

RCM-TREE/CAC MSOS (CARTER) 1-1

Reference: Carter Report, page iv

Question:

Please define “preferred approach” relative to what. The “preferred approach” is “preferred” to what?

ANSWER:

The preferred approach is one that is a total building approach and targets all those in poverty and achieves a high level of participation, including low-income tenants in the rental sector.

RCM-TREE/CAC MSOS (CARTER) 1-2

Reference: Carter Report, page iv.

Question:

Please define what dollar amount of funding represents “adequately funded” relative to the Manitoba Hydro low-income population.

ANSWER:

As my mandate did not include a comprehensive evaluation of Manitoba Hydro Programs I cannot answer this question. From a policy perspective if programs are designed to eliminate energy poverty for all low income groups then that would be the parameter used to establish the funding amount.

RCM-TREE/CAC MSOS (CARTER) 1-3

Reference: Carter Report, page iv.

Question:

Please define what level of participation would constitute “high levels of participation” relative to the Manitoba Hydro low-income population.

ANSWER:

Without having conducted a comprehensive evaluation it is not possible to provide a specific answer to this question. However, a high level of participation could be determined by the participation of all those receiving social assistance, or some other benefit low-income people ordinarily receive, a high percentage of those below LICO or 125% of LICO, a high proportion of low-income renters etc. Obviously, there are few, if any, programs that achieve participation to the extent that everyone eligible or needy receives assistance. However, the literature suggests that participation under LIEEPS is often low, for the variety of reasons outlined in the report, and often because renters in high density buildings are not eligible.

RCM-TREE/CAC MSOS (CARTER) 1-4

Reference: Carter Report, page iv.

Question:

- a. Please identify the characteristics of those Manitoba Hydro low-income customers who are “most affected by energy poverty.”

ANSWER:

The report documents the groups most likely to experience poverty in Manitoba society: children, lone-parent families, women, seniors, Aboriginal people, those with disabilities, recent immigrants and visible minorities, the working poor, renters and some people in rural areas. Higher proportions of people within these categories are affected by poverty and should be targets for Manitoba Hydro Programs. Of course these groups overlap. For example children, lone-parent families, women, and Aboriginal people are often part of the same household.

RCM-TREE/CAC MSOS (CARTER) 1-4

Reference: Carter Report, page iv.

Question:

- b. For each distinct set of Manitoba Hydro low-income customers who are identified as being “most affected by energy poverty,” please define what dollar amount of funding would make the preferred energy efficiency program “adequately funded” as that phrase is used in the Carter report.

ANSWER:

As I have not conducted a detailed evaluation of Manitoba Hydro Programs and my mandate was to examine policy from a broad perspective I cannot answer this question.

RCM-TREE/CAC MSOS (CARTER) 1-5

Reference: Carter Report, page iv.

Question:

Please identify the list of metrics to be used to determine when the “needs of those most affected by energy poverty” are “adequately met.”

ANSWER:

The needs of those most affected by energy poverty are adequately met when the expenditure on energy falls below the expenditure threshold policy establishes as acceptable: say 6% of after tax household income. This, however, will not take these households out of poverty. Energy poverty is only “part” of the broader policy problem. LIEEPs make a positive but small contribution to the larger poverty problem. As the report points out some people are thousands of dollars below the poverty line as established by LICO. Energy poverty contributes to this “gap” and LIEEPs make a small contribution to reducing the “gap” but the main poverty reduction program in the Province is social assistance. The level of funding under social assistance leaves many households well below the poverty line. Poverty and energy poverty could be addressed by increased levels of funding under social assistance.

RCM-TREE/CAC MSOS (CARTER) 1-6

Reference: Carter Report, page iv.

Question:

Please identify the quantifiable outcome measures by which to measure whether the “needs of those most affected by energy poverty” are “adequately met.” Separately identify for each outcome measure the data to be collected to make a determination of whether those outcome measures have been achieved.

ANSWER:

The needs of those most affected by energy poverty are adequately met when the expenditure on energy falls below the expenditure threshold policy establishes as acceptable: say 6% of after tax household income. Although my mandate did not include an analysis of metrics and measurements I would suggest the data needed would include the household income, after tax household income, the expenditure on energy, and the savings on energy after program initiatives have been delivered.

RCM-TREE/CAC MSOS (CARTER) 1-7

Reference: Carter Report, page iv.

Question:

Please identify those circumstances under which “direct subsidies may be necessary.”

ANSWER:

Direct subsidies or affordability rebates may be necessary when other programs do not provide enough assistance to offset increases in energy costs and as a result people experience energy poverty or poverty in general. They may also be necessary in emergency situations created by sudden spikes in energy prices, extreme (cold) weather conditions or when people experience a sudden personal emergency like loss of a job and source of income.

