

A photograph of a woman with dark curly hair and a light blue shirt sitting on a patterned rug, reading a book to two young children. One child is a girl with dark hair wearing a white ruffled top and pink pants, and the other is a boy with curly hair wearing an orange sweater. They are in a white tent with string lights in the background.

# Afford Ability Fund™

**2019**  
ANNUAL  
REPORT

**Afford  
Ability  
Fund™**

Ontario 

**Submitted to:**

**Ontario Ministry of Energy**  
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Toronto, Ontario M7A 2E1

**Submitted by:**

**AffordAbility Fund Trust**  
c/o Hydro One Networks (Administrator)  
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## Message from the Chair

Throughout 2019, the AffordAbility Fund Trust continued to innovate, grow and evolve within the scope of our ambition - to make energy more affordable for Ontarians. This year, we saw the number of qualified beneficiaries served grow to 49,278 in total, with 32,343 in 2019 alone. These incredible numbers speak to the need for program support for Ontarians struggling with energy affordability. We are thankful for the trust that Ontarians have placed in the promise of the AffordAbility Fund and in our ability to deliver meaningful support to managing household energy costs.

With the maturing of the program we are seeing a connection between the work of the AffordAbility Fund and the fundamental elements of future energy conservation and affordability programs. We see the possibility of a streamlined approach to long-term program design and delivery.

In Cornwall, Ontario, the AffordAbility Fund delivers an end-to-end energy conservation and assistance solution encompassing all beneficiaries including low-income households. There, the AffordAbility Fund provides an easy and efficient solution from the beneficiaries' experience while cost-effective from an operational one. This flexibility, coupled with the ability to execute quickly and efficiently, differentiates the AffordAbility Fund from other traditional programs. Our ambition isn't just to execute and iterate on the existing program, but to look at ways to best serve Ontarians in the future.

Concurrently, we continued our operational focus to ensure the relevancy of the AffordAbility Fund by incorporating feedback from beneficiaries and utility partners. As a result, we improved the measures offered to our Level 2 and Level 3 beneficiaries and developed a pilot program to support those who need additional assistance navigating through the program. I'm proud of the deep commitment our partners have demonstrated in serving beneficiaries and to meet them where they require assistance and to champion their needs. My thanks to our local utility partners and to Hydro One, the operational arm of our program, for your continued commitment to the success of the AffordAbility Fund.

Thank you to our Board of Trustees for your hard work, commitment and resolve. Together, we extend our gratitude to the Ministry of Energy and the Government of Ontario for the extension of our program to the end of 2021, allowing us to continue to look at future-state energy programs while serving the current-state needs of our beneficiaries. It's this type of leadership that allows our program to seed a path and expectation to possible future public policy while making real-time impact in the well-being of those we serve.

**Michael Allen**

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number of qualified  
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# About The AffordAbility Fund

The AffordAbility Fund Trust is the designated authority for administering and delivering the AffordAbility Fund program. The Government of Ontario established the \$100 million AffordAbility Fund Trust in 2017 and it is overseen by an independent and diverse Board of Trustees.

The mandate of the AffordAbility Fund is to make energy more affordable for the Fund's beneficiaries – Ontarians who do not qualify for low income programs but who want to conserve energy to reduce their electricity bills now and in the future.

**In 2019, 64 local electricity distribution companies across the province promoted and delivered the program on behalf of the Trust.**

In addition to providing support to beneficiaries of the Trust, the Board of Trustees' ambition is to establish a legacy for the AffordAbility Fund: creating an affordable energy future for the health and well-being of Ontarians by building new thinking, approaches, and partnerships in energy conservation and innovation.



# Process

A cornerstone of the AffordAbility Fund's approach is the quick and easy enrollment process which allows applicants to qualify for the AffordAbility Fund or to be directed to other energy assistance programs.

