

LEAP Emergency Financial Assistance

Report on 2018 Program Results

Report Outline

1. LEAP Program Overview and Results
2. Detailed Results for Electricity Distributors
3. Detailed Results for Natural Gas Distributors



The LEAP EFA Program

- The Low-Income Energy Assistance Program – Emergency Financial Assistance (LEAP) is a grant program intended to provide emergency financial relief to eligible low-income electricity and natural gas customers who are having difficulty paying their bills and are facing imminent disconnection.
- It is not a program to provide regular or ongoing bill payment assistance. The Ontario Electricity Support Program provides ongoing assistance for lower income electricity consumers.
- LEAP is funded by consumers through their distribution rates.
- Distributors contribute the greater of 0.12% of their total OEB-approved distribution revenue, or \$2,000.
 - Up to 15% of funding may be retained for social agency administration fees.
- Social agencies are responsible for screening customers for eligibility, as per criteria and guidelines in the *OESP & LEAP Program Manual*.
- Grants are a maximum of \$500 per fuel, per household, per calendar year or a maximum of \$600 for electrically heated homes.

Reporting Requirements

Licensed electricity and natural gas distributors are required to report to the OEB annually by April 30 for the previous calendar year the following information:

- Total Funds Available broken down by:
 - Distributor budget (the greater of 0.12% of distribution revenue or \$2,000)
 - Non-distributor funds (i.e. corporate or community donations)
 - Unused funds from previous year(s)
- Total Funds Disbursed broken down by:
 - Grants disbursed (to distributor and sub-metered customers)
 - Administration costs to social agencies
- Other
 - Total unused funds
 - Month in which LEAP funds were depleted
 - Number of applicants (distributor and sub-metered customers)
 - Number of distributor and sub-metered customers assisted (recipients)
 - Number of distributor and sub-metered customers denied

LEAP EFA in 2018

Distributors who participated in LEAP included:

- 63 electricity distributors (see the OEB website for a complete list of licensed distributors)
 - two distributors each reported on 2 rate zones
- 5 natural gas distributors
 - Enbridge Gas, Union Gas, EPCOR Natural Gas Limited Partnership, Utilities Kingston (did not provide LEAP program data), Kitchener Utilities

Social service agencies who provided services to utilities under LEAP included:

- 64 lead agencies (responsible for initial intake and administration)
- 120 intake agencies (responsible for meeting applicants and reviewing applications)

LEAP Program Overview

Electricity Distributors	2014	2015	2016	2017	2018
LEAP funds	\$ 4,735,875	\$ 5,156,416*	\$ 6,054,703*	\$ 5,390,964*	\$ 5,479,174
Non-distributor funds**	\$ 800,771	\$ 2,574,958	\$ 2,307,901	\$ 1,679,897*	\$ 737,522
Funds disbursed	\$ 4,762,007	\$ 6,457,863	\$ 7,776,612	\$ 6,183,570*	\$ 4,345,288
Recipients	9,656	14,494	14,330	11,646*	8,644
Average grant	\$ 418	\$ 381	\$ 464	\$ 451	\$ 429

Natural Gas Distributors	2014	2015	2016	2017	2018
LEAP funds	\$ 1,466,975	\$ 1,420,283	\$ 2,354,197	\$ 2,666,183	\$ 2,744,962
WW funds (Union Gas) ***	\$ 1,293,929	\$ 937,087	\$ 91,000	-	-
LEAP and WW funds disbursed	\$ 2,632,808	\$ 2,266,209	\$ 2,197,157	\$ 2,428,779	\$ 2,736,474
Recipients	6,135	4,881	5,354	5,571	5,599
Average grant	\$ 369	\$ 395	\$ 341	\$ 371	\$ 415

* Prior years reported data (principally regarding LEAP funds) have been revised to reflect adjustments made by some distributors.

** There were 11 distributors who contributed non-distributor funds in 2018, 8* in 2017, 6 in 2016, 8 in 2015 and 4 in 2014.

*** Union completely depleted its Winter Warmth funds in 2016 whereas Enbridge completely depleted its funds in 2012.



Key Points

Funding

- Hydro One's total LEAP funds available accounted for 42% of all electricity LEAP funds; Toronto Hydro and Alectra accounted for 14% and 13% respectively.
- Hydro One donated \$694,000 to the LEAP program in 2018, \$514,000 remained unused by year-end.
- In 2016 and 2017, 50% of distributors had reported running out of LEAP funds by August, a shift by two months from June reported in 2014 and 2015. In 2018, a further shift of 3 months to November occurred.

Demand

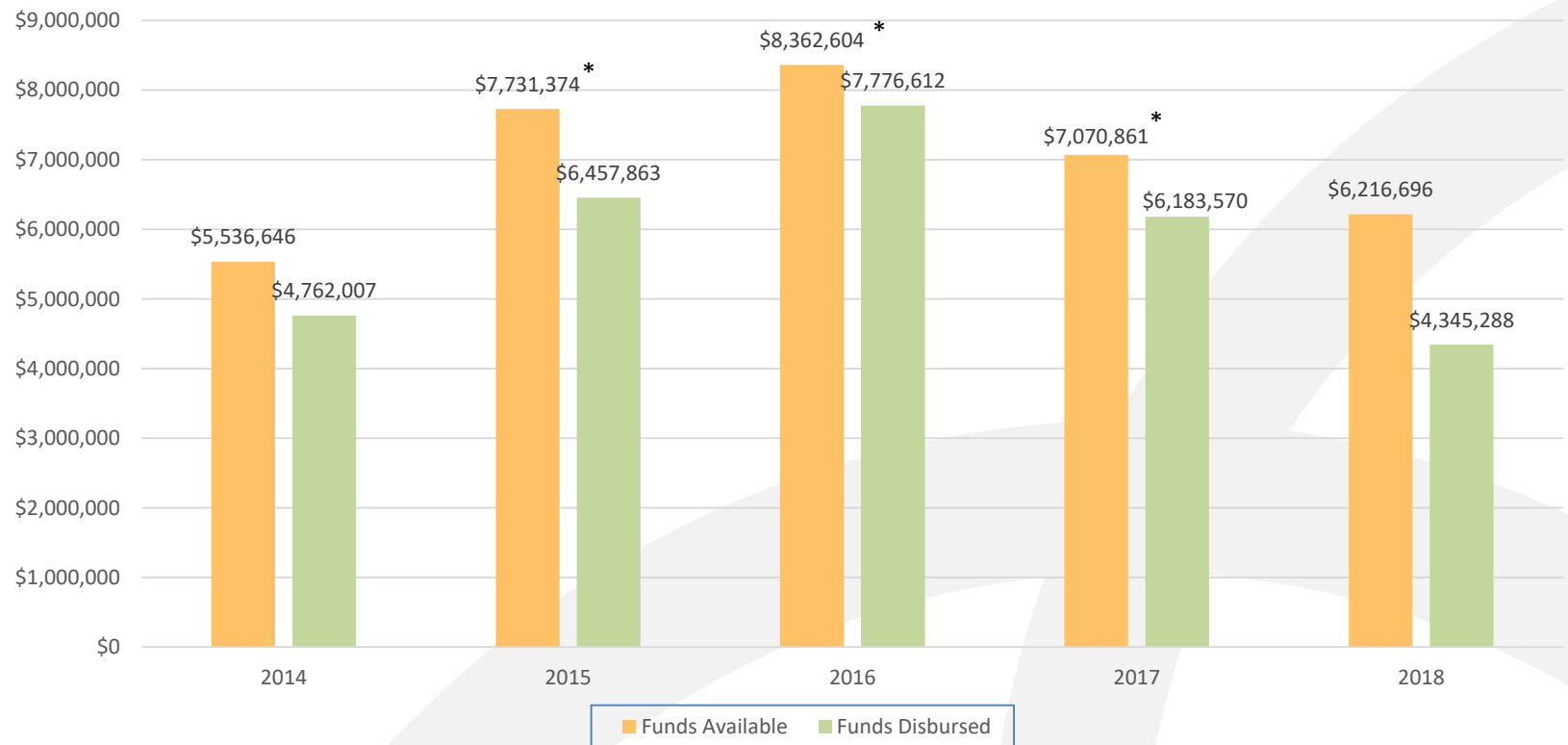
- Applications by electricity customers declined 28% in 2018 over 2017 and dropped 41% when compared to 2016. Applications by natural gas customers in 2018 rose to over 8,351 from 6,535 in 2017. This returned the number of applications to the longer term average of 8,300.

