

AFFORDABLE RATE PILOT PROJECT

Report on Two Evaluations of Public Service Company of Colorado Payment Assistance Programs

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Executive Summary

The Affordable Rate Project of the Colorado Public Service Company (PSCo) was a pilot designed to test the usefulness of two payment assistance programs in helping low income families living in the Denver area to pay their utility bills in full and on time. An important premise behind the pilot was that delinquent bills and shut offs are costly for the Public Service Company of Colorado, and a program to limit these situations would help both the consumers and the Company.

The programs were a Percent of Bill (POB) Program and a Percent of Income Plan (PIP). Participants in both programs had to be enrolled in LEAP at the time the pilot started and had to have income below the federal poverty level. The major differences between these programs was that POB participants were given a reduction on their average energy bill based on where their income fell in relation to the federal poverty level, while PIP participants received a discount on their actual energy bill that was geared to their income level.

Five hundred and forty eight (548) households participated in the Affordable Rate Project that began on November 1, 1993. As of November 30, 1995, only 222 (40.5%) of the households remained. Of the original 330 households in the POB program, only 126 (38.1%) completed the 24 months of the project; 96 (44.1%) of the 218 households in the PIP program remained. Those who were still involved in the program at its completion date are called "Active" participants. Those who did not continue in the program to the completion date are called "Former" participants. The major reasons for not completing the program included: failure to pay bill in full and on time, income over the eligibility limit, and ineligibility for LEAP in subsequent years.

Two Research Studies of Pilot Program

To document the impact of the pilot program, two different research studies were developed. A quantitative study compared each pilot project group with a control group and also looked at the success of pilot participants in relation to previously established measurable objectives. This aspect of the research was designed to address two basic questions. First, would participants in the pilot be more successful than a control group in paying their utility bills in full and on time? And second, would the pilot group participants be able to meet the performance standards set for them

A qualitative research study was also undertaken to learn why some participants were unable to complete the program even with reduced payments and the additional incentive of a reduction on past due amounts. Through a telephone interview with participants, information was gathered to contrast those who remained in the program to completion with those who were removed. Qualitative studies are a useful adjunct to quantitative research in that they can flesh out the meaning behind the numbers, but they are limited in that they represent the responses of only a select group of individuals, those who are available and willing to participate.

This document contains the results of both studies as well as appendices and attachments that expand on the methodology of each. The executive summary documents the conclusions of both studies and makes recommendations for future action.

Quantitative Research - Analysis of Effectiveness and Performance

The quantitative research study had two aspects: a statistical comparison of participants and control group members, and a performance evaluation of project participants in relation to previously established measures of project success.

Statistical Analysis

The statistical analysis compared participants and control group members in several areas: beginning arrears, number of payments made during the active period, number of months to failure, and amount of arrearages remaining at the termination of the project. Because the participant and control groups were of different sizes, the statistical comparisons are based on averages. The Affordable Rate Project was clearly successful in helping participants make more full and on time payments:

Findings

- Project participants remained successful longer than their control group counterparts and had fewer delinquency notices.
- Project participants owed lower average arrearage amounts than the control group members at the end of the project, despite higher beginning amount..
- Project participants were much more likely to pay their monthly bills than were the control group customers.
- Project participants took a longer time to fail, on the average, than the control group customers.

Performance Evaluation

A series of objectives were established to demonstrate the project's performance. The objectives addressed changes or differences in collection costs, shut off notices, payment frequencies, payment amounts, and reductions in arrearages.

The performance evaluation demonstrated that low income, LEAP eligible customers could be helped to pay their bills in full and on time. Participants in the pilot made more payments, remained successful longer and had fewer shut off notices than their control group counterparts. The pilot achieved the majority of the measurable performance objectives set for it concerning regularity and amount of payments and reduction of arrearages.

Findings

- Project participants were better in their bill payment behaviors during the project period than their control group counterparts, showing a greater likelihood of paying their bills in full and on time.

- The pilot project was able to save between \$9.69 and \$16.53 in average shut-off costs per person over a 24 month period.
- The pilot was successful at eliminating shut-off notices for more than half of the participants in the first year and three-fourths of the participants who remained into the second year.
- Project participants made far more payments during the active period than their control group counterparts.
- Project participants experienced a longer period of success than the control group before becoming more than one month behind in their payments and being removed.

Qualitative Research - Analysis of Participant Attitudes and Behaviors

The methodology chosen for the qualitative research was a combination of key informant interviews, focus groups and telephone interviews. The key informant interviews helped determine the focus of the study by clarifying what knowledgeable individuals wanted to learn from the research. Focus groups with consumers helped to establish potential answers to questions which would be asked in a forced choice format in the telephone interviews. Telephone interviews allowed for the collection of identifying demographic information and attitudinal and behavioral responses to multiple choice questions. There were 8 key informant interviews, 17 focus group participants and 188 telephone survey interviewees. The findings reported here are based on the telephone survey.

Demographics of the Telephone Sample

The vast majority of respondents to the survey were women. The respondents are relatively equally distributed along the age range between 26 and 65+ years of age. The majority of the sample identified as single, divorced, widowed or separated. Only slightly more than one in ten respondents identified themselves as married. Slightly less than half of the respondents identified themselves as single parents. More than half of the households had only one adult over 18.

A majority of the sample had a high school degree or less; with two out of five having only some high-school. One in five, however, had completed some college. Four fifths of all respondents said that their monthly household income before taxes was \$750 or less. Three quarters of respondents said that they were not currently employed. The most common source of non-employment income for households was Social Security Income or SSI; the next being AFDC and OAP. The majority of respondents had lived in their homes for more than two years, and were likelier to rent rather than own their home.

Findings

Reasons for Difficulty Paying Bills.

For the vast majority of respondents (86%) the reason for being unable to pay the bill was lack of money. Other reasons were increases in cost of living (78%); unexpected expenses (76%); and lack of help from relatives (53%).

Bills Paid First with Limited Money

Respondents were asked to identify the bills they would pay first should “things get tight.” Respondents identified: rent or house payment (80%); Public Service - utilities (78%); Groceries (44%) and Telephone (41%). Items like clothing, cable tv, burial expenses and insurance were indicated by less than 2% of respondents. The results may have been effected by the respondents knowledge that Public Service was interested in the survey.

Strategies Employed to Deal with Funds Insufficient to Pay Bills.

Respondents were asked to identify strategies they use to pay bills when they have limited funds. The most commonly employed strategy was making a partial payment on a bill (89%), with both Former and Active groups reporting this equally. The next most common strategies were to: use money that would go for something else (69%); cut down on appliance usage (77%); cut down on groceries (60%); apply for assistance (65%); take on extra work (48%); pay bills in alternate months (47%); borrow from relatives or friends (43%); and don't pay some bills (45%).

Differences between Active and Former Participants

The Active (completers) and Former (non-completers) groups were remarkably alike. Active participants were somewhat more knowledgeable about the program expectations and benefits, and they were somewhat less likely to use bill paying strategies that would cause failure in the pilot program, like making partial payments. The only real differences between Active and Former groups were in the areas of life circumstances over which participants had little direct control at the time of the study.

The Active respondents are more likely to be older, widowed, have lower income and less education. The income of Active respondents is more likely to come from SSI and OAP. The Active households are less likely than Former households to have children under 18 and be headed by a single parent.