## The AffordAbility Fund Application Process:

### STEP 1 Application for support

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Designed to be fast and simple, applicants submit their information through an online form or by calling the toll-free number. To be eligible, applicants must first need to own, rent or lease a residence in Ontario and be the primary or secondary electricity utility account holder at the individually metered residence.

### STEP 2 Application Screening

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An AffordAbility Fund call centre agent has an in-depth "Trusted Conversation" regarding the burden of electricity costs on the applicant's household. This calculation is used to determine where a household fits within thresholds determined by the AffordAbility Fund about the level of support they will receive.

### STEP 3 Assessment

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Based on the calculation of the Electricity Affordability Burden, households are assessed at a Level 1, 2, or 3 engagement level, with each level providing a different level of support. Level 1 beneficiaries receive a home energy kit designed by their local distribution company. Level 2 or 3 beneficiaries receive an in-home assessment and recommendations for eligible equipment, some of which they may be able to obtain for free within their engagement level's spending cap.

### STEP 4 Home Energy Plan

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Each beneficiary receives a free Home Energy Plan. This may be a written plan delivered with a home energy saving kit, or produced as a result of an in-home visit. This plan helps each household identify how the energy savings measures they received, along with behavioural changes, may result in potential reductions in their electricity bill.

$$\text{Electricity Affordability Burden (EAB) =} \\ \text{(Electricity Bills + Installment Payments + Fees) / Household After Tax Income}$$

# Measures

The flexibility of the AffordAbility Fund allows local distribution companies to submit requests to add new energy saving equipment to the measures available to beneficiaries in their service territory. In 2019, at the request of local distribution companies, weather-proofing and insulation were included as eligible measures for Level 2 beneficiaries with electric heat.

ENGAGEMENT	ELIGIBLE EQUIPMENT	SPENDING CAP
<p><b>LEVEL ONE</b></p>	<ul style="list-style-type: none"> <li>Aerators</li> <li>Air vent diffuser</li> <li>Block heater timer</li> <li>Coil cleaning brush</li> <li>DWH pipe insulation</li> <li>Efficient shower heads</li> <li>Freezer thermometer</li> <li>Furnace filter whistle</li> <li>LEDs</li> <li>LED night light</li> <li>Refrigerator thermometer</li> <li>Retractable clothes line</li> <li>Room temperature/humidity sensor</li> <li>Rope caulk</li> <li>Smart power bar</li> <li>Switch and outlet sealing gaskets</li> <li>Three-prong indoor/outdoor plug timer</li> <li>Weather stripping</li> <li>Window heat shrink film</li> </ul>	<p><b>UP TO \$500</b></p>
<p><b>LEVEL TWO</b></p>	<ul style="list-style-type: none"> <li>Refrigerator</li> <li>Freezer</li> <li>Dishwasher</li> <li>Kitchen stove</li> <li>Window air conditioners</li> <li>Dehumidifier</li> <li>Programmable thermostat</li> <li>Mechanical attic fan</li> <li>Clothes washer</li> <li>Clothes dryer</li> <li>Weatherproofing and insulation</li> </ul>	<p><b>UP TO \$5,500</b></p>
<p><b>LEVEL THREE</b></p>	<ul style="list-style-type: none"> <li>Heat pumps</li> <li>Comprehensive draft proofing</li> <li>Attic insulation</li> <li>Wall insulation</li> <li>Basement insulation</li> </ul>	<p><b>UP TO \$15,000</b></p>