Grant Amounts

- The average grant for electricity customers decreased to \$429 in 2018 (which is also the 5 year average) from \$451 in 2017.
- The average natural gas grant increased to \$415 in 2018, after remaining fairly constant at \$369 between 2013 and 2017.

LEAP Funds Available and Disbursed by Electricity Distributors 2014 - 2018

The large increase in funds available in 2015 was due to distributors providing additional donations which has continued, albeit in smaller amounts

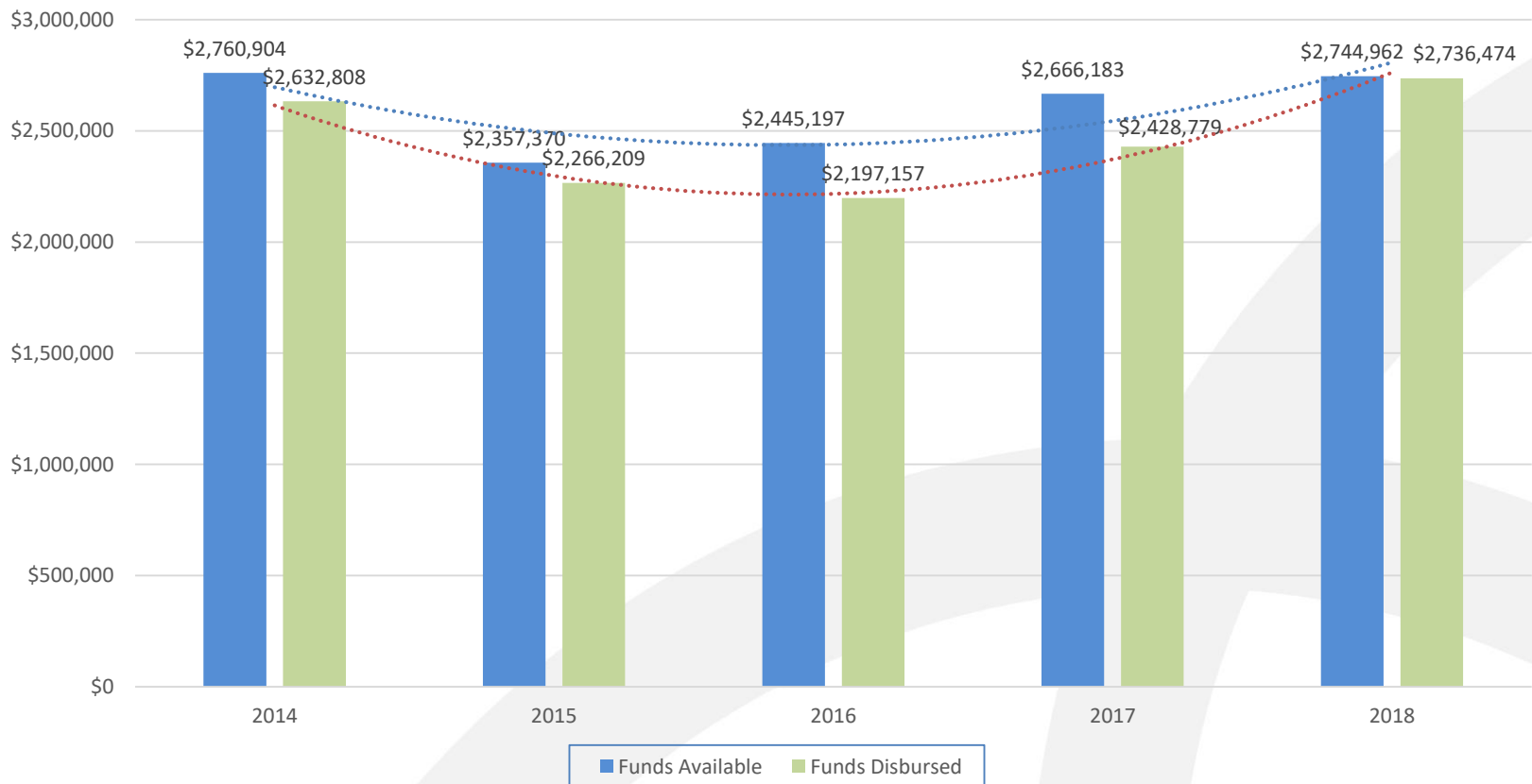


* Prior years reported data (principally regarding LEAP funds) have been revised to reflect adjustments made by some distributors



LEAP* Funds Available and Disbursed by Natural Gas Distributors 2014 - 2018

LEAP funds available and disbursed have risen in the last two years back up to 2014 levels

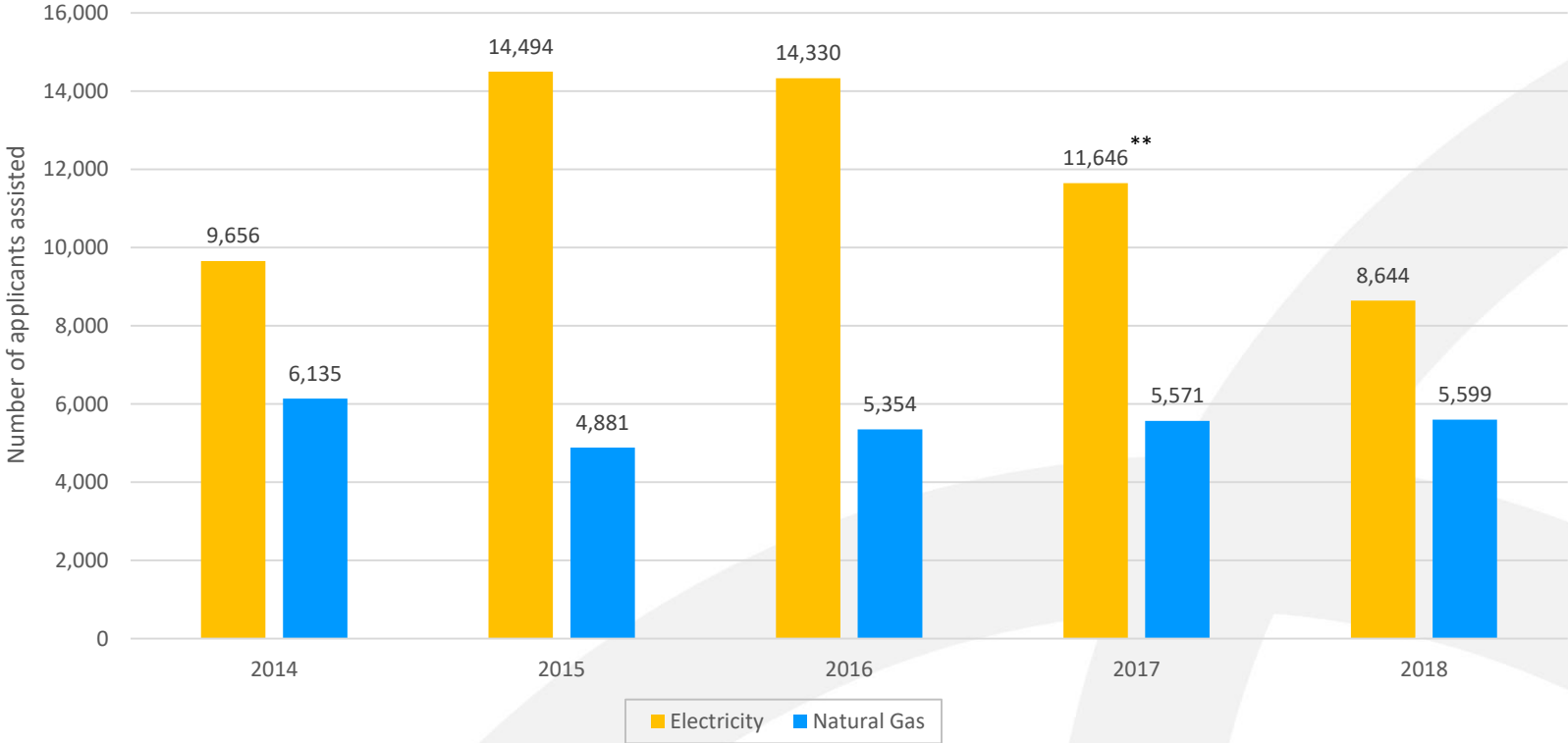


* and Winter Warmth for years 2014 – 2016 (Union Gas)