The Former group, in contrast to the Active, is likelier to have children under 18 and be headed by a single parent. They are more likely to be younger, and have slightly higher income and more education. Their income is more likely to come from AFDC, and, probably due to the presence of children, they are more likely to place groceries among their top three priority expenses.

Recommendations

The findings of these two research studies suggest several courses of action for the Public Service Company of Colorado and the Colorado Energy Assistance Foundation.

1. Continued Payment Assistance: Participation in a payment assistance program helps many low income household pay their utility bills in full and on time. The programs not only serve the

households but also have the potential to result in cost savings for the Public Service Company due to collection costs averted.

2. Availability of Information: Participants in payment assistance programs may need continued explanations about the expectations and benefits of a payment assistance program. These explanations should stress the problems associated with often-used strategies of dealing with limited funds. Explanations need to be verbal, written and perhaps visual. Above all, simplicity and consistency is crucial. In addition they need more information about community resources to help with energy and other bills.

3. Program Outreach: Some low income families may be particularly at risk of not succeeding in a payment assistance program. Families with children under 18 and a single parent may need to be targeted for outreach, support and assistance with planning for bills. A flexible and responsive payment plan may be necessary for families experiencing unexpected expenses.

4. Funding: Payment assistance programs appear to help some, but not all, participants. The problem of non-payment of Public Service bills may simply be that even with assistance, some low income households do not have enough money to go around. Additional funds or a reduction in bills may be necessary to enable very low income households to stay current with their energy payments.

5. Public Policy and Community Programing: Certain policies of the LEAP Program and private non-profit agencies may work against the efforts of PSCo and CEAF to help households pay bills promptly and completely. LEAP requires a shutoff notice to expedite its assistance and many non-profits can only assist a household with a partial payment on a utility bill and only if a shut off notice has been received. These policies may inadvertently reinforce lack of advance planning about utility bills.

It is essential that all community entities work together to help low income households meet their energy expenses in a timely fashion. Public Service should also inform its customers that even partial payment on a bill may keep their account open and prevent shut-offs.

6. Future Research: The addition of detailed demographic information about program participants would enhance the cost/benefit analysis of pilot programs in future quantitative studies. Future qualitative research might focus on an intensive study of a small group of households, to look more closely at their life course and how it influences their ability to pay their public service bills. An ideal research design would incorporate both these qualitative and quantitative elements at the beginning of a program.

AFFORDABLE RATE PROJECT - COLORADO PUBLIC SERVICE COMPANY QUANTITATIVE ANALYSIS OF EFFECTIVENESS

Introduction

The Affordable Rate Project of the Colorado Public Service Company (PSCo) involved two pilot programs designed to test the effectiveness of payment assistance programs in helping low income Denver households pay utility bills in full and on time. The programs were a Percent of Bill (POB) Program and a Percent of Income Plan (PIP). Specific eligibility criteria and methods for calculating payment rates in these two programs can be found in the appendix of this report. Participants in both programs had to be enrolled in LEAP at the time the pilot started and had to have income below the federal poverty level. The major differences between these programs was that POB participants were given a reduction on their average energy bill based on where their income fell in relation to the federal poverty level, while PIP participants received a discount on their actual energy bill that was geared to their income level.

A Steering Committee was formed to guide the pilot. It was comprised of PSCo employees, representatives from both the State and County Low Income Energy Assistance Programs (LEAP), the Colorado Energy Assistance Foundation (CEAF), and Metro CareRing, an emergency assistance program for low income households.

Program Evaluation

A consultant was retained to assist with an external program evaluation. The evaluation was designed to address two basic questions. First, would participants in the pilot be more successful than a control group in paying their utility bills in full and on time? And second, would participants in the pilot be able to meet the measurable objectives established by the Steering Committee. An important premise behind the pilot was that delinquent bills and shut-offs are costly for the Public Service Company of Colorado, and a program to limit these situations would help both the consumers and the Company.

The Pilot Program

A traditional random sampling design was not used to identify potential participants. The sampling incorporated a stratified design to more closely match poverty levels within the LEAP population. Eligible customers in the sample frame were the LEAP eligible customers who applied for and received LEAP assistance and those who were at or below 100% of the Federal Poverty guideline. A total of 17,182 customers were identified by LEAP as eligible for the Affordable Rate Project. About half this number (8,682) were sampled for the Percent of Income Project component, while the remaining customers (8,500) were sampled for the Percent of Bill component.

Customers were selected into The Affordable Rate Program over a period of four months beginning November 1, 1993. Selected customers were invited to come to the LEAP office to be evaluated for eligibility. Many customers either did not respond to the invitation or did not show up for their appointments. Some customers, when evaluated, were found to be ineligible, eliminating them from the project.

Those who were evaluated and found eligible, had to sign an agreement with the PSCo to participate in the project. The agreement established (1) that the project had a 24 month period; (2) that their LEAP payments would be pro rated over a 12 month period for each heating season; (3) that the customers agreed to pay in full the amount indicated on their PSCo bill; (4) that, in return for timely payments, the PSCo would discount their monthly bills, and forgive a percentage of their arrearages; and (5) that failure to make payments in a timely manner would result in termination from the project. When presented with this contract, some customers did not want to sign. The final group of participants in the pilot project numbered 548.

A decision was made to draw the control group samples from customers who failed to appear for their interviews for PIP and POB group membership. The logic behind this decision was that these customers had demonstrated an initial interest in the project and met the same initial criteria for the invitation, even though they did not appear for their interviews.

Control group members were stratified by percent of Federal Poverty Level, as were the project group members. The stratification was based on Federal Poverty Levels reported by LEAP, using 1992 - 1993 customer information. What could not be taken into account was their income eligibility at the time of the project's start. Control group customers were not interviewed as were the PIP and POB participants and they were not informed that they were part of the evaluation. The control group membership numbered 454.

Success and Failure

Participants were considered successful in the Project if they avoided delinquency by paying their bills in full and on time. They were able to "cure" a month in which they did not pay their bill in full by making it up the next month. In other words, a participant could always be one month behind and still be considered successful in the project.

The definition of failure differed for the PIP and POB participants compared to the control group customers. For the project participants, failure was defined as non-payment of more than one month's bill. The non-payments did not have to be consecutive, because participants had the ability to cure missed or partial payments. Reminder letters were sent to participants delinquent in their payments for the first month. The letters were sent instead of shut off notices. Participants who owed a past due amount greater than one monthly bill were defined as having failed the project.

Some participants who had more than one month of non-payment did not receive a shut off notice because they had sufficient LEAP funds remaining in their accounts to cover their delinquent bills. These participants were still defined as failures, however, and were released from the project. No curing was possible from a failed status; participants could not make up the unpaid obligation to rejoin the project.

Failure for control group customer's was defined as receipt of a second shut off notice. Control group customers were subject to the normal PSCo payment rules in that they received shut off notices in response to their non-payment of bills and no reminder letters were sent.

Arrearage Forgiveness

Project participants were responsible for the first \$72.00 of any preprogram arrears and were required to pay \$3.00 per month towards this amount, while they were in the program. Arrearages in excess of the \$72.00 obligation were eligible for arrearage forgiveness prorated over the 24 months of the project. Where the pre-project arrearages were equal to or less than the \$72.00 amount, no arrearage forgiveness was earned by the customers.

