

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ELECTRONIC INVESTIGATION OF HOME )  
ENERGY ASSISTANCE PROGRAMS OFFERED )  
BY INVESTOR-OWNED UTILITIES PURSUANT ) CASE NO: 2019-00366  
TO KRS 278.285(4) )

RESPONSE OF  
COMMUNITY ACTION KENTUCKY, INC.  
TO COMMISSION STAFF'S POST-FORMAL CONFERENCE REQUEST FOR  
INFORMATION TO PARTIES  
DATED FEBRUARY 26, 2020

Filed: March 6, 2020

**Question 10**

*"10. Identify the differences in the application process between an application for a subsidy and an application for crisis so to support different costs associated with each."*

**RESPONSE:**

On the face of it, there is no difference between "subsidy application or "crisis application" taken by outreach staff that would support a cost difference between the two.

Any application typically consists of a "Core Data Set": Names, Gender, Date of Birth, Income, etc. of all the household occupants; address; housing type, etc.

If the Core Data Set is up to date, the outreach staff can often add an HEA Subsidy or Crisis application and use the existing core data set. Depending on the time of the year, data may already be "fresh" such as when HEA applications are taken in conjunction with LIHEAP applications. However, if the data is not up to date, the outreach staff will be required to update the entire data set and will result in higher cost.

Differentiation appears in extra data collection, eligibility requirements, processing or data transmission related to a specific program.

During a Crisis style application (such as LIHEAP Crisis), the worker may be required to contact the utility to determine: if the client is in disconnect; the amount required to alleviate the disconnect/crisis; the accuracy of the account number. For most utility and heating vendors, this is a manual process and usually involves the outreach staff calling the utility via telephone. This drives cost in Crisis style applications.

A program's eligibility requirements may drive cost. For example, the cost of performing a weatherization application can be costly. A weatherization application typically requires a separate appointment to gather all the data beyond the core data set. The client will often need to return at a later date with information related to: their 12-month history of all electric; heating, cooling and utility bills; proof of home ownership (deed); Landlord approvals; etc.

Another program related cost is the requirement that a client apply for and receive LIHEAP, or have their benefits directed to a specific utility. The outreach staff must research these items to insure that he applicant is eligible.

One of the key drivers of cost is if the program is "non-standard" or dis-similar to others. For example, the Kentucky Power Heart program requires a custom software program to calculate prioritization points and exchange data files. In order to calculate the prioritization points, application data must be sent to a Kentucky Power server, the server responds with history data, then a calculation is performed and each application is ranked. Then the ranked applications are transmitted again to Kentucky Power for enrollment into slots. While this is largely invisible to the outreach staff, it requires custom software at

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both CAK and the utility, server maintenance and operation costs. The cost could be reduced if either a) If all the programs operated in a similar way so that they could take advantage of the same software or b) The HEART program could be altered to follow the same process of the other programs.

**Witness:** Roger McCann

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**Question 11**

*"11. Explain whether there is a correlation between a county's LIHEAP fund allocation and the number of empty HEA slots for that county."*

**RESPONSE:**

LIHEAP funds are allocated per the LIHEAP area served by each Community Action Agency. HEA slots, such as those allocated by the Kentucky Power HEART program, are allocated based on the number of residential customers in a county. We are unable to correlate between LIHEAP fund allocations by county and empty HEA slots by county.

**Witness:** Roger McCann

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**Question 12**

*12. Prove the amount of counsel fees that are related to case intervention and charged against the HEA programs for the last five years.*

**RESPONSE:**

CAK did not charge any counsel fees related to case intervention against HEA programs for the last five years.

**Witness:** Roger McCann

