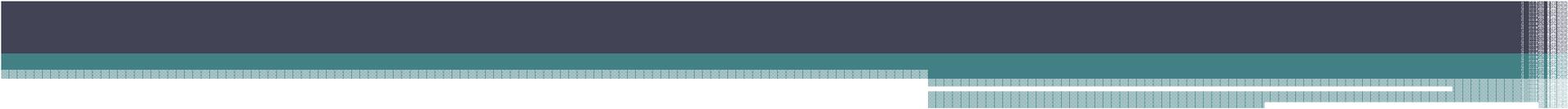
# Motivating Factors

- New data requirements
  - PIPP Plus rules required electric companies to provide customer level data to get reimbursed.
  - Public Utilities Commission of Ohio required regulated gas companies to provide data.
  - Provision in the file layout required the inclusion of data from clients receiving a LIHEAP benefit within the past 12 months.



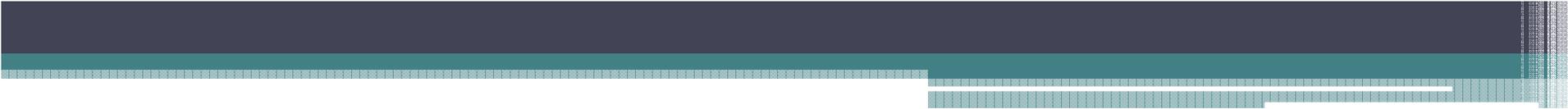
# Strategies

- **Held collaborative meetings** with PUCO staff during the development stage of the PIPP Plus rules.
- **Aligned, whenever possible**, the Electric PIPP rules and the Gas PIPP rules.
- **Sought input** of local agency staff, regulated utilities and low-income customers, and advocates.



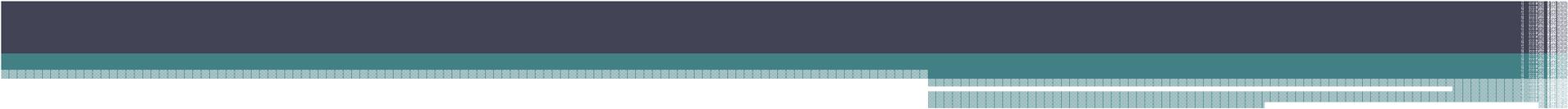
## Strategies (continued)

- **Met regularly with utilities** involved to answer questions regarding interpretation and implementation of new rules and data requirements.
- **Allotted time for developing and testing** system updates and new file structures by state office and regulated utilities.



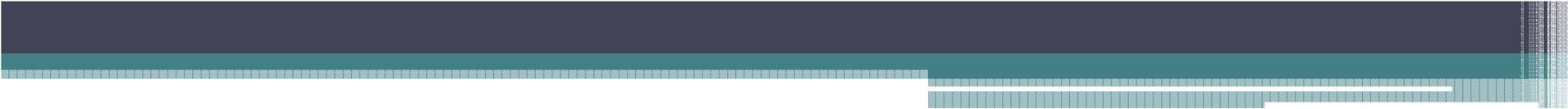
# Benefits

- **More detailed data** on customers' accounts and accurate feedback on outcome of transactions through OCEAN.
- **Verification** of LIHEAP crisis benefit and PIPP Plus enrollment.
- **Correction and resubmission** of rejected data.
- **Notification and tracking** of enrollment and activities related to bill payment and arrearage crediting.



## Caveats

- Implementation glitches and reporting issues with some regulated utilities.
- Data not currently collected on LIHEAP clients who are customers of non-regulated utilities (i.e. municipally-owned and co-ops) or bulk fuel vendors (however over 75% of Ohio's LIHEAP clients are customers of regulated utilities)



# Best Practices

- **Creating an information exchange** with utility companies participating in PIPP Plus. Monthly, through the Customer Information file, utilities supply information about a client's payment and utility usage (examples follow).

# Best Practices (Continued)

## Electric Billing and Usage Information

Close

### Latest Electric Billing Information

**Current Utility:** American Electric Power /Ohio Power **Bill Due Date:** 1/21/2011  
**Current Account Number:** 00000000001 **Number of months since last payment:**  
**Account Balance:** \$6,414.15 **Installment Balance:**  
**Average Bill:** \$0.00 **Last Reverification:** 11/3/2010 **14 Day Disconnect Notice:** N

Close

### Latest Electric Usage Details

**Current Utility:** American Electric Power /Ohio Power  
**Current Account Number:** 00000000001  
**Last 12 Months Usage (kWh):** 13,851.00 **Average Monthly Usage (kWh):** .00 **Calendar Year Usage (kWh):** 18,804.00