# The AffordAbility Fund By the Numbers

In 2019,

## 89,265

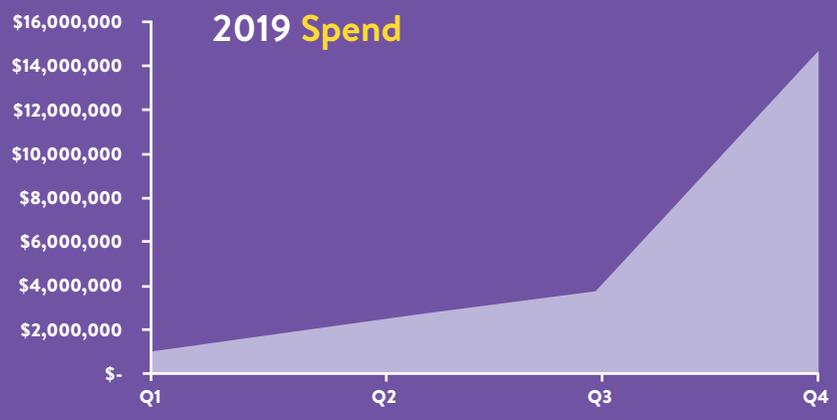
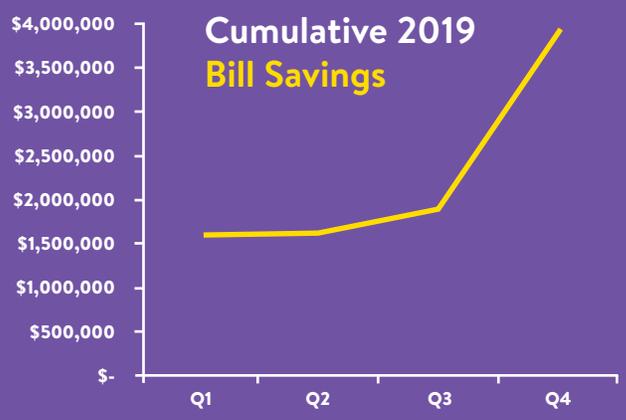
Ontarians applied to the AffordAbility Fund.

## 64

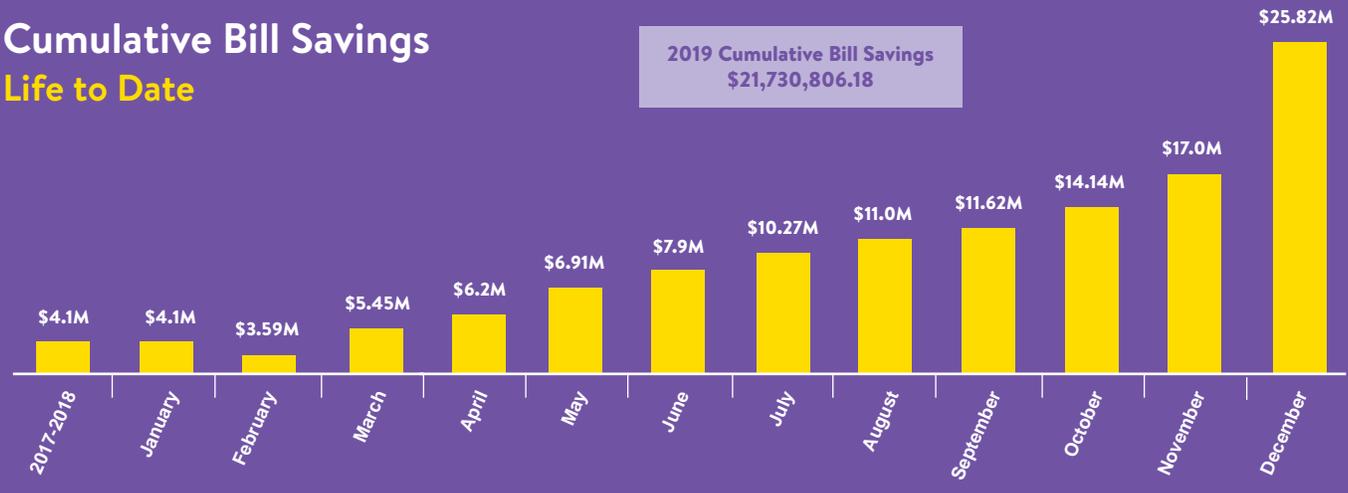
local distribution companies are participating in the program.