LEAP* Applicants Assisted 2014 – 2018

Over the past 5 years, the LEAP* program helped over 86,000 low-income electricity and natural gas customers



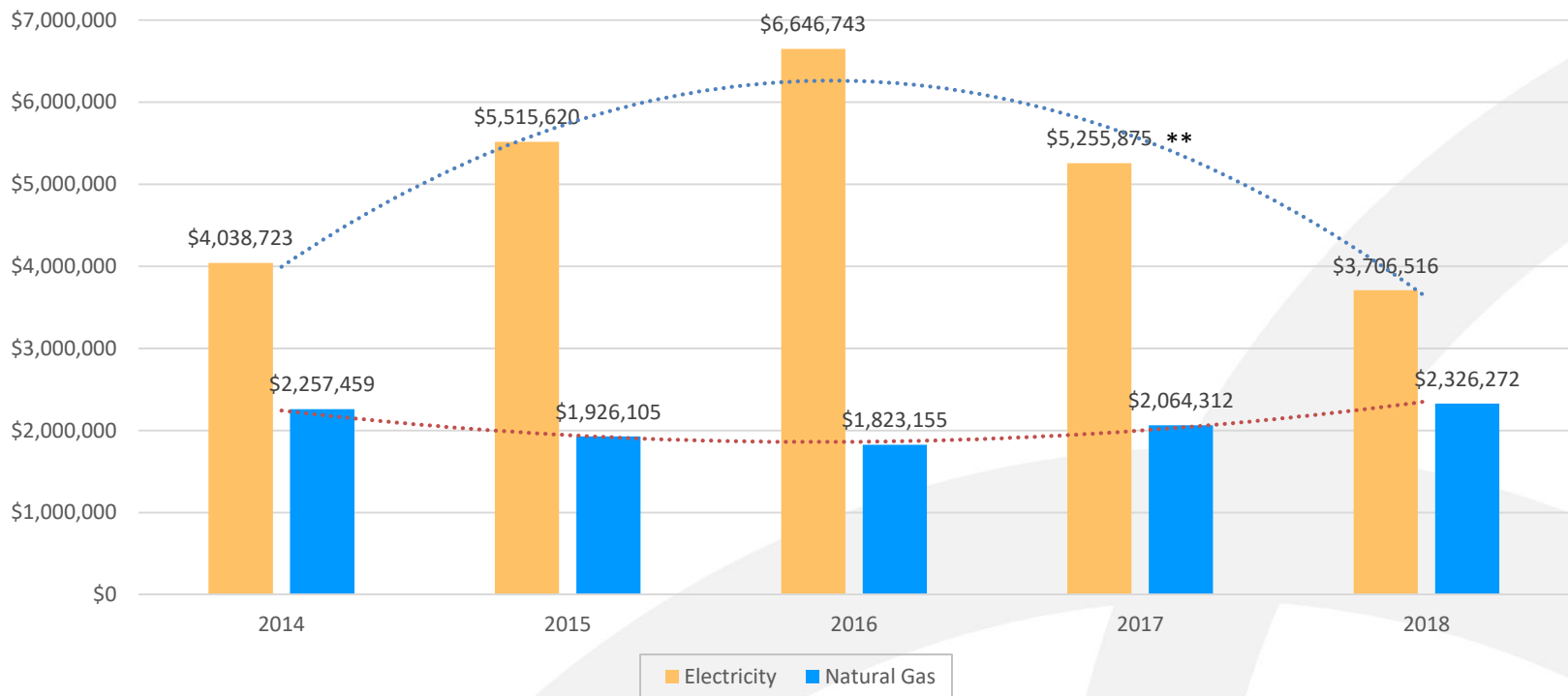
* and Winter Warmth for years 2014 – 2016 (Union Gas)

** Revised to reflect 2017 adjustment filed by distributor in 2018



LEAP* Funds Disbursed to Applicants 2014 – 2018

Over the past 5 years, LEAP* programs provided over \$35 million in emergency funds to low income electricity and natural gas customers



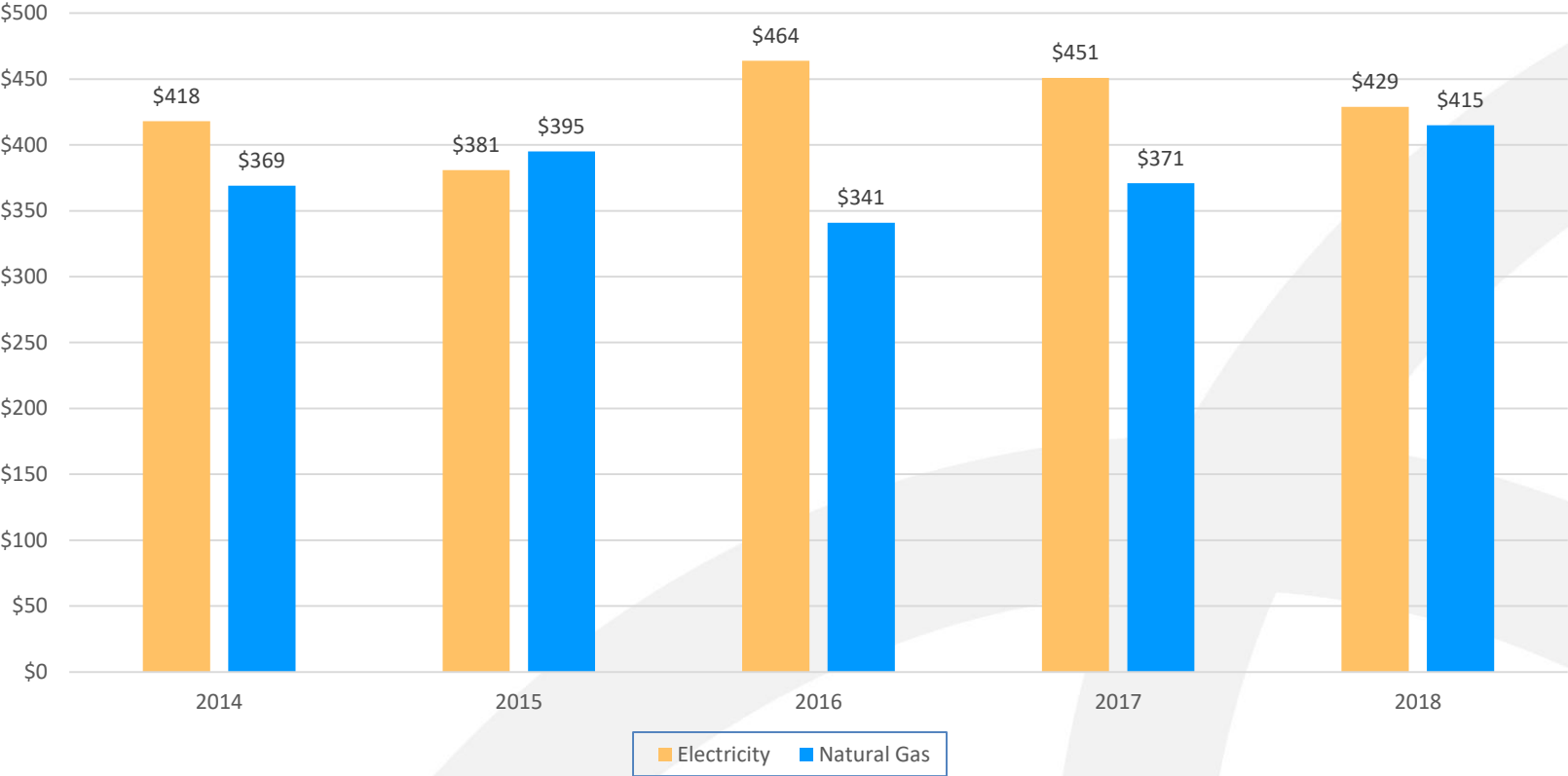
* and Winter Warmth for years 2014 – 2016 (Union Gas)