# Best Practices (Continued)

## Historical Electric Billing Information

| Close  |         |                             |                                     |  |                  |                       |                  |
|--|---------|-----------------------------|-------------------------------------|--|------------------|-----------------------|------------------|
| Historical Electric Billing Information              |         |                             |                                     |  |                  |                       |                  |
|  | Month   | Year                        | Utility                             | Bill Amount                            | Customer Payment | PIPP Plus Installment | Arrearage Credit |
|  |         | <input type="text"/>        | <input type="text"/>                |  |                  |                       |                  |
| ▼  | October | 2010                        | American Electric Power /Ohio Power | \$0.00                                 | \$0.00           |                       | \$0.00           |
| Billing Information Detail                           |         |                             |                                     |  |                  |                       |                  |
| Current Utility: American Electric Power /Ohio Power |         |                             |                                     | Processed Date: 10/11/2010             |                  |                       |                  |
| Account Number: 00000000001                          |         |                             |                                     |  |                  |                       |                  |
| Customer Payment: \$0.00                             |         | Bill Amount: \$0.00         |                                     | Bill Amount Paid by PIPP Plus: \$0.00  |                  |                       |                  |
| Other Payment: \$0.00                                |         | Medical Certification: True |                                     | Debt Credit Applied: \$0.00            |                  |                       |                  |
| Crisis Benefit: \$0.00                               |         | Account Adjustment: \$0.00  |                                     | Arrearage Credit Adjustment: \$0.00    |                  |                       |                  |
| PIPP Plus Installment:                               |         | Account Adjustment: NA      |                                     | Arrearage Credit Adjustment Reason: NA |                  |                       |                  |
| Cumulative Arrearage: \$6,414.15                     |         |                             |                                     | Intent Amount:                         |                  |                       |                  |

# Best Practices (Continued)

## Historical Electric Usage Information

| Close  |         |                      |                                     |             |                     |
|--|---------|----------------------|-------------------------------------|-------------|---------------------|
| Historical Electric Usage Information  |         |                      |                                     |             |                     |
|  | Month   | Year                 | Utility                             | Bill Amount | Monthly Usage (kWh) |
|  |         | <input type="text"/> | <input type="text"/>                |             |                     |
| ▼  | October | 2010                 | American Electric Power /Ohio Power | \$0.00      | 00                  |
| Usage Information  |         |                      |                                     |             |                     |
| Current Utility: American Electric Power /Ohio Power    Processed Date: 10/11/2010 |         |                      |                                     |             |                     |
| Account Number: 000000000001    Bill Amount: \$0.00                                |         |                      |                                     |             |                     |
| Monthly Usage (kWh): 00    Service Terminated: False    Read Date:                 |         |                      |                                     |             |                     |
| Heat Type: Natural Gas    Termination Reason: N/A    Read Indicator: N/A           |         |                      |                                     |             |                     |

# Best Practices (Continued)

## Gas Billing and Usage Information

|  |   |
|--|---|
| Close                                      |   |
| <b>Latest Gas Billing Information</b>      |   |
| <b>Current Utility:</b> Columbia Gas       | <b>Bill Due Date:</b> 1/21/2011             |
| <b>Current Account Number:</b> 00000000001 | <b>Number of months since last payment:</b> |
| <b>Account Balance:</b> \$6,414.15         | <b>Installment Balance:</b>                 |
| <b>Average Bill:</b> \$0.00                | <b>Last Reverification:</b> 11/3/2010       |
| <b>14 Day Disconnect Notice:</b> N         |   |
| Close                                      |   |
| <b>Latest Gas Usage Details</b>            |   |
| <b>Current Utility:</b> Columbia Gas       |   |
| <b>Current Account Number:</b> 00000000001 |   |
| <b>Last 12 Months Usage:</b> 13,851.00     |   |
| <b>Average Monthly Usage:</b> .00          |   |
| <b>Calendar Year Usage:</b> 18,804.00      |   |