AFT Funds Used (Measures Only)

## \$21,675,000



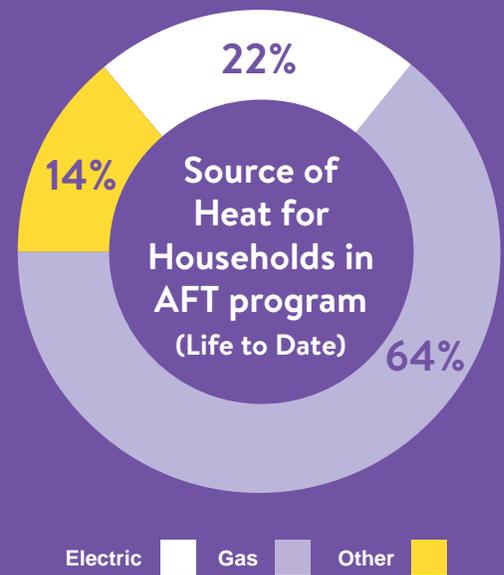
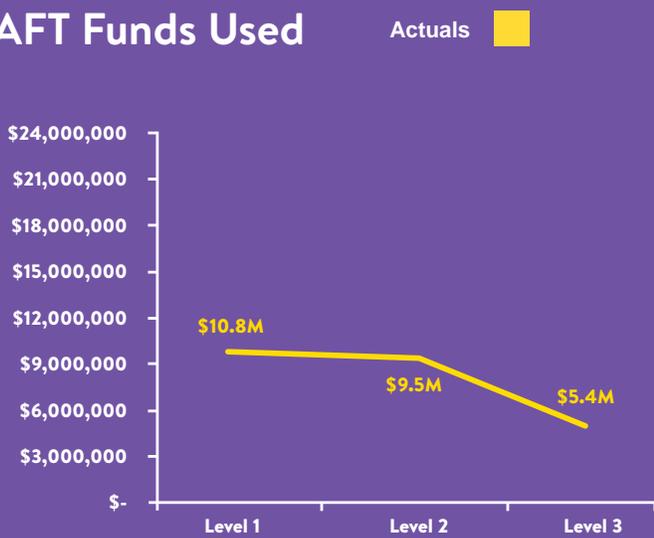
## Cumulative Bill Savings Life to Date



## Dollars Saved Per kWh



## AFT Funds Used



# The AffordAbility Fund Year in Review

## Cornwall Pilot

As a distinct entity from other conservation programs, the AffordAbility Fund was in a unique position to assist electricity consumers in Cornwall, Ontario. Since the city is served by the Quebec electricity grid, it was underserved by previous conservation programs and its residents are ineligible for the Home Assistance Program (HAP).

In April 2019, the AffordAbility Fund piloted an awareness and enrolment campaign in Cornwall. The pilot included a one-on-one recruitment drive that resulted in more than 450 immediate and eligible applications over a three-day period. The pilot allowed applicants to have the “Trusted Conversation” in a booth, and once complete, the applicant left with their Level 1 measures in-hand.

## United Way Pilot

To further target Level 2 and Level 3 beneficiaries, the AffordAbility Fund partnered with the United Way to begin work on a pilot to assist individuals who require additional support throughout the application, assessment, and fulfillment processes. This collaboration underscores the AffordAbility Fund’s focus on local relationships and local organizations as a way to assist those individuals who can most benefit from energy saving measures.

Our recruitment  
drive resulted in  
more than

**450**  
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and eligible

applications over a  
three-day period.



## Marketing

Throughout 2019, the AffordAbility Fund's quick and easy enrolment process was at the forefront of local marketing efforts. The new marketing campaign focused on contacting the call centre directly to further expedite a potential beneficiary's assessment. Digital advertising, newspaper ads, and local news stories provided a persistent presence in the marketplace.

