

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

PETITION OF INDIANAPOLIS POWER & LIGHT)
COMPANY (“IPL”) FOR (1) AUTHORITY TO INCREASE)
RATES AND CHARGES FOR ELECTRIC UTILITY)
SERVICE, (2) APPROVAL OF REVISED DEPRECIATION)
RATES, ACCOUNTING RELIEF, INCLUDING UPDATE OF)
THE MAJOR STORM DAMAGE RESTORATION)
RESERVE ACCOUNT, APPROVAL OF A VEGETATION)
MANAGEMENT RESERVE ACCOUNT, INCLUSION IN) CAUSE NO. 45029
BASIC RATES AND CHARGES OF THE COSTS OF)
CERTAIN PREVIOUSLY APPROVED PROJECTS,)
INCLUDING THE EAGLE VALLEY COMBINED CYCLE)
GAS TURBINE, THE NATIONAL POLLUTION)
DISCHARGE ELIMINATION SYSTEM AND COAL)
COMBUSTION RESIDUALS COMPLIANCE PROJECTS,)
RATE ADJUSTMENT MECHANISM PROPOSALS, COST)
DEFERRALS, AMORTIZATIONS, AND (3) APPROVAL OF)
NEW SCHEDULES OF RATES, RULES AND)
REGULATIONS FOR SERVICE.)

PETITIONER INDIANAPOLIS POWER & LIGHT COMPANY
SUBMISSION OF CONSUMER PILOT PROGRAMS ANNUAL REPORT

Petitioner Indianapolis Power & Light Company (“IPL”), by counsel and in compliance with the Order in this Cause dated October 31, 2018, hereby files the attached Consumer Pilot Program Annual Report.

Respectfully submitted,



By _____
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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served upon the following via electronic email, hand delivery or First Class, United States Mail, postage prepaid this 31st day of July, 2020 to:

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Re: CN 45029 Consumer Pilot Programs 2020 Annual Report,

In compliance with commitments made by Indianapolis Power & Light Company ("IPL") in the Stipulation and Settlement Agreement in Cause No. 45029 and the informational filing of IPL's Low Income Programs Collaborative Report, enclosed please find IPL's annual report to the IURC on its Low-Income Arrearage Forgiveness Program Pilot and Roundup Program Pilot. The program data included in this report is as of June 30, 2020.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Justin Sufan".

Justin Sufan
Director, Regulatory & RTO Policy
Indianapolis Power & Light Company

Indianapolis Power & Light Company
Low Income Customer Program Pilots Annual Report and Data
12 Months Ended June 30, 2020

As part of the Stipulation and Settlement Agreement in Cause No. 45029, IPL implemented two separate low-income customer program pilots. In April 2019, IPL submitted an informational filing to the IURC detailing both customer program pilots – an arrearage management program and a customer-funded “round-up” program, with initial funding for each program from IPL.

IPL selected a well-respected third party administrator, Dollar Energy Fund (DEF), to manage the programs. DEF oversees the application process, enrolls participants, and administers the programs. The low-income customer program pilots are designed to relieve financial burden by providing assistance to electric bills and allowing IPL customers to help their fellow neighbors when they need it most.

Arrearage Management Pilot Program

IPL developed an its arrearage forgiveness pilot program to assist eligible customers with eliminating the past due balance on their IPL bills. The pilot program has three components:

- Assisting low-income customers by reducing the financial burden of their past due electricity bill balance will hopefully promote more regular, timely payment of future electric bills.
- Enrollment in the arrearage forgiveness program will be on a first come, first served basis until the program year’s funds are exhausted.
- Assist IPL customers who meet eligibility requirements and help them complete an application with DEF.

The Arrearage Management Program pilot began December 10, 2019 via invitation letters, and the first group of customers were enrolled January 10, 2020. Thus far, the Arrearage Management Program pilot has had 287 participants.

Power of Change Pilot Program

IPL committed to fund \$100,000 to the *Power of Change* program, with an anticipation this amount will increase through customer donations received throughout the duration of three-year pilot. IPL customers who are interested in donating to this program can do so in one of three ways: monthly bill round up, monthly recurring amount donations, or a one-time donation option. IPL has contributed \$52,750 to date.

The *Power of Change* pilot commenced on August 2, 2019; grants were awarded beginning August 5, 2019. Thus far, the Power of Change program has assisted 303 customers and 231 customer donations have been made.

