

**COLUMBIA GAS OF KENTUCKY, INC.
RESPONSE TO APPENDIX B TO AN ORDER OF
THE KENTUCKY PUBLIC SERVICE COMMISSION
DATED OCTOBER 28, 2019**

1. Refer to Appendix C to this Order, which contains utility-specific HEA program eligibility criteria, funding and administration data, and annual budgets and disbursements. Confirm that the information in Appendix C applicable to your utility (Utility) is accurate or, if any information is not accurate, provide the updated information.

Response:

The information presented in Appendix C Page 1 in Appendix C does not reflect all of Columbia's HEA program criteria.

Additional program criteria include:

- Qualify for LIHEAP
- Not reside in a Multi-Unit Single Meter Building
- Provide (monthly) Access to Meters

Updated information on Appendix C Page 3:

Year*	Meter Charge/ Surcharge	Utility Donation/ Contribution	Total Amount Collected	Customer Benefits**	Admin Costs	Average Forgiveness	No. of Participants	Disconnects	Admin Costs (%of funds collected)	Admin Costs (% of funds disbursed)
2015	\$ 362,503	\$ 175,000	\$ 537,503	\$ 553,849	\$ 90,823	n/a	1791	19	16.9%	16.4%
2016	\$ 407,496	\$ 189,584	\$ 597,080	\$ 752,680	\$ 79,564	n/a	1864	61	13.3%	10.6%
2017	\$ 563,912	\$ 200,000	\$ 763,912	\$ 852,189	\$ 76,986	n/a	1909	81	10.1%	9.0%
2018	\$ 530,343	\$ 200,000	\$ 730,343	\$ 633,169	\$ 85,742	n/a	1457	37	11.7%	13.5%
2019	\$ 18,987	\$ 50,000	\$ 68,987	-	\$ 3,274	n/a	947	2	4.7%	
* HEA Program year expenses tracked August thru July										
** Customer Benefit includes return to pool subsidy credits not utilized in previous program year										

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2. Explain how the Utility selected the agency that administers its HEA application process.

Response:

The Community Action Council (CAC) for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties is a local community based nonprofit organization, experienced in assisting low-income individuals and processing applications for fuel funds. Columbia participated in CAC's Wintercare Program and due to the established expertise, CAC was selected to administer the application process for Columbia's HEA at the onset of the program.

CAC contracts with other Community Action Agencies throughout the state to provide enrollment opportunities across Columbia's service territory.

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3. Describe in specific detail all aspects of the Utility's oversight of the agency that administers HEA applications.

Response:

Columbia produces a variety of reports related to its HEA program on both a monthly and daily basis. The reports are reviewed to ensure the HEA program is administered in accordance with program guidelines.

A monthly enrollment report is generated listing new program participants. Each account is viewed in Columbia's customer data base to verify the enrollment process was completed successfully. The report is also used to confirm that the monthly funds are appropriately applied. Other monthly reports reflect number of participants receiving program benefit as well as original, available, distributed and committed pool dollars. A service termination activity report provides collection and termination activity of plan participants.

Customer disconnection and transfer of service activity is monitored as well. Columbia provides a notification to CAC in the event a program participant disconnects or transfers service. Columbia works in collaboration with the CAC throughout the HEA program season. Any concerns related to program budget or enrollment are addressed immediately.

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4. Explain in specific detail how the agency that administers the Utility's HEA application process is paid, e.g., a fixed amount per application, a percentage of budgeted or expended funds, or a lump sum.

Response:

The Community Action Council is compensated by a combination of fixed and variable amounts for the operating and administrative services it provides. Operating costs include an allocation based on time of those CAC employees who assist in administration of the program and IT expenses related to monthly EAP Program enrollment and maintenance. CAC also receives a fixed fee of \$25 for each new program enrollment or \$15 for a participant recertification. Administrative costs vary based on time allocation of the intake and enrollment process for each applicant.