** Revised to reflect 2017 adjustment filed by distributor in 2018



LEAP* Grant 2014 – 2018: Average Dollar Amount

The average electricity grant decreased 8% in 2018 to \$429 from \$451 in 2017. The average natural gas grant increased by over 10% in 2018 to \$415 from \$371 in 2017



* and Winter Warmth for years 2014 – 2016 (Union Gas)



Report on 2018 Program Results

Detailed Results for Electricity Distributors



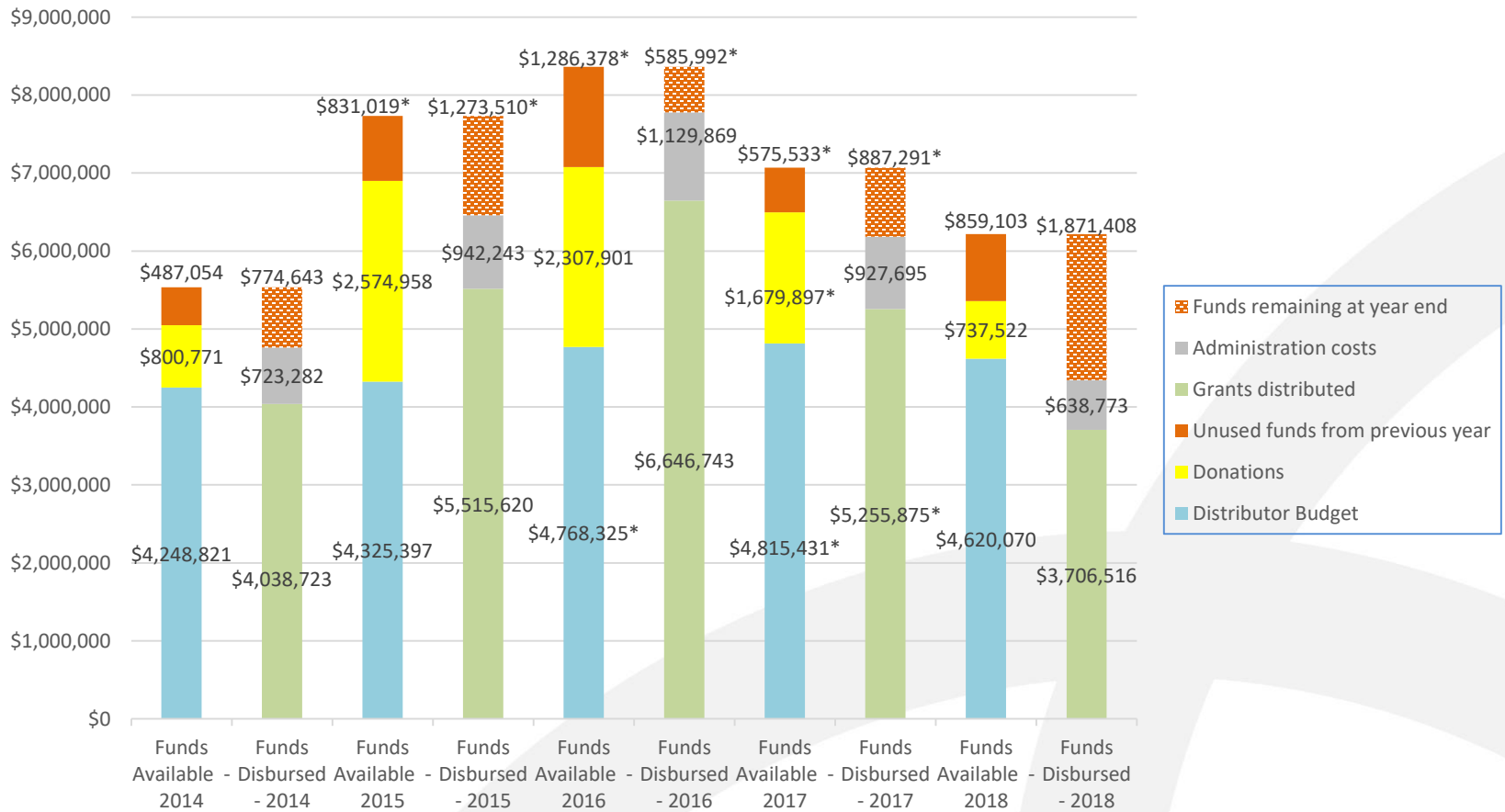
LEAP Program Results for Electricity Distributors

LEAP EFA	2018	% of Total funds available in 2018	2017
LEAP funds (distributor budget)	\$ 4,620,070	74.3%	\$ 4,815,431*
Non-distributor funds (donations)	\$ 737,522	11.9%	\$ 1,679,897*
Unused funds from previous year	\$ 859,103	13.8%	\$ 575,533 *
Total funds available	\$ 6,216,696		\$ 7,070,861*
LEAP grants	\$ 3,706,516	59.6%	\$ 5,255,875*
Administration cost	\$ 638,773	10.3%	\$ 927,695
Funds disbursed	\$ 4,345,288	69.9%	\$ 6,183,570*
Funds remaining at year-end	\$ 1,871,408	30.1%	\$ 887,291*
Applicants	12,208		16,996*
Recipients	8,644		11,646*
Customers Denied	3,564		5,350
Average Grant	\$ 429		\$ 451

* Prior years reported data (principally regarding LEAP funds) have been revised to reflect adjustments made by some distributors