The arrearage forgiveness began in the seventh month, when the customer received six months of credit. Thereafter, credits were given each quarter. Participants paying their bills consistently each month for the entire project could have their arrearages forgiven completely, regardless of the arrearage amount at the beginning of the project.

Released Participants

In addition to failure because of lack of bill payment, changes in a participant's status during the 24 month project period could result in release from the project. Participants were released because: (1) they left the PSCo service area; (2) they moved to a location where they did not pay their heating bills directly; (3) they requested to be removed from the project; (4) they were denied LEAP; (5) their income was above 100% of the Federal Poverty Levels; or (6) they were deceased. These participants were not classified as either successes or failures.

Evaluation Design

The evaluation of the Affordable Rate Program had two components. The first was a statistical analysis comparing the participants in the pilot with the control groups. The second component was an analysis of a series of performance objectives that were time based and measurable.

Statistical Analyses

The primary areas of interest in the statistical comparisons are the differences between participants and control group members in: beginning arrears, number of payments made during the active period, number of months to failure, and amount of arrearages remaining at the termination of the project. Because the participant and control groups were of different sizes, the statistical comparisons are based on averages.

While also of interest, differences in total payments made over the life of the project for participants and control group members could not be compared statistically because the elements of participant and control group payments were completely different. Likewise, the average number of reminder letters and shut off notices for participants could not be statistically compared to the control groups because the rules governing these were different for the two groups.

Comparisons between PIP Participants and Control Group Customers on Average Payments, Average Arrears, and Payment Delinquency Variables

Averages	PIP (N=218)	Control (N=235)	Significance
Average Beginning Arrears	\$267.66	\$165.85	P < .01
Average Total Payments	\$955.36	\$1549.70	N/A
Average Arrears at End of Project	\$95.04	\$105.60	None
Number of Payments Made while Active	13.1	8.4	P < .01
Average Months to Failure	18.5	13.9	P < .01
Average Reminder Letters & Shut Offs	3.6	6.2	N/A

Comparisons between POB Participants and Control Group Customers on Average Payments, Average Arrears, and Payment Delinquency Variables

Averages	POB (N=330)	Control (N=219)	Significance
Average Beginning Arrears	\$177.50	\$156.30	None
Average Total Payments	\$1223.66	\$1424.63	N/A
Average Arrears at End of Project	\$83.74	\$108.25	None
Number of Payments Made while Active	14.8	7.8	P < .01
Average Months to Failure	18.7	13.1	P < .01
Average Reminder Letters & Shut Offs	2.9	5.9	N/A

Significance refers to the statistical difference between the averages for the project and the control group customers. P refers to the probability that the difference was due to chance rather than to a real or meaningful difference. For example, P < .01 means that in less than 1 chance in a 100 would the difference observed be due to chance rather than to being a real difference.

Beginning arrearage information was compared statistically to determine if the groups owed comparable pre-project amounts. As shown in the previous tables, the PIP participant and control groups were different statistically, but the POB participant and control groups were not. In both instances, however, the beginning average arrearage amounts were higher for pilot participants than their control group counterparts. It is interesting to note, therefore, that although the differences in arrearages were not significantly different at the end of the project, the pilot participants owed lower average amounts than the control group members. This was to be expected given the arrearage forgiveness provision of the pilot.

Payment information for program participants and control group members is not statistically comparable because about 20% of the control customers in both groups did not receive any LEAP payments and no control group members received discounts on their bill. It was expected that

control customers would show higher payment amounts. The averages in the previous tables support this hypothesis.

Another important measure of the impact of the pilot is the likelihood of participants paying their bills. A variable was created to look at the total number of payments made by each customer during the active period. The active period is defined as that time between the start of the project and when a customer was released from the project because of past due amounts totaling more than one month's payments. Looking at the measure in the two tables, the project participants were much more likely to pay their monthly bills than were the control group customers. The differences between the project participants and the customers in the control groups were significant.

The final comparisons shown in the prior tables involve the average number of months to failure, and the average number of combined reminder letters and shut off notices during the two year period. Project participants took a longer time to fail, on the average, than the control group customers. Both PIP and POB participants took about 19 months to fail, while the control group customers failed at about 13 or 14 months. These differences were significant statistically.

Although they could not be compared statistically because of differences governing receipt of reminders and shut offs, the PIP and POB participants also had lower average numbers of delinquency notices (reminders and shut off notices combined) than did the control group members.

Finding

The statistical analyses clearly demonstrate that the Affordable Rate Project was successful in helping participants make more full and on time payments. Participants remained successful longer than their control group counterparts and had significantly fewer shut off notices.

Evaluation of Performance Objectives

In addition to the statistical comparisons between the PIP and POB participants and the control group members, a series of objectives to demonstrate the project's performance were defined by the Steering Committee. The objectives relied on percentage changes or differences over time either within the PIP and POB participant groups or between the two project groups and their control groups. Tests of significance were not incorporated into this part of the evaluation by agreement with the Steering Committee.

The objectives address changes or differences in collection costs, shut off notices, payment frequencies, payment amounts, and reductions in arrearages. The objectives of the pilot project were to:

- #1. Reduce collection costs for PIP and POB participants by 10% in comparison to the costs incurred for customers in the PIP and POB control groups.

- #2. Eliminate shut off notices for 50% of the participants in the program during the first year. Eliminate shutoff notices for 75% of the remaining participants, still active in the program at the end of the second year.
- #3. Show a 10% improvement in total numbers of payments during the active period for the program participants over the control group.
- #4. Have PIP and POB participants pay 75% of the expected number of payments on a monthly basis during the active period.
- #5. Have pilot participants who remained active during the two year period, pay 75% of the agreed upon amount of their payments on a monthly basis.
- #6. Show an 80% reduction in arrearages for 100% of the individual program participants who successfully complete the 24 month pilot project.
- #7. Show an 80% reduction in average arrearages for 100% of the total participants who successfully complete the 24 month pilot project.

Objective #1: To reduce collection costs for PIP and POB participants by 10% in comparison to the costs incurred for customers in the PIP and POB control Groups.

Analysis of this objective involves determining the average number of shut off notices for participants and control group members and multiplying those figures by an average cost per shut off notice as developed by PSCo in 1995. Shut off notice information is shown in the table below. It should be noted here that PIP and POB participants received reminder letters in lieu of a first shut off notice.

The first section demonstrate differences between four notice distributions. "Range of Notices" refers to the number of shut off notices that individual participants and control group members received over the twenty four month period - not the number of months. "People" refers to the number of participants or control group members with a given range or number of notices. "Notices" was calculated by multiplying the number of persons by the actual (not range) number of notices they received. "Average" was calculated by dividing the number of people in the range by the number of notices.

The second part of the table presents the totals for the two pilot participant groups and their respective control groups. "Total Persons" adds all the individuals in a pilot or control group who received shut off notices. "Total Notices" was calculated by summing the number of notices in each

range. "Average per Person" was calculated by dividing the total notices by the total number of people who received them.