The campaigns led by the AffordAbility Fund supplemented marketing efforts of the local distribution companies. These local campaigns proved again to be the most effective means of reaching potential beneficiaries. E-blasts and auto-dialers proved to be extraordinarily successful in not only driving an immediate increase in applications, but also sustaining a high level of applications in the weeks after the campaign.

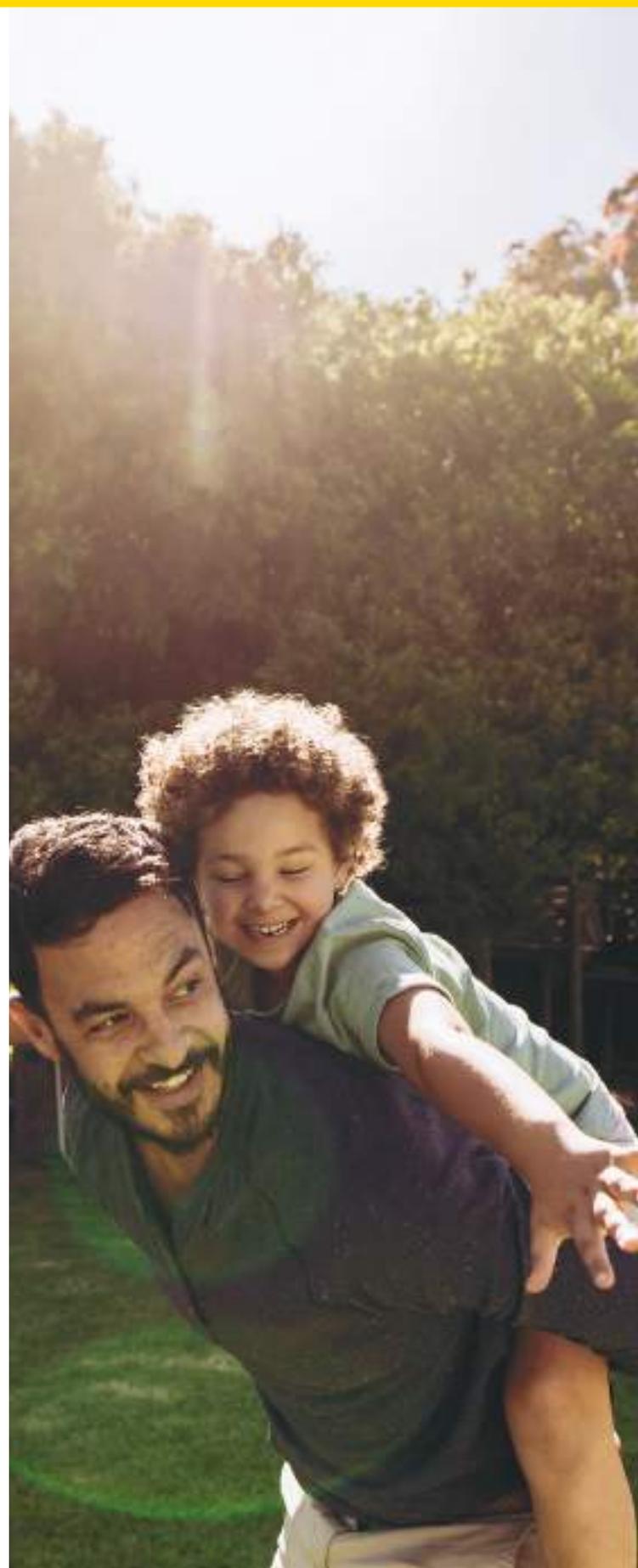
## Continuous Improvement

### Marketing Materials Audit

To better target Level 2 and Level 3 beneficiaries, the AffordAbility Fund partnered with BEworks, a commercial consulting team dedicated to the application of behavioural economics to real-world challenges. BEworks was tasked with assessing current marketing materials against a landscape of complex factors – including trust, self-concept and perceived benefit – and make recommendations to improve future campaigns. The findings of this research were to provide actionable insights to appeal specifically to potential Level 2 and Level 3 beneficiaries, addressing underlying motivational factors that otherwise may be overlooked.