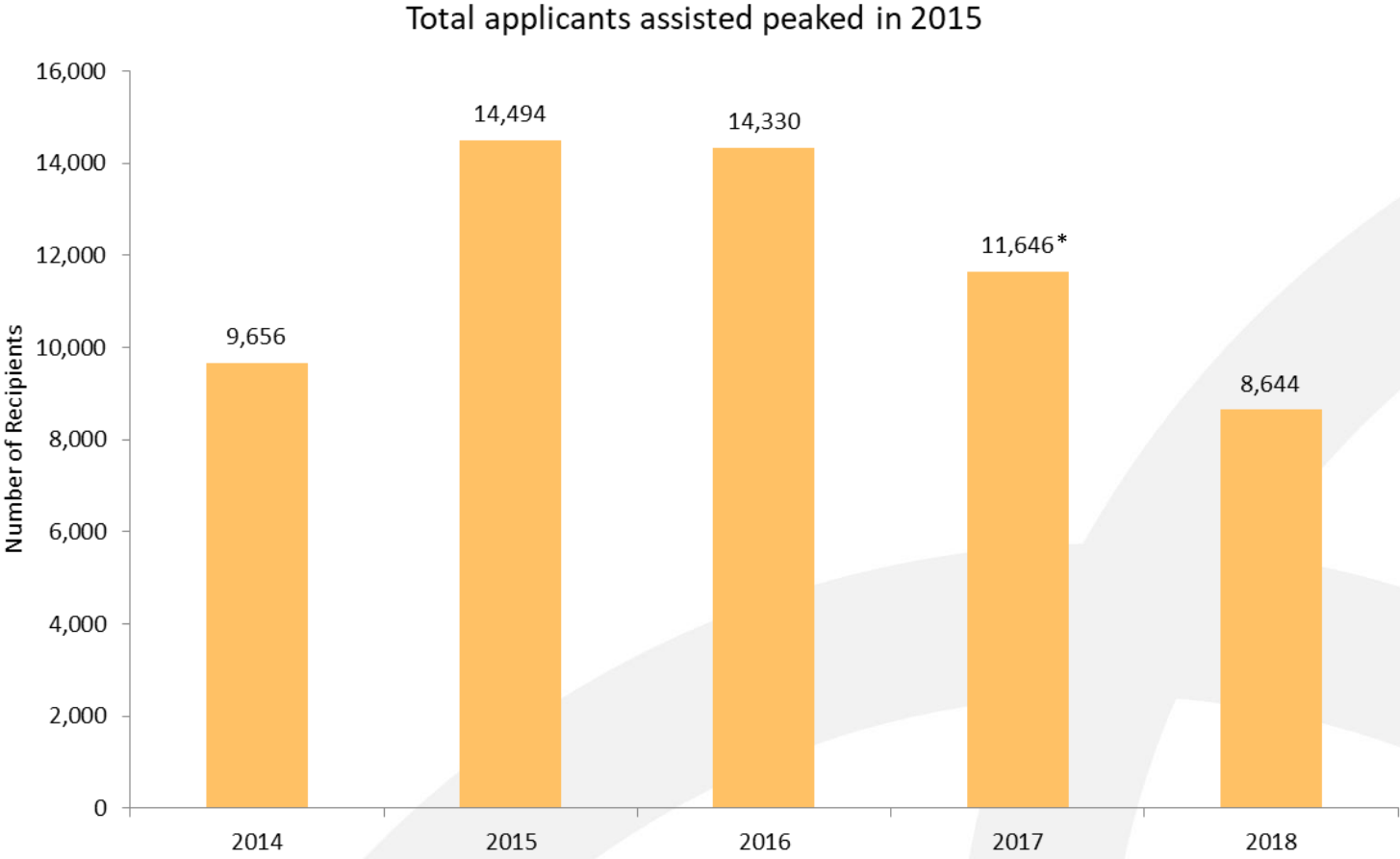
LEAP Program Results for Electricity Distributors Flow of Funds 2014 - 2018



* Prior years reported data (principally regarding LEAP funds) have been revised to reflect adjustments made by some distributors



LEAP Program Results for Electricity Distributors Number of Recipients 2014 - 2018



* Revised to reflect 2017 adjustment filed by distributor in 2018



LEAP Funds of the Top 10 Distributors by Distribution Revenue - 2018

Distributor	Distributor budget	Non-distributor funds (Donations)	Unused funds from previous year	Funds available*	% of total funds available across all distributors	Grants disbursed	Administration Fees	Recipients	% of recipients across all distributors
Hydro One Networks Inc.	\$ 1,750,200	\$ 694,876	\$ 188,194	\$ 2,633,270	42.4%	\$ 1,777,258	\$ 313,634	3,702	42.8%
Toronto Hydro-Electric System Limited	819,887		48,821	868,707	14.0%	409,642	72,302	1,031	11.9%
Alectra Utilities Corporation	570,335		247,220	817,555	13.2%	367,245	59,006	810	9.4%
Hydro Ottawa Limited	228,713		117,170	345,883	5.6%	102,870	34,307	246	2.8%
London Hydro Inc.	200,000			200,000	3.2%	167,952	30,000	428	5.0%
Veridian Connections Inc.	64,629		498	65,613	1.1%	63,029	2,086	144	1.7%
Hydro One Remotes	64,601		149,453	207,742	3.3%	50,692	7,597	101	1.2%
EnWin Utilities Ltd	56,760			56,760	0.9%	49,665	7,095	136	1.6%
Kitchener-Wilmot Hydro Inc.	49,000		984	49,984	0.8%	42,634	7,350	118	1.4%
Oakville Hydro Electricity Distribution Inc.	45,350		596	45,946	0.7%	39,143	6,803	89	1.0%
Sum (Top 10 Distributors):	3,849,474	694,876	747,109	5,291,460	85.1%	3,070,131	540,179	6,805	78.7%
Grand Total (All Distributors):	4,620,070	737,522	859,103	6,216,696	100.0%	3,706,516	638,773	8,644	100.0%
% (Top 10 Distributors / All Distributors):	83.3%	94.2%	87.0%	85.1%	85.1%	82.8%	84.6%	78.7%	78.7%

* Funds available is the sum of distributor budget, non-distributor funds (donations) and unused funds from previous year



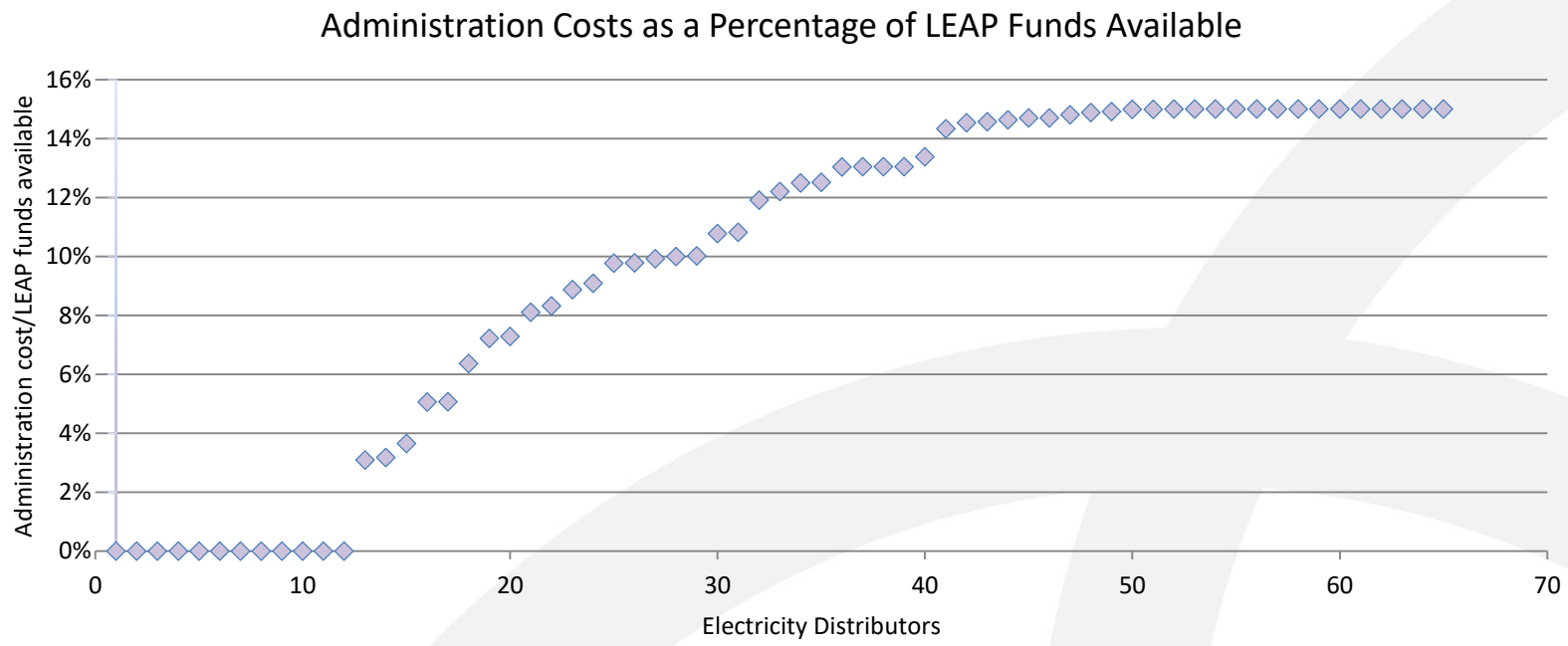
Lead Agencies Who Did Not Charge Administration Costs to Distributors in 2018