To provide the opportunity for participation in Columbia's HEA program, CAC contracts with other agencies within Columbia's service territory. These agencies receive a fixed fee of \$25 for each new program enrollment or \$15 for a participant recertification.

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5. For each of the Utility's HEA programs, provide the following information:
 - a. The number of applicants in the last full program year.
 - b. The number of applicants in the last full program year who were eligible for each HEA program.
 - c. The number of eligible applicants in the last full program year who received assistance from each HEA program.

Response:

- a. CAC is contracted by Columbia Gas to administer and determine eligibility of applicants for enrollment in its HEA program. Data provided by CAC indicates 1,714 households applied for participation in Columbia's HEA program in the last full program year.

b. Data provided by CAC indicates 1,695 households were eligible to participate in Columbia's HEA Program in the last full program year.

c. 1457 applicants were enrolled and received benefit from Columbia's HEA program in the last full program year.

KY PSC Case No. 2019-00366
Response to The Commission's Information Request
Order Appendix B No. 6
Respondent: Susie Durr

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6. Provide the average benefit level paid for participants in each of the Utility's HEA programs.

Response:

The average benefit level paid for Columbia's HEA program participants in the last program year was \$435.

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7. State how often in the past five years that funds generated by the Utility's HEA charge were not fully expended and explain what happens to funds not expended.

Response:

The funds generated have been fully expended each year of Columbia's program. The funds equate to a maximum of \$600 per participant in bill credits distributed during the billing months of November through March. If the customer's cumulative billing during the program season was less than the credit subsidy, the excess credit is returned to the program pool. The process of returning unused credits to the fund pool provides the opportunity to allow additional enrollment in the program or adjust the bill credits per participant.

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8. Describe in specific detail how the Utility's HEA programs are advertised or communicated to customers. Provide all marketing materials.

Response:

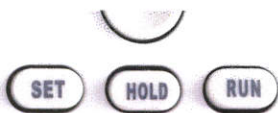
As an established front line contact for low-income residential customers who are in need of assistance to pay their utility bills, CAC assists Columbia in identifying customers who may qualify for its HEA program. Columbia's HEA participants are primarily recruited through a data search of potentially eligible households enrolled in Community Action Council's intake reporting and information system

Participating community action agencies generally have the first opportunity during in-person contact with customers to communicate Columbia's HEA program benefit. However, Columbia employees who interact with

customers either in person or by telephone may direct customers in need of financial assistance to the CAC for HEA program enrollment.

An annual recertification letter is mailed to the previous program year participants allowing the opportunity for re-enrollment in the current year. The recertification letter provides information related to program enrollment and directs them to their local Agency. See Attachment A.

Columbia's HEA Program is marketed by CAC and Columbia via brochures which are utilized to solicit eligible households. See Attachments B and C. Columbia's website contains information on its HEA Program as well.



NEED HELP

WITH YOUR ENERGY BILL OR THE ENERGY EFFICIENCY OF YOUR HOME?

ENERGY BILL HELP: SEE WHAT PROGRAMS YOU QUALIFY FOR

You may be eligible for assistance through various programs that could prevent an interruption of service during the winter heating season (November 1 through March 31).

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

If your household income is at or below 130% of the federal poverty guidelines and you are responsible for paying your heating costs, you might be eligible for a one-time benefit during November and December.

LIHEAP CRISIS

Available between early January and the end of March, customers must be in imminent loss of heat for non-payment and meet criteria for regular LIHEAP. Households at or above 75% of poverty must pay a portion or co-payment of the minimum amount due to avoid the crisis.

CERTIFICATE OF FINANCIAL NEED

A certificate of financial need might be available for customers who are at or below 130% of federal poverty guidelines, which could provide a 30-day extension on their bill during the winter heating season, provided they make payment arrangements with their utility.

For more information about the programs listed above, please contact your local Community Action Agency at the numbers provided on the back of this sheet.

MEDICAL CERTIFICATION

Medical certification may be obtained when the loss of service would be especially dangerous to a permanent resident of your home. This certification, which keeps your service on for 30 days while other payment arrangements are established, must be signed by a physician, registered nurse or public health officer.