# Best Practices (Continued)

## Historical Gas Billing Information

| Close                              |         |                             |                      |  |                  |                       |                  |
|------------------------------------|---------|-----------------------------|----------------------|--|------------------|-----------------------|------------------|
| Historical Gas Billing Information |         |                             |                      |  |                  |                       |                  |
|                                    | Month   | Year                        | Utility              | Bill Amount                            | Customer Payment | PIPP Plus Installment | Arrearage Credit |
|                                    |         | <input type="text"/>        | <input type="text"/> |  |                  |                       |                  |
| ▼                                  | October | 2010                        | Columbia Gas         | \$0.00                                 | \$0.00           |                       | \$0.00           |
| Billing Information Detail         |         |                             |                      |  |                  |                       |                  |
| Current Utility: Columbia Gas      |         |                             |                      | Processed Date: 10/11/2010             |                  |                       |                  |
| Account Number: 0000000001         |         |                             |                      |  |                  |                       |                  |
| Customer Payment: \$0.00           |         | Bill Amount: \$0.00         |                      | Bill Amount Paid by PIPP Plus: \$0.00  |                  |                       |                  |
| Other Payment: \$0.00              |         | Medical Certification: True |                      | Debt Credit Applied: \$0.00            |                  |                       |                  |
| Crisis Benefit: \$0.00             |         | Account Adjustment: \$0.00  |                      | Arrearage Credit Adjustment: \$0.00    |                  |                       |                  |
| PIPP Plus Installment:             |         | Account Adjustment: NA      |                      | Arrearage Credit Adjustment Reason: NA |                  |                       |                  |
| Cumulative Arrearage: \$6,414.15   |         | Intent Amount:              |                      |  |                  |                       |                  |

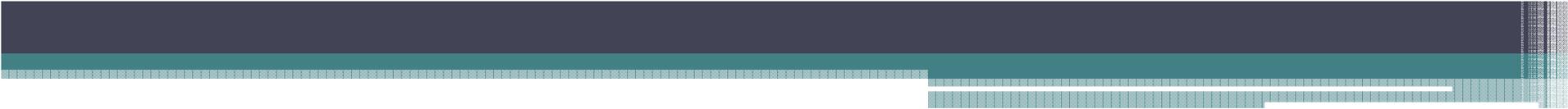
# Best Practices (Continued)

## Historical Gas Usage Information

| Close                            |         |                           |                            |                     |               |
|----------------------------------|---------|---------------------------|----------------------------|---------------------|---------------|
| Historical Gas Usage Information |         |                           |                            |                     |               |
|                                  | Month   | Year                      | Utility                    | Bill Amount         | Monthly Usage |
|                                  |         | <input type="text"/>      | <input type="text"/>       |                     |               |
| ▼                                | October | 2010                      | Columbia Gas               | \$0.00              | 00            |
| Usage Information                |         |                           |                            |                     |               |
| Current Utility: Columbia Gas    |         |                           | Processed Date: 10/11/2010 |                     |               |
| Account Number: 00000000001      |         |                           | Bill Amount: \$0.00        |                     |               |
| Monthly Usage (kWh): 00          |         | Service Terminated: False |                            | Read Date:          |               |
| Heat Type: Natural Gas           |         | Termination Reason: N/A   |                            | Read Indicator: N/A |               |

