



Illinois PIPP Program Impact Evaluation

Draft Report

Prepared for the Illinois Department of Commerce and Economic
Opportunity

December 2009

Table of Contents

Executive Summary	i
Introduction.....	i
Program Design and Implementation	ii
Impact Evaluation Design.....	iii
Detailed Findings from the Impact Evaluation	iv
Summary of Findings and Recommendations	viii
I. Introduction	1
A. Background	1
B. Evaluation	2
C. Organization of the Report.....	3
II. Program Design and Implementation.....	4
A. Program Design	4
B. Pilot Program Implementation Barriers	7
C. Design and Implementation Summary.....	8
III. Baseline Data on PIPP Pilot Participants.....	9
A. PIPP Pilot Client Groups	9
B. Elderly PIPP Clients	11
C. Young Child PIPP Clients	22
D. Disabled PIPP Clients	32
E. Other PIPP Clients	43
IV. Program Impacts	55
A. Immediate Impacts of the PIPP Pilot Program	56
B. Intermediate Impacts of the PIPP Pilot Program	63
C. Change in Energy Usage.....	88
V. Findings and Recommendations	89
A. Performance of the Existing LIHEAP Program.....	89

B. Performance of the PIPP Pilot Program.....	91
C. Costs of the PIPP Pilot Program	92
D. Impact of the PIPP on Energy Usage.....	93
E. Findings and Recommendations	93

Executive Summary

The purpose of this study is to evaluate the performance of the Illinois Percent of Income Payment Plan (PIPP) Pilot Program. This comprehensive evaluation includes a Process Evaluation to assess the efficiency and effectiveness of PIPP program implementation and an Impact Evaluation to compare the performance of the PIPP to the current Illinois LIHEAP Program. The evaluation will help the Illinois Department of Commerce and Economic Opportunity (DCEO) to determine the feasibility and desirability of using a PIPP as part of the LIHEAP program. The purpose of this report is to present the findings from the Impact Evaluation.

The Illinois PIPP Pilot was originally designed to serve 10,000 Ameren electric heating customers and to operate for three years, from July 2008 through June 2011. However, because of program implementation challenges and new PIPP legislation, the pilot served 975 Ameren electric heating customers and was discontinued in May 2009. The program evaluation study was changed from the original design to reflect the actual program implementation. However, the study still furnishes valuable information to DCEO regarding the challenges of implementing a PIPP program and the benefits of a PIPP program for Illinois LIHEAP recipients.

Introduction

The Illinois LIHEAP Program is similar to programs in many other States; it furnishes a one-time heating assistance grant to all eligible applicants, reconnection assistance to clients who have service terminated or who are threatened with service termination, and a summer cooling program for at risk households. However, the LIHEAP Program Office is concerned that the current LIHEAP benefit distribution system is failing to meet the needs of low-income households in several ways.

- **Benefit Targeting** – The program does not always target the highest benefits to the clients with the highest energy burdens.
- **One-Time Payment** – Since the one-time payment may cover the client's entire heating bill for one or more months, recipient households may get out of the habit of making payments in their energy bills.
- **Emergency Payments** – Emergency payments may give clients a disincentive for making regular payments on their energy bills.
- **Arrearages** – If the benefit is not sufficient to retire current arrearages, the household must set up a deferred payment agreement that may not be affordable.

In the PIPP Pilot program, participants were asked to make a monthly payment year-round equal

to 10% of income; the LIHEAP program covered the balance of the current utility bill and the utility committed to forgive the preprogram arrearage.

The expected outcomes for clients who participate in the PIPP program were:

- **Benefit Targeting** – Benefits would be targeted to clients with the highest energy burden.
- **Payment Consistency** – Clients would make more consistent payments to the utility company.
- **Emergency Payments** – Clients would make less use of Reconnection Assistance.
- **Arrearages** – Clients would have arrearages eliminated and will not accrue new arrears.
- **Energy Services** – Clients would have a higher level of energy services.

This Impact Evaluation assesses the extent to which these outcomes have been realized.

Program Design and Implementation

The proposed Illinois PIPP included the following program elements:

- *Client Choice* – The client was allowed to choose the regular LIHEAP benefit or the PIPP benefit.
- *Percent of Income* – The client was assigned a monthly payment equal to 10% of income.
- *Minimum Payment* – The client had to pay at least \$10 per month.
- *Maximum Benefit* – The maximum annual LIHEAP payment subsidy was \$1,800.
- *Arrearage Forgiveness* – The client received a one-time arrearage forgiveness benefit.
- *Reconnection Assistance* – The client was not eligible for Reconnection Assistance.

Key information about the implementation of the PIPP Pilot includes:

- *Population* – For purpose of the Pilot, the target population was expected to be income-eligible Ameren electric heat customers.
- *Intake* – Intake was conducted by local agencies whose clients are in the Ameren service territory.
- *LIHEAP.Net* – The LIHEAP database – LIHEAP.Net – was expected to play an important role in program administration.

- *Enrollment Schedule* – The program was scheduled to start in July 2008 by taking applications as part of the summer cooling program that serves at risk clients. Open enrollment was scheduled to begin in November 2008.
- *Barriers* – Problems with the computer systems caused program enrollment to be suspended in September 2008. Because the computer system problems could not be resolved to the satisfaction of all parties and new PIPP legislation was being considered by the State Legislature, the PIPP Pilot Program was ended in May 2009. (Note: All clients received their full PIPP benefit and arrearage forgives through credits issued to participating customers.

The program design and implementation has certain impacts on the evaluation, including:

- *Choice* – Giving clients a choice of which program benefit to take means that the participants are “self-selected.” Because of that, there was no comparison group available for the evaluation study.
- *Computer System Problems* – The computer system problems limited the program enrollment to “at risk clients” and hindered program communication efforts, making it more difficult to measure the potential impact of a well-functioning program.
- *Case Management*– Since the program was never fully implemented, the system for Case Management for nonpayment was not implemented and all collection actions were suspended for this population group. From that perspective, the Pilot does not furnish complete information on how well clients will pay if the Case Management system is implemented.
- *Collections Costs* – Since the program was never fully implemented, all collection actions were suspended for clients. From that perspective, the Pilot does not furnish information on what percent of PIPP participants would need collection actions and how that is changed from the current LIHEAP program model.

The evaluation was conducted with an understanding how the program design and implementation affect program outcomes and measurement of those outcomes.

Impact Evaluation Design

The purpose of the Impact Evaluation is to assess the extent to which the targeted program outcomes are achieved. Specifically, the evaluation measured:

- *Immediate Outcomes* – The evaluation measured the success of the program in achieving those program objectives that should have been observable as soon as the client was enrolled in the program, including reducing the client energy burden, giving the client a consistent monthly bill, and eliminating client arrearages.

- *Intermediate Outcomes* – The evaluation measured the success of the program in achieving those program objectives that should have been observable in the first program year, including consistent payment of monthly utility bills, preventing accrual of utility arrearages, and reduction in energy use.

The original evaluation plan called for measurement of long-term program impacts; the evaluation was designed to measure the success of the program in achieving the long-term goals for clients, including giving them the ability to maintain energy services, enhancing the quality of energy services, and reducing the hardship associated with paying energy bills. However, because the Pilot Program was terminated in May 2009, it was not possible to observe and measure the longer-term impacts of the program.

The Impact Evaluation included four complementary research activities.

- *Analysis of Program Statistics* – The evaluation team analyzed client data from LIHEAP.Net on demographics, previous experience with the LIHEAP program, and PIPP program parameters.
- *Utility Transaction Data Analysis* – The evaluation team collected and analyzed data on client financial transactions to assess the amount and consistency of payments prior to program enrollment and after program enrollment.
- *Utility Usage Data Analysis* – The evaluation team collected and analyzed data on client usage to assess the amount of usage prior to program enrollment and after program enrollment.
- *Customer Survey* – The evaluation team conducted a survey with participating clients to assess the program experiences of client, including their perceptions of affordability and their reports of energy insecurity.

The data available were sufficient to furnish important information about the impacts of the PIPP Pilot on participating clients. However, the implementation of the PIPP Pilot was not sufficient to completely answer all of the questions about the effectiveness of a PIPP as a replacement for the existing LIHEAP program.

Detailed Findings from the Impact Evaluation

Since the PIPP Pilot program operated from July 2008 through September 2008, it only enrolled “at risk” clients - households with an elderly individual, a young child, a disabled individual, or other individuals for whom cooling assistance was deemed to be medically necessary. In addition, this program only enrolled electric heat customers in the Ameren service territory. This group of LIHEAP clients represents a significant part of the LIHEAP population, but is not representative of all LIHEAP clients in Illinois. That is one reason why the PIPP Pilot program furnishes useful information to the Illinois LIHEAP Program Office, but does not furnish a definitive assessment of how a full-scale PIPP would perform.

Because the “at-risk” households represent a special segment of the LIHEAP population, the analysis separates them into analytic subgroups based on their demographic characteristics. In that way, it is possible to see the differences in how the program impacts by these important subgroups and to make use of that information to project the results to these important segments of the LIHEAP population. Table 1 shows the distribution of PIPP clients by analysis group. From the LIHEAP.Net database, we obtained information on all 975 PIPP clients. However, we were only able to obtain data on billing and payments for 844 active PIPP clients from Ameren. For both sets of clients, each demographic group represents about one-fourth of the study population.

Table 1
PIPP Pilot Client Groups
All PIPP Clients / Analysis Group Clients

Client Group	All PIPP Clients		Analysis Group Clients	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Elderly	201	21%	187	22%
Young Child	282	29%	231	27%
Disabled	253	26%	221	26%
Other	239	25%	205	24%
TOTAL	975	100%	844	100%

Source: LIHEAP.Net and Ameren PIPP Data

The LIHEAP.Net database furnished income and demographic data for clients, as well as each client’s use of LIHEAP in the last three years. Table 2 summarizes of the information. The households with young children have the lowest income, the largest household size, and the highest average LIHEAP benefits. The households with an elderly member have the highest income, the smallest household size, and the lowest average LIHEAP benefit. Most of these households have participated in LIHEAP at least once in the last three years.

Table 2
Client Demographics and LIHEAP Participation (Analysis Group)
By Client Group

Statistic	Elderly Households	Young Child Households	Disabled Households	Other Households
Average Income (mean)	\$10,120	\$6,288	\$8,962	\$7,380
Average Percent of Poverty (mean)	87%	33%	70%	52%
Average Household Members (mean)	1.3	3.3	1.8	1.9
LIHEAP Participation Last 3 Years (%)	90%	74%	91%	78%
LIHEAP Participation Last 12 Months (%)	84%	62%	80%	61%
Average LIHEAP Benefit (mean)	\$362	\$507	\$398	\$421

Source: LIHEAP.Net

It is important to understand the experience of PIPP Pilot program participants under the regular LIHEAP program. Baseline statistics on energy burden, payment patterns, arrears, and service terminations were developed by combining LIHEAP.Net data with billing and payment furnished by Ameren. In addition, the client survey also helped to document the experience of these clients in the year prior to enrollment in the PIPP Pilot program. These statistics document the extent to which “at risk” clients experienced the problems of concern to the Illinois LIHEAP Program Office.

Table 3 furnishes some of the key baseline statistics that document the prior experience of the clients that participated in the PIPP Pilot program. These statistics demonstrate that most of the clients enrolling in the PIPP Pilot program had outstanding needs for additional energy assistance. The average energy burden for all groups exceeded 10% of income, even after accounting for LIHEAP benefits. While some households were successful in paying 100% of their utility in the year prior to enrollment, the majority of households were not able to reach that objective and owed substantial arrears to the utility. In addition, almost all were categorized as “In-Crisis” or “Vulnerable” on the Energy Insecurity scale developed by Roger Colton for the Federal LIHEAP Program Office to measure the Energy Insecurity status of low-income households.

Table 3
Baseline Energy Affordability Indicator
By Client Group

Statistic	Elderly Households	Young Child Households	Disabled Households	Other Households
Median Energy Burden (Gross)	14%	22%	17%	17%
Median Energy Burden (Net of LIHEAP)	11%	18%	13%	14%
Percent Paying Full Ameren Bill	47%	24%	43%	39%
Median Arrears	\$250	\$550	\$425	\$410
% with Disconnect or Threat (Last 3 Years)	13%	33%	27%	30%
% with Disconnect or Threat (Last Year)	7%	25%	10%	19%
% of Categorized as “Vulnerable” or “In-Crisis”	64%	82%	88%	82%

Source: LIHEAP.Net, Ameren Billing and Payment Data, Client Survey

The impact evaluation furnishes information on the immediate and intermediate impacts of the PIPP. The expected immediate program impacts from the PIPP Pilot program include:

- Service Restoration – The clients who had their service terminated should have it restored without high cost to the client.
- Monthly Bills – The clients should be asked to pay the same energy bill each month.
- Energy Burden – The client should have an energy burden that does not exceed the target.
- Arrearages – The clients should receive a one-time forgiveness of preprogram arrearages.

All of the immediate program impacts were fulfilled by enrolling clients in the PIPP. Under the PIPP, the client's service was restored, the client was assigned a monthly fixed payment amount, the client's energy burden was limited to 10% of income, and the client's was informed his/her arrearages would be forgiven. Because of the computer system problems, the client did not actually observe some of these changes; the LIHEAP benefits were not credited to the client accounts until May 2009 and the arrearage forgiveness was not granted until August 2009. However, clients were informed of their enrollment in the program and were told the amount that they needed to pay each month.

The expected intermediate program impacts from the PIPP Pilot program include:

- **Energy Burden** – Clients should be better able to pay annual energy bills and use an appropriate amount of energy to meet their needs.
- **Monthly Bills** – Clients should be better able to pay monthly energy bills, will be less likely to use high cost credit to pay those bills, and will be less likely to get behind on payments on a monthly basis.
- **Arrearages** – Client should be more likely to pay energy bills and less likely to build up arrearages.

The intermediate program impacts should have been observable during the first program year. Table 4 shows some of the key statistics for PIPP benefits, client payment coverage rates, and energy insecurity. The evaluation found that clients had lower median energy burdens, they were more likely to pay 100% of their utility bill, and that they were much less likely to be categorized as “In-Crisis” or “Vulnerable” on the Energy Insecurity scale.

Table 4
Program Impact Indicators
By Client Group

Energy Affordability Indicator	Elderly Households		Young Child Households		Disabled Households		Other Households	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post
Median Energy Burden (Net of LIHEAP)	11%	10%	18%	10%	13%	10%	14%	10%
Percent Paying Full Utility Bill	47%	54%	24%	45%	43%	47%	39%	46%
Percent Improving Bill Payment Coverage	60%		60%		68%		57%	
Percent “In-Crisis”	40%	14%	36%	4%	43%	12%	50%	16%
Percent “Vulnerable”	24%	28%	46%	18%	45%	12%	32%	26%

Source: LIHEAP.Net, Ameren Billing and Payment Data, Client Survey

However, while payment coverage rates improved for the majority of clients, there were a significant number of clients for whom payment coverage rates declined. With the lower average payment expectations, it would be expected that most clients could improve their payment coverage rates. The analysis found that there were two main reasons why the payment coverage

rates did not improve. First, clients were not contacted if they failed to make their monthly payment; Ameren suspended collections for PIPP customers, but information was never made available to intake agencies to make contacts with clients. Second, some clients actually had an increase in their net energy bill as a result of participating in the PIPP. Experience from other PIPP program evaluations has shown that most clients substantially improve their payment patterns when they are offered lower fixed payments and the utility continues to make collections contacts for customers who fail to pay.

Summary of Findings and Recommendations

The impact evaluation study answers many of the questions posed by the Illinois LIHEAP Program Office. It also furnishes some guidance on the design and implementation of a full-scale PIPP program.

Needs of LIHEAP Clients

Question #1 – Do low-income clients have unmet needs under the existing LIHEAP program?

Answer – Yes. In the year prior to enrollment in the PIPP Pilot, many of the “at risk” clients had high energy burdens, low utility payment coverage rates, high arrearages, and a high level of Energy Insecurity. While the existing LIHEAP program helped them to meet some of their needs, most remained at risk for service terminations and other problems associated with energy affordability.

Recommendation – If the Illinois LIHEAP Program makes it a policy goal to improve the performance of LIHEAP, it appears that targeting benefits based on energy burden level is one way to identify the clients who are in need.

Effectiveness of the PIPP Pilot

Question #2 – Was the PIPP Pilot program effective in lowering the energy burden for PIPP clients, improving bill payment patterns, and improving the Energy Security of clients?

Answer – The PIPP Pilot program was effective in lowering the energy burden for most participating clients and substantially improved the Energy Security of most clients. However, while some clients improve their payment patterns under the PIPP Pilot, the impact evaluation found that payment patterns deteriorated for other clients.

Recommendation – A PIPP program must have procedures that give clients an incentive to make regular payments on their utility bills. Options that have been used in other programs include furnishing arrearage forgiveness as an incentive for making payments (NJ USF) and offering case management services to clients who have difficulty paying their PIPP bills (PECO CAP). However, in addition to those services, evaluations of other programs have found that regular communication by the utility and/or other service agency regarding payment expectations are necessary to keep clients on track with payments (T.W. Phillips and JCP&L USF).

PIPP Program Costs

Question #3 – What are the costs of a PIPP program?

Answer – The PIPP Pilot program furnishes only limited information about the potential cost of a full-scale PIPP program. For the “at risk” clients served under this program with a 10% of income target, the average increase in LIHEAP benefits was about \$500 and the average amount of arrearage forgiveness was about \$500. However, since these clients are different from the average LIHEAP client, it would not be appropriate to extrapolate these findings to the entire population of LIHEAP clients.

Recommendation – With the resources available through LIHEAP.Net, it is possible to estimate the required payment by current LIHEAP clients at any PIPP target percentage. That information could be compared to information from participating utilities regarding the average bills for LIHEAP recipients. Those data sources could furnish better information on the expected cost of a PIPP program.

Energy Usage by PIPP Clients

Question #4 – Does a PIPP increase the amount of energy used by LIHEAP clients?

Answer – It appears that clients who participated in the PIPP Pilot increased their energy usage by between 0.9% and 3.8%. However, since a significant share of PIPP clients had service terminations during the baseline period and reported keeping their homes at unsafe temperatures, these small increases might be considered to be an appropriate outcome of a PIPP program.

Recommendation – The Ohio EPP baseload usage reduction program was offered to clients who were enrolled in the OHIO electric PIPP program. That program achieved cost-effective savings of greater than 10% of baseload electric usage by targeting higher usage customers. Both baseload usage reduction and weatherization programs could be implemented to offset any increases in energy usage that occur because clients have more affordable energy.

I. Introduction

The purpose of this study is to evaluate the performance of the Illinois Percent of Income Payment Plan (PIPP) Program. The Impact Evaluation compared the performance of the PIPP to the current Illinois LIHEAP Program in terms of its ability to help low-income households in Illinois to maintain a healthy and safe level of energy services throughout the year. The purpose of this report is to furnish the Illinois LIHEAP program managers information on the outcomes of the PIPP Pilot Program to help them determine the feasibility and desirability of using the PIPP mechanism as part of the broader Illinois LIHEAP program.

The Illinois PIPP Pilot was originally designed to serve 10,000 Ameren electric heating customers and to operate for three years, from July 2008 through June 2011. However, because of program implementation challenges and new PIPP legislation, the pilot enrolled about 1,000 Ameren electric heating customers between July 2008 and September 2008 and was discontinued in May 2009. The program evaluation study was changed from the original design to reflect the actual program implementation. However, the study still furnishes valuable information to DCEO regarding the challenges of implementing a PIPP program and the benefits of a PIPP program for Illinois LIHEAP recipients.