Range and Average Number of Shut Off Notices by Project Group

Range of Notices	Percent of Income Plan						Percent of Bill Plan					
	PIP Participants			Control Customers			POB Participants			Control Customers		
	people	notice	average	people	notice	average	people	notice	average	people	notice	average
1 - 6	37	133	3.6	74	267	3.6	68	199	2.9	73	279	3.8
7 - 12	23	212	9.2	57	526	9.2	32	294	9.2	54	510	9.4
13 - 18	10	147	14.7	42	629	15.0	10	146	14.6	31	448	14.6
19 - 24	0	0	-	2	39	19.5	0	0	-	3	61	20.3
Total People	70			175			110			161		
Total Notices	492			1461			639			1298		
Average Per Person	7.0			8.3			5.8			8.1		

The basis of the comparisons defined in the objective, is the number of shut off notices. reported for the PIP and POB participants over the two year project time period. The performance of the PIP and POB groups is gauged against each group's control group for the same time period. What emerges from a review of the table is that control group members had a higher average number of shut off notices than participants . For the PIP group this occurred only at the higher ranges, but for the POB group the difference was apparent at both low and high ranges. By the project's end, the differences between the pilot groups and their corresponding control groups were fairly substantial.

It should be noted that on the bottom of the prior table, the totals are for persons who received one or more shut off notices, excluding pilot participants and control group members who did not receive any notices. A separate analysis was made, using the shut off notice totals for each group and all persons in each group. The averages appear below.

Average Number of Shut Off Notices by Project Group

	PIP		POB	
	PIP Participants	Control Customers	POB Participants	Control Customers
Total Persons	218	235	330	219
Total Notices	492	1461	639	1298
Average Per Person	2.3	6.2	1.9	5.9

This objective speaks to a 10% reduction in collection costs between the project groups and their control groups over the 24 month project period. In absolute numbers, the PIP and POB groups were significantly lower in shut off notices received than their control groups.

Shut off notices are costly for the company due to repeated efforts to contact a customer who is delinquent in an effort to remedy the situation. Average cost per shut off notice, up to the point of disconnection, is \$7.34. Because notices for all four groups are multiplied by this cost figure, the cost comparisons mirror those determined for the shut-off notices.

The assumption is made that the collection processes were applied to the two project groups in the same way as they were to the control groups with the collection costs for a project customer being equal to that of a control group customer. Applying the \$7.34 cost per shut-off notice to the shut-off notice numbers shown above, cost comparisons of \$3,611, \$10,724, \$4,690, and \$9,527 resulted for the PIP, PIP Control, POB and POB Control groups respectively. These cost comparisons between the project and control groups exceed the 10% expectation defined in the objective.

Collection Cost Comparisons between Four Project Groups

	PIP		POB	
	PIP Participants	Control Customers	POB Participants	Control Customers
Cost Per Notice	\$7.34	\$7.34	\$7.34	\$7.34
Total Notices	492	1461	639	1298
Total Cost	\$3,611	\$10,724	\$4,690	\$9,527
Persons with Shut-Off Notices	70	175	110	161
Average Cost Per Person	\$51.59	\$61.28	\$42.64	\$59.17

Another way of looking at these data is to consider the issues of costs averted. In the table above, "Average Cost Per Person" was calculated by dividing total costs for shut-offs in each group by the number of persons in that group who received one or more notices.

If we assume that the control group costs represent what could be expected from low income LEAP eligible customer without the intervention of the pilot program, we can see the benefits of the pilot. By subtracting the average cost per participant from the average cost for their control group counterparts, we find that the pilot was able to save between \$9.69 and \$16.53 in average shut-off costs per person over a 24 month period.

Finding

PIP and POB pilot group participants were clearly better in their bill payment behaviors during the project period than their control group counterparts, showing a greater likelihood of paying their bills in full and on time. For participants, this more reliable bill payment behavior also includes curing delinquencies from the previous month and staying no more than one month in arrears as was permitted by the project rules. With respect to costs averted or saved, the pilot was able to save between \$9.69 and \$16.53 in average shut-off costs per person over a 24 month period.

Objective #2: Eliminate shut off notices for 50% of the participants in the program during the first year. Eliminate shut off notices for 75% of the remaining participants still active in the program at the end of the second year.

Evaluation of this objective looks at the combined PIP and POB shut off notice frequencies received during the first and second year. It also takes into account the fact that 119 households were removed from the program for reasons other than delinquency and did not have any shut off notices. The project group is compared with the expected percentages of failure (50% and 75%), as stated in the objective.

**Frequency of Shut Off Notices for PIP and POB Participants by Month
1st Year**

	PIP N=218		POB N=330		Combined PIP and POB N=548	
Month	N	%	N	%	N	%
1*	4	1.8	2	.6	6	1.1
2	6	2.8	15	4.5	21	3.8
3	13	6.0	12	3.6	25	4.6
4	7	3.2	8	2.4	15	2.7
5	12	5.5	4	1.2	16	2.9
6	2	.9	11	3.3	13	2.4
Sub-Total	44	20.0	52	15.8	96	17.5
7	2	.9	8	2.4	10	1.8
8	4	1.8	7	2.1	11	2.0
9	1	.5	2	.6	3	.5
10	1	.5	5	1.5	6	1.1
11	4	1.8	3	.9	7	1.3
12	2	.9	7	2.1	9	1.6
Sub-Total	14	6.4	32	9.7	46	8.4
1st Yr Shut Offs	58	27.0	84	25.0	142	26.0
1st Yr No Shut Offs	160	73.0	246	75.0	406	74.0
1st Yr Removed - No Shut Offs	46	21.1	73	22.1	119	21.7
Carried over to 2nd Yr	114	52.3	173	52.4	287	52.4

* No one could actually fail in the first month. This number incorporates the early months of the project when participants were entered on a staggered basis over several months.

**Frequency of Shut Offs for PIP and POB Participants by Month
2nd Year**

	PIP N=114		POB N=173		COMBINED PIP AND POB N=287	
Month	N	%	N	%	N	%
13	1	.9	4	2.3	5	1.7
14	2	1.8	3	1.7	5	1.7
15	2	1.8	1	.6	3	1.0
16	0	0	2	1.2	2	.7
17	5	4.6	2	1.2	7	2.4
18	2	1.8	2	1.2	4	1.4
Sub-Total	12	10.5	14	8.1	26	9.1
19	1	.9	2	3.5	3	1.0
20	2	1.8	6	3.5	8	2.8
21	0	0	5	2.9	5	1.7
22	3	2.6	20	11.6	23	8.0
Sub-Total	6	5.3	33	19.1	39	13.6
2nd Yr Shut Offs	18	15.8	47	27.2	65	22.6
2nd Yr No Shut Offs	96	84.2	126	72.8	222	77.4

The tables above break out the number of PIP and POB participants who received shut off notices each project month. The evaluative information of importance for this objective, however, is that shown for the combined PIP and POB frequencies. In the first year, 406 or 74% of the combined pilot group participants received no shut off notices. This figure was calculated by summing the number (142 or 26%) of participants who did receive notices in the first year and subtracting that number from the total (548) number of participants in the project. Based on the 74% who were not delinquent in their payments, the first half of the objective was achieved.

A similar process was used to calculate the percentage of participants who did not receive notices in the second year. It is important to note that the 119 participants who were terminated from the project for reasons other than delinquency were subtracted from the total before the start of the second year. The rationale for this was that the first year portion of this objective did not refer to the active period while the second year objective did.

Shut offs were not as frequent during the second year. In total, 65 (22.6%) participants received notices. The result is that 222 or 77.4% of the participants did not receive a shut off notice during the second year. This exceeds the expected percentage of 75% stated in the objective. The project participants successfully achieved the second objective.