# Regulated Vendors: Massachusetts



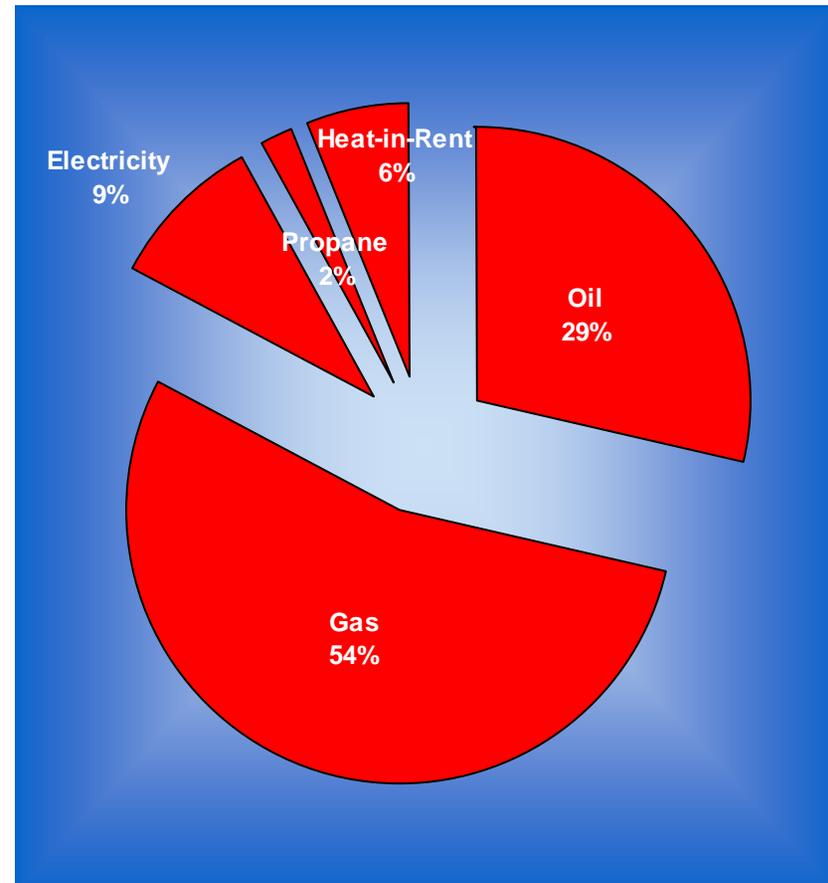


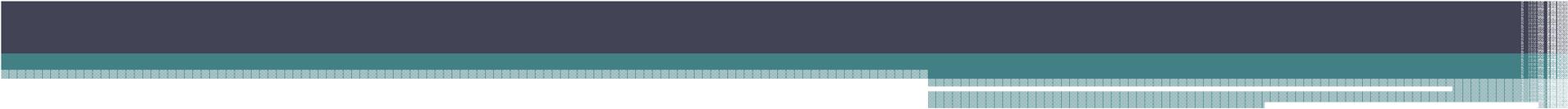
# Program Overview

- The MA LIHEAP serves about 200,000 households or 490,000 individuals – a 38% increase since 2008.
- The average household income is \$22,000 – 49% of the households are at/below 125% of FPL.
- A \$5 billion program helped raise the maximum benefit, change the income limit to 60% of SMI, and serve more clients.
- The maximum benefits in FY 2011 were – \$1,090 for deliverables and \$915 for utility clients.
- Volatile oil prices significantly increased energy burden of heating oil clients while prices for natural gas and electricity remained reasonably stable.

# Program Overview

- It is a highly decentralized program run by 21 non-profits and one City agency.
- There are major investor-owned and municipal utilities.
- Over \$92 million in LIHEAP funds were disbursed through utility companies in FY 2010.
- MA has a single application process for LIHEAP and energy efficiency, and utility discount programs.

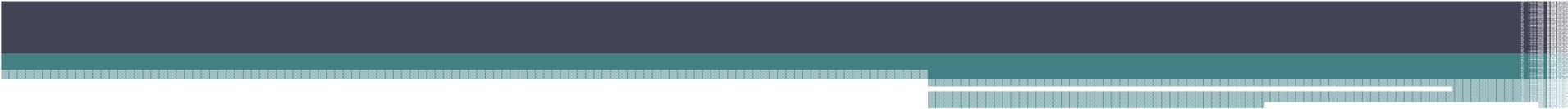




# Partnerships

MA LIHEAP partners with:

- The Arrearage Management Program (AMP) Best Practice Group;
- LIHEAP Advisory Group;
- Low-Income Energy Network;
- Energy Policy Advisory Group;
- Massachusetts Association for Community Action; and
- Many informal and ad-hoc committees.



# Motivating Factors - Partnership

## For DHCD

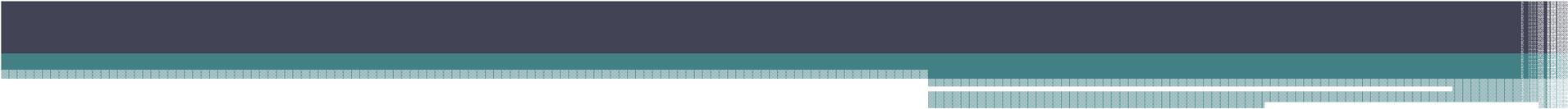
- Provides expertise.
- Brings local-level perspective to decision making process.
- Allows DHCD to maintain its data tracking, reporting, and accountability framework.

## For the Partners

- Helps leverage resources.
- Allows better advocacy on behalf of low-income households.
- Facilitates arrearage management, improved payments, and better utility services.
- Improves Energy Efficiency.

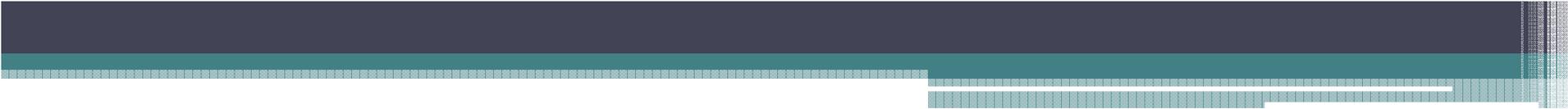
# Strategies

- It is a *win-win situation* for all – DHCD, LAAs, utility companies, and clients.
- LIHEAP is primarily a vendor pay program in MA – *you need the partners!*
- Cooperation within a regulatory framework – Department of Public Utilities, National Consumer Law Center, AMP group, and LAAs.
- Leveraging and REACH grants – many partnerships were formed during program implementation.