Out of 65 reporting entities (63 distributors of which 2 reported on 2 rates zones each), 11 agencies did not charge administration costs to 12 distributors in 2018 - 13 distributors were not charged such costs in 2017

1. Inn of Good Shepherd (Bluewater Power Distribution Corporation)
2. The Manitoulin-Sudbury District Services Board (Chapleau Public Utilities Corporation and Espanola Regional Hydro Distribution Corporation)
3. The Salvation Army (Chatham and Strathroy) and St. Thomas-Elgin Social Services (Entegrus Powerlines Inc.)
4. Huron County Social Services (ERTH Power Corporation – West Coast Huron rate zone)
5. GPF Community Services (Grimsby Power Incorporated)
6. Links2Care (Halton Hills Hydro Inc.)
7. Cochrane District Social Services Board (Hearst Power Distribution Company Limited)
8. The Help Centre of Northumberland (Lakefront Utilities Inc.)
9. County of Lanark, Social Services Department, and County of Renfrew, Ontario Works (Ottawa River Power Corporation)
10. County of Renfrew – Social Services (Ontario Works Department (Renfrew Hydro Inc.)
11. The Salvation Army (Tillsonburg Hydro Inc.)

Administration Cost Analysis

	2018	2017	Change
Total Administration Cost	\$ 638,773	\$ 927,695	-\$ 288,922
Administration Cost / Applicant*	\$ 59.58	\$ 56.13	+\$ 3.45

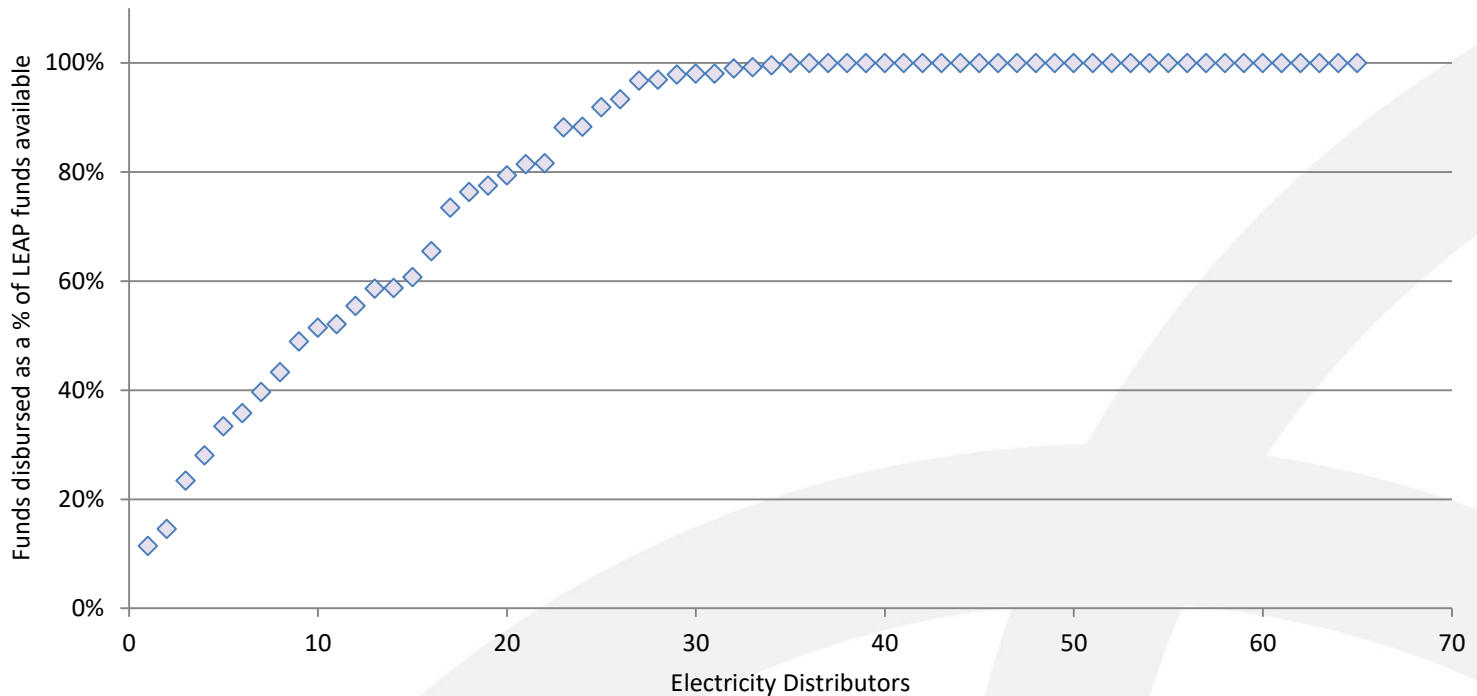


* This charge is calculated based only on applicants of distributors who pay administration costs



Percentage of LEAP Funds Disbursed in 2018

LEAP Funds Disbursed as a Percentage of LEAP Funds Available



- 37 distributors had effectively exhausted their LEAP funds (29 disbursed 100% of available funds while 8 had small balances remaining)
- 28 distributors had funds remaining at year-end available for grants



Distributors that Effectively Depleted their LEAP Funds in 2018

1. Bluewater Power Distribution Corporation (Jun)
2. Brantford Power Inc. (Feb)
3. Burlington Hydro Inc. (Dec)
4. Cornwall Street Railway Light and Power (Apr)
5. Cooperative Hydro Embrun Inc. (Jul)
6. E.L.K. Energy Inc. (Aug)
7. Energy Plus Inc. (May)
8. EnWin Utilities Ltd. (Aug)
9. ERTH Power Corporation – West Coast Huron rate zone (Jun)
10. Espanola Regional Hydro Distribution (May)
11. Essex Powerlines Corporation (Nov)
12. Festival Hydro Inc. (Aug)
13. Greater Sudbury Hydro Inc. (Dec)
14. Halton Hills Hydro Inc. (Oct)
15. Hydro 2000 Inc. (Jun)
16. Hydro Hawkesbury Inc. (May)
17. Innpower Corporation (Jun)
18. Kingston Hydro Corporation (Jun)
19. Kitchener-Wilmot Hydro Inc. (May)
20. Lakefront Utilities Inc. (Nov)
21. Lakeland Power Distribution Ltd. (May)
22. Newmarket-Tay Power Distribution Ltd. (Oct)
23. Oakville Hydro Electricity Distribution Inc. (Oct)
24. Orangeville Hydro Limited (May)
25. Orillia Power Distribution Corporation (Jun)
26. Oshawa PUC Networks Inc. (Jul)
27. Ottawa River Power Corporation (Apr)
28. Peterborough Distribution Incorporated (Jun)
29. PUC Distribution Inc. (Jun)
30. Renfrew Hydro Inc. (Apr)
31. Rideau St. Lawrence Distribution Inc. (Apr)
32. Sioux Lookout Hydro Inc. (Sep)
33. Synergy North Corporation – Kenora Rate District (Dec)
34. Tillsonburg Hydro Inc. (Oct)
35. Veredian Connections Inc. (Jul)
36. Wellington North Power Inc. (Mar)
37. Westario Power Inc. (Sep)