### Level 1 Energy Saving Assessment

The AffordAbility Fund is reassessing the potential energy savings derived from Level 1 kit beyond the estimates originally calculated. This reassessment is predicated on the belief that the return on investment provided by the kits is higher than originally estimated when Level 1 measures, together with behaviour modification, are implemented immediately and simultaneously.



# Board of Trustees



**Michael Allen**  
*Chair*

President and CEO,  
United Way East Ontario



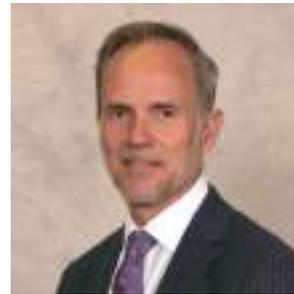
**Imran Merali**  
*Trustee*

Vice President, Customer  
Service, Hydro One  
Networks



**Denise Arkell**  
*Trustee*

Executive Director,  
Neighbour to Neighbour  
Centre



**Tim Wilson**  
*Trustee*

Executive Vice President  
Customer and Information  
Services, Synergy North

Photo Not  
Available

**Kelly Brown**  
*Trustee* (Non-Voting)

Assistant Deputy Minister  
– Ministry of Energy,  
Northern Development  
and Mines

# Electricity Distributor Feedback

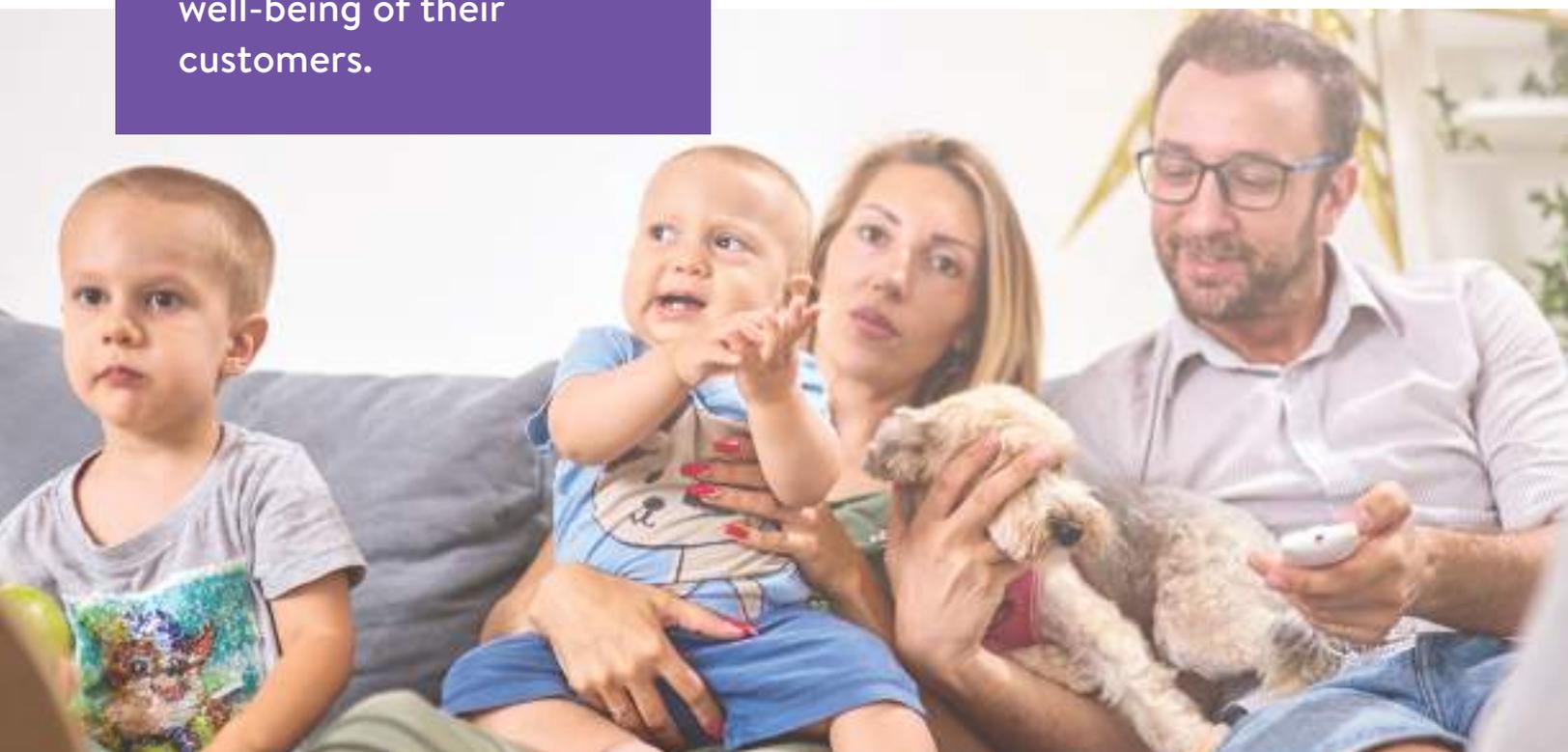
In October 2019, the AffordAbility Fund commissioned the Innovative Research Group to conduct a 360-degree performance review with all participating local distribution companies. Of the 64 participating local distribution companies, 37 completed the survey.