EAP (ENERGY ASSISTANCE PROGRAM)

EAP works by providing participants with a subsidy each month of the winter heating season (November through March). The subsidy is credited to the participant's bill each month. The amount credited to each participant is a set amount for the heating season.

To qualify for the program, participants must be active Columbia Gas of Kentucky residential customers whose household income is at or below 130% of the Federal poverty guidelines and the ratepayer of record, must agree to have their income verified at the time of application and annually, and must apply for LIHEAP subsidy and direct the subsidy to Columbia Gas.

Contact your local Community Action Agency to find out if you qualify for this program. See the back of this sheet for a listing of agencies.




ENERGY EFFICIENCY: FIND WAYS TO SAVE THAT WORK FOR YOU

DO YOU QUALIFY FOR A FREE HIGH-EFFICIENCY FURNACE?

Columbia Gas and community action agencies are working together to help low-income families stay warm and save money through the **Low-Income Furnace Replacement Program**. To find out if you qualify for a free high-efficiency furnace, call Community Action Council at **1-800-244-2275**.

Furnace replacements are available to active Columbia Gas residential customers while funds remain available. Other restrictions apply.

3 SIMPLE STEPS TO SAVE MONEY AND IMPROVE ENERGY EFFICIENCY

- 
1. REDUCE AIR LEAKS
 Seal leaks around doors, windows, pipes and ducts, with caulk or weather-stripping. 31% of air escapes through homes' floors, walls and ceilings.
- 
2. SET THERMOSTAT & SAVE 10%
 Cut heating bills by as much as 10% by setting your thermostat between 65 and 70 degrees during the winter and 58 degrees when away from the house for more than a few hours. Use a programmable thermostat.
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3. SET WATER HEATER TEMP TO 120 DEGREES.
 Water-heating is a typical family's third largest energy expense. Makes up 14% of utility bills.

For the latest information, visit **ColumbiaGasKY.com**





APPLYING FOR HELP

WITH YOUR HEATING BILL

State and federal funds are available to help qualified low-income, elderly and disabled customers pay their gas bills. To determine qualifications, **contact your local Community Action Agency in the counties listed below**, or call **1-800-456-3452**. Applications for LIHEAP are taken in alphabetical order based on the first letter of the head of household's last name. Call to learn what day you should apply.

Bath, Owingsville 23 Cedar Creek Dr. (606) 674-2502	Clay, Manchester 1535 Shamrock Rd. (606) 598-5127	Harrison, Cynthia 216 Old Lair Rd. (859) 234-2121	Letcher, Whitesburg 2 Main St. (606) 633-4458	Nicholas, Carlisle 2323 Concrete Rd. Suite A (859) 289-7172
Bourbon, Paris 1414 S. Main St. (859) 987-5277	Estill, Irvine 100 Tyler Lane (606) 723-4492	Jessamine, Nicholasville 213 S. Main St. Suite 103 (859) 885-3512	Lewis, Vanceburg 210 Front St. (606) 796-3893	Owsley, Booneville County Courthouse Main St. Room 104 (606) 593-5103
Boyd, Ashland 2800 Louisa St. Suite 201 Catlettsburg (606) 739-2150	Fayette, Lexington 1902 Cambridge Dr. (859) 246-1192 913 Georgetown St. (859) 244-2215 520 Toner St. (859) 554-4350 1169 Winburn Dr. (859) 294-5249	Johnson, Paintsville 230 Court St. Third Floor, Room 333 (606) 789-6515	Madison, Richmond 311 Spangler Dr. (859) 623-6514	Pike, Pikeville 478 Town Mountain Rd. (606) 432-2775
Bracken, Brooksville 110 Grandview Dr. (606) 735-2948	Floyd, Allen 60 Court St. (606) 874-3595	Knott, Hindman 1622 S. Highway 160 (606) 785-3322	Martin, Inez 387 E. Main St. Suite 203 (606) 298-3217	Robertson, Mt. Olivet 69 McDowell St. (606) 724-5513
Carter, Grayson 1103A State Hwy 7 Suite A (606) 474-8118 Olive Hill 21039 West US Hwy 60 (606) 286-4443	Franklin, Frankfort 73 C Michael Davenport Blvd. Suite 1 (502) 695-5615	Lawrence, Louisa 180 Bulldog Ln. Suite 203 (606) 638-4067	Mason, Maysville 1679 Forest Ave. (606) 564-8389	Scott, Georgetown 340 E. Washington St. (502) 863-9403
Clark, Winchester 32 Meadow St. (859) 744-3235	Greenup, Flatwoods 1309 Lexington Ave. (606) 834-8346	Lee, Beattyville 205 Main St. (606) 464-2259	Montgomery, Mt. Sterling 103 Bruce Professional Pk. Suite A (859) 498-5345	Woodford, Versailles 285 Beasley Rd. (859) 873-8182