A. Background

For most households, the current LIHEAP Program makes heating assistance available as a one-time direct voucher payment (DVP) to the household's primary and secondary heating supplier. The payment amount is designed to furnish the highest benefits to the lowest income households that have the highest energy bills. In addition to the regular heating assistance grant, a household whose service has been terminated or who is threatened with service termination can get Emergency Assistance (Reconnection Assistance).

Illinois' LIHEAP Program managers were concerned that the current LIHEAP benefit distribution system was failing to meet the needs of low-income households in several ways.

- **Benefit Targeting** –The current LIHEAP program uses a benefit matrix rather than actual customer energy bills for assigning benefits. As a result, the program does not always target the highest benefits to the households with the highest energy burdens.
- **One-Time Payment** – Since the one-time LIHEAP payment may cover a household's entire heating bill for one or more months, recipient households may get out of the habit of making payments in their energy bills.
- **Emergency Payments** – Households that are unable to pay energy bills and are threatened with service termination are eligible for additional energy assistance. The

LIHEAP Program Office is concerned these emergency payments give clients a disincentive for making regular payments on their energy bills.

- Arrearages – If the LIHEAP grant is not sufficient to retire current arrearages, the household must set up a deferred payment agreement with the utility. For many households, adding a DPA payment to their regular energy bill is not affordable.

In the LIHEAP PIPP Pilot program, LIHEAP recipients were offered the option of a one-time DVP or a PIPP benefit. If the household selected the PIPP benefit, the household was asked to make a monthly payment that is equal to 10% of monthly income (\$10 minimum); the LIHEAP program covered the difference between the customer's energy bill and the customer's PIPP payment. In addition, as part of the pilot program, the utility forgave the preprogram arrearage.

The expected outcomes of the program were:

- Benefit Targeting – LIHEAP benefits will be better targeted to those households with the highest energy burden and greatest need.
- Payment Consistency – LIHEAP clients will make more consistent payments to the utility company.
- Emergency Payments – LIHEAP clients will be less likely to need Emergency Payments to prevent service terminations or to restore service after termination.
- Arrearages – The program will eliminate arrearages for LIHEAP clients and will prevent new arrearages from developing.
- Energy Services – PIPP clients will have a higher level of energy services than clients who participate in the regular LIHEAP program.

The impact evaluation was designed to assess the extent to which these outcomes were realized.

B. Evaluation

The Illinois Department of Commerce and Economic Opportunity (DCEO) commissioned this comprehensive evaluation to assess the performance of the PIPP Program in achieving its objectives. The evaluation of the Illinois PIPP Program consists of two evaluation components.

- 1) *Process Evaluation*: The Process Evaluation assessed the efficiency and effectiveness of the program operations. The evaluation activities included: in-depth interviews with program managers and program partners, analysis of program statistics, and in-depth interviews with clients. The Process Evaluation Report documented program

operations, identified program implementation barriers, and made recommendations for improving the effectiveness and efficiency of program operations.

- 2) *Impact Evaluation* – The Impact Evaluation measured the extent to which the specific objectives of the PIPP program were realized. The evaluation activities included: analysis of program statistics using LIHEAP.Net, assessment of Ameren billing and payment data, and data from interviews with program participants. The program impacts were measured in terms of changes for participating clients.

The original evaluation was planned to be conducted over a three-year period. However, because the Pilot Program was discontinued on May 31, 2009, the evaluation scope has been reduced.

C. Organization of the Report

Four sections follow this introduction.

- 1) *Section II – Program Design*: Provides a detailed description of the program design and implementation.
- 2) *Section III – Baseline Data on PIPP Pilot Participants*: Furnishes baseline data on clients enrolled in the PIPP program. These data allow us to assess whether the expected problems were observed for the enrolled clients.
- 3) *Section IV – Program Impacts*: Documents the immediate and intermediate outcomes of the PIPP Pilot program. These data and to assess how the PIPP Pilot changed the status for LIHEAP clients who received PIPP benefits.
- 4) *Section V – Findings and Recommendations*: Highlights the key findings from the study and makes recommendations with respect to ways to improve the PIPP program.

APPRISE prepared this report under contract to the DCEO. Staff from DCEO and Ameren, facilitated the development of this report by furnishing program data and information to APPRISE. Any errors or omissions in this report are the responsibility of APPRISE. The statements, findings, conclusions, and recommendations are solely those of the analysts from APPRISE and do not necessarily reflect the views of DCEO.

II. Program Design and Implementation

The Illinois PIPP Pilot program was implemented to assess whether the Percent of Income Payment Plan (PIPP) model results in better outcomes than the existing set of LIHEAP programs. This section furnishes information on the PIPP design and discusses how the PIPP is expected to improve outcomes for clients, the LIHEAP office, service delivery agencies, and the utilities. It also presents information on the program implementation and how variances from the program design may have affected program outcomes.

A. Program Design

The purpose of the PIPP program is to change the way the LIHEAP benefits are distributed in Illinois. Under the current LIHEAP program, a household is assigned a LIHEAP benefit based on the average need for households with the same characteristics in terms of income, main heating fuel, and geography. In addition, the household also can receive Reconnection Assistance if the household has service terminated or is threatened with service termination. Under the PIPP program, a household is assigned a LIHEAP benefit based on the household-specific income and energy costs.

Current DVP Benefit

For most households, the current LIHEAP Program makes heating assistance available as a one-time direct voucher payment (DVP) to the household's primary and secondary heating supplier. The payment amount is designed to cover 60% of the average winter heating bill for households with income at or below 50% of poverty, 50% of the average winter heating bill for households with income above 50% of poverty but at or below 100% of poverty, and 40% of the average winter heating bill for households with income above 100% of poverty and at or below 150% of poverty. The DVP can be made to the household's primary and secondary heating vendors.

Current Reconnection Assistance

In addition to the regular heating assistance grant, a household who has their service terminated or who is threatened with service termination can get Emergency Assistance (Reconnection Assistance). To get the benefit, a household has to have made a good faith payment. The grant is subject to a maximum. If the maximum is not sufficient to restore service, other arrangements must be made with the utility before the assistance is granted.

Issues with Current Payment System

The current LIHEAP system is similar to those implemented in other states and is consistent with the Federal program requirements. However, the LIHEAP Program Office is concerned that the current LIHEAP benefit distribution system is failing to meet the needs of low-income households in several ways.

- **Benefit Targeting** – The benefit matrix gives higher benefits to lower income households who generally have higher energy burden and to households in the northern part of the state where energy bills are generally higher. However, the system is based on average energy bills for all households in a particular group rather than on actual energy bills for individual households. As a result, even after receipt of LIHEAP, some households still have high energy burdens while other households have low energy burdens.
- **One-Time Payment** – The one-time LIHEAP payment may cover a household's heating bill for one or more months. As a result, households get out of the habit of making payments in their heating bill.
- **Emergency Payments** – If a household is unable to pay their energy bill and is threatened with service termination, they are eligible for additional energy assistance. While there are many reasons that a household may not be able to pay their energy bill, the LIHEAP Program Office is concerned that making emergency payments available to all households that are threatened with service termination gives households a disincentive for making regular payments on their energy bills.
- **Arrearages** – If the LIHEAP grant is not sufficient to retire outstanding arrearages, the household must set up a deferred payment agreement with the utility. For many households, adding a DPA payment on top of their regular energy bill makes it that much more difficult for the household to stay current on their bill.

Statistics developed from LIHEAP.Net show that a large number of LIHEAP clients go without service during part of the year and that many more have developed high arrearages. LIHEAP Program managers are interested in determining whether an alternative payment system would be successful in reducing the number of households who face those problems.

Goals of a PIPP Program

Under the PIPP design, a household is asked to make a fixed monthly payment for energy services; the payment is equal to a fixed percentage of the household's monthly income. In general, the difference between the household's payment and the actual energy bill is subsidized by the affordability program. In addition, such programs generally involve some form of forgiveness for part or all of the preprogram arrearages.

The expected outcomes for a PIPP program are:

- **Benefit Targeting** – LIHEAP benefits will be better targeted to those households with the greatest need.
- **Payment Consistency** – LIHEAP clients will make more consistent payments to the utility company.
- **Emergency Payments** – LIHEAP clients will be less likely to need Emergency

Payments to prevent service terminations or to restore service after termination.

- **Arrearages** – The program will eliminate arrearages for LIHEAP clients and will prevent new arrearages from developing.
- **Energy Services** – PIPP clients will have a higher level of energy services than clients who participate in the regular LIHEAP program.

The PIPP program model has been implemented by a number of other parties for purposes of ratepayer-funded affordability programs. Examples include the New Jersey USF Program, the PGW Customer Responsibility Program, and the Ohio Electric PIPP program. Many of those programs have been successful in changing payment patterns for participating households and reducing the outstanding arrearage for households.

Design

The Illinois PIPP included the following program elements:

- *Client Choice* – The client is given the option whether to receive the regular LIHEAP benefit or to receive the PIPP benefit.
- *Percent of Income* – The client is assigned a monthly payment responsibility equal to 10% of the client's monthly income. The LIHEAP benefit pays the difference between the client's actual bill and the client's payment responsibility.
- *Minimum Payment* – The client must pay at least \$10 per month.
- *Maximum Benefit* – The maximum annual LIHEAP benefit is \$1,800. If the client's expected benefit is greater than \$1,800, the client's monthly payment responsibility is increased to ensure that the LIHEAP benefit will not exceed \$1,800.
- *Arrearage Forgiveness* – The client receives a one-time arrearage forgiveness benefit with no maximum forgiveness amount.
- *Reconnection Assistance* – The client is not eligible for Reconnection Assistance or Summer Cooling benefits during the year in which he/she opts for the PIPP payment.
- *Client Counseling* – The client's intake agency is responsible for making contact with nonpaying clients.
- *Usage Reduction* – High use clients are expected to be targeted for usage reduction services.

This PIPP design is similar to the design of other PIPP program throughout the country. It varies with respect to certain details (e.g., the percent of income amount). However, it is consistent the general approach used successfully by other jurisdictions.

B. Pilot Program Implementation Barriers

The PIPP Pilot was implemented to assess whether the proposed PIPP model would improve the performance of the Illinois LIHEAP Program. There has been an interest in the PIPP model in Illinois for many years. However, one of the major barriers to the implementation of the program has been the cost associated with retirement of preprogram arrearages. This pilot took advantage of a rate case settlement with Ameren to address that issue for the targeted clients.

Population Targeted for PIPP Pilot / Population Enrolled in PIPP Pilot

For purposes of the pilot program, the PIPP was restricted to LIHEAP-eligible electric heating customers in the Ameren service territory. In 2008, there were about 15,000 Ameren electric heat customers who received LIHEAP. For the 2009 LIHEAP Program, it was planned that those clients would be offered the option of receiving the PIPP benefit or the regular LIHEAP benefit. Enrollment was expected to be about 10,000 clients.

Because of program implementation problems, only about 1,000 clients were enrolled in the PIPP Pilot program. Moreover, since the active enrollment period was from July 1, 2008 through September 30 2008, only “at risk” clients were eligible to enroll in the program. At risk clients include households with an elderly individual, households with a young child (36 months or younger), households with a disabled individual, and other individuals for whom cooling assistance is determined to be “medically necessary.” As such, the population enrolled in the PIPP Pilot cannot be considered to be “representative” of the LIHEAP population.

PIPP Intake, Benefit Assignment, and Arrearage Forgiveness Barriers

Agencies that serve clients in the Ameren service territory used the following procedures to enroll Ameren electric heat customers in the PIPP Pilot:

1. *PIPP Option* – Agency staff explained the PIPP option, including the arrearage forgiveness, to the LIHEAP client. If the client selects the PIPP option, the intake worker completed several additional steps.
2. *Ameren Budget Plan* – Agency staff worked with Ameren to complete the budget payment plan agreement for the client.
3. *Client Preliminary Payment Amount* – Agency staff computed the client’s monthly payment responsibility; the amount is 10% of the client’s monthly income or \$10, whichever is higher.
4. *Client Final Payment Amount* – Based on the Ameren monthly budget amount for the client, LIHEAP.Net computed the expected annual LIHEAP benefit. If the expected benefit amount exceeds that \$1,800 maximum, the client’s monthly

payment amount was increased to ensure that the client will have the same monthly payment throughout the year.

5. *Client Arrearage Forgiveness*- Ameren was expected to credit the customer's account with arrearage forgiveness.

It was important that the LIHEAP intake staff explain the program requirements to the client so that they are aware of their payment responsibilities; these responsibilities are quite different than they are under the regular LIHEAP program.

However, because of system problems, the required PIPP information was not made available to clients. The LIHEAP PIPP payment was not recorded on the clients Ameren bill; a LIHEAP commitment was recorded, but did not reduce the amount that it appeared that the client owed. The Ameren arrearage forgiveness also was not granted until the end of the program period. Finally, the information system did not furnish information on nonpayment to the intake agencies.

PIPP Enrollment Schedule

The original program plan was to begin enrolling some LIHEAP applicants in July 2008 and then to expand to regular LIHEAP applicants when the regular LIHEAP opened. The program did begin enrolling clients in July 2008. About 1,000 clients were enrolled in the program during July, August, and September 2008. However, it was determined that the data systems were not communicating and computing benefits correctly. In September 2008, the parties (HFS and Ameren) suspended enrollment in the PIPP until the problems could be resolved. As a result, most of the 15,000 targeted clients received a regular LIHEAP grant instead of the PIPP grant. Exceptions were made for clients who had service terminations or threats for service terminations. The PIPP Pilot Program was terminated on May 31, 2009. On that date, client accounts were credited with the PIPP payment amounts that were expected to be paid through the end of their first year on the PIPP program.

C. Design and Implementation Summary

The Illinois PIPP Pilot program was implemented to assess whether the Percent of Income Payment Plan (PIPP) model results in better outcomes than the existing set of LIHEAP programs.

The selected PIPP model is similar to those implemented in other jurisdictions, but had a number of unique features. The program model included: client choice of benefit type, a monthly fixed percent-of-income payment with minimum payment amounts and a maximum subsidy, and preprogram arrearage forgiveness.

The pilot program was targeted to serve Ameren electric heat customers who are eligible for LIHEAP and to make ratepayer funds will pay for retirement of preprogram arrearages. However, implementation challenges resulted in only partial implementation of the pilot and severely limited communications with PIPP clients.

III. Baseline Data on PIPP Pilot Participants

The Illinois PIPP Pilot was implemented because the State LIHEAP program managers were concerned that the existing LIHEAP program fell short of meeting the needs of clients in several ways.

- **Benefit Targeting** – The program does not always target the highest benefits to the clients with the highest energy burdens.
- **One-Time Payment** – Since the one-time payment may cover the entire heating bill for one or more months, recipient households may get out of the habit of making payments on their energy bills.
- **Emergency Payments** – The availability of emergency payments may give clients a disincentive for making regular payments on their energy bills.
- **Arrearages** – If the LIHEAP benefit is not sufficient to retire current arrearages, the client must set up a deferred payment agreement that may not be affordable.

In this section of the report, we review the baseline data on clients enrolled in the PIPP Pilot to assess the extent to which these problems were observed in the population.

The data available to assess the baseline status of clients includes:

- **LIHEAP.Net** – The LIHEAP data management system furnishes information on client demographics and prior experience with the LIHEAP program.
- **Ameren Billing and Payment Data** – Ameren furnished information on billing and payment prior to program enrollment for participating customers.
- **Survey Data** – APPRISE conducted telephone interviews with a sample of clients that furnished information on the experiences of clients prior to enrollment in the PIPP Pilot.

The PIPP Pilot enrolled clients during the period from July to September of 2008. During this time, only “at-risk” clients were eligible to enroll in the program. Since these customers are not representative of the broader LIHEAP population, we present data for each population subgroup separately. The specific groups in the analysis are elderly households, young child households, disabled households, and other “at-risk” households.

A. PIPP Pilot Client Groups

As discussed in Section II of the report, intake for the PIPP Pilot was conducted in July through September of 2009. During July and August, at-risk households can enroll in the Summer Cooling Program; at risk households include those with Young Child members,

disabled members, children under the age of three years, and individuals with medical conditions that would be aggravated by extreme heat. During September, at risk individuals can enroll for the regular LIHEAP program; other households are not able to apply for LIHEAP until November 1 or later. As a result, the clients enrolled in the PIPP Pilot are not representative of the overall population of LIHEAP clients. Because each of these groups faces somewhat different problems in paying their energy bills, we will report information for each group separately. Table 3.1 furnishes information on the distribution of PIPP Pilot program clients as identified in the LIHEAP.Net database.¹ In total, the LIHEAP.Net database reported that 975 clients enrolled in the PIPP. Each of the four groups comprised about one-fourth of the total PIPP client base.

Table 3.1
PIPP Pilot Client Groups
All PIPP Clients

Client Group	Number of Households	Percent of Households
Elderly	201	21%
Young Child	282	29%
Disabled	253	26%
Other	239	25%
TOTAL	975	100%

Source: LIHEAP.Net

During the program year, some of the PIPP clients moved. When a PIPP client moved from a home with electric heat to a home that used natural gas or a delivered fuel, the client was removed from the PIPP Pilot by Ameren. For that reason, Ameren was only able to furnish data for 844 of the 975 clients. The Impact Evaluation is restricted to the 844 clients for whom we have Ameren billing and payment data. Table 3.2 shows the number of Impact Evaluation clients in each group.

Table 3.2
PIPP Pilot Client Groups
Analysis Clients

Client Group	Number of Households	Percent of Households
Elderly	187	22%
Young Child	231	27%
Disabled	221	26%

¹Using data from LIHEAP.Net the client groups were assigned in the following way. First, a household was labeled as elderly if there was one or more individuals who were 60 years or older. Second, if a household was not assigned as elderly, it was labeled as young child if there was a child younger than 6. Third, if a household was not assigned as elderly or young child, it was labeled disabled if there was one or more disabled individuals in the home. All of the remaining unassigned households were labeled as other.

Client Group	Number of Households	Percent of Households
Other	205	24%
TOTAL	844	100%

Source: LIHEAP.Net and Ameren PIPP data

B. Elderly PIPP Clients

According to the LIHEAP.Net database, 201 of the PIPP clients had an elderly person in the home. Of the 201 elderly PIPP clients, 187 were available for analysis in the Ameren database. In this section, we present statistics for the elderly PIPP clients, including:

- Income and Demographics – Annual Income, Income Sources, Household Size and Type, and Disability Status
- LIHEAP Participation – Use of LIHEAP in the three years prior to PIPP participation and the 12 months prior to PIPP participation.
- Energy Bills and Payments – Electric usage, bills, payments, and energy burden in the 12 months prior to PIPP participation.
- Survey Data – Client reported data on energy insecurity prior to enrollment in the PIPP pilot.

These data are representative of elderly LIHEAP clients who made use of the summer cooling program prior to the implementation the PIPP pilot.

Income and Demographics

Tables 3.3 through 3.5 furnish information on the income for the elderly PIPP clients. Table 3.3 shows that 75% of the elderly PIPP clients had income in the range of \$500-999 per month (\$6,000 to \$12,000 per year). For 90% of these clients, the income was between \$500 and \$1,500 (\$6,000 and \$18,000 per year). Table 3.4 shows that about 70% of the elderly PIPP clients had incomes above 75% of poverty, and that most of the rest had incomes that fell into the range from 50% to 75%. Table 3.5 shows that almost all of these households are on fixed income; for 93% of the households the primary source of income is Social Security or SSI.