Please also see my responses to Manitoba Hydro #7 and RCM-TREE 1-5.

RCM-TREE/CAC MSOS (CARTER) 1-8

Reference: Carter Report, page iv.

Question:

Please define the term “direct subsidies” and provide three examples of such “direct subsidies” within the context of addressing energy poverty.

ANSWER:

Generally defined as Supply Side approaches, direct subsidies include direct payments to households to increase their income to help cover the cost of energy. Supply side approaches often include emergency financial assistance, cold weather payments, and winter fuel payments. The latter two are approaches used in the U.K.

RCM-TREE/CAC MSOS (CARTER) 1-9

Reference: Carter Report, page 3.

Question:

Please explain whether or not in determining LICO, energy costs are included in “shelter” costs?

- a. If so, what part of shelter costs are comprised of energy costs?

ANSWER:

Yes energy costs are included when determining LICO. They would be considered as part of shelter costs when it is household energy consumption that is being considered. The proportion of shelter costs that is comprised of energy costs would vary with the region and the size of centres as the LICO thresholds vary.

RCM-TREE/CAC MSOS (CARTER) 1-9

Reference: Carter Report, page 3.

Question:

Please explain whether or not in determining LICO, energy costs are included in “shelter” costs?

- b. If so, what part of shelter costs are comprised of utility costs (of which energy costs are but one component)?

ANSWER:

Yes energy costs are included when determining LICO. They would be considered as part of shelter costs when it is household energy consumption that is being considered. The proportion of shelter costs that is comprised of energy costs would vary with the region and the size of centres as the LICO thresholds vary.

RCM-TREE/CAC MSOS (CARTER) 1-9

Reference: Carter Report, page 3.

Question:

Please explain whether or not in determining LICO, energy costs are included in “shelter” costs?

- c. If not, where are energy and utility costs considered in the determination of LICO?

ANSWER:

Yes energy costs are included when determining LICO. They would be considered as part of shelter costs when it is household energy consumption that is being considered. The proportion of shelter costs that is comprised of energy costs would vary with the region and the size of centres as the LICO thresholds vary.

RCM-TREE/CAC MSOS (CARTER) 1-10

Reference: Carter Report, page 5.

Question:

Define the “household income” used in the Cairney definition of “energy poverty” as 10% of “household income.”

ANSWER:

Cairney does not provide a detailed definition but the definition of household income is generally consistent. It is the gross income of all adult household members from all sources. Sometimes the definition of adult varies as they could be members 16 years of age and older or 18 years of age and older. Usually, money received by children for tasks like distributing fliers for example is excluded.

RCM-TREE/CAC MSOS (CARTER) 1-11

Reference: Carter Report, page 5.

Question:

Indicate the source(s) relied upon by McEachern and Vivian for their definition of “energy poverty” as 10% of household income.

- a. For each source, indicate whether the definition of “household income” was the same as used by McEachern and Vivian.

ANSWER:

The sources were multiple and drawn from the literature they had reviewed. Not all the sources were identified. Again they did not provide detailed definitions of household income but as the definition is pretty consistent I have no reason to believe they are substantially different.

RCM-TREE/CAC MSOS (CARTER) 1-11

Reference: Carter Report, page 5.

Question:

Indicate the source(s) relied upon by McEachern and Vivian for their definition of “energy poverty” as 10% of household income.

- b. For each source, indicate whether the definition of “energy bill” was the same as used by McEachern and Vivian.

ANSWER:

McEachern and Vivian’s definition of energy poverty was based on a review of the literature. The definition of the “energy bill” however varies. The most common definition is utilities: heat, light, electricity for household operation, and for heating water and air conditioning but not sewer and water rates. However, some definitions include only electricity. This depends on the major source of energy used in the area.

RCM-TREE/CAC MSOS (CARTER) 1-12

Reference: Carter Report, page 5.

Question:

For each separate definition of “energy poverty” as an energy bill as a percentage of income, please provide an explanation comparing and contrasting:

- a. The definition of “household income” used in formulating the recommended energy burden;

ANSWER:

The definition of household income is generally consistent. It is the gross income of all adult household members from all sources. Sometimes the definition of adult varies as they could be members 16 years of age and older or 18 years of age and older. Usually, money received by children for tasks like distributing fliers for example is excluded.

RCM-TREE/CAC MSOS (CARTER) 1-12

Reference: Carter Report, page 5.

Question:

For each separate definition of “energy poverty” as an energy bill as a percentage of income, please provide an explanation comparing and contrasting:

- b.** The definition of “energy bill” used in formulating the recommended energy burden.