Finding

Shut-off notices were more frequent in the first year. The pilot was successful at eliminating shut-off notices for more than half of the participants in the first year and three-fourths of the participants who remained into the second year.

Objective #3: Show a 10% improvement in total numbers of payments during the active period for program participants over the control group.

PIP and POB participant monthly payments made during the active period, show considerable disparity compared to the number of payments made by control group customers. This is true for both the absolute number and the average number of payments.

**Comparison of Monthly Payments Made During the Active Period
by PIP and POB Participants and Control Group Customers**

	PIP	PIP Control	POB	POB Control
Number of Customers	218	235	330	219
Number of Payments	2,858	1,975	4,908	1,718
Average Number of Payments	13.1	8.4	14.9	7.8

Measurement of this objective looks at the average payment figures to control for the differences in sample sizes. The average number of payments for PIP project participants was 13.1 compared to 8.4 for the PIP control group members. This is a 54.8% higher average payment performance during the active period for PIP participants over the PIP control group members.

The POB participants also far exceeded the projected 10% payment improvement expectation, stated in the objective. The POB participants averaged 14.9 payments during the active period, compared to 7.8 for the POB control group members. The POB group participants had an 82.1% higher payment average than the control group.

Finding

Pilot group participants made far more payments during the active period than their control group counterparts. This finding reflects the fact that pilot group participants experienced a longer period

of success than the control group before becoming more than one month behind in their payments and being removed.

Objective #4: Have PIP and POB participants pay 75% of the expected number of payments on a monthly basis during the active period.

The two project groups are combined to measure this objective. The expectation established by this objective is that participants will pay their energy bills at least 75% of the months they were active or in good standing. A participant who remained active for the entire period would be expected to make 24 payments.

Two variables were created to measure the objective. The first was a count of the total number of payments made by each participant prior to failing (or being released from the project for other reason) or at the end of the project, if no failure occurred. The second variable was a count of the number of months the customer was in the active or good standing status. Calculation of the objective involved dividing the number of payments made by the total number of months in which payments were to have been made and noting the distribution of the resulting proportions.

The analysis indicates that the objective was not met. Only 87.4% of the participants paid their bill at least 75% of the total number of months, while the objective indicates that this would be true for 100% of participants. About 10% paid their bills between 33% and 66% of the time and 2.5% of the participants paid their bills about a third of the time. This probably indicates that the participants were regularly making up their past payments to avoid failing out of the project. Thirty-two participants paid their bills when they were expected to while active, 22 of whom remained active for the entire two year period.

Finding

While participants were able to avoid shut-off notices, very few were able to make 100% of the expected number of payments and, while they remained active, many were regularly curing previous delinquencies.

Objective #5: Have pilot participants who remained active during the two year period, pay 75% of the agreed upon amount of their payments on a monthly basis.

Payments amounts owed were determined separately for PIP and POB groups based on the differences in the discounts which were established for each group. For both PIP and the POB groups, the percentage paid was calculated by dividing the amount paid by the amount owed. Only

payments made for bills accrued during the active period by participants who completed the two years were used to evaluate this objective. PIP and POB participants were combined to determine payment performances for this objective.

Combining the PIP and POB payments showed that 81.1% of the 222 participants who remained active did pay at least 75% of the energy bills they owed. In that the objective is very strictly defined, the 18.9% of the participants who did not pay at least 75%, causes the project to not achieve the objective.

Finding

Of the 222 participants who were able to remain active until the end of the program, 8 out of 10 were able to pay the entire amount they owed each month.

Objective #6: Show an 80% reduction in arrearages for 100% of individual program participants successfully completing the 24 month pilot project.

Only participants who completed 24 months in the project from both the PIP and the POB groups were eligible for evaluation in this objective. A variable was created which answered the question of whether the arrearage balance in the 24 month was less than 80% of the beginning arrearage for each successful customer. A second variable measured whether the customer successfully completed the project.

**Cross Tabulation of Project Success by
Arrearage Reduction at the End of the Project**

80% or Greater Arrearage	Successful Project Completion	
	Number	%
Yes	197	88.7
No	25	11.3
Total	222	100.0

The expected 80% reduction in the current arrearages for 100% of the participants who successfully completed the project was not achieved in that only 88.7% of the successful participants met or

exceeded the 80% reduction. This is a substantial percentage of participants, but the objective allowed for no failure in the arrearage reduction in the sub-population of successful participants.

Finding

While not all participants eliminated their prior arrearages, more than four out of five were successful at reducing their arrearage balance by 80% or more.

Objective #7: Show an 80% reduction in average arrearages for 100% of the total participants who successfully complete the 24 month pilot project.

This objective is a variation of the previous one, which expected each individual participant to achieve at least an 80% reduction in arrearages. Here we are looking for a reduction in average arrearages of 80% across all successful project participants. Successful PIP and POB participants were combined and evaluated as a group. To measure this objective, the beginning arrearages were totaled as were the current arrearages for the 24th month for successful participants. These figures were then divided by the 222 participants who successfully completed the project.

The average beginning arrearage for the successful project participants was \$142.51 compared to \$47.82 current arrearage in the 24th month. The difference between the average beginning arrearage and the average current arrearage is a 66.4% reduction over the life of the project. With this reduction in unpaid bills, the objective was not met.

Finding

When all participants who completed the pilot successfully were combined the group as a whole was able to achieve significant reductions in arrearages.

Conclusion

The Affordable Rate Pilot Project clearly demonstrates that low income, LEAP eligible participants can be helped to pay their utility bills in full and on time. Participants in the pilot made more payments, remained successful longer and had fewer shut off notices than their control group counterparts. The pilot achieved the majority of the measurable performance objectives set for it concerning regularity and amount of payments and reduction of arrearages. Overall, the Pilot can be seen as a success as it assisted a vulnerable population while also meeting the needs of the Public Service Company of Colorado.

APPENDIX FOR QUANTITATIVE RESEARCH STUDY

The appendix contains technical information which expand on the paper describing the analysis of effectiveness of the Affordable Rate Pilot Project.

Selection of Affordable Rate Program Participants

Only customers living in the Denver area were eligible for project participation. To be eligible, customers had to meet a Federal Poverty Level standard and had to receive LEAP benefits. Participants were randomly selected from the 92/93 LEAP program for an interview to determine eligibility for either the PIP or POB program. Interviewees were screened for only one program and if found ineligible they were not offered the other program. It was more difficult to qualify for PIP than POB.

Each PIP and POB sample was stratified according to an estimate of the percentage of LEAP customers in each of four poverty level strata as reflected in the table below.

**Percentage of Poverty Level for 92/93 LEAP Eligible Customers
Sampled for the PIP and POB Program**

	LEAP Eligible Customers	
% of Poverty Level	Number	Percent
0 - 25%	2,061	12
26 - 50%	6,451	38
51 - 75%	3,576	21
76 - 100%	5,094	30
	17,182	101

Percentage total exceeds 100% due to rounding.

Sampled customers were disqualified if they did not appear for their eligibility interviews, were found to be over income, were not interested in participating once the project was explained to them, or would not sign the required participation contract. Some customers randomly selected for eligibility determination before the project start had total percentage of income payments that exceeded their total heating bills, based on the LEAP eligibility determination process. These customers were prohibited from joining the program. The objective was to fill the PIP and POB samples with approximately 250 participants each. In the end, 218 customers were sampled for the PIP component and 330 for the POB component.