## Benefits (including Outcomes)

- Low-Income utility discount programs.
- Weatherization leveraged resources.
- Arrearage Management Programs (AMP) at all nine investor-owned utility companies.
- REACh grants not only created partnerships but also helped understand client conditions, payment behavior, & energy self-sufficiency issues.
- Tracking of LIHEAP household consumption data.



## Caveats - LIHEAP Performance Measures

- DHCD will need to maintain its current partnerships.
- Performance data will have to come from several different sources: clients, LAAs, utility companies, WAP agencies.
- Many measures are readily available.
- Performance data on disconnection notices, terminations, payment history, and reconnections will not be easy to collect.



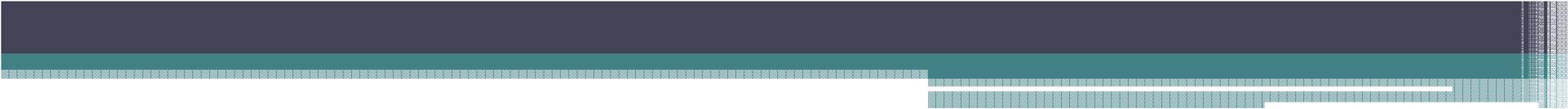
# Ongoing Lessons Learned

- Performance measurement is a major paradigm shift from “paying bills” to tracking performance.
- Will have to *build upon* past and current successes.
- Reliable software and electronic file transfer systems can enhance data collection.
- Various components of arrearage management, termination, and reconnection data will be key.

# Unregulated Vendors: Vermont

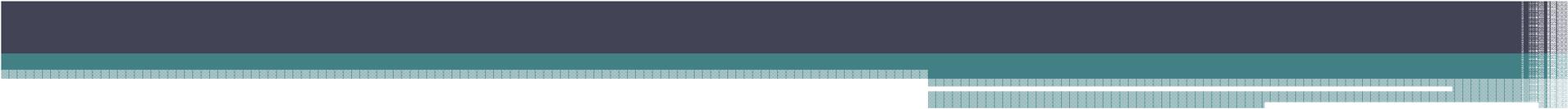
# Small is Beautiful

- ***Vermont:***
  - 622,000 people – 49<sup>th</sup> smallest
  - 9,249 sq. miles – 45<sup>th</sup> smallest
  - 200 oil, propane, kerosene dealers
  - 21 electric companies
  - 1 natural gas company
  - 17 downhill ski areas
  - 150,000 cows
  - 890,000 Gallons Maple Syrup (2010 leads the U.S.!!)



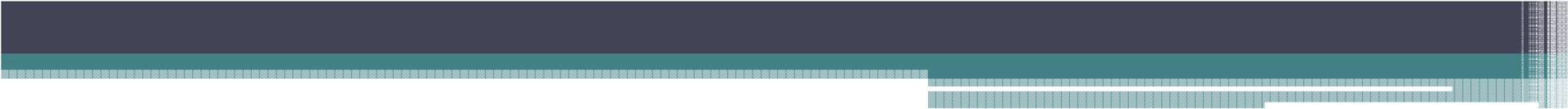
## Who Gets VT LIHEAP?

- Estimated **60,000** VT households are income eligible for VT LIHEAP
- In FFY 2011 ... **45,500** VT households received a LIHEAP benefit
- Over **75%** of VT's income eligible population receive a LIHEAP benefit



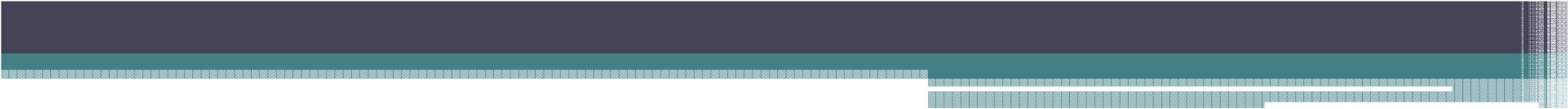
## How Does VT Reach 75%?