ANSWER:

The definition of the “energy bill” varies with the organizations and the threshold used to define energy poverty. The definition can range from the cost of electricity, to the cost of fuel and electricity and sometimes water. The Affordable Energy Coalition in Nova Scotia uses 6% as the standard measure; however, their energy bill includes only electricity. The Low Income Energy Network in Ontario also uses the 6% measure, but applies it to all forms of energy. Some definitions using 10% include water but only the energy to heat, or pump water should be part of the energy bill, not the municipal rate for the amount of water used.

RCM-TREE/CAC MSOS (CARTER) 1-13

Reference: Carter Report, page 20.

Question:

Please indicate whether the following rents include an energy component:

- a. \$592 average by all renters in Manitoba.
- b. \$510 median of all renters in Manitoba.
- c. \$617 average of all renters in Winnipeg.
- d. \$595 median of all renters in Winnipeg.

ANSWER:

Yes. Shelter cost for tenants is the total of all shelter expenditures paid by tenant households and includes the monthly rent and the cost of electricity, heat, and other municipal services if they are not part of the rent (page 23 of the report).

RCM-TREE/CAC MSOS (CARTER) 1-14

Reference: Carter Report, page 23.

Question:

Please provide the basis for your statement that “households are considered to have a housing affordability problem if they pay 30% or more of gross, before tax, household income on shelter.”

ANSWER:

This is the officially accepted standard in Canada that housing organizations such as CMHC, provincial housing organizations and non-profit and community based housing organizations use to identify people with a housing affordability problem. When low-income households pay 30% or more for shelter it leaves them with too little money to cover the cost of other basic necessities such as food and clothing. A more detailed discussion of this issue can be found in **The Canadian Housing Observer (2010)** published by Canada Mortgage and Housing Corporation (CMHC). It is contained in the section on Core Housing Need.

RCM-TREE/CAC MSOS (CARTER) 1-15

Reference: Carter Report, page 24.

Question:

Please provide the basis for your statement that “housing policy analysts suggest that for lower income households, a more appropriate benchmark to define housing affordability problems is 25% of income.” Separately provide bibliographic references.

ANSWER:

Until the late 1970s households were considered to have a housing affordability problem if they paid 25% or more of gross, before tax, household income on shelter. Some policy analysts and housing organizations feel this should still be the threshold for identifying a housing affordability problem, particularly as the depth of poverty (incomes below LICO levels) for some households is so significant. They feel 30% is too much for these households to pay given the increases in rents and the cost of living in general compared to increases in income. Manitoba housing uses 27% to set rent levels for people in public housing. Saskatchewan uses 25%.

Selected references include:

Burke, T. 2004. *Measuring Housing Affordability*. Swinburne Monash AHURI Centre. University of Swinburne. Melbourne Australia.

Canada Mortgage and Housing Corporation. 2010. “Recent Trends in Housing Affordability and Core Housing Need”. *Canadian Housing Observer* Section 6.

Hulchanski, D.J. 2005. *Rethinking Canada’s Housing Affordability Challenge*. Centre for Urban and Community Studies. University of Toronto. Toronto.

Hulchanski, D.J. 1995. “The Concept of Housing Affordability: Six Contemporary Uses of the Housing Expenditure to Income Ratio”. *Housing Studies* 10(4): 471-492.

Robinson, M., Scobie, G., and Hallinan, B. 2006. *Affordability of Housing: Concepts, Measurement and Evidence*. New Zealand Treasury Working Paper 06/03. Wellington New Zealand.

RCM-TREE/CAC MSOS (CARTER) 1-16

Reference: Carter Report, page 23.

Question:

Please explain whether the “rent” listed in the “rent ranges” in Table 8 and Table 9 includes all “shelter” costs enumerated for renters on page 23. If not, what elements of shelter costs are excluded from the “rent” listed in the “rent ranges.”

ANSWER:

Rents in the table represent the total of all shelter expenditures paid by tenant households and include the monthly rent and the cost of electricity, heat, and other municipal services if they are not part of the rent (page 23 of the report). However, data can be suspect for some renters as it is not always clear what is paid by the tenant and what is the responsibility of the landlord.

RCM-TREE/CAC MSOS (CARTER) 1-17

Reference: Carter Report, pages 20 and 23.

Question:

Please explain whether the average and median rents reported on page 20, fourth bullet, include all “shelter” costs enumerated for renters on page 23. If not, what elements of shelter costs are excluded from the “rent” listed in this bullet?