Table 3.3
Elderly PIPP Clients (Analysis Group)
Monthly Income

Income Group	Number of Households	Percent of Households
\$0	2	1%
\$1 to \$499	6	3%

Income Group	Number of Households	Percent of Households
\$500 to \$999	141	75%
\$1,000 to \$1,499	29	16%
\$1,500 to or More	9	5%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.4
Elderly PIPP Clients (Analysis Group)
Household Poverty Level

Poverty Group	Number of Households	Percent of Households
No Income	2	1%
Less than 50% of Poverty	4	2%
50% to less than 75% of Poverty	51	27%
75% to less than 100% of Poverty	79	42%
100% of Poverty or More	51	27%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.5
Elderly PIPP Clients (Analysis Group)
Primary Source of Income

Income Source	Number of Households	Percent of Households
Employment Income	2	2%
Unemployment Compensation	1	1%
Retired/Disabled (SSA or SSI)	173	93%
Public Assistance (TANF, GA, AABD)	0	0%
Other	7	4%
None	2	1%
TOTAL	187	100%

Source: LIHEAP.Net

Tables 3.6 through 3.8 furnish information on the demographics of the elderly PIPP clients. Table 3.6 shows that over 75% of the elderly PIPP clients are in a one person household. While it also shows that 17% of the clients are in a two person household, only 6% of the households are an elderly couple. Most of the two person households also have a nonelderly person in the home. Table 3.8 shows that almost half of the elderly PIPP clients (44%) also have a disabled person in the home.

Table 3.6
Elderly PIPP Clients (Analysis Group)
Household Size

Household Size	Number of Households	Percent of Households
1	143	76%
2	32	17%
3	7	4%
4	2	1%
5+	3	2%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.7
Elderly PIPP Clients (Analysis Group)
Household Type

Household Type	Number of Households	Percent of Households
Elderly Couple	12	6%
Elderly Individual	143	76%
Other	32	17%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.8
Elderly PIPP Clients (Analysis Group)
Disability Status

Disability Status	Number of Households	Percent of Households
Elderly Disabled Individual	70	37%
NonElderly Disabled Individual	14	7%
No Disabled Individual	103	56%
TOTAL	187	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Three Fiscal Years

Table 3.9 shows that some (19%) of the elderly PIPP clients have received LIHEAP benefits consistently for the last three years, and that most have received LIHEAP at least once in the last three years. However, even among the elderly PIPP clients, there were some (10%) who had not used LIHEAP in the last three years.

Table 3.9
Elderly PIPP Clients (Analysis Group)
Years with LIHEAP Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	18	10%
1	27	14%
2	106	57%
3	36	19%
TOTAL	187	100%

Source: LIHEAP.Net

Tables 3.10 and 3.11 show the type of LIHEAP grants used by elderly PIPP clients. In that last three years, only 11% of elderly PIPP clients had their service disconnected when they applied for LIHEAP (Table 3.10). Only 9% of elderly PIPP clients received a crisis grant in the last three years (Table 3.11). Only 13% of elderly PIPP clients were disconnected or had an imminent disconnection at the time of the grant. Most of the elderly PIPP clients did not have a history of service termination threats or of service terminations.

Table 3.10
Elderly PIPP Clients (Analysis Group)
Years with Service Disconnection Status in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	167	89%
1	16	9%
2	4	2%
3	0	0%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.11
Elderly PIPP Clients (Analysis Group)
Years with LIHEAP Crisis Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	170	91%
1	13	7%
2	4	2%
3	0	0%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.12
Elderly PIPP Clients (Analysis Group)
Years with Imminent Disconnection or Disconnection Status in Last Three Years

Years	Number of Households	Percent of Households
0	162	87%
1	19	10%
2	6	3%
3	0	0%
TOTAL	187	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Twelve Months

Tables 3.13 through 3.16 furnish information on how the elderly PIPP clients used LIHEAP in the last twelve months. Table 3.13 shows that about 16% of the PIPP clients did not receive LIHEAP benefits in the last twelve months. It also shows that the median grant for households that received LIHEAP was about \$350. Only 3% of elderly PIPP clients received a crisis grant in the last 12 months (Table 3.14) and only 7% of elderly PIPP clients were disconnected or had a threat of service disconnection at the time they received the LIHEAP grant (Table 3.16). In general, the elderly PIPP clients received regular LIHEAP grants that were of moderate value.

Table 3.13
Elderly PIPP Clients (Analysis Group)
LIHEAP Grant Amounts in Last Twelve Months

Grant Amount	Number of Households	Percent of Households
\$0	30	16%
\$1 to Less than \$250	31	17%
\$250 to Less Than \$500	113	60%
\$500 to Less Than \$750	7	4%
\$750 to Less Than \$1,000	2	1%
\$1,000 or More	4	2%
TOTAL	187	100%

Source: LIHEAP.Net

Table 3.14
Elderly PIPP Clients (Analysis Group)
Types of Heating Grants in Last Twelve Months

Types	Number of Households	Percent of Households
Regular Grant	147	79%
Crisis Grant	6	3%

Source: LIHEAP.Net

Table 3.15
Elderly PIPP Clients (Analysis Group)
Connection Status at the Time of Heating Grant Application
Last Twelve Months

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
Connected	142	97%	0	0%
Imminent Disconnect	2	1%	2	33%
Disconnected	3	2%	4	67%
TOTAL	147	100%	6	100%

Source: LIHEAP.Net

Table 3.16
Elderly PIPP Clients (Analysis Group)
“Worst Case” LIHEAP Disconnection Status Last Twelve Months

Types	Number of Households	Percent of Households
No Disconnect Status	147	94%
Imminent Disconnect Status	4	3%
Disconnect Status	6	4%
TOTAL	157	100%

Source: LIHEAP.Net

Baseline Electric Usage and Transactions

Tables 3.17 through 3.19 furnish information on the energy bills and energy burden faced by the elderly PIPP clients prior to enrollment in PIPP. Table 3.17 shows that 38% of the elderly PIPP clients use 20,000 kWh or more and that median energy use is over 15,000 kWh. Median baseline energy bills are over \$1,400 for these clients (Table 3.18) and median energy burden is about 14% (Table 3.19a). Table 3.19b shows that, after accounting for LIHEAP, the median energy burden for these clients was still over 11% of income.

Table 3.17
Elderly PIPP Clients (Analysis Group)
Baseline Electric Usage
(12 Months Prior to Enrollment)

kWh	Number of Households	Percent of Households
0 to Less Than 5,000	1	1%
5,000 to Less Than 10,000	29	19%
10,000 to Less than 15,000	34	22%
15,000 to Less Than 20,000	31	20%
20,000 or More	57	38%
TOTAL	152	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.18
Elderly PIPP Clients (Analysis Group)
Baseline Electric Bills
(12 Months Prior to Enrollment)

Electric Bill Amount	Number of Households	Percent of Households
\$0 to Less Than \$500	1	1%
\$500 to Less Than \$1,000	31	20%
\$1,000 to Less than \$1,500	53	34%
\$1,500 to Less Than \$2,000	42	27%
\$2,000 or More	27	18%
TOTAL	154	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.19a
Elderly PIPP Clients (Analysis Group)
Baseline Energy Burden - Gross
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	0	0%
5% to Less Than 10%	15	10%
10% to Less Than 15%	73	47%
15% to Less Than 20%	39	25%
20% to Less Than 25%	17	11%
25% or More	8	5%

Energy Burden	Number of Households	Percent of Households
Zero Income Households	2	1%
TOTAL	154	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.19b
Elderly PIPP Clients (Analysis Group)
Baseline Energy Burden – Net of LIHEAP Benefit
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	6	4%
5% to Less Than 10%	56	36%
10% to Less Than 15%	59	38%
15% to Less Than 20%	17	11%
20% to Less Than 25%	10	6%
25% or More	4	3%
Zero Income Households	2	1%
TOTAL	154	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Tables 3.20 through 3.22 furnish information on how elderly PIPP clients paid their Ameren bills prior to enrollment. Table 3.20a shows that, when LIHEAP benefits are included, almost half of these clients (47%) paid their entire Ameren bill and another 44% paid 75% of their bill or more. Only 9% of the client paid less than 75% of their bill. (Table 3.20b shows that statistics for households with 12 months of data prior to enrollment are similar.) Table 3.21 shows that 88% of elderly PIPP clients paid at least 75% of the part of the bill that they were asked to pay in the preenrollment period. Table 3.22 shows that most (81%) elderly PIPP clients had less than \$500 in arrears at the time of enrollment in the program.

Table 3.20a
Elderly PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	0	0%
25% to Less Than 50%	1	1%
50% to Less Than 75%	14	8%
75% to Less Than 100%	74	44%
100% or More	79	47%

Source: Ameren, All Clients

Table 3.20b
Elderly PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	0	0%
25% to Less Than 50%	0	0%
50% to Less Than 75%	11	7%
75% to Less Than 100%	72	47%
100% or More	70	46%

Source: Ameren, Clients with 12 Months of Data

Table 3.21
Elderly PIPP Clients (Analysis Group)
Baseline Electric Client Payment Coverage Rate of Net Bills
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	0	0%
25% to Less Than 50%	2	1%
50% to Less Than 75%	17	11%
75% to Less Than 100%	64	42%
100% or More	70	46%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Table 3.22
Elderly PIPP Clients (Analysis Group)
Baseline Electric Arrears

Electric Bill Arrears	Number of Households	Percent of Households
\$0	34	18%
\$1 to Less Than \$500	118	63%
\$500 to Less Than \$1,000	24	13%
\$1,000 to Less than \$1,500	5	3%
\$1,500 to Less Than \$2,000	4	2%
\$2,000 or More	2	1%
TOTAL	187	100%

Source: LIHEAP.Net, All Clients

Baseline Energy Insecurity

Tables 3.23 through 3.25 summarize information reported by elderly PIPP clients in the telephone survey. Almost all elderly PIPP clients reported that, prior to enrollment in the PIPP their utility bill was very difficult (57%) or somewhat difficult (37%) to pay. Table 3.24 shows that less than 10% of elderly PIPP clients reported that they lost essential services (heating, cooling, water heating, cooking, or lighting) during the year prior to enrollment.

Table 3.23
Elderly PIPP Clients (Analysis Group)
Baseline Difficulty Paying Utility Bills

Difficulty	Number of Households	Percent of Households
Very Difficult	29	57%
Somewhat Difficult	19	37%
Not Too Difficult	1	2%
Not Difficult at All	2	4%
TOTAL	51	100%

Source: Client Survey

Table 3.24
Elderly PIPP Clients (Analysis Group)
Baseline Energy Service Disruptions

Disruption Type	Period	Number of Households	Percent of Households
Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	3	6%
Cooling Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	4	8%
Water Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	3	6%
Cooking Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	3	6%
Lighting Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	2	4%

Source: Client Survey

Table 3.25 reports the “Energy Security” status of elderly households prior to enrollment in the PIPP program.² Table 3.25 shows that about 40% of elderly PIPP clients reported energy insecurity problems that led them to be categorized as “In-Crisis” and another 24% of clients were categorized as “Vulnerable.” Only 6% of clients were categorized as “Thriving.”

Table 3.25
Elderly PIPP Clients (Analysis Group)
Baseline Energy Security

Energy Security	Number of Households	Percent of Households
Thriving	3	6%
Capable	7	14%
Stable	9	18%
Vulnerable	12	24%
In Crisis	20	40%
TOTAL	51	100%

Source: Client Survey

Summary of Findings

The key findings from the analysis of baseline data for elderly PIPP clients include the following:

- **Income** – Most elderly PIPP clients are living on fixed income sources and have income close to the poverty line.
- **Energy Bills and Gross Energy Burden** – The average elderly PIPP client has energy bills of about \$1,400 that represent about 14% of their income.
- **LIHEAP and Net Energy Burden** – Most elderly PIPP clients have used LIHEAP prior to enrollment in the PIPP. On average, their LIHEAP benefits reduced their energy burden to about 11% of income.
- **Energy Bill Payment and Arrears** – Almost half of elderly clients paid their full utility bill in the 12 months prior to enrollment in the PIPP. Most of the rest paid at least 75% of their bill. About 20% of these clients had not arrears and 60% had arrears of less than \$500 at the time of enrollment.
- **Energy Insecurity** – Most of these clients reported that their bills were very difficult to pay and about 40% were categorized as being “In-Crisis” by the Energy Insecurity scale.

² The Energy Insecurity scale was developed by Roger Colton of Fisher, Sheehan, and Colton to describe the overall status of a household on a number of different dimensions of energy security. A description of the scale is included as Appendix A of the report.

While many of these clients are successful in paying their utility bills, most report that they faced significant challenges in making those payments.

C. Young Child PIPP Clients

According to LIHEAP.Net, 282 of the PIPP clients had a young child in the home. Of the 282 PIPP clients, 231 were available for analysis in the Ameren database. In this section, we present statistics for the young child PIPP clients, including:

- Income and Demographics – Annual Income, Income Sources, Household Size and Type, and Disability Status
- LIHEAP Participation – Use of LIHEAP in the three years prior to PIPP participation and the 12 months prior to PIPP participation.
- Energy Bills and Payments – Electric usage, bills, payments, and energy burden in the 12 months prior to PIPP participation.
- Survey Data – Client reported data on energy insecurity prior to enrollment in the PIPP pilot.

These data are representative of LIHEAP clients with a young child who made use of the summer cooling program prior to the implementation the PIPP pilot.

Income and Demographics

Tables 3.26 through 3.28 furnish information on income for young child PIPP clients. About one-third of the young child PIPP clients had zero income; median income was less than \$500 per month (Table 3.26). Most (70%) of young child PIPP clients had incomes below 50% of poverty (Table 3.27). About one-third had no income, about one-third were employed, and the rest had public assistance or other income sources (Table 3.28).

Table 3.26
Young Child PIPP Clients (Analysis Group)
Monthly Income

Income Group	Number of Households	Percent of Households
\$0	73	32%
\$1 to \$499	52	23%
\$500 to \$999	57	25%
\$1,000 to \$1,499	37	16%
\$1,500 or More	12	5%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.27
Young Child PIPP Clients (Analysis Group)
Household Poverty Level

Poverty Group	Number of Households	Percent of Households
No Income	73	32%
Less than 50% of Poverty	89	39%
50% to less than 75% of Poverty	38	16%
75% to less than 100% of Poverty	19	8%
100% of Poverty or More	12	5%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.28
Young Child PIPP Clients (Analysis Group)
Primary Source of Income

Income Source	Number of Households	Percent of Households
Employment Income	84	36%
Unemployment Compensation	4	2%
Retired/Disabled (SSA or SSI)	32	14%
Public Assistance (TANF, GA, AABD)	13	4%
Other	25	11%
None	73	32%
TOTAL	231	100%

Source: LIHEAP.Net

Tables 3.29 through 3.31 furnish information on the demographics of the young child PIPP clients. Table 3.29 shows that over 70% of the young child PIPP clients have three or more household members. Over three-fourths are in single parent families (Table 3.30).

Table 3.29
Young Child PIPP Clients (Analysis Group)
Household Size

Household Size	Number of Households	Percent of Households
1	0	0%
2	66	29%
3	77	33%
4	55	24%
5+	33	14%

Household Size	Number of Households	Percent of Households
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.30
Young Child PIPP Clients (Analysis Group)
Household Type

Household Type	Number of Households	Percent of Households
Two Parent Family	48	21%
Single Parent Family	181	78%
Other	2	1%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.31
Young Child PIPP Clients (Analysis Group)
Disability Status

Disability Status	Number of Households	Percent of Households
Nonelderly Disabled Individual	37	16%
No Disabled Individual	194	84%
TOTAL	231	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Three Fiscal Years

Table 3.32 shows that some (24%) of the young child PIPP clients have received LIHEAP benefits consistently for the last three years, and that most (74%) have received LIHEAP at least once in the last three years. However, there were some (26%) who had not used LIHEAP in the last three years and may be new to the LIHEAP program.

Table 3.32
Young Child PIPP Clients (Analysis Group)
Years with LIHEAP Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	60	26%
1	51	22%
2	65	28%
3	55	24%
TOTAL	231	100%

Source: LIHEAP.Net

Tables 3.33 and 3.35 show the type of LIHEAP grants used by young child PIPP clients. In the last three years, over 25% of young child PIPP clients had their service disconnected at least once when they applied for LIHEAP (Table 3.33). Almost 20% of young child PIPP clients received a crisis grant in the last three years (Table 3.34). About one-third of young child PIPP clients was disconnected or had an imminent disconnection at the time of the grant (Table 3.35). Some young child PIPP clients had a history of service termination threats or of service terminations, but the majority do not have such a history.

Table 3.33
Young Child PIPP Clients (Analysis Group)
Years with Service Disconnection Status in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	168	73%
1	49	21%
2	11	5%
3	3	1%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.34
Young Child PIPP Clients (Analysis Group)
Years with LIHEAP Crisis Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	189	82%
1	32	14%
2	10	4%
3	0	0%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.35
Young Child PIPP Clients (Analysis Group)
Years with Imminent Disconnection or Disconnection Status in Last Three Years

Years	Number of Households	Percent of Households
0	154	67%
1	51	22%
2	22	10%
3	4	2%
TOTAL	231	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Twelve Months

Tables 3.36 through 3.39 furnish information on how the young child PIPP clients used LIHEAP in that last twelve months. Table 3.36 shows that almost 40% of these PIPP clients did not receive LIHEAP benefits in the last twelve months. The median LIHEAP grant for young child PIPP clients who did receive grants was about \$680. Only 8% of young child PIPP clients received a crisis grant in the last 12 months (Table 3.37), while about 25% of young child PIPP clients were disconnected or had a threat of service disconnection at the time they received the LIHEAP grant (Table 3.39).

Table 3.36
Young Child PIPP Clients (Analysis Group)
LIHEAP Grant Amounts in Last Twelve Months

Grant Amount	Number of Households	Percent of Households
\$0	88	38%
\$1 to Less than \$250	2	1%
\$250 to Less Than \$500	90	39%
\$500 to Less Than \$750	33	14%
\$750 to Less Than \$1,000	11	5%
\$1,000 or More	7	3%
TOTAL	231	100%

Source: LIHEAP.Net

Table 3.37
Young Child PIPP Clients (Analysis Group)
Types of Heating Grants in Last Twelve Months

Types	Number of Households	Percent of Households
Regular Grant	141	61%
Crisis Grant	19	8%

Source: LIHEAP.Net

Table 3.38
Young Child PIPP Clients (Analysis Group)
Connection Status at the Time of Heating Grant Application
Last Twelve Months

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
Connected	109	77%	0	0%
Imminent Disconnect	7	5%	8	42%
Disconnected	25	18%	11	58%

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
TOTAL	141	100%	19	100%

Source: LIHEAP.Net

Table 3.39
Young Child PIPP Clients (Analysis Group)
“Worst Case” LIHEAP Disconnection Status Last Twelve Months

Types	Number of Households	Percent of Households
No Disconnect Status	107	75%
Imminent Disconnect Status	10	7%
Disconnect Status	26	18%
TOTAL	143	100%

Source: LIHEAP.Net

Baseline Electric Usage and Transactions

Tables 3.40 through 3.42 furnish information on the energy bills and energy burden faced by the young child PIPP clients prior to enrollment in PIPP. Table 3.40 shows that 40% of the young child PIPP clients use 20,000 kWh or more and that median energy use is over 15,000 kWh. Median baseline energy bills are about \$1,250 for these clients (Table 3.41) and median energy burden is over 20% (Table 3.42a). Table 3.42b shows that, after accounting for LIHEAP, the median energy burden for these clients was still over 15% of income.