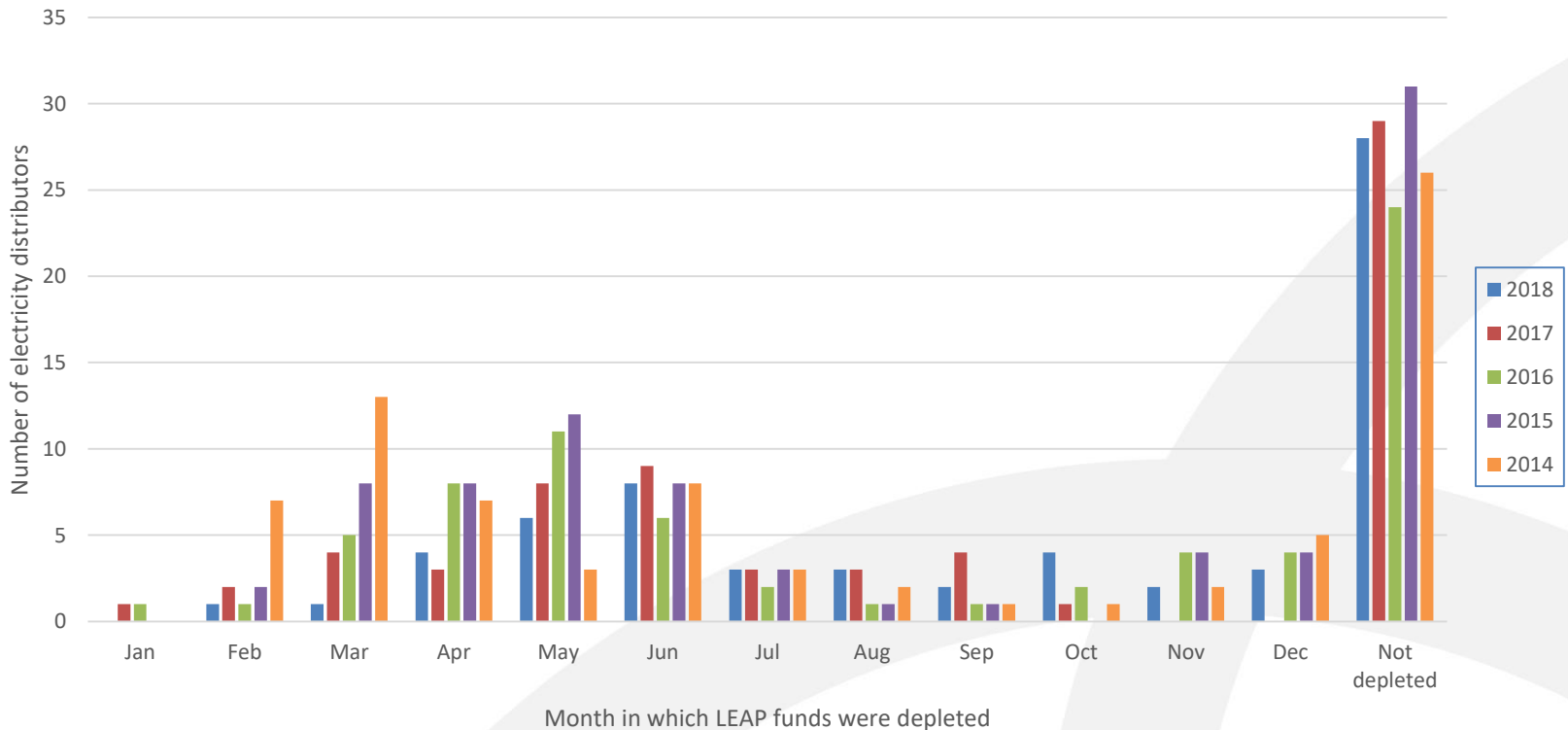
Distributors that had LEAP Funds Remaining at Dec 31, 2018

Distributors	Unused funds	Distributors	Unused funds
1. Hydro One Networks Inc.	\$ 542,379	15. Whitby Hydro Electric Corporation	\$ 5,995
2. Alectra Utilities Corporation	391,304	16. Guelph Hydro Electric Systems Inc.	5,686
3. Toronto Hydro-Electric System Limited	386,763	17. Welland Hydro-Electric System Corp.	4,989
4. Hydro Ottawa Limited	208,706	18. Grimsby Power Incorporated	3,608
5. Hydro One Remote Communities Inc.	149,453	19. Atikokan Hydro Inc.	2,588
6. Algoma Power Inc.	27,076	20. Fort Francis Power Corporation	2,375
7. Niagara-on-the-Lake Hydro Inc.	24,199	21. EARTH Power Corporation	2,284
8. Waterloo North Hydro Inc.	24,090	22. Entegrus Powerlines Inc.	2,245
9. North Bay Hydro Distribution Limited	17,547	23. London Hydro Inc.	2,048
10. Canadian Niagara Power Inc.	15,900	24. Chapleau Public Utilities Corporation	825
11. Milton Hydro Distribution Inc.	15,045	25. Wasaga Distribution Inc.	558
12. Synergy North Corporation – Thunder Bay Rate District	14,108	26. Hearst Power Distribution Company Limited	541
13. Northern Ontario Wires	10,357	27. Centre Wellington Hydro Ltd.	386
14. Niagara Peninsula Energy Inc.	8,353	28. EPCOR Electricity Distribution Ontario Inc.	278



Reported Month in Which LEAP Funds Were Depleted

In 2014, 50% of distributors reported running out of LEAP funds by June, whereas in 2018 it took until November.