ANSWER:

Rents in the report include the total of all shelter expenditures paid by tenant households and include the monthly rent and the cost of electricity, heat, and other municipal services if they are not part of the rent (page 23 of the report).

RCM-TREE/CAC MSOS (CARTER) 1-18

Reference: Carter Report, pages 23 and 24.

Question:

Confirm or deny. If one uses the 10% affordability definition for energy expressed by Cairney as you report on page 5, and the 25% of housing affordability for total shelter as you report on page 24 that would leave 15% of income available for rent and other municipal services. If denied, please provide a detailed explanation of the basis for your denial.

ANSWER:

I confirm that 25% minus 10% equals 15% but cannot confirm that this would leave 15% of income available for rent as the 25% is a threshold to determine a housing affordability problem. Housing costs may exceed 25% therefore it might take more than the 15% of income to cover rent and other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-19

Reference: Carter Report, pages 23 and 24.

Question:

Confirm or deny. If one uses the affordability definition for energy expressed by Manitoba Hydro as you report on page 5, and the 30% of housing affordability for total shelter as you report on page 24:

- a. That would leave 15% of income available for rent and other municipal services.

ANSWER:

If the reference is to the 10% for the energy burden it would leave 20% but again (RCM-TREE 1-18) the 30% is a threshold to determine a housing affordability problem so the income required to cover the rent and other municipal services might exceed 20%.

RCM-TREE/CAC MSOS (CARTER) 1-19

Reference: Carter Report, pages 23 and 24.

Question:

Confirm or deny. If one uses the affordability definition for energy expressed by Manitoba Hydro as you report on page 5, and the 30% of housing affordability for total shelter as you report on page 24:

- b. That would leave less than 15% of income available for rent assuming that the “other municipal services” has a cost greater than 0% of income.

ANSWER:

If the reference is to the 10% for the energy burden it would leave 20% but again (RCM-TREE 1-18) the 30% is a threshold to determine a housing affordability problem so the income required to cover the rent and other municipal services might exceed 20%.

RCM-TREE/CAC MSOS (CARTER) 1-20

Reference: Carter Report, pages 23 and 24.

Question:

If the response to either (a) or (b) above was anything other than an unconditioned “confirm,” please separately state what percentage of income would be available for all other shelter costs if Manitoba Hydro’s 15% of income for energy affordability was adopted and:

- a. One used the 25% of income affordability standard for total shelter costs that you discuss at page 24.

ANSWER:

Again it is difficult to determine as the 25% is a threshold used to determine a housing affordability problem not a specific rent or shelter costs.

RCM-TREE/CAC MSOS (CARTER) 1-20

Reference: Carter Report, pages 23 and 24.

Question:

If the response to either (a) or (b) above was anything other than an unconditioned “confirm,” please separately state what percentage of income would be available for all other shelter costs if Manitoba Hydro’s 15% of income for energy affordability was adopted and:

- b. One used the 30% of income affordability standard for total shelter costs that you discuss at page 23.

ANSWER:

Again it is difficult to determine as the 30% is a threshold used to determine a housing affordability problem not a specific rent or shelter costs.

RCM-TREE/CAC MSOS (CARTER) 1-21

Reference: Carter Report, page 21.

Question:

Given the average rent you report for each “income group” in Table 8, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renter in each “income group” to have a total shelter cost of no more than:

- a. 25% of household income;

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-21

Reference: Carter Report, page 21.

Question:

Given the average rent you report for each “income group” in Table 8, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renter in each “income group” to have a total shelter cost of no more than:

- b. 30% of household income.

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-22

Reference: Carter Report, page 21.

Question:

Given the median rent you report for each “income group” in Table 8, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renters in each “income group” to have a total shelter cost of no more than:

- a. 25% of income;

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-22

Reference: Carter Report, page 21.

Question:

Given the median rent you report for each “income group” in Table 8, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renters in each “income group” to have a total shelter cost of no more than:

- b. 30% of income.

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-23

Reference: Carter Report, page 22.

Question:

Given the average rent you report for each “income group” in Table 9, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renter in each “income group” to have a total shelter cost of no more than:

- a. 25% of household income;

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-23

Reference: Carter Report, page 22.

Question:

Given the average rent you report for each “income group” in Table 9, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renter in each “income group” to have a total shelter cost of no more than:

- b. 30% of household income.

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-24

Reference: Carter Report, page 22.

Question:

Given the median rent you report for each “income group” in Table 9, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renters in each “income group” to have a total shelter cost of no more than:

- a. 25% of income;

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-24

Reference: Carter Report, page 22.