Table 3.40
Young Child PIPP Clients (Analysis Group)
Baseline Electric Usage
(12 Months Prior to Enrollment)

kWh	Number of Households	Percent of Households
0 to Less Than 5,000	1	1%
5,000 to Less Than 10,000	11	11%
10,000 to Less than 15,000	25	26%
15,000 to Less Than 20,000	22	22%
20,000 or More	39	40%
TOTAL	98	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.41
Young Child PIPP Clients (Analysis Group)
Baseline Electric Bills
(12 Months Prior to Enrollment)

Electric Bill Amount	Number of Households	Percent of Households
\$0 to Less Than \$500	1	1%
\$500 to Less Than \$1,000	27	27%
\$1,000 to Less than \$1,500	44	44%
\$1,500 to Less Than \$2,000	16	16%
\$2,000 or More	12	12%
TOTAL	100	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.42a
Young Child PIPP Clients (Analysis Group)
Baseline Energy Burden - Gross
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	0	0%
5% to Less Than 10%	12	12%
10% to Less Than 15%	24	24%
15% to Less Than 20%	11	11%
20% to Less Than 25%	7	7%
25% or More	24	24%
Zero Income Households	22	22%
TOTAL	100	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.42b
Young Child PIPP Clients (Analysis Group)
Baseline Energy Burden – Net of LIHEAP Benefit
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	4	4%
5% to Less Than 10%	25	25%
10% to Less Than 15%	17	17%
15% to Less Than 20%	10	10%
20% to Less Than 25%	4	4%

Energy Burden	Number of Households	Percent of Households
25% or More	18	18%
Zero Income Households	22	22%
TOTAL	100	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Tables 3.43 through 3.45 furnish information on how young child PIPP clients paid their Ameren bills prior to enrollment. Table 3.43a shows that, when LIHEAP benefits are included, about one-third of these clients (32%) paid their entire Ameren bill and another one-third (37%) paid over 75% of their bill but not the whole amount. About one-third (31%) of the clients paid less than 75% of their bill. (Table 3.43b shows that the statistics are similar for households with 12 months of billing data prior to enrollment.) Table 3.44 shows that 62% of young child PIPP clients paid at least 75% of the part of the bill that they were responsible for in the preenrollment period, while 38% paid less than 75% of their part of the bill. Over half of the young child PIPP clients had more than \$500 in arrears at the time of enrollment in the program.

Table 3.43a
Young Child PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	3	2%
25% to Less Than 50%	9	6%
50% to Less Than 75%	32	23%
75% to Less Than 100%	52	37%
100% or More	46	32%

Source: Ameren, All Clients

Table 3.43b
Young Child PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	1	1%
25% to Less Than 50%	5	5%
50% to Less Than 75%	25	25%
75% to Less Than 100%	44	44%
100% or More	24	24%

Source: Ameren, Clients with 12 Months of Data

Table 3.44
Young Child PIPP Clients (Analysis Group)
Baseline Electric Client Payment Coverage Rate of Net Bills
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	2	2%
25% to Less Than 50%	16	16%
50% to Less Than 75%	19	19%
75% to Less Than 100%	38	38%
100% or More	24	24%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Table 3.45
Young Child PIPP Clients (Analysis Group)
Baseline Electric Arrears

Electric Bill Arrears	Number of Households	Percent of Households
\$0	7	3%
\$1 to Less Than \$500	102	44%
\$500 to Less Than \$1,000	79	34%
\$1,000 to Less than \$1,500	20	9%
\$1,500 to Less Than \$2,000	14	6%
\$2,000 or More	9	4%
TOTAL	231	100%

Source: LIHEAP.Net, All Clients

Baseline Energy Insecurity

Tables 3.46 through 3.48 summarize information reported by young child PIPP clients in the telephone survey. Almost all young child PIPP clients reported that, prior to enrollment in the PIPP their utility bill was very difficult (72%) or somewhat difficult (24%) to pay. A significant share of young child PIPP clients reported lost of essential services at some point during the year prior to enrollment; 20% lost heating service, 22% lost cooling service, 14% lost water heating service, 16% lost cooking, and 24% lost lighting (Table 3.47). All of these service disruptions represent situations that put the household at risk.

Table 3.46
Young Child PIPP Clients (Analysis Group)
Baseline Difficulty Paying Utility Bills

Difficulty	Number of Households	Percent of Households
Very Difficult	36	72%

Difficulty	Number of Households	Percent of Households
Somewhat Difficult	12	24%
Not Too Difficult	1	2%
Not Difficult at All	1	2%
TOTAL	50	100%

Source: Client Survey

Table 3.47
Young Child PIPP Clients (Analysis Group)
Baseline Energy Service Disruptions

Disruption Type		Number of Households	Percent of Households
Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	10	20%
Cooling Disruption	Yes, Less than 1 Day	5	10%
	Yes, 1 Day or More	6	12%
Water Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	7	14%
Home Cooking Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	8	16%
Lighting Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	12	24%

Source: Client Survey

Table 3.48 reports the “Energy Security” status of young child households prior to enrollment in the PIPP program. About 36% of young child PIPP clients reported energy insecurity problems that led them to be categorized as “In-Crisis” and another 46% of clients were categorized as “Vulnerable.” Only 4% of clients were categorized as “Thriving.”

Table 3.48
Young Child PIPP Clients (Analysis Group)
Baseline Energy Security

Energy Security	Number of Households	Percent of Households
Thriving	2	4%
Capable	1	2%
Stable	6	12%
Vulnerable	23	46%
In Crisis	18	36%
TOTAL	50	100%

Source: Client Survey

Summary of Findings

The key findings from the analysis of baseline data for young child PIPP clients include the following:

- **Income** – Young child PIPP clients a heterogeneous group of households with about one-third having employment income, about one-third with no source of income, and about one-third with assorted public assistance income. However, over 70% have income below 50% of the poverty line.
- **Energy Bills and Gross Energy Burden** – The average young child PIPP client has energy bills of about \$1,250 that represent over 20% of their income.
- **LIHEAP and Net Energy Burden** – Most young child PIPP clients have used LIHEAP prior to enrollment in the PIPP. On average, their LIHEAP benefits reduced their energy burden to about 15% of income.
- **Energy Bill Payment and Arrears** – About one-third of young child PIPP clients paid their full utility bill in the 12 months prior to enrollment in the PIPP. About one-third paid less than 75% of their bill. Average arrears at enrollment for these clients were more than \$500.
- **Energy Insecurity** – Almost all of these clients reported that their bills were very difficult to pay and over 80% were categorized as being “Vulnerable” or “In-Crisis” by the Energy Insecurity scale.

While some of these clients are successful in paying their utility bills, most report that they faced significant challenges in making those payments. In addition, many experiences one or more types of energy service disruptions during the year prior to PIPP enrollment.

D. Disabled PIPP Clients

According to the LIHEAP.Net database, 253 of the PIPP clients had a disabled person in the home. Of the 253 disabled PIPP clients, 221 were available for analysis in the Ameren database. In this section, we present statistics for the disabled PIPP clients, including:

- **Income and Demographics** – Annual Income, Income Sources, Household Size and Type, and Disability Status
- **LIHEAP Participation** – Use of LIHEAP in the three years prior to PIPP participation and the 12 months prior to PIPP participation.
- **Energy Bills and Payments** – Electric usage, bills, payments, and energy burden in the 12 months prior to PIPP participation.

- Survey Data – Client reported data on energy insecurity prior to enrollment in the PIPP pilot.

These data are representative of LIHEAP clients with a disabled individual who made use of the summer cooling program prior to the implementation the PIPP pilot.

Income and Demographics

Tables 3.49 through 3.51 furnish information on the income for the disabled PIPP clients. Table 3.49 shows that 75% of the disabled PIPP clients had income in the range of \$500-999 per month (\$6,000 to \$12,000 per year). Table 3.50 shows that about 40% of the disabled PIPP clients had incomes in the range of 50% to 75% of poverty and that about 30% had incomes in the range from 75% of poverty to 100% of poverty. Table 3.51 shows that almost all of these households are on fixed income; for 84% of the households the primary source of income is Social Security or SSI.

Table 3.49
Disabled PIPP Clients (Analysis Group)
Monthly Income

Income Group	Number of Households	Percent of Households
\$0	12	5%
\$1 to \$499	11	5%
\$500 to \$999	166	75%
\$1,000 to \$1,499	20	9%
\$1,500 to \$1,999	9	4%
\$2,000 or More	3	1%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.50
Disabled PIPP Clients (Analysis Group)
Household Poverty Level

Poverty Group	Number of Households	Percent of Households
No Income	12	5%
Less than 50% of Poverty	27	12%
50% to less than 75% of Poverty	91	41%
75% to less than 100% of Poverty	61	28%
100% of Poverty or More	30	14%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.51
Disabled PIPP Clients (Analysis Group)
Primary Source of Income

Income Source	Number of Households	Percent of Households
Employment Income	10	5%
Unemployment Compensation	0	0%
Retired/Disabled (SSA or SSI)	185	84%
Public Assistance (TANF, GA, AABD)	3	1%
Other	11	5%
None	12	5%
TOTAL	221	100%

Source: LIHEAP.Net

Tables 3.52 through 3.54 furnish information on the demographics of the disabled PIPP clients. Table 3.52 shows that about half of the disabled PIPP clients are in one person households and that an additional 25% are in two person households. About one-third of disabled PIPP clients are families with children (Table 3.53).

Table 3.52
Disabled PIPP Clients (Analysis Group)
Household Size

Household Size	Number of Households	Percent of Households
1	121	55%
2	55	25%
3	27	12%
4	15	7%
5+	3	1%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.53
Disabled PIPP Clients (Analysis Group)
Household Type

Household Type	Number of Households	Percent of Households
Two Parent Family	24	11%
Single Parent Family	49	22%
Nonelderly Couple	23	10%
Nonelderly Individual	121	55%
Other	4	2%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.54
Disabled PIPP Clients (Analysis Group)
Disability Status

Disability Status	Number of Households	Percent of Households
Disabled Individual	221	100%
No Disabled Individual	0	0%
TOTAL	221	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Three Fiscal Years

Table 3.55 shows that some (17%) of the disabled PIPP clients have received LIHEAP benefits consistently for the last three years, and that most (91%) have received LIHEAP at least once in the last three years. However, there were some (9%) who had not used LIHEAP in the last three years and may be new to the LIHEAP program.

Table 3.55
Disabled PIPP Clients (Analysis Group)
Years with LIHEAP Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	20	9%
1	52	24%
2	111	50%
3	38	17%
TOTAL	221	100%

Source: LIHEAP.Net

Tables 3.56 and 3.57 show the type of LIHEAP grants used by disabled PIPP clients. In the last three years, about 20% of disabled PIPP clients had their service disconnected at least once when they applied for LIHEAP (Table 3.56), and 14% received a crisis grant in the last three years (Table 3.57). About one-fourth of disabled PIPP clients was disconnected or had an imminent disconnection at the time of the grant (Table 3.35). Some disabled PIPP clients have a history of service termination threats or of service terminations. However, the majority of these clients do not have such a history.

Table 3.56
Disabled PIPP Clients (Analysis Group)
Years with Service Disconnection Status in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	176	80%
1	42	19%
2	2	1%
3	1	0%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.57
Disabled PIPP Clients (Analysis Group)
Years with LIHEAP Crisis Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	190	86%
1	23	10%
2	8	4%
3	0	0%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.58
Disabled PIPP Clients (Analysis Group)
Years with Imminent Disconnection or Disconnection Status in Last Three Years

Years	Number of Households	Percent of Households
0	161	73%
1	48	22%
2	11	5%
3	1	0%
TOTAL	221	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Twelve Months

Tables 3.59 through 3.62 furnish information on how disabled PIPP clients used LIHEAP in that last twelve months. Table 3.59 shows that 20% of these PIPP clients did not receive LIHEAP benefits in the last twelve months. The median LIHEAP grant for disabled PIPP clients who did receive grants was about \$430. Only 4% of disabled PIPP clients received a crisis grant in the last 12 months (Table 3.60), and only 10% of disabled PIPP clients were disconnected or had a threat of service disconnection at the time they received the LIHEAP grant (Table 3.62).

Table 3.59
Disabled PIPP Clients (Analysis Group)
LIHEAP Grant Amounts in Last Twelve Months

Grant Amount	Number of Households	Percent of Households
\$0	45	20%
\$1 to Less than \$250	18	8%
\$250 to Less Than \$500	128	58%
\$500 to Less Than \$750	21	10%
\$750 to Less Than \$1,000	2	1%
\$1,000 or More	7	3%
TOTAL	221	100%

Source: LIHEAP.Net

Table 3.60
Disabled PIPP Clients (Analysis Group)
Types of Heating Grants in Last Twelve Months

Types	Number of Households	Percent of Households
Regular Grant	171	77%
Crisis Grant	9	4%

Source: LIHEAP.Net

Table 3.61
Disabled PIPP Clients (Analysis Group)
Connection Status at the Time of Heating Grant Application
Last Twelve Months

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
Connected	156	91%	0	0%
Imminent Disconnect	8	5%	5	56%
Disconnected	7	4%	4	44%

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
TOTAL	171	100%	9	100%

Source: LIHEAP.Net

Table 3.62
Disabled PIPP Clients (Analysis Group)
“Worst Case” LIHEAP Disconnection Status Last Twelve Months

Types	Number of Households	Percent of Households
No Disconnect Status	158	90%
Imminent Disconnect Status	9	5%
Disconnect Status	9	5%
TOTAL	176	100%

Source: LIHEAP.Net

Baseline Electric Usage and Transactions

Tables 3.63 through 3.65 furnish information on the energy bills and energy burden faced by the disabled PIPP clients prior to enrollment in PIPP. Table 3.63 shows that 31% of the disabled PIPP clients use 20,000 kWh or more and that median energy use is over 15,000 kWh. Median baseline energy bills are about \$1,180 for these clients (Table 3.64) and median energy burden is about 16% of income (Table 3.65a). Table 3.65b shows that, after accounting for LIHEAP, the median energy burden for these clients was about 13% of income.

Table 3.63
Disabled PIPP Clients (Analysis Group)
Baseline Electric Usage
(12 Months Prior to Enrollment)

kWh	Number of Households	Percent of Households
0 to Less Than 5,000	2	1%
5,000 to Less Than 10,000	20	15%
10,000 to Less than 15,000	40	29%
15,000 to Less Than 20,000	32	24%
20,000 or More	42	31%
TOTAL	136	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.64
Disabled PIPP Clients (Analysis Group)
Baseline Electric Bills
(12 Months Prior to Enrollment)

Electric Bill Amount	Number of Households	Percent of Households
\$0 to Less Than \$500	2	1%
\$500 to Less Than \$1,000	48	35%
\$1,000 to Less than \$1,500	54	39%
\$1,500 to Less Than \$2,000	27	20%
\$2,000 or More	6	4%
TOTAL	137	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.64a
Disabled PIPP Clients (Analysis Group)
Baseline Energy Burden - Gross
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	1	1%
5% to Less Than 10%	16	12%
10% to Less Than 15%	38	28%
15% to Less Than 20%	44	32%
20% to Less Than 25%	16	12%
25% or More	17	12%
Zero Income Households	5	4%
TOTAL	137	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.65b
Disabled PIPP Clients (Analysis Group)
Baseline Energy Burden – Net of LIHEAP Benefit
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	4	3%
5% to Less Than 10%	44	32%
10% to Less Than 15%	36	26%
15% to Less Than 20%	27	20%
20% to Less Than 25%	15	11%

Energy Burden	Number of Households	Percent of Households
25% or More	6	4%
Zero Income Households	5	4%
TOTAL	137	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Tables 3.66 through 3.68 furnish information on how disabled PIPP clients paid their Ameren bills prior to enrollment. Table 3.66a shows that, when LIHEAP benefits are included, 43% of these clients paid their entire Ameren bill and another 35% paid over 75% of their bill but not the whole amount. About one in five of the clients paid less than 75% of their bill. (Table 3.66b shows that the statistics are similar for households with 12 months of billing data prior to enrollment.) Table 3.67 shows that 74% of disabled PIPP clients paid at least 75% of the part of the bill that they were responsible for in the preenrollment period. Most (70%) of the disabled PIPP clients had less than \$500 in arrears at the time of enrollment in the program.

Table 3.66a
Disabled PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	4	2%
25% to Less Than 50%	3	2%
50% to Less Than 75%	31	18%
75% to Less Than 100%	61	35%
100% or More	76	43%

Source: Ameren, All Clients

Table 3.66b
Disabled PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	4	3%
25% to Less Than 50%	2	1%
50% to Less Than 75%	21	15%
75% to Less Than 100%	55	40%
100% or More	55	40%

Source: Ameren, Clients with 12 Months of Data

Table 3.67
Disabled PIPP Clients (Analysis Group)
Baseline Electric Client Payment Coverage Rate of Net Bills
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	6	4%
25% to Less Than 50%	7	5%
50% to Less Than 75%	23	17%
75% to Less Than 100%	46	34%
100% or More	55	40%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Table 3.68
Disabled PIPP Clients (Analysis Group)
Baseline Electric Arrears

Electric Bill Arrears	Number of Households	Percent of Households
\$0	12	5%
\$1 to Less Than \$500	144	65%
\$500 to Less Than \$1,000	38	17%
\$1,000 to Less than \$1,500	15	7%
\$1,500 to Less Than \$2,000	7	3%
\$2,000 or More	5	2%
TOTAL	221	100%

Source: LIHEAP.Net, All Clients

Baseline Energy Insecurity

Tables 3.69 through 3.71 summarize information reported by disabled PIPP clients in the telephone survey. Almost all disabled PIPP clients reported that their utility bill was very difficult (78%) or somewhat difficult (18%) to pay. A significant share of disabled PIPP clients reported lost of essential services during the year prior to enrollment; 22% lost heating, 28% lost cooling, 14% lost water heating, 14% lost cooking, and 22% lost lighting (Table 3.70). These service disruptions represent situations that put the household at risk

Table 3.69
Disabled PIPP Clients (Analysis Group)
Baseline Difficulty Paying Utility Bills

Difficulty	Number of Households	Percent of Households
Very Difficult	39	78%
Somewhat Difficult	9	18%

Difficulty	Number of Households	Percent of Households
Not Too Difficult	2	4%
Not Difficult at All	0	0%
Don't Know	1	2%
TOTAL	51	100%

Source: Client Survey

Table 3.70
Disabled PIPP Clients (Analysis Group)
Baseline Energy Service Disruptions

Disruption Type		Number of Households	Percent of Households
Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	10	20%
Cooling Disruption	Yes, Less than 1 Day	6	12%
	Yes, 1 Day or More	11	22%
Water Heating Disruption	Yes, Less than 1 Day	1	2%
	Yes, 1 Day or More	6	12%
Home Cooking Disruption	Yes, Less than 1 Day	1	2%
	Yes, 1 Day or More	6	12%
Lighting Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	11	22%

Source: Client Survey

Table 3.71 reports the “Energy Security” status of disabled households prior to enrollment in the PIPP program. It shows that about 43% of disabled PIPP clients reported energy insecurity problems that led them to be categorized as “In-Crisis” and another 45% of clients were categorized as “Vulnerable.” Only 2% of clients were categorized as “Thriving.”