Eligibility Determination for PIP/POB Programs

The following section describes in detail the eligibility requirements for the programs. Also listed are the formulas used to determine the discounts for all program participants. The examples given use identical criteria (i.e. monthly income, poverty level, house heating costs, # of people in the household & LEAP benefits) which will show the differences between the two programs.

POB Program

The Percentage of Bill Plan was a 24 month program designed to give low income customers a discount on their bill based on their 6 month winter heat costs and poverty level, as well as a write off on any arrears owing over \$72.00. The monthly discount was calculated by taking the heat costs times the % from the poverty level table and dividing it by 12 months.

The criteria used for customers to be put on the POB program were:

- Income had to be at or below 100% of the Federal poverty level.
- Participants needed to be LEAP approved and agreed to have their LEAP benefit spread out into 12 equal monthly payments.
- Participants agreed to enter into a 12 month budget billing plan or modified budget billing plan.
- Quarterly write-offs on arrears were given as long as the customer remained current on the program.

The following example illustrates how a customer on the POB Program would have their monthly payment calculated:

Sample: POB Customer Profile

Start Date	11/1/93
Arrears	\$500
Average Bill (yr total \div 12)	\$ 85
Monthly Income	\$500
House Heating Costs	\$600
# in Household	5
Leap Benefit	\$300

Calculations

Write-off on Arrears/ Quarterly	\$500 less \$72 (customer obligation) = \$428 \$428 - 24 months = \$17.83 per month X 3 = \$53.50 (per quarter)
Customer Monthly Obligation on Arrears	\$72 - 24 months = \$3.00 per month
Monthly Leap Benefit	\$300 - 12 = \$25.00 (Credit applied to bill each month)
Level of Poverty	Monthly Income \$500 w/5 in Household = 26 - 50% Poverty Level*
% of Discount	Poverty Level 26 - 50% = 20% Discount**
Discount Amount	HHC = \$600 x 20% Disc = \$120/year - 12 mos = \$10/mo
Customer's Mo. Payment	Avg Bill - Disc - Mo. Leap Benefit + Arrears = Pymt Due \$85 - \$10 - \$25 + \$3 = \$53

* Refer to Chart A

** Refer to Chart B

PIP Program

The Percentage of Income Plan was a 24 month program designed to give low income customers a discount on their bill based on their annual income (poverty level) as well as a write off on any arrears owing over \$72.00. The amount the customer needed to pay was calculated by taking the annual income times the percentage from the poverty level table and dividing that by the 6 month winter heat costs.

Criteria used for the PIP pilot were:

- Income had to be at or below 100% of Federal poverty level.
- Participants needed to be LEAP approved and agreed to have their LEAP benefit spread out into 12 equal monthly payments.
- Customers agreed to pay a minimum payment amount based upon the customer's Federal poverty level.
- Quarterly write-offs on arrears were given as long as the customer remained current on the program.

Sample: PIP Customer Profile

Start Date	11/1/93
Arrears	\$500
Current Bill	\$85
Monthly Income	\$500
House Heating Costs	\$600
# in Household	5
Leap Benefit	\$300

Calculations

Write-off on arrears/Quarterly	\$500 less \$72 customer obligation = \$428
	\$428 - 24 months = \$17.83 per mo x 3 = \$53.50 (per quarter)

Customers Monthly Obligation on Arrears	\$72.00 - 24 months = \$3.00 per month
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Monthly LEAP Benefit	\$300 - 12 = \$25.00
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Level of Poverty	Mo. Inc \$500 with 5 in hshld = 26 - 50% poverty level*
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% of Discount	Poverty level 26 - 50% = 5% discount**
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Customer Obligation	Annual Inc	X % disc	House Heating	Cust	% Owes (Disc=50%)
% Amount	\$6000	X 5%	= \$300	- \$600	= 50%

Discount	Current Bill	X Discount	= Cust Disc
Amount	\$85	X 50%	= \$42.50 Curr Mo. Disc

Customer Monthly Payment	Current Bills - (\$85	Discount - \$42.50	Mo. Leap Benefit - \$25	Arrears + \$3	Amount Due = \$20.50 (Var Ea Mo)
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* Refer to Chart A

** Refer to Chart C

TABLE A
POVERTY LEVEL SCALE
MONTHLY INCOME

NO. PERSON(S)	25%	50%	75%	100%
1	\$116	\$ 291	\$ 436	\$ 581
2	\$197	\$ 393	\$ 590	\$ 786
3	\$248	\$ 496	\$ 744	\$ 991
4	\$299	\$ 598	\$ 897	\$1,196
5	\$351	\$ 701	\$1,051	\$1,401
6	\$402	\$ 803	\$1,205	\$1,606
7	\$453	\$ 905	\$1,359	\$1,811
8	\$504	\$1,008	\$1,512	\$2,016
each add'l add	\$ 52	\$ 103	\$ 155	\$ 206

TABLE B	
LEVEL OF POVERTY	Percentage of Bill Rate
0 - 25%	40% off
26 - 50%	20% off
51 - 75%	15% off
76 - 100%	10% off

TABLE C		
LEVEL OF POVERTY	PIPP PAYMENT	MINIMUM PAYMENT
0 - 25%	4%	\$5
26 - 50%	5%	\$10
51 - 75%	6%	\$15
76 - 100%	7%	\$20

Annual Eligibility Evaluation

The rates applied to the PIP and POB participants were applied for 12 month periods. Prior to the project's start, sampled customers were evaluated by the PSCo staff to determine their eligibility for the Affordable Rate Project. To be eligible, customers had to apply for and receive LEAP assistance and be at or below 100% of poverty. Customer payment responsibilities required them to pay bills that were equalized over a 12 month budget billing plan and reduced by prorated LEAP payments and further reduced by the respective PIP and POB pilot components. In addition, customers had any arrearages forgiven through prorated monthly reductions when payments were made.

After the first 12 months, participants were evaluated again to confirm their eligibility. Participants living at above 100% of poverty or not receiving LEAP payments at the beginning of the second year were released from the program. Rates applied in the second twelve months to customer bills were determined in the same ways as they were for the first year. Consequently, participants may have received different discounts in their second year of program participation.

Payment Requirements and Cures of Payment Defaults

Three payment defaults were possible under the Affordable Rate Program. A default occurred when the customer failed to pay the required bill amount. The three defaults were: (1) nonpayment of bill, (2) partial payment of a bill, and (3) late payment of bill. There were various ways to cures the three defaults. A \$40 payment toward a \$50 obligation would be cured by a \$60 payment made by the following month due date. A nonpayment of \$50 payment obligation would be cured by a \$100 payment by the following month's due date. A nonpayment followed by a \$50 payment in the subsequent month would cure the first month's program default but would result in a program default in the second month. Continued payment there after would keep curing the previous default even though a new one occurred.

Total Payment and Shut Off Information for Participant and Control Groups

The sampling procedure resulted in sample sizes of 218, 330, 235, and 219 for the PIP, POB, PIP Control, and POB Control groups respectively. Based on these samples, an overview of the total payment and energy bill performances is shown in the table below. Payment, discount, LEAP payment, arrearage, total gas and electric bills, beginning arrearages, current arrearages and the total number of shut off notices are shown for the two year project period. It is not possible to compare groups due to differences in sample size.