Question:

Given the median rent you report for each “income group” in Table 9, and assuming the income is at the mid-point of the range you present for each income group, please indicate what the dollar energy bill would need to be for the renters in each “income group” to have a total shelter cost of no more than:

- b. 30% of income.

ANSWER:

The question as posed cannot be properly answered as the question does not provide details on the dollar amount for other municipal services.

RCM-TREE/CAC MSOS (CARTER) 1-25

Reference: Carter Report, page 24.

Question:

Please indicate whether the “housing costs” for tenants reported in Table 10 [are] the “shelter costs” defined on page 23 or the “rents” report in Table 8 and Table 9 or something else. If the “housing costs” are “something else,” please provide a detailed explanation of what they are.

ANSWER:

Rents in the report include the total of all shelter expenditures (housing costs) paid by tenant households and include the monthly rent and the cost of electricity, heat, and other municipal services if they are not part of the rent (page 23 of the report).

Note: We took the liberty of inserting [are] after Table 10 assuming this is the question.

RCM-TREE/CAC MSOS (CARTER) 1-26

Reference: Carter Report, page 25.

Question:

Please provide a quantitative comparison of the energy use reduction potential by landlord factors and the energy use reduction potential by tenant factors listed here. If a quantitative comparison of the energy use reduction potential is not available, provide a qualitative assessment of the comparative energy use reduction potential attributable to landlord factors and tenant factors.

ANSWER:

The terms of reference and mandate I was given did not include this type of analysis.

RCM-TREE/CAC MSOS (CARTER) 1-27

Reference: Carter Report, page 28.

Question:

Please indicate all factors that were used to conclude that the “particular initiatives” were “illustrative” of low-income programs.

ANSWER:

As the report suggests the analysis was conducted at a high level in order to promote discussion and was not expected to be exhaustive. However, programs were chosen in general based on their targeting to low income households, the costs to low-income households and their potential to alleviate energy poverty. Programs illustrating both bad and best practices in this regard were examined.

RCM-TREE/CAC MSOS (CARTER) 1-28

Reference: Carter Report, page 28.

Question:

Please identify all quantifiable metrics used to determine whether the “particular initiatives” selected “do, or don’t, achieve particular objectives.” For each of the “particular initiatives,” provide:

- a. A statement of each of the “particular objectives” the initiative sought to accomplish;

ANSWER:

My mandate and terms of reference did not include this type of detailed analysis. Programs were examined from a broad policy perspective as opposed to a specific list of metrics.

RCM-TREE/CAC MSOS (CARTER) 1-28

Reference: Carter Report, page 28.

Question:

Please identify all quantifiable metrics used to determine whether the “particular initiatives” selected “do, or don’t, achieve particular objectives.” For each of the “particular initiatives,” provide:

- b. The quantifiable metrics used to determine whether the initiative did, or did not, achieve each objective;

ANSWER:

My mandate and terms of reference did not include this type of detailed analysis. Programs were examined from a broad policy perspective as opposed to a specific list of metrics.

RCM-TREE/CAC MSOS (CARTER) 1-28

Reference: Carter Report, page 28.

Question:

Please identify all quantifiable metrics used to determine whether the “particular initiatives” selected “do, or don’t, achieve particular objectives.” For each of the “particular initiatives,” provide:

- c. Each evaluation, report, or other written document applying the quantifiable metrics and presenting conclusions based on those metrics on whether each initiative did or did not achieve the identified objectives.

ANSWER:

My mandate and terms of reference did not include this type of detailed analysis. Programs were examined from a broad policy perspective as opposed to a specific list of metrics.

RCM-TREE/CAC MSOS (CARTER) 1-29

Reference: Carter Report, page 29.

Question:

In delivering a low-income energy efficiency program (LIEEP) to a rental unit, whose income is used to determine income-eligibility: (a) the income of the property owner; (b) the income of the current tenant; (c) the income of the expected future tenants; or (d) the income of some other person or household. If the income of some other person or household is used, please indicate whose income is used.

ANSWER:

The income of the current tenant.

RCM-TREE/CAC MSOS (CARTER) 1-30

Reference: Carter Report, page 29.

Question:

In delivering a low-income energy efficiency program (LIEEP) to a multi-family rental unit, whose tenants include both low-income and non-low-income tenants, whose income is used to determine income-eligibility?

ANSWER:

The income of the low-income tenant if it is a LIEEP.

RCM-TREE/CAC MSOS (CARTER) 1-31

Question:

For each state listed below, please indicate whether you reviewed the low-income affordability program operated in that state in preparing your paper titled “Energy Programs and Poverty Alleviation: A Discussion Paper,” dated December 2010:

- a. Maine;
- b. New Hampshire;
- c. Massachusetts;
- d. Pennsylvania;
- e. New Jersey;
- f. Maryland;
- g. Ohio;
- h. Indiana;
- i. Illinois;
- j. Colorado;
- k. Nevada.