Table 3.71
Disabled PIPP Clients (Analysis Group)
Baseline Energy Security

Energy Security	Number of Households	Percent of Households
Thriving	1	2%
Capable	1	2%
Stable	4	8%
Vulnerable	23	45%
In Crisis	22	43%
TOTAL	51	100%

Source: Client Survey

Summary of Findings

The key findings from the analysis of baseline data for disabled PIPP clients include the following:

- **Income** – Most disabled PIPP clients have incomes between 50% of poverty and the poverty line. Most have Social Security or SSI as their primary source of income.
- **Energy Bills and Gross Energy Burden** – The average disabled PIPP client has energy bills of about \$1,200 that represent about 16% of their income.
- **LIHEAP and Net Energy Burden** – Most disabled PIPP clients have used LIHEAP prior to enrollment in the PIPP; LIHEAP reduced net energy burden to about 13%.
- **Energy Bill Payment and Arrears** – Over 40% of disabled PIPP clients paid their full utility bill in the 12 months prior to enrollment in the PIPP. About one in five paid less than 75% of their bill. While almost all of these clients (95%) had preenrollment arrears, those arrears were less than \$500 for most clients (70%).
- **Energy Insecurity** – Almost all of these clients reported that their bills were very difficult to pay and almost 90% were categorized as being “Vulnerable” or “In-Crisis” by the Energy Insecurity scale.

While many of these clients are successful in paying their utility bills, most report that they faced significant challenges in making those payments. In addition, many experienced one or more types of energy service disruptions during the year prior to PIPP enrollment.

E. Other PIPP Clients

According to the LIHEAP.Net database, 239 of the PIPP clients had no elderly, young children, or disabled individuals. Of the 239 other PIPP clients, 205 were available for analysis in the Ameren database. In this section, we present statistics for the other PIPP clients, including:

- **Income and Demographics** – Annual Income, Income Sources, Household Size and Type, and Disability Status
- **LIHEAP Participation** – Use of LIHEAP in the three years prior to PIPP participation and the 12 months prior to PIPP participation.
- **Energy Bills and Payments** – Electric usage, bills, payments, and energy burden in the 12 months prior to PIPP participation.
- **Survey Data** – Client reported data on energy insecurity prior to enrollment in the PIPP pilot.

These data are representative of other LIHEAP clients who made use of the summer cooling program prior to the implementation the PIPP pilot.

Income and Demographics

Tables 3.72 through 3.74 furnish information on income for other PIPP clients. Over 75% of the other PIPP clients had income in the range of \$0-999 per month (Table 3.72); other PIPP clients were evenly distributed over the poverty group ranges (Table 3.73). These households have a range of income sources; about 40% are receiving employment income.

Table 3.72
Other PIPP Clients (Analysis Group)
Monthly Income

Income Group	Number of Households	Percent of Households
\$0	47	23%
\$1 to \$499	37	18%
\$500 to \$999	73	36%
\$1,000 to \$1,499	37	18%
\$1,500 to \$1,999	9	4%
\$2,000 or More	2	1%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.73
Other PIPP Clients (Analysis Group)
Household Poverty Level

Poverty Group	Number of Households	Percent of Households
No Income	47	23%
Less than 50% of Poverty	46	22%
50% to less than 75% of Poverty	48	23%
75% to less than 100% of Poverty	34	17%
100% of Poverty or More	30	15%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.74
Other PIPP Clients (Analysis Group)
Primary Source of Income

Income Source	Number of Households	Percent of Households
Employment Income	83	40%
Unemployment Compensation	12	6%
Retired/Disabled (SSA or SSI)	44	21%
Public Assistance (TANF, GA, AABD)	0	0%
Other	19	9%
None	47	23%
TOTAL	205	100%

Source: LIHEAP.Net

Tables 3.75 through 3.77 furnish information on the demographics of the other PIPP clients. Table 3.75 shows that about half of the other PIPP clients are in a one person household and about 75% are in one or two person households. Table 3.76 shows that most of these households (over 75%) are single parent families or nonelderly/nondisabled individuals.

Table 3.75
Other PIPP Clients (Analysis Group)
Household Size

Household Size	Number of Households	Percent of Households
1	97	47%
2	53	26%
3	29	14%
4	21	10%
5+	5	2%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.76
Other PIPP Clients (Analysis Group)
Household Type

Household Type	Number of Households	Percent of Households
Two Parent Family	12	6%
Single Parent Family	73	36%
Nonelderly Couple	15	7%
Nonelderly Individual	97	47%
Other	8	4%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.77
Other PIPP Clients (Analysis Group)
Disability Status

Disability Status	Number of Households	Percent of Households
Disabled Individual	0	0%
No Disabled Individual	205	100%
TOTAL	205	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Three Fiscal Years

Table 3.78 shows that some (23%) of the other PIPP clients have received LIHEAP benefits consistently for the last three years, and that most (78%) have received LIHEAP at least once in the last three years. However, there were some (22%) who had not used LIHEAP in the last three years and may be new to the LIHEAP program.

Table 3.78
Other PIPP Clients (Analysis Group)
Years with LIHEAP Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	45	22%
1	54	26%
2	59	29%
3	47	23%
TOTAL	205	100%

Source: LIHEAP.Net

Tables 3.79 through 3.81 show the type of LIHEAP grants used by other PIPP clients. In the last three years, about 20% of other child PIPP clients had their service disconnected at least once when they applied for LIHEAP (Table 3.79). However, only 14% of other PIPP clients received a crisis grant in the last three years (Table 3.80). About 30% of other PIPP clients were disconnected or had an imminent disconnection at the time of the grant (Table 3.81). Some of these clients had a history of service termination threats or of service terminations. However, the majority of these clients do not have such a history.

Table 3.79
Other PIPP Clients (Analysis Group)
Years with Service Disconnection Status in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	162	79%
1	35	17%
2	7	3%
3	1	0%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.80
Other PIPP Clients (Analysis Group)
Years with LIHEAP Crisis Grants in Last Three Fiscal Years

Years	Number of Households	Percent of Households
0	177	86%
1	26	13%
2	2	1%
3	0	0%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.81
Other PIPP Clients (Analysis Group)
Years with Imminent Disconnection or Disconnection Status in Last Three Years

Years	Number of Households	Percent of Households
0	144	70%
1	45	22%
2	14	7%
3	2	1%
TOTAL	205	100%

Source: LIHEAP.Net

Use of LIHEAP – Last Twelve Months

Tables 3.82 through 3.85 furnish information on how other PIPP clients used LIHEAP in that last twelve months. Table 3.82 shows that almost 40% of these PIPP clients did not receive LIHEAP benefits in the last twelve months. The median LIHEAP grant for other PIPP clients who did receive grants was about \$500. Only 6% of other PIPP clients received a crisis grant in the last 12 months (Table 3.83), while about 19% were disconnected or had a threat of service disconnection at the time they received the LIHEAP grant (Table 3.85).

Table 3.82
Other PIPP Clients (Analysis Group)
LIHEAP Grant Amounts in Last Twelve Months

Grant Amount	Number of Households	Percent of Households
\$0	80	39%
\$1 to Less than \$250	16	8%
\$250 to Less Than \$500	85	41%
\$500 to Less Than \$750	15	7%
\$750 to Less Than \$1,000	5	2%
\$1,000 or More	4	2%
TOTAL	205	100%

Source: LIHEAP.Net

Table 3.83
Other PIPP Clients (Analysis Group)
Types of Heating Grants in Last Twelve Months

Types	Number of Households	Percent of Households
Regular Grant	121	59%
Crisis Grant	12	6%

Source: LIHEAP.Net

Table 3.84
Other PIPP Clients (Analysis Group)
Connection Status at the Time of Heating Grant Application
Last Twelve Months

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
Connected	101	83%	0	0%
Imminent Disconnect	8	7%	7	58%
Disconnected	12	10%	5	42%

Connection Status	Regular Grant		Crisis Grant	
	Number	Percent	Number	Percent
TOTAL	121	100%	12	100%

Source: LIHEAP.Net

Table 3.85
Other PIPP Clients (Analysis Group)
“Worst Case” LIHEAP Disconnection Status Last Twelve Months

Types	Number of Households	Percent of Households
No Disconnect Status	101	81%
Imminent Disconnect Status	11	9%
Disconnect Status	13	10%
TOTAL	125	100%

Source: LIHEAP.Net

Baseline Electric Usage and Transactions

Tables 3.86 through 3.88 furnish information on the energy bills and energy burden faced by the other PIPP clients prior to enrollment in PIPP. Table 3.86 shows that 31% use 20,000 kWh or more and that median energy use is about 15,000 kWh. Median baseline energy bills are about \$1,350 for these clients (Table 3.87) and median energy burden is about 17% (Table 3.88a). Table 3.88b shows that, after accounting for LIHEAP, the median energy burden for these clients was about 15% of income.

Table 3.86
Other PIPP Clients (Analysis Group)
Baseline Electric Usage
(12 Months Prior to Enrollment)

kWh	Number of Households	Percent of Households
0 to Less Than 5,000	2	2%
5,000 to Less Than 10,000	25	23%
10,000 to Less than 15,000	29	26%
15,000 to Less Than 20,000	20	18%
20,000 or More	34	31%
TOTAL	110	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.87
Other PIPP Clients (Analysis Group)
Baseline Electric Bills
(12 Months Prior to Enrollment)

Electric Bill Amount	Number of Households	Percent of Households
\$0 to Less Than \$500	0	0%
\$500 to Less Than \$1,000	23	19%
\$1,000 to Less than \$1,500	51	43%
\$1,500 to Less Than \$2,000	24	20%
\$2,000 or More	20	17%
TOTAL	118	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.88a
Other PIPP Clients (Analysis Group)
Baseline Energy Burden - Gross
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	1	1%
5% to Less Than 10%	16	14%
10% to Less Than 15%	34	29%
15% to Less Than 20%	17	14%
20% to Less Than 25%	9	8%
25% or More	23	19%
Zero Income Households	18	15%
TOTAL	118	100%

Source: Ameren, Clients with 12 Months of Data

Table 3.88b
Other PIPP Clients (Analysis Group)
Baseline Energy Burden – Net of LIHEAP Benefit
(12 Months Prior to Enrollment)

Energy Burden	Number of Households	Percent of Households
0% to Less Than 5%	8	7%
5% to Less Than 10%	32	27%
10% to Less Than 15%	21	18%
15% to Less Than 20%	16	14%
20% to Less Than 25%	10	8%

Energy Burden	Number of Households	Percent of Households
25% or More	13	11%
Zero Income Households	18	15%
TOTAL	118	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Tables 3.89 through 3.91 furnish information on how other PIPP clients paid their Ameren bills prior to enrollment. Table 3.89a shows that, when LIHEAP benefits are included, 39% of these clients paid their entire Ameren bill and another 38% paid over 75% of their bill but not the whole amount. About one in five paid less than 75% of their bill. (Table 3.89b shows that the statistics are similar for households with 12 months of billing data prior to enrollment.) Table 3.90 shows that over 70% of other PIPP clients paid at least 75% of the part of the bill that they were responsible for in the preenrollment period. About 40% of the other PIPP clients had more than \$500 in arrears at the time of enrollment.

Table 3.89a
Other PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	2	1%
25% to Less Than 50%	5	4%
50% to Less Than 75%	25	18%
75% to Less Than 100%	54	38%
100% or More	55	39%

Source: Ameren, All Clients

Table 3.89b
Other PIPP Clients (Analysis Group)
Baseline Electric Total Payment Coverage Rate
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	2	2%
25% to Less Than 50%	3	3%
50% to Less Than 75%	20	17%
75% to Less Than 100%	46	39%
100% or More	46	39%

Source: Ameren, Clients with 12 Months of Data

Table 3.90
Other PIPP Clients (Analysis Group)
Baseline Electric Client Payment Coverage Rate of Net Bills
(12 Months Prior to Enrollment)

Electric Bill Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	3	3%
25% to Less Than 50%	11	9%
50% to Less Than 75%	20	17%
75% to Less Than 100%	28	32%
100% or More	46	39%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Data

Table 3.91
Other PIPP Clients (Analysis Group)
Baseline Electric Arrears

Electric Bill Arrears	Number of Households	Percent of Households
\$0	10	5%
\$1 to Less Than \$500	112	55%
\$500 to Less Than \$1,000	48	23%
\$1,000 to Less than \$1,500	22	11%
\$1,500 to Less Than \$2,000	7	3%
\$2,000 or More	6	3%
TOTAL	205	100%

Source: LIHEAP.Net, All Clients

Baseline Energy Insecurity

Tables 3.92 through 3.94 summarize information reported by other PIPP clients in the telephone survey. Almost all other PIPP clients reported that, prior to enrollment in the PIPP their utility bill was very difficult (74%) or somewhat difficult (20%) to pay. A significant share of young child PIPP clients reported lost of essential services at some point during the year prior to enrollment; 22% lost heating service, 36% lost cooling service, 26% lost water heating service, 26% lost cooking, and 34% lost lighting (Table 3.47). All of these service disruptions represent situations that put the household at risk.

Table 3.92
Other PIPP Clients (Analysis Group)
Baseline Difficulty Paying Utility Bills

Difficulty	Number of Households	Percent of Households
Very Difficult	37	74%
Somewhat Difficult	10	20%
Not Too Difficult	2	4%
Not Difficult at All	1	2%
TOTAL	50	100%

Source: Client Survey

Table 3.93
Other PIPP Clients (Analysis Group)
Baseline Energy Service Disruptions

Disruption Type		Number of Households	Percent of Households
Heating Disruption	Yes, Less than 1 Day	1	2%
	Yes, 1 Day or More	10	20%
Cooling Disruption	Yes, Less than 1 Day	6	12%
	Yes, 1 Day or More	12	24%
Water Heating Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	13	26%
Home Cooking Disruption	Yes, Less than 1 Day	0	0%
	Yes, 1 Day or More	13	26%
Lighting Disruption	Yes, Less than 1 Day	2	4%
	Yes, 1 Day or More	15	30%

Source: Client Survey

Table 3.94 reports the “Energy Security” status of other households prior to enrollment in the PIPP program. It shows that 50% of other PIPP clients reported energy insecurity problems that led them to be categorized as “In-Crisis” and another 32% of clients were categorized as “Vulnerable.” Only 4% of clients were categorized as “Thriving.”

Table 3.94
Other PIPP Clients (Analysis Group)
Baseline Energy Security

Energy Security	Number of Households	Percent of Households
Thriving	2	4%
Capable	3	6%
Stable	4	8%

Energy Security	Number of Households	Percent of Households
Vulnerable	16	32%
In Crisis	25	50%
TOTAL	50	100%

Source: Client Survey

Summary of Findings

The key findings from the analysis of baseline data for other PIPP clients include the following:

- **Income** – Other PIPP clients are a heterogeneous group with about 40% having employment income and about 20% with no source of income. They are distributed evenly among the poverty groups examined.
- **Energy Bills and Gross Energy Burden** – The average other PIPP client has energy bills of about \$1,350 that represent about 17% of their income.
- **LIHEAP and Net Energy Burden** – Most other PIPP clients have used LIHEAP prior to enrollment in the PIPP. On average, their LIHEAP benefits reduced their energy burden to about 15% of income.
- **Energy Bill Payment and Arrears** – About 40% of other PIPP clients paid their full utility bill in the 12 months prior to enrollment in the PIPP. Only about 20% paid less than 75% of their bill. Average arrears at enrollment for these clients were less than \$500.
- **Energy Insecurity** – Almost all of these clients reported that their bills were very difficult to pay and over 80% were categorized as being “Vulnerable” or “In-Crisis” by the Energy Insecurity scale.

While some of these clients are successful in paying their utility bills, most report that they faced significant challenges in making those payments. In addition, many experience one or more types of energy service disruptions during the year prior to PIPP enrollment.

IV. Program Impacts

The purpose of the Impact Evaluation is to furnish DCEO and the program partners with an understanding the impacts of the PIPP Program. There are three types of program impacts that can result from the PIPP Pilot program.

- Immediate Outcomes – These are the program outcomes that should be observable as soon as the client is enrolled in the program, including: restoration of energy service, reduced energy burden, and elimination of arrears.
- Intermediate Outcomes – These are the program outcomes that should be observable during the first program year, including: improved bill payment patterns, reduced service disruptions, and a higher level of energy service.
- Long-Term Outcomes – These are the program outcomes that would be expected to be observed if the PIPP Pilot program had been continued for the full three-year period, including: improved financial status, improved health status, and fewer energy-related problems for participating households.

In this section of the report, we present information on the findings with respect to the Immediate Outcomes and the Intermediate Outcomes of the PIPP pilot program. The data used to assess those program impacts includes:

- LIHEAP.Net – The LIHEAP data management system furnishes information on the LIHEAP and utility benefits granted to clients as part of the PIPP Pilot.
- Ameren Billing and Payment Data – Ameren furnished information on billing and payment for participating customers through October 2009.
- Survey Data – APPRISE conducted telephone interviews with a sample of clients in July 2009 that furnished information on the PIPP program experiences of participating clients.

The PIPP Pilot enrolled clients during the period from July to September of 2008. During this time, only “at-risk” clients were eligible to enroll in the program. Since these customers are not representative of the broader LIHEAP population, we present data for each population subgroup separately. The specific groups in the analysis are elderly households, young child households, disabled households, and other “at-risk” households.

It is important to note that the original plan for the PIPP pilot included delivery of usage reduction and case management services. However, since those services were not implemented, we would not expect to see changes in client electricity usage or any systematic changes in the financial status of clients due to case management.

A. *Immediate Impacts of the PIPP Pilot Program*

The Immediate Impacts of the PIPP Pilot program are the program outcomes that should be observable as soon as the client is enrolled in the program. The expected immediate program impacts from the PIPP Pilot program include:

- **Service Restoration** – The clients who had their service terminated should have it restored without high cost to the client.
- **Monthly Bills** – The clients should be asked to pay the same energy bill each month.
- **Energy Burden** – The client should have an energy burden that does not exceed the target. [Exceptions are those clients who have the \$10 minimum payment or have reached the maximum subsidy of \$1,800.]
- **Arrearages** – The clients should receive a one-time forgiveness of preprogram arrearages.

In addition to those services, a comprehensive PIPP program might include the following immediate outcomes:

- **Energy Usage** – Some of the clients should receive usage reduction services.
- **Case Management** – Some of the clients should receive case management services.

In this evaluation, we can assess the immediate impact of the program in terms of service restoration, monthly bills, energy burden, and arrearages.

1. **Immediate Impacts on Elderly Clients**

Table 4-1 furnishes information on the client's disconnection status. At the time of PIPP enrollment, none of the elderly analysis group PIPP clients had their service disconnected. Table 3-16 showed only 4% had a disconnection status in the previous year. From that perspective, the program had no immediate impact on elderly clients.

Table 4-1
Elderly PIPP Clients (Analysis Group)
Preprogram Disconnection Status

Disconnection Status	Number of Households	Percent of Households
Connected	187	100%
Imminent Disconnect	0	0%
Disconnected	0	0%
TOTAL	187	100%

Source: LIHEAP.Net

Table 4-2 furnishes information on the client's budget billing status. At the time of PIPP enrollment, about four out of ten elderly PIPP clients had already enrolled in budget billing. A budget bill can make it easier for a client to pay consistently. However, requiring that PIPP clients enter into budget bill agreements might represent a barrier for some clients.

Table 4-2
Elderly PIPP Clients (Analysis Group)
Preprogram Budget Bill Status

Budget Bill Status	Number of Households	Percent of Households
Budget Bill	19	38%
Regular Bill	30	60%
Don't Know	2	4%
TOTAL	51	100%

Source: Client Survey

Table 4-3 shows the share of clients for whom enrollment in PIPP improved their benefits under LIHEAP. If a client has a net energy burden (energy bill – LIHEAP benefit / income) of less than 10% under the existing program, they did not benefit from enrollment in the PIPP unless they had arrears that would be forgiven. Table 4.3 shows that 60% of clients had net burdens greater than 10% of income prior to enrollment in the PIPP. An additional 32% were made better off by the arrearage forgiveness, even though their net energy burden was less than 10%. However, 8% of clients were better off under the regular program.