Control group customers could receive LEAP payments in addition to making their own monthly payments, but were not eligible for any discounts. In that control group customers were not required to be LEAP recipients to remain in the control groups, the number of these customers not receiving LEAP payments had the potential of lowering control group payment totals, contributing to the differences between the project components and the control groups.

Approximately 20% of both the PIP and POB control group customers did not receive any LEAP payments during the two year period. Statistical comparisons of average payments could not be made because the proportion of control customers not receiving LEAP payments is so large. Any statistical differences found probably would be due to the differences in the non-LEAP participating customers.

Also shown in the table below is the arrearage forgiveness totals for the project groups. Under the project's rules, participants were responsible for paying \$3.00 of the arrearage each month or for paying \$72.00 of their outstanding balances during the two year period. Participants received a one twenty fourth forgiveness above the \$72 base for each month's bill payment in full.

**Summary Information for PIP and POB Participants
and Control Group Customers**

	PIP (N=218)	PIP Control (N=235)	POB (N=330)	POB Control (N=219)
Total Payments Made by Customer	\$208,268	\$364,178	\$403,809	\$311,996
Total Discounts	\$109,691	0	\$26,065	0
Total Leap Payments	\$144,565	\$98,978	\$180,624	\$85,533
Total Payments and Credits	\$462,524	\$463,156	\$610,498	\$397,529
Total Arrearage Forgiven	\$20,889	0	\$20,767	0
Total Gas Bills	\$242,826	\$224,661	\$315,460	\$204,546
Total Electric Bills	\$217,723	\$222,516	\$293,914	\$191,162
Total Energy Bills	\$460,549	\$447,177	609,374	\$395,708
Beginning Arrears	\$58,349	\$38,974	\$58,575	\$34,225
Current Arrears	\$20,719	\$24,815	\$27,635	\$23,706
Total Reminder Letters	294	0	339	0
Total Shut Off Notices	492	1,461	639	1,298

As stated above, it is not possible to interpret the differences reflected in the table above using the absolute values for the payments and write off's, because of the differences in the sample sizes. However, it is important to acknowledge the total dollar amounts paid by project participants and by control group participants as well as of arrearages forgiven for the project participants by the PSCo.

Information for reminder letters and for the number of shut off notices received by each group also is shown above. Reminder letters only were sent to active PIP and POB participants when they failed to pay a monthly bill. These letters reminded project participants that they were delinquent in one month's payment and that they could not fall two months behind without being released from the project. Control group customers were not given such a reminder. These letters afforded project participants the opportunity to make up their delinquent payments or to remain in good standing by paying the rest of their monthly bills in full.

Shut off notice differences are very evident, given the totals for the four groups. Shut off notices were sent to project participants when their bills were two months past due or after they were released from the program. Control group customers received notices when they failed to pay two monthly bills. The PIP project group received shut off notices about one third of the number of times as the PIP control group while the POB group received them about half as frequently as its Control group. In addition, the PIP group had a considerably lower number of shut off notices as the POB group participants.

QUALITATIVE EVALUATION OF ACTIVE AND FORMER PARTICIPANTS IN PUBLIC SERVICE COMPANY PILOT PAYMENT ASSISTANCE PROGRAM

Purpose of Study - Questions of Interest

In an effort to assist customers who have difficulty paying their utility bills, the Public Service Company of Colorado (PSCo) designed a payment assistance pilot program. Individuals were selected at random from a group who were eligible for LEAP in 1992/ 93 and at or below the 100% poverty level. A letter of introduction was sent from both LEAP and PSCo, explaining that participants had to qualify for both LEAP and the pilot program to be included.

The pilot program reduced the amount of the participant's monthly bill and had the capacity to also reduce arrears. Reductions were calculated in two distinct ways. Based on certain eligibility criteria, participants were given reductions that were either a percentage of their income (PIP) or a percentage of their bill (POB). PIP recipients received a greater discount as it was adapted to their available income rather than to their utility consumption.

Once eligibility was determined, participants were informed about the conditions of the payment assistance program and signed a contract that reiterated the expectations and benefits. The program was to last for two years, and for each month that the reduced bill was paid in full and on time, they also received a 1/24 reduction on their past due amount.

Five hundred and forty eight (548) households participated in the program that began on November 1, 1993. As of November 30, 1995, only 222 (40.5%) of the households remained. Of the original 330 households in the POB program, 142 (43%) complete the full 24 months; 99 (45.4%) of the 218 households in the PIP program remained. Those who were still involved in the program at its completion date are called "Active" participants. Those who did not continue in the program to the completion date are called "Former" participants. The major reasons for not completing the program included: failure to pay bill in full and on time, income over the eligibility limit, and ineligibility for LEAP.

The pilot payment assistance program involved a control group and a quantitative research design to determine its degree of effectiveness. Based on questions raised by a prior pilot energy assistance program, a qualitative research study was also undertaken. That study was designed to learn why some participants are unable to complete the program even with reduced payments and the additional incentive of a reduction on past due amounts. It was hoped that the study would be able to contrast those who were able to remain in the program to completion with those who were removed.

Qualitative studies can be a useful adjunct to quantitative research in that they can flesh out the meaning behind pure numbers. But such studies are limited in that they represent the responses of

only a select group of individuals, those who are available and willing to participate, and as such may reflect a perspective that is different from those not contacted.

Methodology

The methodology chosen for the qualitative research was a combination of key informant interviews, focus groups and telephone interviews. In all phases of this research, the pilot program Steering Committee played a guiding role. *(Please see Attachment #1 for a full list of participants and their affiliations)*

The key informant interviews with members of the pilot program Steering Committee, helped determine the focus of the study by clarifying what knowledgeable individuals wanted to learn from the research. Focus groups with consumers helped to establish potential answers to questions which would be asked in a forced choice format in the telephone interviews. Telephone interviews allowed for the collection of identifying demographic information and attitudinal and behavioral responses to multiple choice questions.

Key Informant Interviews

Prior to holding focus groups with consumers, members of the Advisory Committee were interviewed individually to determine what each hoped to gain from the qualitative research study and to get their input on factors that lead to participants being released from the pilot program prior to completion.

Some Steering Committee members hoped to receive information beyond that provided from a cost/benefit analysis that might serve as a justification for the development of payment assistance programs that were broader than pilot studies. Those interviewed indicated an interest in knowing what "type" of customer is able to complete the program as well as what elements of the programs themselves actually lead to completion. Further, they wanted to know what factors, if any, account for the differences in completion rates between PIP and POB participants.

Interviewees helped shape the focus group questions by identifying possible reasons why consumers did not finish the program. Some of the reasons they noted included: lack of understanding of the program expectations and requirements; lack of values for paying bills responsibly; lack of clarity in Public Service bills; personal circumstances; lack of knowledge and skill in budgeting; and past negative experiences with PSCo.

Focus Groups

Focus groups were employed to determine the types of potential questions and response categories that should be included in the telephone survey. Focus groups offer an opportunity for an open-ended, and in-depth format with a small group of participants. There is always an inherent bias in focus groups in that those who are willing to come to a meeting may have a different perspective

from those who choose to stay home. However, because they do represent the population of interest, in this instance Public Service Company customers who may have difficulty paying their bill, focus groups have a great deal to offer the researcher designing a more closed-ended instrument such as a telephone survey.

