

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 2019-00366

RESPONSES TO DATA REQUEST
ORDER 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:

We confirm that the information in Appendix C is accurate.

Sponsoring Witness:
Jenny Lowery Croft

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

Response:

We designed our program to operate similarly to the Columbia Gas of Kentucky HEA program. Columbia selected Community Action Council (Community Action) to administer their program, and Delta did also. Community Action is a local community based nonprofit organization, which is experienced in processing applications for fuel funds. Community Action contracts with other Community Action Agencies throughout the state, including those in Delta'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:

Community Action handles the application and qualification process for assistance. They provide Delta with enrollee information upon annual certification. We then perform account verification, validating the account number, that the service includes the enrollee's name and that the account status is active. Delta and Community Action each share relevant information as modifications are needed to the program enrollment. Community Action notifies Delta throughout the year of any additions or removals in the event that a participant no longer qualifies. Delta notifies Community Action if service is discontinued for a participant.

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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:

Community Action bills annually. The bill amount is based on enrollment fees, contract expense, and program and administrative fees. A copy of the most recent billing is attached as Exhibit A.

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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. There were 198 applications during the last full program year, May 2018 – April 2019.
- b. There were 180 eligible applicants during the last full program year.
- c. There were 260 slots available. As such, all 180 eligible applicants received assistance.

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

Response:

\$410.00 is distributed annually to each participant, unless service is discontinued before the plan year is complete.

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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:

Funds have not been fully expended in any of the past 5 years. We hold excess funds in an account and roll accumulated funds to the next program year. This has resulted in an increase to the number of slots available each year. As stated in the response to No. 5 of this data request, there were 260 slots available in the last full program year, and 180 customers were enrolled.

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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:

Delta Customer Representatives, Customer Service Representatives, and other personnel who work with residential customer billings educate individual customers about the HEA program when a customer appears to require assistance.

Community Action Council and other community action agencies (CAAs) communicate directly with customers with low income about the HEA program when they engage with staff. Most often this communication occurs in person at one of the CAA's facilities, but it can also happen through other forms of contact, such as community events like resource fairs. Heads of households seeking assistance receive a comprehensive intake assessment. When the circumstances of the household indicate a need for energy assistance, staff refer the participant to the HEA program, and households are enrolled and/or placed on a waiting list as necessary.

Community Action Council's Safety Net and Volunteer Manager manages and oversees the operations of the program for the Council. Community Action also discusses the benefits and program structure of utility-funded energy assistance programs during presentations or other public forums so that the community is aware of the partnerships, and aware of how utility companies like Delta Natural Gas are working alongside local CAAs to mitigate rising energy costs for households with low income.

Attached as Exhibit B is the Delta Fact Sheet that was created by Community Action Council and has been provided to CAAs to communicate the Delta HEA program to customers seeking energy assistance.

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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:

Neither Delta or Community Action measure how applicants learned of the HEA program.

Sponsoring Witness:
Jenny Lowery Croft

NO. 05-5318-19

COMMUNITY ACTION COUNCIL
 for
Lexington-Fayette, Bourbon, Harrison & Nicholas Counties
 913 Georgetown Street
 P.O. Box 11610
 Lexington, KY 40576

TO: Denisa King
 Delta Natural Gas Company, Inc
 3617 Lexington Road
 Winchester, KY 40391

5318-1000-9999-4452
 Lexington (859) 233-4600

DATE	SERVICE	AMOUNT
2018 2019 May 2017 - April 2018	Enrollment Fees Program Manager (Salary & Fringe) Administration (Indirect Costs)	2,460.00 8,893.84 1,396.73
		12,750.57

DEPARTMENT: Fiscal Operations

Melissa Tibbs for B. Rice
 Executive Director

5/8/19
 Date

CAC for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties, Inc.