ANSWER:

None of these were reviewed for inclusion in this particular report although I am familiar with the details on some of the programs.

RCM-TREE/CAC MSOS (CARTER) 1-32

Question:

For each report listed below, please indicate whether you reviewed or read the report in preparing your paper titled “Energy Programs and Poverty Alleviation: A Discussion Paper,” dated December 2010:

- a. Colton (2009). An Outcome Evaluation of Indiana’s Low-Income Rate Affordability Programs: 2008 – 2009.
- b. Apprise, Inc. (2008). PPL Electric Utilities Universal Service Programs: Final Evaluation Report.
- c. Colton (2007). Best Practices: Low-Income Affordability Programs, Articulating and Applying Rating Criteria.
- d. Colton (2007). An Outcome Evaluation of Indiana’s Low-Income Rate Affordability Programs.
- e. Apprise, Inc. and Colton (2007). A Multi-state Study of Low-Income Programs.
- f. PA Consulting Group (2007). Electric Universal Service Program Evaluation: Final Evaluation Report.
- g. Colton (2006). Experimental Low-Income Program (ELIP): Empire District Electric Company, Final Program Evaluation.
- h. Apprise, Inc. (2006). Impact Evaluation and Concurrent Process Evaluation of the New Jersey Universal Service Fund.
- i. Apprise, Inc. (2006). PECO Energy Customer Assistance Program For Customers Below 50 Percent of Poverty Final Evaluation Report.
- j. Apprise, Inc. (2006). PECO Energy Universal Services Program Final Evaluation Report.
- k. Apprise Inc. (2006). PG Energy Universal Services & Energy Conservation Programs Evaluation: Final Report.
- l. H. Gil Peach and Associates (2006). State Fiscal Year 2005 Evaluation of the NRS 701 Energy Assistance Program and Weatherization Assistance Program.
- m. Apprise Inc. (2005). LIHEAP Energy Burden Evaluation Study: Final Report.
- n. Colton (2005). Impact Evaluation of NIPSCO Winter Warmth Program.
- o. Apprise, Inc. (2006). PPL Electric Utilities Winter Relief Assistance Program: Final Evaluation Report (2006).
- p. Quantec, llc (2005). Utah HELP: Program Evaluation (HELP: Home Energy Lifeline Program).
- q. Triad Research Group (2005). Focus Groups with PIPP Participants (PIPP: Percentage of Income Payment Program, Ohio).
- r. Apprise, Inc. (2005). Philadelphia Gas Works Customer Responsibility Program: Final Evaluation Report.
- s. Apprise, Inc. (2004). Niagara Mohawk Power Corporation LICAP Program Evaluation: Final Report.
- t. Quantec, llc (2004). Oregon Energy Assistance Program Final Evaluation.
- u. Colton (2003). The Impact of Missouri Gas Energy’s Experimental Low-Income Rate (ELIR) On Utility Bill Payments by Low-Income Customers: Preliminary Assessment.
- v. Quantec, llc (2003). Washington Low-Income Bill Assistance Program: Phase II Impact Analysis.
- w. Apprise, Inc. (2002). Niagara Mohawk Power Corporation LICAP Program Evaluation: Final Report.

- x. Apprise, Inc. (2002). Niagara Mohawk Power Corporation Low Income Customer Assistance Program : Impacts on Payments and Arrearages.
- y. Quantec, llc (2002). Oregon REACH Final Evaluation.
- z. Quantec, llc (2001). Final Findings: Indiana REACH Evaluation.
- aa. Colton (revised 1995). Models of Low-Income Utility Rates.
- bb. Colton (1990). Nonparticipation in Public Benefit Programs: Lessons for Fuel Assistance.
- cc. Colton (1990). Why Customers Don't Pay: The Need for Flexible Collection Techniques.
- dd. Cromwell, Colton, Rubin and Herrick. (2010). Best Practices in Customer Payment Assistance Programs, Water Research Foundation (WRF): Denver (CO).
- ee. Apprise, Inc. (2010). LIHEAP Special Study of the 2005 Residential Energy Consumption Survey: Dimensions of Energy Insecurity for Low-Income Households.
- ff. Apprise, Inc. (2004). 2003 National Energy Assistance Survey Report.
- gg. Apprise, Inc. (2005). 2005 National Energy Assistance Survey Report.
- hh. Apprise, Inc. (2008). 2008 National Energy Assistance Survey Report.
- ii. Apprise, Inc. (2009). 2009 National Energy Assistance Survey Report.