Table 4-3
Elderly PIPP Clients (Analysis Group)
Energy Burden Status at Enrollment

Energy Burden Status	Number of Households	Percent of Households
Net Energy Burden less than or equal to 10% with no arrears	13	8%
Net Energy Burden less than or equal to 10% with arrears	49	32%
Net Energy Burden greater than 10%	92	60%
TOTAL	154	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Preprogram Data

Table 4-4 shows that, on average, PIPP pilot clients received \$297 in arrearage forgiveness and that most received arrearage forgiveness between \$1 and \$500.

Table 4-4
Elderly PIPP Clients (Analysis Group)
Amount of Arrearage Forgiveness

Arrearage Forgiveness	Number of Households	Percent of Households
\$0	34	18%
\$1-\$499	118	63%
\$500-999	24	13%
\$1,000-\$1,499	5	3%
\$1,500 or More	6	3%
TOTAL	187	100%
Mean Amount	\$297	

Source: LIHEAP.Net

2. Impacts on Young Child Clients

Table 4-5 furnishes information on the client's disconnection status. At the time of PIPP enrollment, only 1 of the young child analysis group PIPP clients had their service disconnected. However, Table 3-39 showed about 25% had a disconnection status in the previous year. From that perspective, the program had an immediate impact on a significant number of young child clients.

Table 4-5
Young Child PIPP Clients (Analysis Group)
Preprogram Disconnection Status

Disconnection Status	Number of Households	Percent of Households
Connected	230	100%
Imminent Disconnect	0	0%
Disconnected	1	<1%
TOTAL	231	100%

Source: LIHEAP.Net

Table 4-6 furnishes information on the client's budget billing status. At the time of PIPP enrollment, about four out of ten young child PIPP clients had already enrolled in budget billing. A budget bill can make it easier for a client to pay consistently. However, requiring that PIPP clients enter into budget bill agreements might represent a barrier for some clients.

Table 4-6
Young Child PIPP Clients (Analysis Group)
Preprogram Budget Bill Status

Budget Bill Status	Number of Households	Percent of Households
Budget Bill	20	40%
Regular Bill	30	60%
TOTAL	50	100%

Source: Client Survey

Table 4-7 shows the share of clients for whom enrollment in PIPP improved their benefits under LIHEAP. If a client has a net energy burden (energy bill – LIHEAP benefit / income) of less than 10% under the existing program, they did not benefit from enrollment in the PIPP unless they had arrears that would be forgiven. Table 4.3 shows that 71% of clients had net burdens greater than 10% of income prior to enrollment in the PIPP. The remainder of the young child clients was made better off by the arrearage forgiveness, even though their net energy burden was less than 10%.

Table 4-7
Young Child PIPP Clients (Analysis Group)
Energy Burden Status at Enrollment

Energy Burden Status	Number of Households	Percent of Households
Net Energy Burden less than or equal to 10% with no arrears	0	0%
Net Energy Burden less than or equal to 10% with arrears	29	29%
Net Energy Burden greater than 10%	71	71%
TOTAL	100	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Preprogram Data

Table 4-8 shows that, on average, PIPP pilot clients received \$714 in arrearage forgiveness and that most received arrearage forgiveness between \$1 and \$1,000. About 10% of the clients had arrears over \$1,500.

Table 4-8
Young Child PIPP Clients (Analysis Group)
Amount of Arrearage Forgiveness

Arrearage Forgiveness	Number of Households	Percent of Households
\$0	7	3%
\$1-\$499	102	44%
\$500-999	79	34%

\$1,000-\$1,499	20	9%
\$1,500 or More	23	10%
TOTAL	231	100%
Mean Amount	\$714	

Source: LIHEAP.Net

3. Impacts on Disabled Clients

Table 4-9 furnishes information on the client's disconnection status. At the time of PIPP enrollment, only 1 of the disabled analysis group PIPP clients had their service disconnected. However, Table 3-62 showed that about 10% had a disconnection status in the previous year. From that perspective, the program had an immediate impact for a small number of disabled clients.

Table 4-9
Disabled PIPP Clients (Analysis Group)
Preprogram Disconnection Status

Disconnection Status	Number of Households	Percent of Households
Connected	220	100%
Imminent Disconnect	0	0%
Disconnected	1	<1%
TOTAL	221	100%

Source: LIHEAP.Net

Table 4-10 furnishes information on the client's budget billing status. At the time of PIPP enrollment, about three out of ten disabled PIPP clients had already enrolled in budget billing. A budget bill can make it easier for a client to pay consistently. However, requiring that PIPP clients enter into budget bill agreements might represent a barrier for some clients.

Table 4-10
Disabled PIPP Clients (Analysis Group)
Preprogram Budget Bill Status

Budget Bill Status	Number of Households	Percent of Households
Budget Bill	16	32%
Regular Bill	34	68%
TOTAL	50	100%

Source: Client Survey

Table 4-11 shows the share of clients for whom enrollment in PIPP improved their benefits under LIHEAP. If a client has a net energy burden (energy bill – LIHEAP

benefit / income) of less than 10% under the existing program, they did not benefit from enrollment in the PIPP unless they had arrears that would be forgiven. Table 4.11 shows that 65% of clients had net burdens greater than 10% of income prior to enrollment in the PIPP. An additional 33% were made better off by the arrearage forgiveness, even though their net energy burden was less than 10%. Only 2% of disabled clients were better off under the regular program.

Table 4-11
Disabled PIPP Clients (Analysis Group)
Energy Burden Status at Enrollment

Energy Burden Status	Number of Households	Percent of Households
Net Energy Burden less than or equal to 10% with no arrears	3	2%
Net Energy Burden less than or equal to 10% with arrears	45	33%
Net Energy Burden greater than 10%	89	65%
TOTAL	137	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Preprogram Data

Table 4-12 shows that, on average, PIPP pilot clients received \$471 in arrearage forgiveness and that most received arrearage forgiveness between \$1 and \$500. However, 5% of disabled clients received arrearage forgiveness of more than \$1,500.

Table 4-12
Disabled PIPP Clients (Analysis Group)
Amount of Arrearage Forgiveness

Arrearage Forgiveness	Number of Households	Percent of Households
\$0	12	5%
\$1-\$499	144	65%
\$500-999	38	17%
\$1,000-\$1,499	15	7%
\$1,500 or More	12	5%
TOTAL	221	100%
Mean Amount	\$471	

Source: LIHEAP.Net

4. Impacts on Other Clients

Table 4-13 furnishes information on the client's disconnection status. At the time of PIPP enrollment, 2 of the other analysis group PIPP clients had their service disconnected. However, Table 3-85 showed that 19% had a disconnection status in the

previous year. From that perspective, the program had an immediate impact for a significant share of other clients.

Table 4-13
Other PIPP Clients (Analysis Group)
Preprogram Disconnection Status

Disconnection Status	Number of Households	Percent of Households
Connected	203	99%
Imminent Disconnect	0	0%
Disconnected	2	1%
TOTAL	205	100%

Source: LIHEAP.Net

Table 4-14 furnishes information on the client's budget billing status. At the time of PIPP enrollment, about three out of ten other PIPP clients had already enrolled in budget billing. A budget bill can make it easier for a client to pay consistently. However, requiring that PIPP clients enter into budget bill agreements might represent a barrier for some clients.

Table 4-14
Other PIPP Clients (Analysis Group)
Preprogram Budget Bill Status

Budget Bill Status	Number of Households	Percent of Households
Budget Bill	14	28%
Regular Bill	36	72%
TOTAL	50	100%

Source: Client Survey

Table 4-15 shows the share of clients for whom enrollment in PIPP improved their benefits under LIHEAP. If a client has a net energy burden (energy bill – LIHEAP benefit / income) of less than 10% under the existing program, they did not benefit from enrollment in the PIPP unless they had arrears that would be forgiven. Table 4.15 shows that 66% of clients had net burdens greater than 10% of income prior to enrollment in the PIPP. An additional 33% were made better off by the arrearage forgiveness, even though their net energy burden was less than 10%.

Table 4-15
Other PIPP Clients (Analysis Group)
Energy Burden Status at Enrollment

Energy Burden Status	Number of Households	Percent of Households
Net Energy Burden less than or equal to 10% with no arrears	1	1%
Net Energy Burden less than or equal to 10% with arrears	39	33%
Net Energy Burden greater than 10%	78	66%
TOTAL	118	100%

Source: Ameren and LIHEAP.Net, Clients with 12 Months of Preprogram Data

Table 4-16 shows that, on average, PIPP pilot clients received \$605 in arrearage forgiveness and that most received arrearage forgiveness between \$1 and \$1,000. About 6% of clients had arrearage forgiveness greater than \$1,500.

Table 4-16
Other PIPP Clients (Analysis Group)
Amount of Arrearage Forgiveness

Arrearage Forgiveness	Number of Households	Percent of Households
\$0	10	5%
\$1-\$499	112	55%
\$500-999	48	23%
\$1,000-\$1,499	22	11%
\$1,500 or More	13	6%
TOTAL	205	100%
Mean Amount	\$605	

Source: LIHEAP.Net

B. Intermediate Impacts of the PIPP Pilot Program

The Intermediate Impacts of the PIPP Pilot program are the program outcomes that should be observable during the first program year. The expected intermediate program impacts from the PIPP Pilot program include:

- **Energy Burden** – Clients should be better able to pay annual energy bills and use an appropriate amount of energy to meet their needs.
- **Monthly Bills** – Clients should be better able to pay monthly energy bills, will be less likely to use high cost credit to pay those bills, and will be less likely to get behind on payments on a monthly basis.

- Arrearages – Client should be more likely to pay energy bills and less likely to build up arrearages.

If the PIPP Pilot were implemented as planned, it also would have been possible to observe the following impacts.

- Maintenance of Service – It was expected that clients would be more likely to maintain their monthly payments and would be less likely to have service terminated. However, because of the uncertainty with respect to the program operations, no PIPP clients were issued collection notices and none had their service disconnected.
- Energy Usage Services – It was expected that clients would receive usage reduction services and that, on average, their energy usage would decline. However, since those services were not offered, it is expected that we will observe modest increases in energy usage by households who were previously keeping their homes at an unsafe temperature.
- Case Management Services – It was expected that some of the clients will be successful in increasing their income, reducing their expenses, or improving their ability to budget and pay energy bills in a timely way as a result of case management services. However, since those services were not delivered, we would not expect any change in the financial status of clients.

The Ameren collections issue is an important one. Under the original PIPP Pilot program plan, Ameren was planning to send monthly information to a client's intake agency informing them when a client was failing to pay their bills. However, because of the computer systems problems, that plan was never implemented. And further, Ameren excluded PIPP clients from their normal collections activity. As a result, PIPP clients were not contacted by either Ameren or their intake agency if they failed to make payments. As a result, it can be expected that some clients would have failed to make payments. If such an outcome is observed, it furnishes important information about the need to make contact with clients who are not making their "affordable" payments while on the PIPP program.

1. Intermediate Impacts on Elderly Clients

Tables 4-17 through 4-20 furnish information on the benefits that elderly clients received under the PIPP pilot program. The average PIPP benefit received by clients was \$809; 29% of elderly clients received \$1,000 or more (Table 4-17). For nearly three-fourths of the clients, the PIPP benefit was more than 25% higher than their previous LIHEAP benefit (Table 4-18). The average total benefit (PIPP and arrearage forgiveness) was \$1,106 (Table 4-19). About 90% of the elderly PIPP clients received more benefits under the PIPP program.

Table 4-17
Elderly PIPP Clients (Analysis Group)
PIPP Benefit

PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	12	6%
\$250-499	46	25%
\$500-\$999	75	40%
\$1,000 or More	54	29%
TOTAL	187	100%
Mean Amount	\$809	

Source: LIHEAP.Net

Table 4-18
Elderly PIPP Clients (Analysis Group)
Change in Benefit (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
PIPP Benefit 25% Higher or More	113	72%
PIPP Benefit 10% to 24% Higher	6	4%
Same Benefit Level (+/- 10%)	16	10%
LIHEAP Benefit 10% to 24% Higher	5	3%
LIHEAP Benefit 25% Higher or More	17	11%
TOTAL	157	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Table 4-19
Elderly PIPP Clients (Analysis Group)
Total PIPP Benefits (LIHEAP and Arrearage Forgiveness)

Total PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	6	3%
\$250-499	27	14%
\$500-\$999	66	35%
\$1,000 or More	88	47%
TOTAL	187	100%
Mean Amount	\$1,106	

Source: LIHEAP.Net

Table 4-20
Elderly PIPP Clients (Analysis Group)
Change in Total Benefits (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
Total PIPP Benefit 25% Higher or More	133	85%
Total PIPP Benefit 10% to 24% Higher	3	2%
Same Benefit Level (+/- 10%)	8	5%
LIHEAP Benefit 10% to 24% Higher	3	2%
LIHEAP Benefit 25% Higher or More	10	6%
TOTAL	157	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Tables 4-21a through 4-22 furnish information on the change in the client payment coverage rate for elderly PIPP clients. Table 4.21 shows that 54% of elderly PIPP clients paid 100% of their required PIPP payment (i.e. 10% of income) and that 90% paid 75% or more of that amount. However, Table 4-22 shows that there are quite different outcomes among the elderly PIPP clients. The first row of Table 4-22 shows that 28% of the clients paid their full bill prior to enrollment in the PIPP and while they were on the PIPP program. The next row shows that another 25% of the clients paid 100% of their bill while on PIPP, even though they did not pay their full bill in the baseline period. The last row of the table, however, shows that a significant number of elderly clients (30%) decreased their payment coverage rate by more than 10% while on PIPP.

Table 4-21a
Elderly PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	3	2%
25% to Less Than 50%	5	3%
50% to Less Than 75%	12	7%
75% to Less Than 100%	65	36%
100% or More	98	54%
TOTAL	183	100%
Median Coverage	100%	

Source: Ameren, All Clients with Post Enrollment Data

Table 4-21b
Elderly PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	2	1%
25% to Less Than 50%	4	3%
50% to Less Than 75%	9	6%
75% to Less Than 100%	56	37%
100% or More	82	54%
TOTAL	153	100%
Median Coverage	100%	

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-22
Elderly PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate

PIPP Status	Number of Households	Percent of Households
Paid 100% or more in both periods	43	28%
Paid 100% in the post period only	39	25%
Paid less than 100% in post period		
Increased 10% or more	8	5%
Increased 5% to 10%	1	1%
Stayed the same (+/- 5%)	11	7%
Decrease 5% to 10%	5	3%
Decrease 10% or more	46	30%
TOTAL	153	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-23 and 4-24 examine which subgroups of the elderly PIPP population were most likely to improve payments and which subgroups were most likely to have payments deteriorate. From Table 4-23, it appears that there is very little relationship between a client's poverty level and their change in the client payment coverage rate. However, from Table 4-24, it appears that clients who had a net energy burden of less than 10% prior to enrollment were the most likely to have their payments deteriorate under the PIPP program; more than 40% of clients who had a net energy burden of less than 10% in the baseline period decreased their client payment coverage rate by more than 10% when they were enrolled in the PIPP program.

From this analysis, it appears that two factors affected elderly client payments under the PIPP program. First, there were no collection actions by Ameren or by the local intake

agencies during the PIPP program. Second, some PIPP clients saw their payment levels increase under the PIPP pilot program (i.e., they had net energy burdens less than 10% of income prior to enrolling in PIPP and energy burden of 10% of income when enrolled in PIPP).

Table 4-23
Elderly PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Poverty Group

PIPP Status	Less than 50% of Poverty (N=5)	50%-100% of Poverty (N=108)	Above Poverty Line (N=40)
Paid 100% or more in both periods	0%	28%	32%
Paid 100% in the post period only	80%	24%	23%
Paid less than 100% in post period			
Increased 10% or more	0%	6%	2%
Increased 5% to 10%	0%	0%	2%
Stayed the same (+/- 5%)	0%	7%	7%
Decrease 5% to 10%	0%	2%	7%
Decrease 10% or more	20%	32%	25%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-24
Elderly PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Pre-Enrollment Burden

PIPP Status	Greater Than 25% (N=6)	10% to 25% (N=86)	Less than 10% (N=61)
Paid 100% or more in both periods	17%	37%	16%
Paid 100% in the post period only	50%	29%	18%
Paid less than 100% in post period			
Increased 10% or more	33%	0%	10%
Increased 5% to 10%	0%	0%	2%
Stayed the same (+/- 5%)	0%	5%	11%
Decrease 5% to 10%	0%	5%	2%
Decrease 10% or more	0%	24%	41%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-25 through 4-27 furnish information on how the program affected elderly PIPP clients. Most elderly PIPP clients (80%) report that it was easier to pay their utility bills while on the PIPP (Table 4-25). And, for most (84%), their Energy Insecurity level

either improved (53%) or stayed the same (33%). However, for 14%, their Energy Insecurity level declined (Table 4-26).

Table 4-25
Elderly PIPP Clients (Analysis Group)
Change in Client Difficulty Paying Utility Bill

Coverage Rate	Number of Households	Percent of Households
Less Difficult	41	80%
Same	10	20%
More Difficult	0	0%
TOTAL	51	100%

Source: Client Survey

Table 4-26
Elderly PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Change	Number of Households	Percent of Households
More Secure	27	53%
Same Insecurity Level	17	33%
Less Secure	7	14%
TOTAL	51	100%

Source: Client Survey

Table 4-27
Elderly PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Energy Security Level	Pre-Program	Post-Program	Change
Thriving	6%	22%	+16%
Capable	14%	16%	+2%
Stable	18%	22%	+4%
Vulnerable	24%	27%	+3%
In-Crisis	39%	14%	-25%

Source: Client Survey

Summary of Findings

The data furnished in this section show that the PIPP Pilot program had mixed impacts on elderly PIPP clients. Specifically:

- **Energy Burden** – The PIPP Pilot program substantially increased the amount of energy assistance benefits received by elderly clients. LIHEAP benefits increased by more than 25% for three-fourths of clients. When arrearage forgiveness benefits were included, most elderly PIPP clients saw at least a 25% increase in their benefits. However, about 10% of clients saw their benefits stay the same or decline.
- **Client Payment Coverage Rate** – About 53% of the elderly PIPP clients paid 100% of their bill during the PIPP Pilot program (compared to 46% during the baseline period) and 13% maintained or increased their payment coverage rate. However, 30% of clients decreased their payment coverage rate by more than 10%. From the Process Evaluation, we know that neither Ameren nor the PIPP intake agencies made contact with clients to encourage that they make payments. And, from our subgroup analysis, we know that the clients whose monthly payment increased under PIPP were most likely to have their coverage rate deteriorate.
- **Client Impacts** – Most elderly PIPP clients found that their bills were easier to pay and that their level of Energy Insecurity improved; in the baseline period, only 6% of clients were categorized as “Thriving” compared to 22% during the PIPP pilot program.

It is clear that the PIPP Pilot program achieved many of its goals for elderly PIPP clients. However, improved program procedures that ensure that the clients select the correct PIPP program option, encourage clients to make payments, and offer case management services might result in improved program performance outcomes for elderly clients.

2. Intermediate Impacts on Young Child Clients

Tables 4-28 through 4-31 furnish information on the benefits that young child clients received under the PIPP pilot program. The average PIPP benefit received by these clients was \$1,118; 58% of young child clients received \$1,000 or more (Table 4-28). For almost 90% of the clients, the PIPP benefit was at least 25% higher than their previous LIHEAP benefit (Table 4-29). The average total benefit (PIPP and arrearage forgiveness) was \$1,832 (Table 4-30). About 99% of the young child PIPP clients received more benefits under the PIPP program.