Sal Rev Exp a - Unposted Transactions Included In Report

From 5/1/2018 Through 4/30/2019

		Current Year Actual	Total Budget - CACLex	Total Budget Variance - CACLex
Revenue				
EAP DELTA	5318			
CONTRACT REVENUE	4452	12,750.57	10,770.00	1,980.57
Total Revenue		12,750.57	10,770.00	1,980.57
Expense				
EAP DELTA	5318			
SALARY EXPENSE - PERMANENT	6000	5,610.04	4,491.00	(1,119.04)
FICA EXPENSE	6110	444.02	344.00	(100.02)
WORKERS COMPENSATION EXPE	6120	112.14	26.00	(86.14)
PENSION EXPENSE	6130	480.06	359.00	(121.06)
HEALTH INSURANCE EXPENSE	6140	481.32	337.00	(144.32)
LIFE INSURANCE EXPENSE	6150	17.91	16.00	(1.91)
DISABILITY INSURANCE EXPE	6170	22.58	16.00	(6.58)
K125 CAFETERIA PLAN EXPEN	6180	0.00	4.00	4.00
ACCRUED LEAVE	6190	461.45	321.00	(140.45)
CONTRACTS EXPENSE	7130	2,460.00	2,650.00	190.00
CONTRACT EXPENSE-CAC	7131	0.00	239.00	239.00
INSURANCE & BONDING EXPEN	7200	49.74	58.00	8.26
INDIRECT COST EXPENSE	7990	1,396.73	1,163.00	(233.73)
FACILITIES EXPENSE	7993	705.60	250.00	(455.60)
COMMUNICATIONS EXPENSE	7994	71.81	150.00	78.19
PERSONNEL EXPENSE	7995	178.11	247.00	68.89
ITS EXPENSE	7996	259.06	100.00	(159.06)
Total Expense		12,750.57	10,771.00	(1,979.57)
Total Revenue over Expense (Loss)		0.00	(1.00)	1.00



PROGRAM TITLE: Delta Natural Gas Energy Assistance Program (Delta EAP)

PROGRAM SUMMARY:

- Delta EAP is a program provided in partnership with Delta Natural Gas Company, Inc.
- The goal of the program is to offer low-income Delta customers an affordable gas bill payment by providing a credit to their Delta Gas account for the 5 heating months:
November - \$50, December - \$70, January - \$90, February - \$100, March - \$100.
- It is anticipated that participation in the program will make energy more affordable and reduce the number of disconnects.

ELIGIBILITY REQUIREMENTS:

- Applicants must be active Delta customers who have gas as their primary heat source.
- Serves households with income up to 110% of poverty.
- Applicants must be responsible for home energy costs (bill in their name or spouse's name).
- Participants must re-certify annually between August 15 and October 15.
- Participants must apply for and accept Weatherization services if available.
- Participants must apply for LIHEAP Subsidy and direct the payment to Delta Gas.

REQUIRED DOCUMENTS:

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

PARTICIPANT BENEFITS (How does this benefit the participant?):

- The program assists people who are at or below 110% of poverty with payment on their gas bills November - March. This reduces the yearly costs for gas service substantially.

ENROLLMENT CAPACITY:

- Up to 220 Delta Natural Gas Customers in 16 counties, 10 Community Action Agencies

STAFF CONTACT: Patricia Shobe, Emergency Services Manager
(859) 233-4600 ext. 1428

Maria Bailey, Administrative Assistant, Emergency Services
(859) 233-4600 ext. 1405

VERIFICATION

COMMONWEALTH OF KENTUCKY)
) SS:
COUNTY OF CLARK)

The undersigned, Jenny Lowery Croft, being duly sworn, deposes and says that she is Manager – Employee and Regulatory Services of Delta Natural Gas Company, Inc. and that she has personal knowledge of the matters set forth in the responses for which she is identified as the witness and the answers contained therein are true and correct to the best of her information, knowledge and belief.

Jenny Lowery Croft
Jenny Lowery Croft

Subscribed and sworn to before me, a Notary Public, in said County and State this 14th day of November 2019.

Donna K. Fuller (SEAL)
Notary Public

My Commission Expires:

July 11, 2020