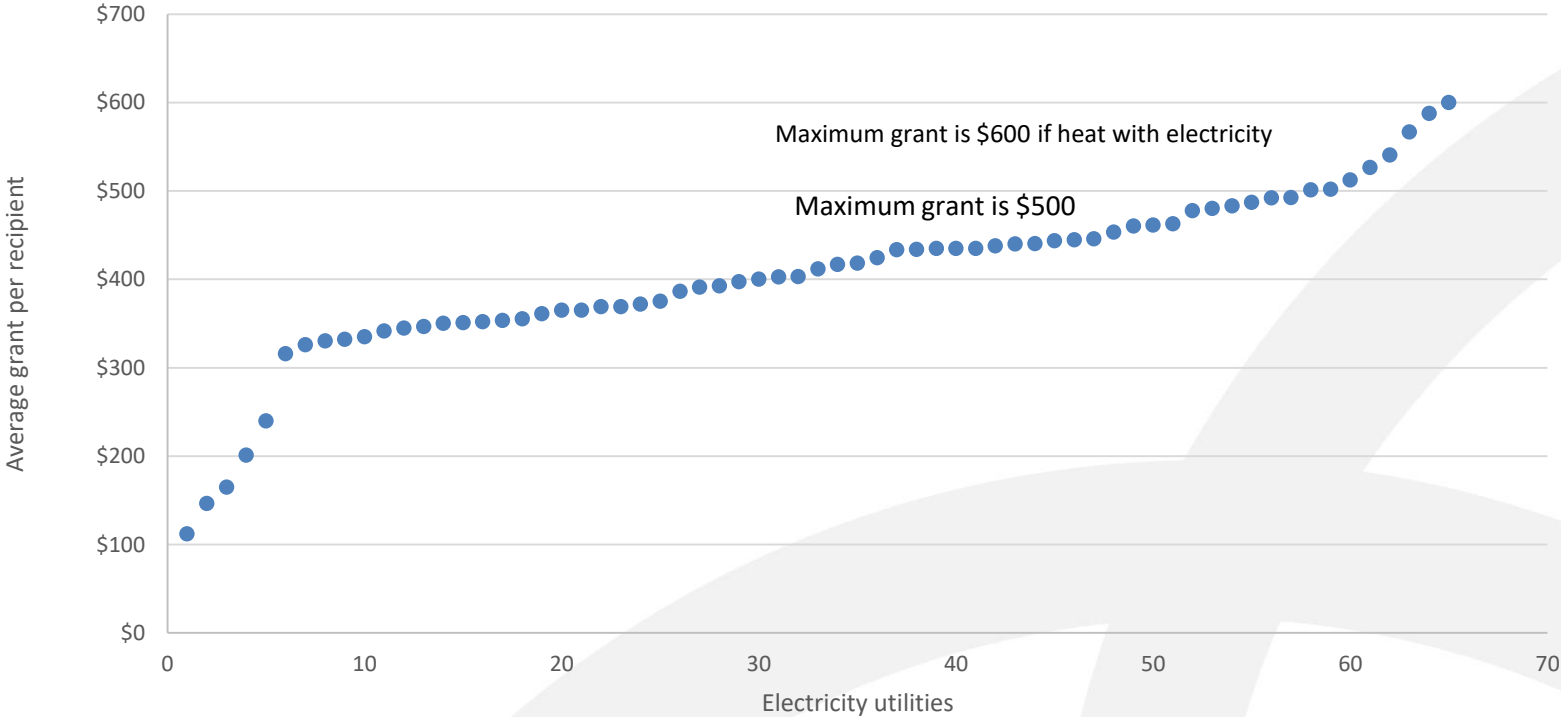


The percentage of companies who reported having LEAP funds remaining at the end of the year was unchanged at 43% in 2018, with the average percentage in the past 5 years being 40%



Average 2018 LEAP Grant Disbursed per Recipient

The majority of grants ranged between \$353 and \$460



Report on 2018 Program Results

Natural Gas Distributors – Detailed Results



LEAP Results for Enbridge Gas Distribution Inc.*

	LEAP 2018	% of LEAP funds available in 2018	LEAP 2017
LEAP funds available (distributor budget and unused funds from previous year)	\$ 1,673,951		\$ 1,498,176
LEAP grants disbursed	\$ 1,422,858	85.0%	\$ 1,083,092
Administration costs	\$ 251,093	15.0%	\$ 191,134
Funds disbursed	\$ 1,673,951	100.0%	\$ 1,274,225
Unused funds	\$ 0	0%	\$ 223,951
Applicants	5,789		3,454
Recipients	3,585		3,303
Applicants denied	2,204		151
Average grant	\$ 397		\$ 328

* As of January 1, 2019, Enbridge and Union Gas have merged to become Enbridge Gas Inc.



LEAP Results for Union Gas Limited*

	LEAP 2018	% of LEAP funds available in 2018	LEAP 2017
LEAP funds available (distributor budget and unused funds from previous year)	\$ 1,014,386		\$ 1,116,097
LEAP grants disbursed	\$ 862,228	85.0%	\$ 941,554
Administration costs	\$ 152,158	15.0%	\$ 166,157
Funds disbursed	\$ 1,014,386	100.0%	\$ 1,107,711
Unused funds	\$ 0	0%	\$ 8,386
Applicants	2,462		2,986
Recipients	1,914		2,173
Applicants denied	548		813
Average grant	\$ 450		\$ 433

* As of January 1, 2019, Enbridge and Union Gas have merged to become Enbridge Gas Inc.



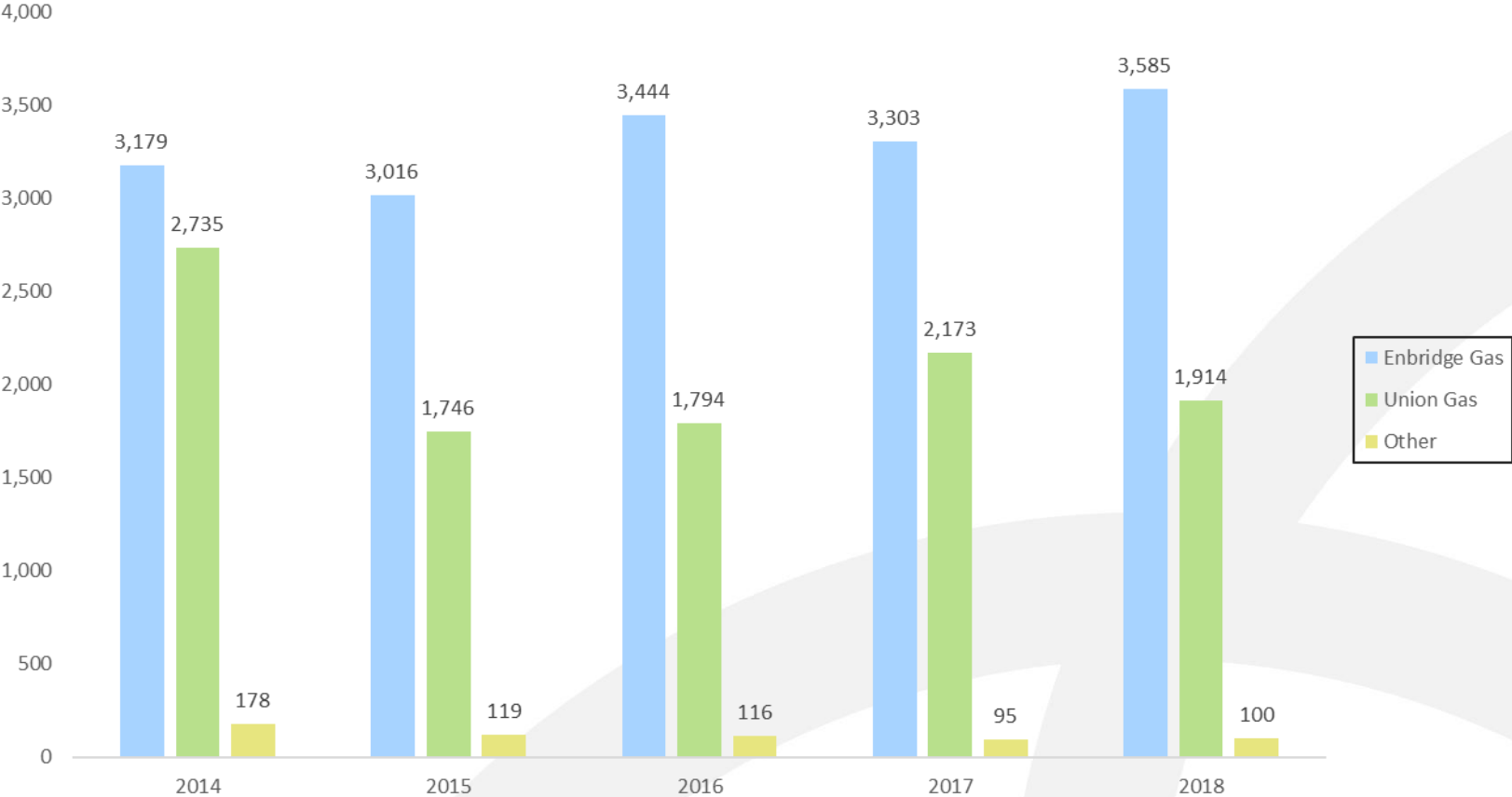
LEAP Results for Other Natural Gas Distributors - 2018

	EPCOR	Kitchener Utilities	Total	% of LEAP funds available in 2018
LEAP funds available (distributor budget and unused funds from previous year)	\$ 13,026	\$ 43,600	\$ 56,626	
LEAP grants disbursed	\$ 4,126	\$ 37,060	\$ 41,186	72.7%
Administration costs	\$ 412	\$ 6,540	\$ 6,952	12.3%
Funds disbursed	\$ 4,538	\$ 43,600	\$ 48,138	85.0%
Unused funds	\$ 8,488	\$ 0	\$ 8,488	15.0%
Applicants	12	88	100	
Recipients	12	88	100	
Applicants denied	0	0	0	
Average grant	\$ 378	\$ 421	\$ 412	

Note: Data for Utilities Kingston is unavailable



LEAP* Results for Natural Gas Distributors Number of Recipients 2014 - 2018



* and Winter Warmth for years 2014 – 2016 (Union Gas)