- Small is efficient
- 1 State Department – Children & Families
- 1 Fuel Office – in a dingy basement
- 1 Database – for LIHEAP, SNAP, TANF, Medicare and Medicaid eligibility
- Close working relationships with all our private, public and non-profit partners



# Awesome Partnerships

- 222 certified fuel dealers
  - 21 electric companies
  - 1 natural gas company
  - 200 oil, propane, kerosene dealers
- 5 Community Action Agencies
- 5 Area Agencies on Aging
- 1 advisory group required by statute

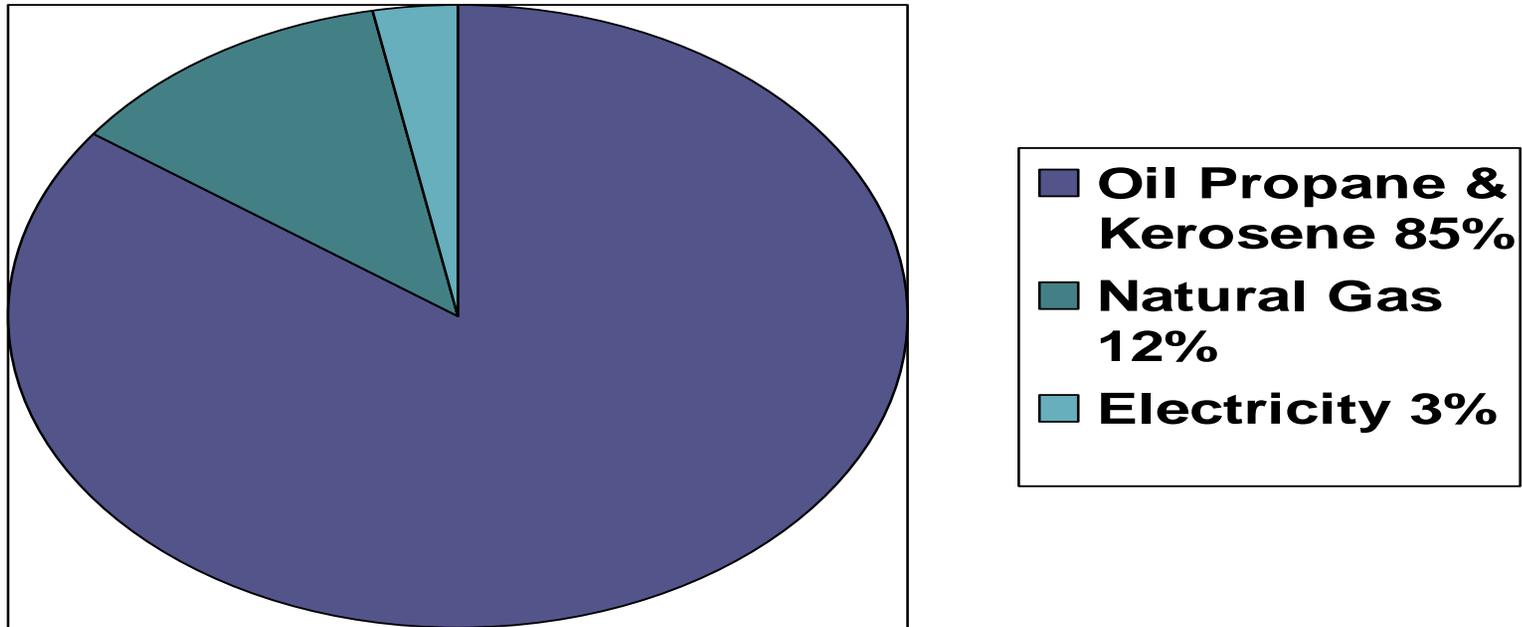


## Short VT LIHEAP History

- LIHEAP seasonal fuel assistance has always been in VT DCF
- LIHEAP crisis fuel assistance since 1996 by VT's five Community Action Agencies – provides one-stop assistance
- Fuel suppliers and utilities certified since 1996 to receive and manage client benefits

# Who Heats with What?

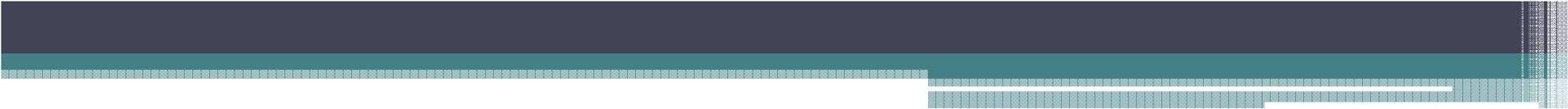
## Benefits Paid to Certified Fuel Suppliers



***What about Firewood and Pellets?!?!?***

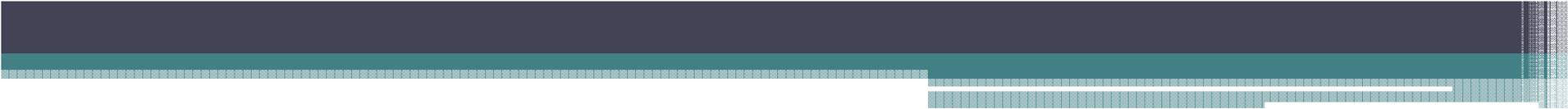
# Please Forgive Me?!?