ANSWER:

I reviewed the two Colton reports of 2007 but did not include them in the discussion in my report.

RCM-TREE/CAC MSOS (CARTER) 1-33

Reference: Carter Report, page 39.

Question:

- a) Please describe the application process by which “states apply for block grants” for LIHEAP.

ANSWER:

I am not familiar with the application process as I did not review it.

RCM-TREE/CAC MSOS (CARTER) 1-33

Reference: Carter Report, page 39.

Question:

- b) Separately describe what is meant by a “block grant.”

ANSWER:

A “block grant” is a grant of money given to a jurisdiction (a state) based on certain parameters like the level of poverty in the state or, perhaps if it is an energy related program the parameters could be based on climatic factors. The grant generally comes from a senior level of government and the jurisdiction spends the money on programs noted in the agreement under which it receives the money.

RCM-TREE/CAC MSOS (CARTER) 1-34

Reference: Carter Report, page 39.

Question:

Please indicate each “region” for which a “poverty level” has been established and provide the most recent poverty level that has been promulgated for that region.

ANSWER:

The terms of reference and mandate of my study did not require this level of detail and such details would not add value to the discussion.

RCM-TREE/CAC MSOS (CARTER) 1-35

Reference: Carter Report, page 40.

Question:

In concluding that “the LIHEAP and WAP initiatives are well targeted . . .,” please indicate:

- a. The populations to whom LIHEAP assistance is “targeted”;

ANSWER:

The assistance is generally targeted to low-income households but my analysis did not include a detailed evaluation so I cannot comment specifically on what vulnerable populations are included.

RCM-TREE/CAC MSOS (CARTER) 1-35

Reference: Carter Report, page 40.

Question:

In concluding that “the LIHEAP and WAP initiatives are well targeted . . .,” please indicate:

- b. The population to whom WAP assistance is “targeted”;

ANSWER:

The assistance is targeted to some low-income households but my analysis did not include a detailed evaluation so I cannot comment specifically on what vulnerable populations are included.

RCM-TREE/CAC MSOS (CARTER) 1-35

Reference: Carter Report, page 40.

Question:

In concluding that “the LIHEAP and WAP initiatives are well targeted . . .,” please indicate:

- c. References to written evaluations concluding that LIHEAP is “well-targeted”;

ANSWER:

The references relied upon include:

The US Department of Health and Human Services.

The United States Department of Energy.

Environmental Law Centre. 2010. *Conserving the Planet Without Hurting Low Income Families*.
University of Victoria. Victoria BC.

Williams. S. 2008. *Bringing Home the Benefits of Energy Efficiency to Low income Households: The Case for a National Commitment*. Enterprise Community Partners Inc. Columbia, Maryland.

RCM-TREE/CAC MSOS (CARTER) 1-35

Reference: Carter Report, page 40.

Question:

In concluding that “the LIHEAP and WAP initiatives are well targeted . . .,” please indicate:

- d. References to written evaluations concluding that WAP is “well targeted.”

ANSWER:

The references relied upon include:

The US Department of Health and Human Services.

The United States Department of Energy.

Environmental Law Centre. 2010. *Conserving the Planet Without Hurting Low Income Families*.
University of Victoria. Victoria BC.

Williams. S. 2008. *Bringing Home the Benefits of Energy Efficiency to Low income Households: The Case for a National Commitment*. Enterprise Community Partners Inc. Columbia, Maryland.

RCM-TREE/CAC MSOS (CARTER) 1-36

Reference: Carter Report, page 39.

Question:

In concluding that LIHEAP and WAP “form the cornerstone of the United States LIEEP framework,” please indicate:

- a. The dollar amounts of energy assistance provided by LIHEAP in the most recent fiscal year available;
- b. The dollar amount of energy assistance provided by utility-funded utility affordability programs in the most recent fiscal year available;
- c. The number of households receiving LIHEAP assistance in the most recent fiscal year available;
- d. The number of households receiving energy assistance provided by utility-funded utility affordability programs in the most recent fiscal year available;
- e. The percentage of LIHEAP funds that was used to fund energy efficiency or weatherization measures in the most recent fiscal year available;
- f. The maximum percentage, if any, of LIHEAP funds that is allowed to be used for energy efficiency or weatherization measures;
- g. The dollars of LIHEAP funds that were used to fund energy efficiency or weatherization measures in the most recent fiscal year available.

ANSWER:

My mandate and terms of reference did not require detailed program evaluations.

RCM-TREE/CAC MSOS (CARTER) 1-37

Reference: Carter Report, page 48.