Columbia Gas of Kentucky will work with you to answer any questions you might have about the amount of your bill and to establish a mutually agreeable payment plan. Please contact our office immediately to avoid an interruption in service. Call **Columbia Gas** at **1-800-432-9345**.

For the latest information, visit
ColumbiaGasKY.com





PROGRAM TITLE: Columbia Gas Energy Assistance Program (EAP)

PROGRAM SUMMARY:

- EAP is a program provided in partnership with Columbia Gas.
- Offers low-income customers a credit to their Columbia Gas account for the 5 heating months
November - \$65, December - \$110, January - \$150, February - \$140, March - \$135
- The goal of the program is to reduce the number of people who become payment troubled and delinquent and stabilize them.

ELIGIBILITY REQUIREMENTS:

- Applicants must be active Columbia Gas customers who have Columbia Gas as their primary heat source.
- Serves households with incomes up to 130% of poverty.
- Applicants must be responsible for home energy costs (bill in their name or spouse's name).
- Participants must be willing to re-certify annually between mid-August and mid-October.
- Participants must apply for and accept Weatherization services where available.
- Participants must apply for LIHEAP Subsidy and direct the payment to Columbia Gas.

REQUIRED DOCUMENTS:

- Proof of income for previous month for all adults in the home.
- Current gas bill in head of household or spouse's name.

CLIENT BENEFITS (How does this benefit the client?):

- The EAP program assists people who are at or below 130% of poverty with payment on their gas bills November - March. This reduces the yearly costs for gas service substantially.

ENROLLMENT CAPACITY:

- Approximately 850 Columbia Gas Customers in 24 counties, 9 Community Action Agencies

WHERE TO APPLY or call for additional information:

Toll Free: 1-800-244-2275

Community Action Council: 859-233-4600

Fayette West Center: 1903 Cambridge Drive, Lexington, KY 40502 (859) 246-1192

Russell School Community Services Center: 520 Toner St., Lexington, KY 40508 (859) 554-4350

West End Center: 913 Georgetown St., Lexington, KY 40511 (859) 244-2215

Winburn Center: 1169 Winburn Dr., Lexington, KY 40511 (859) 294-5249

Wesley's Place: 1414 Main St., Paris, KY 40361 (859) 987-5277

Harrison County Center: 217 Old Lair Rd., Cynthiana, KY 41031 (859) 234-7201

Nicholas County Center: 2323 Concrete Rd. Suite, Carlisle, KY 40311 (859) 289-7173

STAFF CONTACTS: Patricia Shobe, Safety Net Manager
(859) 233-4600 x 2030

Adria Johnson, Safety Net & Volunteer Assistant
(859) 233-4600 x 2005

KY PSC Case No. 2019-00366
Response to The Commission's Information Request
Order Appendix B No. 9
Respondent: Susie Durr

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9. State whether the Utility or the agency that administers the HEA program measures how applicants learned of the HEA program and, if so, provide the data for the last full program year.

Response:

CAC does not provide data detailing the manner in which applicants learn of the program.