COVID-19 Impact on Low Income Customer Program Pilots

In response to the economic downturn resulting from COVID-19 and to help ensure customers continue to get electricity they need, IPL suspended disconnection for nonpayment and waived convenience fees, late payment fees, and reconnect fees for a period of time. IPL also relaxed its credit and collection business processes, including suspending deposits for new residential customers, as well as decreasing the upfront payment required for new service requests for returning customers with unpaid arrears. IPL is also offering customers enhanced payment plans. It is currently unclear how these actions will impact the Low Income Customer program Pilots.

IPL further intends to pull allotted *Power of Change* dollars for 2021-2022 forward to 2020 to repopulate the fund. Additionally, IPL will budget dollars for 2021 to ensure the final year of the pilot is funded as previously designed. In short, IPL is donating an additional \$27,000 dollars to the Power of Change fund to bring the total to \$75,000 currently and \$100,000 overall for 2020. This will bring IPL's overall contribution to Power of Change to \$127,000. The company contribution and additional publicity for the programs was included in IPL's customer payment assistance campaign to address COVID-19 impacts. The campaign launched in mid-July, after the reporting period ended June 30, 2020.

Program Participation

Throughout the initial stages of the pilot programs, IPL partnered with its network of social-service organizations located throughout the service territory who can help IPL customers take advantage of either program. While the awareness campaign has been intentional, thus far the participation is currently low.

Communications and Operational Tactics

The following tactics have been implemented thus far, and additional tactics are being explored. IPL is open to further dialogue regarding new ways to communicate the program via its partners. IPL intends to continue sharing information about the two pilot programs via its social media platforms.

- Customer information and billing/payment system updates to accommodate the programs
- Issued press release in 2019
- Developed social media campaign with community partners (implementation occurring throughout 2020)
- Issued customer emails to generate awareness and enrollments
- Sent targeted bill insert by zip code (6x in 2019 and will continue in 2020)
- Included Power of Change and Arrearage Management Programs in partner/sponsorship opportunities, such as IPL Yuletide Celebration advertisements
- Made website updates to programs:
 - <https://www.dollarenergy.org/need-help/indiana/power-of-change-program/>

- <https://www.dollarenergy.org/wp-content/uploads/2019/09/2019-2020-IN-IPL-Fact-Sheet.pdf>
- https://www.dollarenergy.org/donations/ipl/https://www.iplpower.com/About_IPL/Community/Community_Impact/Power_of_Change/

**Low Income Customer Program Pilots Data
12 Months Ended June 30, 2020**

Arrearage Forgiveness Program Pilot

Number of Participants:

287 Participants

Status of each account per quarter (missed payment, account balance):

See Table attached

Average monthly "fixed payment plan" amount:

\$186.64

Average settle-up amount due:

0, Customers have yet to complete the 12 month program

What percent successfully completed the program?

0, Customers have yet to complete the 12 month program

What percent were removed and at what point in the year?

Q2: 5%

Amount written off each quarter:

Q1 2020 Write-Off: \$3,448

Q1 2020 Arrearage Management Credit (\$10 per month): \$1,790

Q2 2020 Write-Off: \$8,868

Q2 2020 Arrearage Management Credit (\$10 per month): \$6,700

Avoided disconnects- number and length:

How many? 268

How long? 886 months total. Average of 3 months per customer.

Power of Change Program Pilot

Number of donors (commercial v. residential):

26 residential, 0 commercial

Average donation amount:

231 total donations at \$0.90 per donation

Percentage and average of donating (one-time, monthly, round-up):

One-time: 0

Fixed Monthly: 42%

Fixed Monthly Total Monthly Average: \$8.00

Round-Up: 58%

Round-Up Total Monthly Average: \$10.95

Number assisted:

303

Average amount given to assisted:

\$174.00

Applicant approval percentage:

89.6%

Total amount of funds distributed:

\$52,750

Account status of customers that received assistance (30-60day, 60-90 day, 90+day):

30-60 day: \$20,756 (218 accounts)

60-90 day: \$15,878 (218 accounts)

90+day: \$23,872(218 accounts)

Number of recipients disconnected for non-payment after receiving assistance:

0

Number of payment extension requested after assistance was provided:

96

Avoided disconnects-number and length:

181 accounts, 7 months

Bill coverage ratios:

284 ½ months total. Average of 3 months

Estimated kWh reduction:

Increase of 10,410 kWh total for an average gain of 195 kWh per customer.