- Firewood and Wood Pellets – VT loves wood heat!!!
- 250 certified wood dealers for 500 LIHEAP clients
- The Fuel Office was the ***firewood police***:
  - Dealer won't delivery my wood
  - Dealer won't return my calls – phone disconnected
  - Wood is short, long, green, punky, softwood, not a full cord
  - Dealer put wood in wrong place
  - Dealer has left town with my LIHEAP benefit
  - Dealer is dating my daughter
- 2010 VT no longer certifies wood dealers – benefits are paid directly to clients
  - Don't Be Afraid to Change a Part of Your Program That Doesn't Provide Excellent Customer Service



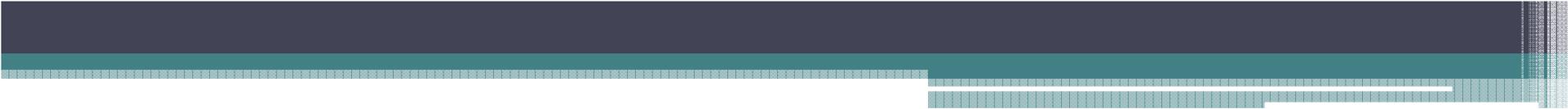
# Simple Should be Beautiful

- Since 1996 – VT has issued seasonal fuel benefits directly to client's fuel dealer
- Benefit funds are electronically deposited into dealer bank accounts
- Clients are notified that benefits were paid
- Clients make delivery arrangements with their dealer
- Dealers report use of benefits and refund unused funds in June



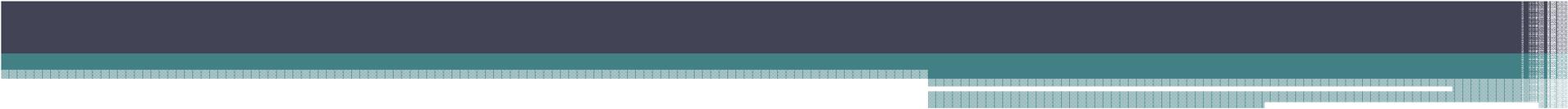
# Required from Vendors

- Certification agreement
- Discount agreement
- Accept EFT payment prior to delivery
- Complete end of season refund report:
  - Product units – 1 year consumption
  - Cost – 1 year consumption
  - Report discounts
  - Calculate LIHEAP benefit usage
  - Refund unused benefit
  - Do it all by ***hand-written entries*** on forms provided



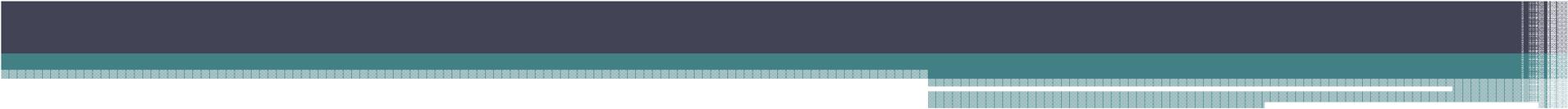
# VT LIHEAP is Open . . . . .

- Open for Business
- Open for Fraud
- Open for Abuse
- Open for Paper Overload
- Open for Errors



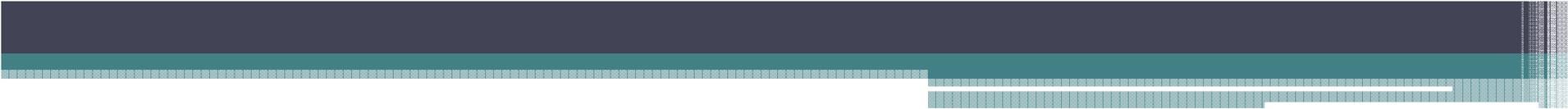
# Goal: Simplify & Improve the Secure Management of LIHEAP \$

- **Business Partners**
  - Benefit Recipients
  - Fuel Vendors
  - Advocates & Community Partners
  - Benefit Program Specialists
  - DCF Business Office
  - Vermont Legislature
  - HHS (Karmen, Leon, Katrina, Nick)



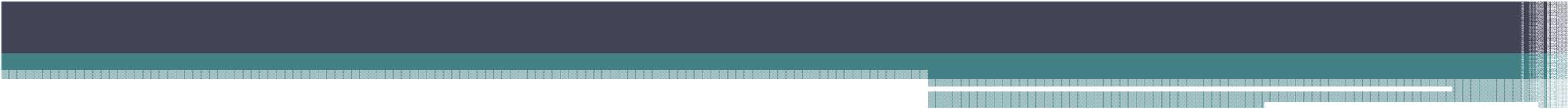
# Fuel Dealer Web Portal

- In FFY2009 – VT issued \$31+ million into private bank accounts of fuel dealers
- When the heating season ended ... dealers refunded \$4+ million in ***unused LIHEAP benefits***
- Securely issuing, transferring and accounting for LIHEAP benefit funds is the responsibility of the VT Fuel Office



