

# MINUTES

CITY OF FORT COLLINS • BOARDS AND COMMISSIONS



## ENERGY BOARD

September 8, 2022 – 5:30 pm  
222 Laporte Ave – Colorado Room

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### ROLL CALL

**Board Members Present:** Alan Braslau (remote), Steve Tenbrink, Dan Gould, Marge Moore (remote), Emilio Ramirez (remote), Jeremy Giovando (remote), John Fassler, Bill Becker, Sidra Aghababian

**Board Members Absent:**

### OTHERS PRESENT

**Staff Members Present:** Christie Fredrickson, Adam Bromley, Brian Tholl, John Phelan, Leland Keller (remote), Honore Depew (remote), Cyril Vidergar (remote), Heather Young, Shannon Ash, Lance Smith (remote), Kendall Minor

**Members of the Public:** Tom Loran, Rich Stave

### UTILITIES AFFORDABILITY PROGRAM PROPOSED CHANGES

*Shannon Ash, Affordability Programs Manager*

*Heather Young, Senior Manager, Public Engagement*

(attachments available upon request)

Staff is wrapping up the pilot year for the Utilities Affordability Portfolio (UAP) and plans to go to City Council in November seeking program adoption.

The goal of the UAP is to provide assistance to low-income customers through reduced rates, one time/emergency payment assistance, and conservation practices. The Income Qualified Assistance Program (IQAP) is roughly a 23% rate reduction. Fort Collins Utilities customers are qualified and approved through the state's Low-income Energy Assistance Program (LEAP), and automatically enrolled in the City's IQAP based on their LEAP approval. Board member Aghababian asked how customers know to enroll in LEAP? Ms. Ash said it is part of both the state's and the City's local outreach.

Based on pre-COVID numbers, an estimated 8,000 households could qualify for the Utilities Affordability Programs. In 2020 Utilities staff reached about 2000 households with the programs, leaving an opportunity for up to 6000 households to reduce utility burdens. Staff is planning additional targeted outreach in the community, as well as in-person application sessions. After 2021, the Utility removed their own additional application step and began auto-enrollment with LEAP qualification, and saw enrollment increase 133%.

Staff completed an Arrears Analysis and found when a customer is not disconnected, the Utility saves approximately \$24.00 in the avoided disconnect through printing, mailing, and staff costs. Staff is exploring whether customers on IQAP are less likely to be disconnected for non-payment because of the reduced rate and because they are more engaged with staff.

Vice Chairperson Becker wondered if the City's U+2 ordinance could be a barrier for those who are eligible, as renters may not want to disclose how many people are living in their household. Ms. Young noted that on the LEAP application, only one person in the family or household must meet the income qualification.

Energy use from IQAP participants initially increased by 2.9% on average (220 kWh/year). Staff believes the increase likely reflects that households are no longer as critically concerned about paying their energy bills and initially choosing to keep their homes at a more comfortable temperature. Interestingly, by year three of enrollment both IQAP and non-IQAP participants had similar energy use.

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### REGULAR MEETING

In 2021, City Council asked staff to ensure the 23% rate reduction is still sufficient. Staff found that since 2018, average electric bills have increased more than average income, so going forward staff is proposing 25% reduction to keep the benefit whole and retain its value. Staff recognizes the rate reduction is not a static thing and hopes that if the program is adopted, they could perform better rate projections to stay up with the difference annually.

While there isn't a separate fund to cover IQAP, it is absorbed by rate payers across all classes (residential and commercial); each Utility fund contributes to the program, except for stormwater. Staff is proposing the portfolio is funded through the Operations & Maintenance budget because it is and should be viewed as a required service for Utility customers. Given current and projected participation numbers and a 25% rate reduction, this program would have minimal impact to future rate increases. Staff hopes future updates on the impact of this program would be included in annual rates and fees updates

Board member Braslau noted that staff should be looking for other ways to qualify customers, especially given the large gap in potential participants versus actual, LEAP is not capturing everyone. Ms. Ash said staff agrees, there are customers being missed who do not qualify for LEAP but may qualify for the City's program. Staff is looking for workarounds that would not violate any federal rules around double-dipping; staff is currently working with Housing Catalyst to obtain a list of people who might also qualify for IQAP.

**Board member Fassler moved the Energy Board support of the Income-Qualified Assistance Program becoming an adopted Utility program.  
Board member Braslau seconded the motion.**

Discussion:  
None.

**The motion passed unanimously, 9-0.**