Question:

Please indicate whether , in reaching the conclusion that that “the United Kingdom has one of the most progressive and comprehensive frameworks for addressing energy poverty in the world,” you reviewed each of the following documents:

- a. The UK Fuel Poverty Strategy Annual Progress Report #3: 2005;
- b. The UK Fuel Poverty Strategy Annual Progress Report #4: 2006;
- c. The UK Fuel Poverty Strategy Annual Progress Report #5: 2007;
- d. The UK Fuel Poverty Strategy Annual Progress Report #6: 2008;
- e. The UK Fuel Poverty Strategy Annual Progress Report #7: 2009;
- f. The UK Fuel Poverty Strategy (November 2001);
- g. The Annual Report on Fuel Poverty Statistics (2010);
- h. The Annual Report on Fuel Poverty Statistics (2009);
- i. Fuel Poverty Monitoring Indicators: 2010;
- j. Fuel Poverty Monitoring Indicators: 2009;
- k. Fuel Poverty 2008: Detailed Tables;
- l. Trends in Fuel Poverty: England: 2003 - 2008.

ANSWER:

The documents I reviewed included:

The UK Fuel Poverty Strategy Annual Progress Report #7: 2009;
The UK Fuel Poverty Strategy (November 2001);
The Annual Report on Fuel Poverty Statistics (2009);
Trends in Fuel Poverty: England: 2003 - 2008.

RCM-TREE/CAC MSOS (CARTER) 1-38

Reference: Carter Report, page 48.

Question:

Please indicate whether, in reaching the conclusion that “the United Kingdom has one of the most progressive and comprehensive frameworks for addressing energy poverty in the world,” you reviewed documents and discussion leading to the 2010 Consultation on amending the Warm Front Scheme eligibility criteria.

- a. If so, please provide a detailed description of your understanding of the purpose of the 2010 consultation.

ANSWER:

I did not review documents and discussion leading to the 2010 Consultation.

RCM-TREE/CAC MSOS (CARTER) 1-38

Reference: Carter Report, page 48.

Question:

Please indicate whether, in reaching the conclusion that “the United Kingdom has one of the most progressive and comprehensive frameworks for addressing energy poverty in the world,” you reviewed documents and discussion leading to the 2010 Consultation on amending the Warm Front Scheme eligibility criteria.

- b. Separately indicate whether Warm Front is currently taking applications to provide service.

ANSWER:

I did not review documents and discussion leading to the 2010 Consultation and my analysis did not include a review of whether applications are currently being accepted although I did note that with the change in government and the current fiscal crisis in the U.K. the future of these programs is in doubt.

RCM-TREE/CAC MSOS (CARTER) 1-38

Reference: Carter Report, page 48.

Question:

Please indicate whether, in reaching the conclusion that “the United Kingdom has one of the most progressive and comprehensive frameworks for addressing energy poverty in the world,” you reviewed documents and discussion leading to the 2010 Consultation on amending the Warm Front Scheme eligibility criteria.

- c. Separately identify and provide a copy of all outcome evaluations of the Warm Front program prepared since 2004 that you reviewed in preparing your report.

ANSWER:

This detailed analysis is not part of my terms of reference and mandate.

RCM-TREE/CAC MSOS (CARTER) 1-39

Question:

Please review Part 5: Summary of Recommendations for Manitoba Hydro on pp. 102-103 of Roger Colton's report.

- a. On the basis of your understanding of best practices for low-income energy programs, please indicate which, if any, of the recommendations you would take exception to.
- b. For each recommendation that you take exception to, please provide a detailed explanation of what is wrong with the recommendation and why it is wrong.
- c. For each recommendation that you exception to, please provide a list of jurisdictions that have rejected that recommendation.
- d. For each recommendation that you take exception to, please provide a list of jurisdictions that have accepted that recommendation.
- e. Please identify, with reasons, any important gaps in Roger Colton's list of recommendations.

ANSWER:

As my mandate and terms of reference did not include a detailed evaluation of Manitoba Hydro Programs I cannot respond to these questions in detail. Manitoba Hydro Programs are viewed in a positive fashion for their collaborative community based approach and their assistance to *some* households in poverty. Energy saving programs reportedly saves some households upwards of \$500 per year. They make a positive contribution to reducing energy poverty, although they may not eliminate it. They make only a minor contribution to the reduction of poverty in general. The major poverty reduction program in the province is the social assistance program. Social assistance payments still leave many households below the poverty line. A question worth considering is whether it would be better to try and reduce poverty through LIEEPs or through increases to social assistance levels. LIEEPs achieve many objectives as the report noted but don't necessarily make significant contributions to reducing poverty.