Table 4-28
Young Child PIPP Clients (Analysis Group)
PIPP Benefit

PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	10	4%
\$250-499	15	6%
\$500-\$999	75	32%

PIPP Benefit	Number of Households	Percent of Households
\$1,000 or More	133	58%
TOTAL	231	100%
Mean Amount	\$1,118	

Source: LIHEAP.Net

Table 4-29
Young Child PIPP Clients (Analysis Group)
Change in Benefit (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
PIPP Benefit 25% Higher or More	125	87%
PIPP Benefit 10% to 24% Higher	5	4%
Same Benefit Level (+/- 10%)	1	1%
LIHEAP Benefit 10% to 24% Higher	3	2%
LIHEAP Benefit 25% Higher or More	9	6%
TOTAL	143	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Table 4-30
Young Child PIPP Clients (Analysis Group)
Total PIPP Benefits (LIHEAP and Arrearage Forgiveness)

Total PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	1	<1%
\$250-499	5	2%
\$500-\$999	30	13%
\$1,000 or More	195	84%
TOTAL	231	100%
Mean Amount	\$1,832	

Source: LIHEAP.Net

Table 4-31
Young Child PIPP Clients (Analysis Group)
Change in Total Benefits (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
Total PIPP Benefit 25% Higher or More	140	98%
Total PIPP Benefit 10% to 24% Higher	1	1%
Same Benefit Level (+/- 10%)	1	1%
LIHEAP Benefit 10% to 24% Higher	0	0%

Change in Benefit	Number of Households	Percent of Households
LIHEAP Benefit 25% Higher or More	1	1%
TOTAL	143	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Tables 4-32a through 4-33 furnish information on the change in the client payment coverage rate. Table 4.32a shows that 45% of young child PIPP clients paid 100% of their required PIPP payment and that 67% paid 75% or more. However, Table 4-33 shows that the outcomes vary among the young child PIPP clients. The first row of Table 4-33 shows that 11% of the clients paid their full bill prior to enrollment in the PIPP and while they were on the PIPP program. The next row shows that another 32% paid 100% of their bill while on PIPP, even though they did not pay their full bill in the baseline period. The last row of the table, however, shows that a significant number of clients (39%) decreased their payment coverage rate by more than 10% while on PIPP.

Table 4-32a
Young Child PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	15	8%
25% to Less Than 50%	25	13%
50% to Less Than 75%	24	13%
75% to Less Than 100%	42	22%
100% or More	85	45%
TOTAL	191	100%
Median Coverage	95%	

Source: Ameren, All Clients with Post Enrollment Data

Table 4-32b
Young PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	8	9%
25% to Less Than 50%	14	15%
50% to Less Than 75%	10	11%
75% to Less Than 100%	21	23%
100% or More	40	43%
TOTAL	93	100%
Median Coverage	94%	

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-33
Young Child PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate

PIPP Status	Number of Households	Percent of Households
Paid 100% or more in both periods	10	11%
Paid 100% in the post period only	30	32%
Paid less than 100% in post period		
Increased 10% or more	12	13%
Increased 5% to 10%	1	1%
Stayed the same (+/- 5%)	3	3%
Decrease 5% to 10%	1	1%
Decrease 10% or more	36	39%
TOTAL	93	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-34 and 4-35 examine which subgroups of the young child PIPP population were most likely to improve payments and which subgroups were most likely to have payments deteriorate. From Table 4-34, it appears that the lowest income households (i.e., those with the lowest payments) are most likely to pay the full amount of their bill under the PIPP. From Table 4-35, it appears that clients who had a net energy burden of less than 10% prior to enrollment were the most likely to have their payments deteriorate under the PIPP program; more than 61% of clients who had a net energy burden of less than 10% in the baseline period decreased their client payment coverage rate by more than 10% when they were enrolled in the PIPP program.

From this analysis, it appears that three factors affected young child client payments under the PIPP program. First, there were no collection actions by Ameren or by the local intake agencies during the PIPP program. Second, for the lowest income clients, PIPP payments were considerably lower payments under the regular LIHEAP program. And, third some PIPP clients saw their payment levels increase under the PIPP pilot program (i.e., they had net energy burdens less than 10% of income prior to enrolling in PIPP and energy burden of 10% of income when enrolled in PIPP).

Table 4-34
Young Child PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Poverty Group

PIPP Status	Less than 50% of Poverty (N=53)	50%-100% of Poverty (N=36)	Above Poverty Line (N=4)
Paid 100% or more in both periods	8%	6%	0%
Paid 100% in the post period only	45%	17%	0%

Paid less than 100% in post period			
Increased 10% or more	9%	17%	25%
Increased 5% to 10%	0%	3%	0%
Stayed the same (+/- 5%)	2%	6%	0%
Decreased 5% to 10%	0%	3%	0%
Decreased 10% or more	28%	50%	75%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-35
Young Child PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Pre-Enrollment Burden

PIPP Status	Greater Than 25% (N=36)	10% to 25% (N=29)	Less than 10% (N=28)
Paid 100% or more in both periods	17%	7%	7%
Paid 100% in the post period only	47%	34%	11%
Paid less than 100% in post period			
Increased 10% or more	11%	14%	14%
Increased 5% to 10%	0%	0%	4%
Stayed the same (+/- 5%)	3%	7%	0%
Decreased 5% to 10%	0%	0%	4%
Decreased 10% or more	22%	38%	61%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-36 through 4-38 furnish information on how the program affected young child PIPP clients. Most young child PIPP clients (84%) report that it was easier to pay their utility bills while on the PIPP (Table 4-36). And, for most (96%), their Energy Insecurity level either improved (84%) or stayed the same (12%). However, for 4%, their Energy Insecurity level declined (Table 4-37).

Table 4-36
Young Child PIPP Clients (Analysis Group)
Change in Client Difficulty Paying Utility Bill

Coverage Rate	Number of Households	Percent of Households
Less Difficult	42	84%
Same	6	12%
More Difficult	2	4%
TOTAL	50	100%

Source: Client Survey

Table 4-37
Young Child PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Change	Number of Households	Percent of Households
More Secure	40	80%
Same Insecurity Level	8	16%
Less Secure	2	4%
TOTAL	50	100%

Source: Client Survey

Table 4-38
Young Child PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Energy Security Level	Pre-Program	Post-Program	Change
Thriving	4%	46%	+42%
Capable	2%	16%	+14%
Stable	12%	16%	+4%
Vulnerable	46%	18%	-28%
In-Crisis	36%	4%	-32%

Source: Client Survey

Summary of Findings

The data furnished in this section show that the PIPP Pilot program had mixed impacts on young PIPP clients. Specifically:

- **Energy Burden** – The PIPP Pilot program substantially increased the amount of energy assistance benefits received by young child clients. LIHEAP benefits increased by more than 25% for over 90% of clients. When arrearage forgiveness benefits were included, almost all young child PIPP clients saw a 25% increase in their benefits.
- **Client Payment Coverage Rate** – About 43% of the young child PIPP clients paid 100% of their bill during the PIPP Pilot program (compared to 24% during the baseline period) and an additional 17% maintained or increased their payment coverage rate. However, 39% of clients decreased their payment coverage rate by more than 10%. From the Process Evaluation, we know that neither Ameren nor the PIPP intake agencies made contact with clients to encourage that they make payments. And, from our subgroup analysis, we know that the clients whose monthly payment increased under PIPP were most likely to have their coverage rate deteriorate.

- **Client Impacts** – Most young child PIPP clients found that their bills were easier to pay and that their level of Energy Insecurity improved; in the baseline period, only 4% of clients were categorized as “Thriving” compared to 46% during the PIPP pilot program.

It is clear that the PIPP Pilot program achieved many of its goals for young child PIPP clients. However, improved program procedures that ensure that the clients select the correct PIPP program option, encourage clients to make payments, and offer case management services might result in improved program performance outcomes for clients.

3. Intermediate Impacts on Disabled Clients

Tables 4-39 through 4-42 furnish information on the benefits that disabled clients received under the PIPP pilot program. The average PIPP benefit received by these clients was \$888; 36% of disabled clients received \$1,000 or more (Table 4-39). For about three-fourths of the clients, the PIPP benefit was at least 25% higher than their previous LIHEAP benefit (Table 4-40). The average total benefit (PIPP and arrearage forgiveness) was \$1,359 (Table 4-41). Over 90% of the disabled PIPP clients received more benefits under the PIPP program.

Table 4-39
Disabled PIPP Clients (Analysis Group)
PIPP Benefit

PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	19	9%
\$250-499	31	14%
\$500-\$999	91	41%
\$1,000 or More	80	36%
TOTAL	221	100%
Mean Amount	\$888	

Source: LIHEAP.Net

Table 4-40
Disabled PIPP Clients (Analysis Group)
Change in Benefit (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
PIPP Benefit 25% Higher or More	129	73%
PIPP Benefit 10% to 24% Higher	6	3%
Same Benefit Level (+/- 10%)	16	9%
LIHEAP Benefit 10% to 24% Higher	4	2%

LIHEAP Benefit 25% Higher or More	21	12%
TOTAL	176	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Table 4-41
Disabled PIPP Clients (Analysis Group)
Total PIPP Benefits (LIHEAP and Arrearage Forgiveness)

Total PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	6	3%
\$250-499	16	7%
\$500-\$999	64	29%
\$1,000 or More	135	61%
TOTAL	221	100%
Mean Amount	\$1,359	

Source: LIHEAP.Net

Table 4-42
Disabled PIPP Clients (Analysis Group)
Change in Total Benefits (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
Total PIPP Benefit 25% Higher or More	158	90%
Total PIPP Benefit 10% to 24% Higher	4	2%
Same Benefit Level (+/- 10%)	6	3%
LIHEAP Benefit 10% to 24% Higher	2	1%
LIHEAP Benefit 25% Higher or More	6	3%
TOTAL	176	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Tables 4-43a through 4-44 furnish information on the change in the client payment coverage rate for disabled PIPP clients. Table 4.43a shows that 42% of disabled PIPP clients paid 100% of their required PIPP payment (i.e. 10% of income) and that an additional 36% paid 75% or more of that amount. However, Table 4-44 shows that there are quite different outcomes among the disabled PIPP clients. The first row of Table 4-33 shows that 21% of the clients paid their full bill prior to enrollment in the PIPP and while they were on the PIPP program. The next row shows that another 26% of the clients paid 100% of their bill while on PIPP, even though they did not pay their full bill in the baseline period. The last row of the table, however, shows that a significant number of clients (29%) decreased their payment coverage rate by more than 10% while on PIPP.

Table 4-43a
Disabled PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	10	5%
25% to Less Than 50%	13	6%
50% to Less Than 75%	23	11%
75% to Less Than 100%	74	36%
100% or More	87	42%
TOTAL	207	100%
Median Coverage	92%	

Source: Ameren, All Clients with Post Enrollment Data

Table 4-43b
Disabled PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	5	4%
25% to Less Than 50%	9	7%
50% to Less Than 75%	10	7%
75% to Less Than 100%	48	36%
100% or More	63	47%
TOTAL	135	100%
Median Coverage	97%	

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-44
Disabled PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate

PIPP Status	Number of Households	Percent of Households
Paid 100% or more in both periods	28	21%
Paid 100% in the post period only	35	26%
Paid less than 100% in post period		
Increased 10% or more	18	14%
Increased 5% to 10%	4	3%
Stayed the same (+/- 5%)	6	5%
Decreased 5% to 10%	4	3%

Decreased 10% or more	38	29%
TOTAL	133	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-45 and 4-46 examine which subgroups of the disabled PIPP population were most likely to improve payments and which subgroups were most likely to have payments deteriorate. From Table 4-45, it appears that the lowest income households (i.e., those with the lowest payments) are most likely to pay the full amount of their bill under the PIPP. From Table 4-46, it appears that clients who had a net energy burden of less than 10% prior to enrollment were the most likely to have their payments deteriorate under the PIPP program; 47% of clients who had a net energy burden of less than 10% in the baseline period decreased their client payment coverage rate by more than 10% when they were enrolled in the PIPP program.

From this analysis, it appears that three factors affected disabled client payments under the PIPP program. First, there were no collection actions by Ameren or by the local intake agencies during the PIPP program. Second, for the lowest income clients, PIPP payments were considerably lower under the regular LIHEAP program. And, third, some PIPP clients saw their payment levels increase under the PIPP pilot program (i.e., they had net energy burdens less than 10% of income prior to enrolling in PIPP and energy burden of 10% of income when enrolled in PIPP).

Table 4-45
Disabled PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Poverty Group

PIPP Status	Less than 50% of Poverty (N=22)	50%-100% of Poverty (N=94)	Above Poverty Line (N=17)
Paid 100% or more in both periods	23%	23%	6%
Paid 100% in the post period only	32%	27%	18%
Paid less than 100% in post period			
Increased 10% or more	18%	11%	24%
Increased 5% to 10%	5%	3%	0%
Stayed the same (+/- 5%)	5%	5%	0%
Decreased 5% to 10%	0%	4%	0%
Decreased 10% or more	18%	27%	53%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-46
Disabled PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Pre-Enrollment Burden

PIPP Status	Greater Than 25% (N=10)	10% to 25% (N=78)	Less than 10% (N=45)
Paid 100% or more in both periods	20%	27%	11%
Paid 100% in the post period only	50%	26%	22%
Paid less than 100% in post period			
Increased 10% or more	20%	12%	16%
Increased 5% to 10%	0%	5%	0%
Stayed the same (+/- 5%)	0%	8%	0%
Decreased 5% to 10%	0%	3%	4%
Decreased 10% or more	10%	21%	47%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-47 through 4-49 furnish information on how the program affected disabled PIPP clients. Most disabled PIPP clients (90%) report that it was easier to pay their utility bills while on the PIPP (Table 4-47). And, for most (96%), their Energy Insecurity level either improved (74%) or stayed the same (22%). However, for 4%, their Energy Insecurity level declined (Table 4-48).

Table 4-47
Disabled PIPP Clients (Analysis Group)
Change in Client Difficulty Paying Utility Bill

Coverage Rate	Number of Households	Percent of Households
Less Difficult	45	90%
Same	5	10%
More Difficult	0	0%
TOTAL	50	100%

Source: Client Survey

Table 4-48
Disabled PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Change	Number of Households	Percent of Households
More Secure	38	74%
Same Insecurity Level	11	22%
Less Secure	2	4%
TOTAL	51	100%

Source: Client Survey

Table 4-49
Disabled PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Energy Security Level	Pre-Program	Post-Program	Change
Thriving	2%	40%	+38%
Capable	2%	20%	+18%
Stable	8%	18%	+10%
Vulnerable	45%	12%	-33%
In-Crisis	43%	12%	-31%

Source: Client Survey

Summary of Findings

The data furnished in this section show that the PIPP Pilot program had mixed impacts on disabled PIPP clients. Specifically:

- **Energy Burden** – The PIPP Pilot program substantially increased the amount of energy assistance benefits received by disabled clients. LIHEAP benefits increased by more than 25% for almost three-fourths of the clients. When arrearage forgiveness benefits were included, almost all disabled PIPP clients saw a 25% increase in their benefits.
- **Client Payment Coverage Rate** – About 47% of the disabled PIPP clients paid 100% of their bill during the PIPP Pilot program (compared to 40% during the baseline period) and 68% maintained or increased their payment coverage rate. However, 29% of clients decreased their payment coverage rate by more than 10%. From the Process Evaluation, we know that neither Ameren nor the PIPP intake agencies made contact with clients to encourage that they make payments. And, from our subgroup analysis, we know that the clients whose monthly payment increased under PIPP were most likely to have their coverage rate deteriorate.

- **Client Impacts** – Most disabled PIPP clients found that their bills were easier to pay and that their level of Energy Security improved; in the baseline period, only 2% of clients were categorized as “Thriving” compared to 40% during the PIPP pilot program.

It is clear that the PIPP Pilot program achieved many of its goals for disabled PIPP clients. However, improved program procedures that ensure that the clients select the correct PIPP program option, encourage clients to make payments, and offer case management services might result in improved program performance outcomes for clients.

4. Intermediate Impacts on Other Clients

Tables 4-50 through 4-53 furnish information on the benefits that other clients received under the PIPP pilot program. The average PIPP benefit received by these clients was \$971; 48% of other clients received \$1,000 or more (Table 4-50). For about 80% of the clients, the PIPP benefit was at least 25% higher than their previous LIHEAP benefit (Table 4-51). The average total benefit (PIPP and arrearage forgiveness) was \$1,577 (Table 4-52). About 96% of the other PIPP clients received more benefits under the PIPP program.

Table 4-50
Other PIPP Clients (Analysis Group)
PIPP Benefit

PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	17	8%
\$250-499	20	10%
\$500-\$999	70	34%
\$1,000 or More	98	48%
TOTAL	205	100%
Mean Amount	\$971	

Source: LIHEAP.Net

Table 4-51
Other PIPP Clients (Analysis Group)
Change in Benefit (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
PIPP Benefit 25% Higher or More	103	82%
PIPP Benefit 10% to 24% Higher	6	5%
Same Benefit Level (+/- 10%)	3	2%
LIHEAP Benefit 10% to 24% Higher	2	2%

LIHEAP Benefit 25% Higher or More	11	9%
TOTAL	125	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Table 4-52
Other PIPP Clients (Analysis Group)
Total PIPP Benefits (LIHEAP and Arrearage Forgiveness)

Total PIPP Benefit	Number of Households	Percent of Households
\$1-\$249	3	1%
\$250-499	6	3%
\$500-\$999	38	19%
\$1,000 or More	158	77%
TOTAL	205	100%
Mean Amount	\$1,577	

Source: LIHEAP.Net

Table 4-53
Other PIPP Clients (Analysis Group)
Change in Total Benefits (LIHEAP vs. PIPP)

Change in Benefit	Number of Households	Percent of Households
Total PIPP Benefit 25% Higher or More	117	94%
Total PIPP Benefit 10% to 24% Higher	3	2%
Same Benefit Level (+/- 10%)	2	2%
LIHEAP Benefit 10% to 24% Higher	1	1%
LIHEAP Benefit 25% Higher or More	2	2%
TOTAL	125	100%

Source: LIHEAP.Net, Clients Who Received LIHEAP in the 12 Months Prior to Enrollment

Tables 4-54a through 4-55 furnish information on the change in the client payment coverage rate for other PIPP clients. Table 4-54a shows that 44% of other PIPP clients paid 100% of their required PIPP payment (i.e. 10% of income) and that an additional 24% paid 75% or more of that amount. However, Table 4-55 shows that there are quite different outcomes among the disabled PIPP clients. The first row of Table 4-55 shows that 15% of the clients paid their full bill prior to enrollment in the PIPP and while they were on the PIPP program. The next row shows that another 31% of the clients paid 100% of their bill while on PIPP, even though they did not pay their full bill in the baseline period. The last row of the table, however, shows that a significant number of clients (41%) decreased their payment coverage rate by more than 10% while on PIPP.

T

Table 4-54a
Other PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	15	8%
25% to Less Than 50%	22	12%
50% to Less Than 75%	24	13%
75% to Less Than 100%	44	24%
100% or More	81	44%
TOTAL	186	100%
Median Coverage	91%	

Source: Ameren, All Clients with Post Enrollment Data

Table 4-54b
Other PIPP Clients (Analysis Group)
Client Payment Coverage Rate

Coverage Rate	Number of Households	Percent of Households
0% to Less Than 25%	5	4%
25% to Less Than 50%	11	10%
50% to Less Than 75%	13	12%
75% to Less Than 100%	31	28%
100% or More	51	46%
TOTAL	111	100%
Median Coverage	93%	

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-55
Other PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate

PIPP Status	Number of Households	Percent of Households
Paid 100% or more in both periods	17	15%
Paid 100% in the post period only	34	31%
Paid less than 100% in post period		
Increased 10% or more	9	8%
Increased 5% to 10%	2	2%
Stayed the same (+/- 5%)	1	1%
Decreased 5% to 10%	2	2%

Decreased 10% or more	45	41%
TOTAL	110	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-56 and 4-57 examine which subgroups of the other PIPP population were most likely to improve payments and which subgroups were most likely to have payments deteriorate. From Table 4-56, it appears that the lowest income households (i.e., those with the lowest payments) are most likely to pay the full amount of their bill under the PIPP. From Table 4-57, it appears that clients who had a net energy burden of less than 10% prior to enrollment were the most likely to have their payments deteriorate under the PIPP program; 57% of clients who had a net energy burden of less than 10% in the baseline period decreased their client payment coverage rate by more than 10% when they were enrolled in the PIPP program.