## 3 Phase Implementation of Fuel Vendor Secure Web-Portal

- **Phase 1: FFY2011**  
State Statute Change  
Design/Development Collaboration with Fuel Dealers
- **Phase 2: FFY2012**  
Secure Data Exchange and Reporting
- **Phase 3: FFY2013**  
Secure Payment-After-Delivery



# Phase 1 - Statute

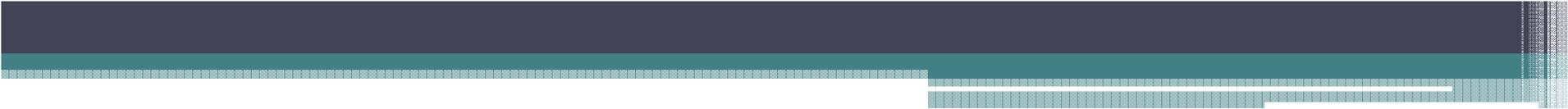
- Shine a spotlight on the system
  - Required dealer discount
  - One (really) bad apple
  - And a moldy loaf of bread
- Support from Business Office & Auditors
- DCF Proposal to Legislature
- A Level of Self-Denigration
- Support Those Who Stand to Lose
- Collaboration with Partners
  - Fuel Dealers
  - IT Teams
  - Business Office

## Phase 2 - Data

- Dealers receive program notices from Fuel Office via the web-portal
- Fuel Office posts clients' advance payments (in 2012) or line-of-credit (starting in FFY2013) to each dealer's web-portal account
- Dealers download benefit data and manipulate
- Fuel Office transfers client accounts
- Dealers report end-of-year benefit usage, consumption and refund amounts
- All paper documentation is eliminated

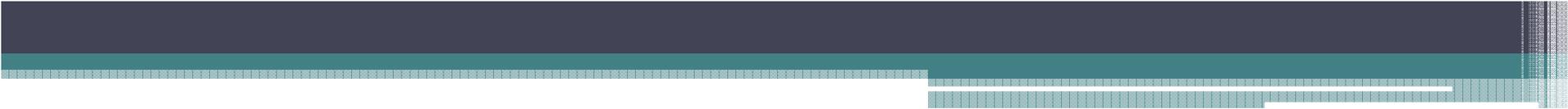
## Phase 3 - Payments

- A line-of-credit is posted for each client in the web-portal with their fuel dealer
- Dealers make deliveries and post required data consumption, cost, discount, etc
- Dealers post daily then hit “submit” by 11:59 p.m.
- System checks information accuracy – accepts or alerts
- Electronic Funds Transfer overnight to dealer’s bank
- Client consumption record is updated and line-of-credit is reduced by payment amount
- Money only moves to the dealer to pay for deliveries
- Refunds are no longer necessary
- Access to funds controlled by the Fuel Office



# Performance Measure Benefits

- Limited Financial Exposure
  - Dealer
  - Client
  - State
  - Federal
- Real Time Consumption and Benefit Balance
- Real Time Monitoring of Discount or Price
- Accessible/Manageable Client Data
  - by Dealer
  - by Fuel Office
- Reduced Administrative Burden
- Elimination of Refund Reports
- Elimination of Cash Refunds
- Weatherization Targeting



# Wx Partnership

- Requirement to accept Wx services
- Mountains of paper data available for annual consumption
- Secure data sharing between Fuel Office and 5 Wx Offices
- The web-portal will provide:
  - A sortable data base for Wx Offices to target services to highest consumption households

# What's Down the Road?

- With a ***web-portal*** for data exchange and payment-after-delivery ...
  - ***Vermont could-may-perhaps-might*** dramatically improve benefit targeting for:
    - Economic Need
    - Energy Burden Need
  - ***Vermont might-perhaps-may-could*** issue crisis fuel payments for Community Action Agencies

# Discussion

# Resources

- Ohio:  
<http://development.ohio.gov/Community/ocs/energyhelp.htm>
- Massachusetts:  
<http://www.massresources.org/pages.cfm?contentID=36&pageID=14&Subpages=yes>
- Vermont:  
[http://dcf.vermont.gov/esd/fuel\\_assistance](http://dcf.vermont.gov/esd/fuel_assistance)

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