**82%**  
of LDCs agree

the AffordAbility Fund program has a positive impact on the household well-being of their customers.

## The main findings of the research:

1. Seventy per cent of the LDCs agreed that the AffordAbility Fund was successful in lowering the electricity burden of their customers.
2. When asked if the AffordAbility Fund had a positive impact on the household well-being of their customers, 82% agreed.
3. The local distribution companies' experiences with dealing with the AffordAbility Fund's administration were overwhelmingly positive, with 97% having favourable experiences.



# Customer Feedback

In the summer of 2019, the AffordAbility Fund conducted a Customer Satisfaction Survey of beneficiaries who received Level 2 or Level 3 measures.

## There are main findings of the research:

1. When asked how satisfied or dissatisfied the beneficiaries were with the overall experience they had with the AffordAbility Fund program, 81% stated that they were satisfied with their experience.
2. Overall, on all indicators of satisfaction (courtesy, professionalism, ease of understanding and thoroughness) with local distribution companies, more than 80% of beneficiaries were satisfied.
3. While 65% of respondents stated nothing can be improved with the AffordAbility Fund, a clear area for improvement is the timeliness and speed of communication throughout the process. This includes call back time, setting up appointments and understanding next steps in the process.



# Challenges Identified and Lessons Learned

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- As the program continues in-field, the provision of training for new employees and a refresher of key concepts are valuable to ensure that all local distribution companies have an understanding of current processes.
- The AffordAbility Fund relies on a local distribution company's ability to support the program – from marketing to intake to fulfillment. Any change to the support structure within a local distribution company has a direct impact on the ability of the AffordAbility Fund to provide support to beneficiaries in specific areas of the province.
- The ability to deliver measures in a timely manner can be impacted by several variables, not all within a vendor's ability to address. Some measures have been held up due to beneficiary decisions on what they would want for their household, others due to product shortages in various parts of Ontario, and yet others due to sub-contracting capabilities in more remote areas of the province. We continue to look into means by which we can speed up delivery of measures to beneficiaries, to provide help sooner than later.
- The level of interest in the program demonstrated by LDC executive leadership is a direct indication of the success of the Affordability Fund program for the LDC in question.



**Thank you.**

**Afford  
Ability  
Fund™**