From this analysis, it appears that three factors affected other client payments under the PIPP program. First, there were no collection actions by Ameren or by the local intake agencies during the PIPP program. Second, for the lowest income clients, PIPP payments were considerably lower under the regular LIHEAP program. And, third some PIPP clients saw their payment levels increase under the PIPP pilot program (i.e., they had net energy burdens less than 10% of income prior to enrolling in PIPP and energy burden of 10% of income when enrolled in PIPP).

Table 4-56
Other PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Poverty Group

PIPP Status	Less than 50% of Poverty (N=43)	50%-100% of Poverty (N=48)	Above Poverty Line (N=19)
Paid 100% or more in both periods	21%	13%	11%
Paid 100% in the post period only	44%	21%	26%
Paid less than 100% in post period			
Increased 10% or more	9%	4%	16%
Increased 5% to 10%	0%	4%	0%
Stayed the same (+/- 5%)	0%	2%	0%
Decreased 5% to 10%	0%	0%	11%
Decreased 10% or more	26%	56%	37%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Table 4-57
Other PIPP Clients (Analysis Group)
Change in Client Payment Coverage Rate by Pre-Enrollment Burden

PIPP Status	Greater Than 25% (N=30)	10% to 25% (N=45)	Less than 10% (N=35)
Paid 100% or more in both periods	17%	18%	11%
Paid 100% in the post period only	57%	24%	17%
Paid less than 100% in post period			
Increased 10% or more	3%	11%	9%
Increased 5% to 10%	0%	2%	3%
Stayed the same (+/- 5%)	0%	2%	0%
Decreased 5% to 10%	0%	2%	3%
Decreased 10% or more	23%	40%	57%
TOTAL	100%	100%	100%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

Tables 4-58 through 4-60 furnish information on how the program affected other PIPP clients. Most other PIPP clients (76%) report that it was easier to pay their utility bills while on the PIPP (Table 4-58). And, for most (94%), their Energy Security level either improved (64%) or stayed the same (30%). However, for 6%, their Energy Insecurity level declined (Table 4-59).

Table 4-58
Other PIPP Clients (Analysis Group)
Change in Client Difficulty Paying Utility Bill

Coverage Rate	Number of Households	Percent of Households
Less Difficult	38	76%
Same	10	20%
More Difficult	2	4%
TOTAL	50	100%

Source: Client Survey

Table 4-59
Other Clients (Analysis Group)
Change in Energy Insecurity Level

Change	Number of Households	Percent of Households
More Secure	32	64%
Same Insecurity Level	15	30%
Less Secure	3	6%
TOTAL	50	100%

Source: Client Survey

Table 4-60
Other PIPP Clients (Analysis Group)
Change in Energy Insecurity Level

Energy Security Level	Pre-Program	Post-Program	Change
Thriving	2%	30%	28%
Capable	6%	10%	+4%
Stable	8%	18%	+10%
Vulnerable	32%	26%	-6%
In-Crisis	50%	16%	-34%

Source: Client Survey

Summary of Findings

The data furnished in this section show that the PIPP Pilot program had mixed impacts on other PIPP clients. Specifically:

- **Energy Burden** – The PIPP Pilot program substantially increased the amount of energy assistance benefits received by other clients. LIHEAP benefits increased by more than 25% for 80% of clients. When arrearage forgiveness benefits were included, almost all other PIPP clients saw at least a 25% increase in their benefits.
- **Client Payment Coverage Rate** – About 46% of the other PIPP clients paid 100% of their bill during the PIPP Pilot program (compared to 39% during the baseline period) and 57% maintained or increased their payment coverage rate. However, 41% of clients decreased their payment coverage rate by more than 10%. From the Process Evaluation, we know that neither Ameren nor the PIPP intake agencies made contact with clients to encourage that they make payments. And, from our subgroup analysis, we know that the clients whose monthly payment increased under PIPP were most likely to have their coverage rate deteriorate.
- **Client Impacts** – Most disabled PIPP clients found that their bills were easier to pay and that their level of Energy Security improved; in the baseline period, only 2% of

clients were categorized as “Thriving” compared to 30% during the PIPP pilot program.

It is clear that the PIPP Pilot program achieved many of its goals for other PIPP clients. However, improved program procedures that ensure that the clients select the correct PIPP program option, encourage clients to make payments, and offer case management services might result in improved program performance outcomes for clients.

C. *Change in Energy Usage*

One concern with a PIPP program is that PIPP clients would increase their energy consumption because these clients are required to pay 10 percent of their monthly income toward their utility bill regardless of their actual energy usage and have no incentive to cut back consumption. Table 4.61 shows the annual electric usage in pre- and post-enrollment periods for the clients with 12 months of pre- and post-enrollment data. These data were available for 492 out of 844 analysis group clients. The non-normalized usage analysis shows that the PIPP clients, on average, increased their annual electric usage by only 0.9% (165 kWh) in the post enrollment period. The weather-normalized usage analysis indicates slightly larger increase in annual electric consumption in the post-enrollment period. The clients, on average, increased their weather-normalized annual electric usage by 3.8% (679 kWh) in the post enrollment period using the degree day normalization method. PRISM normalized usage analysis included a smaller number of accounts in the analysis and indicates that the PIPP clients, on average, increased their annual weather-normalized electric usage by only 2.2% (409 kWh) in the post enrollment period.

Table 4.61
PIPP Clients (Analysis Group)
Pre and Post Annual Electric Usage

Usage Type	#	Pre-Usage (kWh)	Post-Usage (kWh)	Change (kWh)	% Change
Non Normalized	492	17,867	18,031	165	0.9%
Degree Day Normalized	492	17,737	18,416	679	3.8%
PRISM Normalized	297	18,551	18,961	409	2.2%

Source: Ameren, Clients with 12 Months of Pre and Post Enrollment Data

The usage analysis shows that the PIPP clients, who had to pay a fixed amount regardless of the actual usage, increased their consumption by between 0.9% and 3.8% in the post-enrollment period. The small increase in usage may be due to the fact that some of these households were able to afford to keep their home at a healthier and safer temperature, or that they did not have their service disconnected during the post-enrollment period.

V. Findings and Recommendations

The Illinois PIPP Pilot program was implemented to assess whether the Percent of Income Payment Plan (PIPP) model results in better outcomes than the existing set of LIHEAP programs. The purpose of the impact evaluation was to assess the performance of the PIPP in terms of impacts on participating clients. The key questions for the impact evaluation include:

- Current LIHEAP Program Performance – What is the status of LIHEAP clients in terms of how they use the LIHEAP program, the share of their utility bill that they pay, and the problems that they face in meeting their home energy needs?
- PIPP Program Performance – How does the PIPP Program change the energy burden and payment performance for LIHEAP clients, and how does it affect the ability of clients to meet their home energy needs?
- PIPP Program Costs – What does it cost to implement a PIPP program for current LIHEAP recipients in Illinois?
- Energy Usage Patterns – Do LIHEAP clients change their use of energy when they have a fixed payment for their utility costs?

In this section, we review the findings from the Impact Evaluation and furnish recommendations with respect to program design and implementation based on those findings.

A. Performance of the Existing LIHEAP Program

In research conducted for a LIHEAP REACH grant application, the Illinois LIHEAP Program Office determined that, at the start of the 2005-2006 heating season, more than 35,000 low-income LIHEAP recipients were without service at the time that they received benefits. Analysis of data from LIHEAP.Net demonstrated that many of those same households faced the same problem a year earlier. It appears that many households are only able to obtain energy services using their LIHEAP grant and are only able to maintain their energy service through the end of the winter shutoff moratorium.

At the same time, the LIHEAP Program Office was concerned about the targeting of LIHEAP benefits. The LIHEAP benefit matrix does account for many indicators of need for low-income households. However, it does not explicitly vary benefits by the size of a household's energy bill. Since energy bills are highly variable, even for households with the same demographic characteristics, there was concern by the LIHEAP program office that the benefit matrix approach is not as efficient as a PIPP approach in determining appropriate benefit levels. Moreover, there was concern that clients were facing an unaffordable energy burden even after LIHEAP benefits were applied.

Based on their experience with low-income clients, the Illinois LIHEAP Program Office expected to find that LIHEAP recipients face significant energy affordability problems even after receiving LIHEAP benefits, including: utility payment problems, substantial utility arrearages, periodic service terminations or threats of terminations, high energy burdens, and other problems associated with high energy bills.

This evaluation was able to furnish baseline (i.e., preprogram) statistics for a number of energy affordability indicators. Table 5-1 presents a summary of the findings from the baseline research. These statistics demonstrate that most of the clients enrolling in the PIPP Pilot program had outstanding needs for additional energy assistance. The average energy burden for all groups exceeded 10% of income, even after accounting for LIHEAP benefits. While some households were successful in paying 100% of their utility in the year prior to enrollment, the majority of households were not able to reach that objective and owed substantial arrears to the utility. In addition, almost all were categorized as “In-Crisis” or “Vulnerable” on the Energy Insecurity scale developed by Roger Colton for the Federal LIHEAP Program Office to measure the status of low-income households.

Table 5-1
Baseline Energy Affordability Indicators
By Client Group

Energy Affordability Indicator	Elderly Households	Young Child Households	Disabled Households	Other Households
Median Energy Burden (Gross)	14%	22%	17%	17%
Median Energy Burden (Net of LIHEAP)	11%	18%	13%	14%
Percent Paying Full Utility Bill	47%	24%	43%	39%
Median Arrears	\$250	\$550	\$425	\$410
% With Disconnect or Threat (Last 3 Years)	13%	33%	27%	30%
% With Disconnect or Threat (Last Year)	7%	25%	10%	19%
Percent “In-Crisis”	40%	36%	43%	50%
Percent “Vulnerable”	24%	46%	45%	32%

There are two important limitations on the ability of the study to address the questions posed by the LIHEAP Program Office. First, since the program only served “at risk” clients, this study cannot document the extent to which these same problems are experienced by the broader LIHEAP population. Second, since LIHEAP.Net was not set up to capture information on clients who selected the regular LIHEAP benefit instead of the PIPP benefit, it is difficult to assess what share of clients received the PIPP benefits. However, it is clear that, among the clients who selected the PIPP program, the PIPP program was needed by most.

B. Performance of the PIPP Pilot Program

The impact evaluation furnishes information on the immediate and intermediate impacts of the PIPP. The expected immediate program impacts from the PIPP Pilot program include:

- Service Restoration – The clients who had their service terminated should have it restored without high cost to the client.
- Monthly Bills – The clients should be asked to pay the same energy bill each month.
- Energy Burden – The client should have an energy burden that does not exceed the target.
- Arrearages – The clients should receive a one-time forgiveness of preprogram arrearages.

The expected intermediate program impacts from the PIPP Pilot program include:

- Energy Burden – Clients should be better able to pay annual energy bills and use an appropriate amount of energy to meet their needs.
- Monthly Bills – Clients should be better able to pay monthly energy bills, will be less likely to use high cost credit to pay those bills, and will be less likely to get behind on payments on a monthly basis.
- Arrearages – Client should be more likely to pay energy bills and less likely to build up arrearages.

The longer term impacts of the PIPP Pilot program are those that would have been observable if the pilot had been continued for the full three-year period. They include: improved financial status, improved health status, and fewer energy-related problems.

All of the immediate program impacts were fulfilled by enrolling clients in the PIPP. Under the PIPP, the client's service was restored, the client was assigned a monthly fixed payment amount, the client's energy burden was limited to 10% of income, and the client's was informed his/her arrearages would be forgiven. Because of the computer system problems, the client did not actually observe some of these changes; the LIHEAP benefits were not credited to the client's account until May 2009 and the arrearage forgiveness was not granted until August 2009. However, clients were informed of their enrollment in the program and were told the amount that they needed to pay each month.

The intermediate program impacts should have been observable during the first program year. Table 5-2 shows some of the key statistics for PIPP benefits, client payment coverage rates, and energy insecurity. The evaluation found that clients had lower median energy burdens, they were more likely to pay 100% of their utility bill, and that they were much less likely to be categorized as "In-Crisis" or "Vulnerable" on the Energy Insecurity scale.

Table 5-2
Program Impact Indicators
By Client Group

Energy Affordability Indicator	Elderly Households		Young Child Households		Disabled Households		Other Households	
	Pre	Post	Pre	Post	Pre	Post	Pre	Post
Median Energy Burden (Net of LIHEAP)	11%	10%	18%	10%	13%	10%	14%	10%
Percent Paying Full Utility Bill	47%	54%	24%	45%	43%	47%	39%	46%
Percent Improving Bill Payment Coverage	60%		60%		68%		57%	
Percent “In-Crisis”	40%	14%	36%	4%	43%	12%	50%	16%
Percent “Vulnerable”	24%	28%	46%	18%	45%	12%	32%	26%

However, while payment coverage rates improved for the majority of clients, they did not improve for a significant share of clients. With the lower average payment expectations, it would be expected that most clients could improve their payment coverage rates. The analysis found that there were two main reasons why the payment coverage rates did not improve. First, clients were not contacted if they failed to make their monthly payment; Ameren suspended collections for PIPP customers, but information was never made available to intake agencies to make contacts with clients. Second, some clients actually had an increase in their net energy bill as a result of participating in the PIPP. Experience from other PIPP program evaluations has shown that most clients substantially improve their payment patterns when they are offered lower fixed payments and the utility continues to make collections contacts for customers who fail to pay.

C. Costs of the PIPP Pilot Program

If the full PIPP Pilot had been implemented, information would be available through LIHEAP.Net to determine which clients chose the PIPP benefits and which chose the regular LIHEAP benefits. However, those data are not available.

Data are available to estimate the cost of the PIPP program benefits for those clients who participated. Table 5-3 shows how the benefits under the PIPP program compare to the benefits that clients received the previous year under the regular LIHEAP program. (Note: In the comparative analysis, we exclude clients who did not receive LIHEAP in the year prior to enrollment in the PIPP program.) The analysis shows that, for clients where the PIPP grant exceeds the LIHEAP grant, the average increase in energy assistance benefits is \$445 for elderly clients, \$651 for young child clients, \$474 for disabled clients, and \$567 for other clients. When arrearage forgiveness benefits are included, the increase over the clients LIHEAP grant ranges from \$747 for elderly clients to \$1,314 for clients with young children.

It is important to remember that these statistics do not show the cost of the PIPP program for all LIHEAP recipients. Some current LIHEAP recipients have a net energy burden less than 10% of income and would not be eligible for higher benefits under a PIPP program that targeted reduction of energy burden to 10% of income. In addition, this PIPP Pilot program was focused on “at risk” households who are different from the rest of the LIHEAP population.

Table 5-3
Program Cost Indicators
By Client Group

Energy Affordability Indicator	Elderly Households	Young Child Households	Disabled Households	Other Households
<i>All Clients</i>				
Average PIPP Grant	\$809	\$1,118	\$888	\$971
Average Arrearage Forgiveness	\$297	\$714	\$471	\$605
TOTAL PIPP BENEFITS	\$1,106	\$1,832	\$1,359	\$1,576
<i>Clients Who Received LIHEAP in the Year Prior to Enrollment</i>				
Average Preprogram LIHEAP Grant	\$362	\$507	\$398	\$421
Average PIPP Grant	\$807	\$1,158	\$872	\$988
Average Increase in Grant	+\$445	+\$651	+\$474	+\$567
Average Arrearage Forgiveness Grant	\$302	\$663	\$443	\$537
TOTAL INCREASE IN GRANT	+747	+1,314	+917	+1,104

D. Impact of the PIPP on Energy Usage

The analysis in Section IV showed that there was a small increase in the average usage among PIPP clients. That small increase in usage occurred in an environment where clients had a lower rate of service terminations and a higher level of Energy Security. As such, the small increase might be considered to be an appropriate response by households targeted by a PIPP program.

E. Findings and Recommendations

The impact evaluation study answers many of the questions posed by the Illinois LIHEAP Program Office. It also furnishes some guidance on the design and implementation of a full-scale PIPP program.

Needs of LIHEAP Clients

Question #1 – *Do low-income clients have unmet needs under the existing LIHEAP program?*

Answer – Yes. In the year prior to enrollment in the PIPP Pilot, many of the “at risk” clients had high energy burdens, low utility payment coverage rates, high arrearages, and a high level of Energy Insecurity. While the existing LIHEAP program helped them to meet some of their needs, most remained at risk for service terminations and other problems associated with energy affordability.

Recommendation – If the Illinois LIHEAP Program makes it a policy goal to improve the performance of LIHEAP, it appears that targeting benefits based on energy burden level is one way to identify the clients who are in need.

Effectiveness of the PIPP Pilot

Question #2 – *Was the PIPP Pilot program effective in lowering the energy burden for PIPP clients, improving bill payment patterns, and improving the Energy Security of clients?*

Answer – The PIPP Pilot program was effective in lowering the energy burden for most participating clients and substantially improved the Energy Security of most clients. However, while some clients improve their payment patterns under the PIPP Pilot, the impact evaluation found that payment patterns deteriorated for other clients.

Recommendation – A PIPP program must have procedures that give clients an incentive to make regular payments on their utility bills. Options that have been used in other programs include furnishing arrearage forgiveness as an incentive for making payments (NJ USF) and offering case management services to clients who have difficulty paying their PIPP bills (PECO CAP). However, in addition to those services, evaluations of other programs have found that regular communication by the utility and/or other service agency regarding payment expectations are necessary to keep clients on track with payments (T.W. Phillips and JCP&L USF).

PIPP Program Costs

Question #3 – *What are the costs of a PIPP program?*

Answer – The PIPP Pilot program furnishes only limited information about the potential cost of a full-scale PIPP program. For the “at risk” clients served under this program with a 10% of income target, the average increase in LIHEAP benefits was about \$500 and the average amount of arrearage forgiveness was about \$500. However, since these clients are different from the average LIHEAP client, it would not be appropriate to extrapolate these findings to the entire population of LIHEAP clients.

Recommendation – With the resources available through LIHEAP.Net, it is possible to estimate the required payment by current LIHEAP clients at any PIPP target percentage. That information could be compared to information from participating utilities regarding the average bills for LIHEAP recipients. Those data sources could furnish better information on the expected cost of a PIPP program.

Energy Usage by PIPP Clients

Question #4 – *Does a PIPP increase the amount of energy used by LIHEAP clients?*

Answer – It appears that clients who participated in the PIPP Pilot increased their energy usage by between 0.9% and 3.8%. However, since a significant share of PIPP clients had service terminations during the baseline period and reported keeping their homes at unsafe temperatures, these small increases might be considered to be an appropriate outcome of a PIPP program.

Recommendation – The Ohio EPP baseload usage reduction program was offered to clients who were enrolled in the OHIO electric PIPP program. That program achieved cost-effective savings of greater than 10% of baseload electric usage by targeting higher usage customers. Both baseload usage reduction and weatherization programs could be implemented to offset any increases in energy usage that result because clients have more affordable energy.

Appendix