



LIHEAP from the Perspective of the Investor-Owned Utilities

LIHEAP Processes for the Investor-Owned Utilities

- Communicate electronically each week for approval and payment information
- Utilities' Web sites available for agencies to gather client data and post approvals

Fuel Funds

- Alliant Energy – Hometown Care
- Aquila – Aquila Cares
- Atmos Energy – Sharing the Warmth
- MidAmerican Energy – I CARE
- Amounts contributed to fuel funds in the past 5 years (includes utilities' matching contributions)
 - 2001 - \$685,661
 - 2002 - \$627,960
 - 2003 - \$634,372
 - 2004 - \$651,134
 - 2005 - \$696,711
- Special contributions made by utilities in 2006
 - Both Alliant Energy and MidAmerican Energy contributed about \$5.3 million.
Contributions represent the remaining balance of insurance proceeds after completion of manufactured gas plant site clean-up.
- Efforts are currently underway with the utilities, assistance agencies and Board to identify and implement ways to increase donations.

Program Elements that Work Well

- Dollars come directly to vendor. Funds get used for their intended purpose.
- Agencies notify vendor in a timely manner (electronically) when a client is approved to receive LIHEAP and again when payment is processed.
- The regular, timely notifications of the LIHEAP award helps utilities work that amount into payment arrangements, even before monies are received.
- Elderly and handicapped get to apply first (October). Starting this year, disconnected customers can apply for energy assistance in October. LIHEAP funds can be used for this crisis. Others wait until after November 1. Since funds are first come, first served, this helps insure that the entire population can be served.
- The application process and screening is also used for qualification for other programs which is very efficient. One process serves multiple purposes.
- Many customers would not be able to successfully handle their utility obligations without this assistance. It does make a positive difference for them.

- Often times LIHEAP helps people through temporary tough times.
- The broadcast communication system works quite well when wanting to communicate with all agencies. This is done using the state's bulletin board.
- The assistance agencies strive to maintain a very positive relationship with the utilities.
- When there are issues in processing files, IT people are available to help.
- LIHEAP overpayments are returned to the assistance agencies. This works much better than in Illinois, for example, where overpayments are returned to the client.
- The utilities applaud the work done at the state and federal levels to increase LIHEAP funding. The utilities also support efforts to make sure that the agencies are adequately funded to provide necessary services to their clients.

Program Elements That Could Be Reviewed For Possible Change

- A consistent approach among all agencies for processing and posting both approval and payment files to the bulletin board would be beneficial for the utilities.
- Daily processing of approval files rather than weekly could provide more up to date protection for the client.
- A conversion to one software system for LIHEAP at the state level could be beneficial to the utilities. This could also help in creating a more consistent approach to processing applications statewide and also allow for centralized reporting capabilities.
- Implementation of a requirement that the LIHEAP applicant be the utility's customer of record could improve administration of the program. For instance, this is a current requirement in Illinois and seems to make it easier to address the issue of confidentiality of customer information.
- By determining a method of LIHEAP distribution that would incent clients to continue to pay during the winter moratorium period, the risk of service disconnection after moratorium could be avoided.
- By determining a method where customer payment history is factored into determining eligibility for crisis funds, the limited funding could be used to its best advantage.
- The Iowa Community Action Association and the utilities could develop a joint press message encouraging people to apply for LIHEAP.

The Iowa Utility Association Member Companies:

Alliant Energy
Aquila, Inc.
MidAmerican Energy
Atmos Energy