Names of PIP/POB program participants and control group members were chosen at random to be invited to attend focus groups. One hundred and forty seven (147) persons were called about attending focus groups. Thirty one (31) individuals, 21% of those called, agreed to attend. Seventeen (17) persons actually participated in the focus groups, 55% of those who agreed to attend, but only 11.5% of the group called. The details of the process for carrying out focus groups can be found in the appendix.

Of those who attend the focus groups, 4 were control group members, 4 were former participants and 9 were active participants. Attendance was hampered by the time of year, cold weather, and the necessity to travel out of their neighborhoods for meetings. Attendance, while less than hoped, was sufficient for the purpose of providing a range of potential questions and responses to be employed in the telephone survey.

Guidance to Telephone Survey

The experience with the focus groups confirmed for the researchers that there were four basic areas which needed to be addressed in the telephone survey. Those areas are: 1) the need to determine if participants understood the expectations and benefits of the program; 2) the need to assess participant's experience with and perception of Public Service Company of Colorado;

3) the need to determine the reasons for difficulty in paying bills and the strategies employed; and 4) the need to gather demographic information as a further way (beyond knowledge, attitudes, and strategies) to distinguish Active and Former group participants.

Telephone Survey

The telephone survey consisted of 35 multiple choice questions and three open ended questions. Calls were made during the evening hours and each participant with a working telephone was called as many as three times to make contact and complete the survey. The telephone calls took approximately 20 minutes to complete. *(For a copy of the telephone survey, please see Attachment #5)*

The Sample

The calling list provided to the researchers by PSCo contained the names of five hundred and ninety seven (597) PIP/POB households that were identified as originally participating in the PIP and POB programs. Thirty one (31) names were duplicates listed in more than one program or status and eighteen (18) households were miss-identified as they never participated in either the PIP or POB program, leaving a corrected list with a total of five hundred and forty eight (548) participants. The

plan was to contact all of these individuals regardless of their current status with the program. Details about locating telephone interviewees can be found in the appendix.

One hundred and eighty eight (188) telephone surveys were ultimately completed. Reasons for uncompleted surveys were phone disconnections, wrong numbers, refusal to answer the survey, and other. The "other" category includes individuals unable to hear adequately, people who were too confused to complete the survey, people who were ill and two households where the participant was deceased.

The overall completion rate for the telephone survey was an acceptable 39%. The POB and PIP Active groups achieved completion rates of 56% and 42% respectively. The completion rates of the Former POB and PIP groups were 31% and 28%. As anticipated, the percentage of completed calls was higher for Active than for Former participants - they are still on Public Service rolls, are less apt to move, and more apt to have a phone. They also had fewer disconnected and wrong numbers.

Looking at the sample of 188 respondents as a whole, one finds that more than half of them (57.4%) are Active rather than Former program participants, and the majority (63.3%) represented the POB rather than the PIP program. This fits with the original assumptions that a higher percentage of Active participants would be available by phone, and that the POB program would be over-represented in that this group represented a majority of the original participants due to its easier eligibility criteria.

Although respondents are identified on the survey by one of four categories (PIP Active, PIP Former, POB Active, POB Former), for purposes of analysis and ease of comparison, respondents are grouped as either Active or Former, and either PIP or POB. Because the analysis of Active/Former and PIP/POB yielded very similar results, reporting on both would be unnecessarily duplicative. Only the Active/Former comparisons are reported here as they best address the central questions of the study.

Demographics of the Sample

The demographic information provided here helps to illustrate some of the similarities and differences in the Active and Former respondents to the telephone survey. These data, however, should only be applied to the total PIP/POB population with caution. *(Please see Attachment #6 for tables illustrating the data presented in the text)*

Not all percentages equal 100% and not all frequencies total 188. This is due to the respondent(s) not answering the question(s), the option of multiple responses to a question, or the question being asked of only a subgroup of respondents. The number of respondents and the number of those asked is reflected as a fraction, for example, 41/80.

Gender, Age, Marital Status

The vast majority (81%) of respondents to the survey were women. This was true for both Active and Former groups. The respondents are relatively equally distributed along the age range with 21% between 26 - 35 years; 22% between 36 - 50 years; 24% between 50 - 65 years; and 27% over 65 years of age. Only 21 respondents (10%) identified themselves as married. The others identified as: single (35%); divorced (27%); widowed (14%); or separated (12%). The Active group had a larger percentage of over 65 (35%) and widowed (19.4%) and divorced (32%) than the sample as a whole. The Former group had a higher percentage of those 26 - 35 years of age (33%) and single (51%) than the sample as a whole.

Single Parenting, Children under 18

Slightly less than half of the respondents (48%) identified themselves as single parents. There is an important difference between the Active and Former groups on this variable, however, in that a majority (57%) of the Former group identified as single parents while a similar majority (55%) of the Active group said they were not single parents.

Half (98) of the households contained children under 18 (52%). Again the Active and Former Groups differed with the majority (55%) of the Active group not having children under 18 and a greater majority of the Former group (66%) having children. More than half (64%) of the households had only one adult over 18. This was true for both Active and Former groups.

Education

A majority (65%) of the sample had a high school degree or less; with 41% having only some high school. One fifth (20%) of the respondents, however, had completed some college. Active and Former groups differed with respect to education with the Former group being more educated than the Active group. In the Active group, 71% had a high school degree/ GED or less and only 20% had some college or above. In the Former group, in contrast, 56% of respondents had gone no further than high school and 36% had some college or above. The groups were similar in trade school participation.

Income/ Employment

Four fifths of all respondents (80%) said that their monthly household income before taxes was \$750 or less. The Active group had a higher percentage (87%) of the lowest income respondents than did the Former group (71%).

Three quarters of respondents (76%) said that they were not currently employed. This was true for a higher percentage (80%) of Active than Former (71%) respondents.

Full-time work was a source of income for 13% of respondents and part-time employment for 15%. Of those currently employed, most held "blue collar" jobs, with a few exceptions. The majority worked as retail clerks or cashiers. Others worked as secretaries, custodians or housekeepers, telemarketing representatives, waitresses, and drivers. Some people reported being self-employed,

from providing child care to raising animals. Other typical jobs mentioned were security guard, house painter, school bus driver, teacher's assistant, and religious practitioner.

Survey participants were also asked what their last job was. There were 86 people or 46% that either had never worked or couldn't remember what their last job was. Again, the majority of prior positions were in the service industry. By far, the most common job listed was as a retail clerk or cashier. Other jobs frequently listed were housekeeper/janitor, laundry worker, secretary/general office, nurse's aid, and temporary.

The most common source of non-employment income for households was Social Security Income or SSI (61%); the next being AFDC (29%) and OAP (17%). Active and Former groups differed on these variable as might be expected, given the age and family status differences. A majority (55%) of the Former group does not receive SSI while a greater majority (72%) of the Active group does receive this assistance. A greater percentage of Former (35%) rather than Active (24%) participants receive AFDC and a greater percentage of Active (25%) rather than Former (6%) participants receive OAP.

Housing

Both Active and Former respondents had lived in their homes for more than two years: 82% for Active and 76% for Former. And both groups were likely to rent rather than own their home: 53% for Active and 68% for Former.

Findings

The survey was developed to distinguish between Active and Former participants and help explain why one group of households was able to complete the pilot program while another group was removed for failure to meet the requirements for completion. The analysis of data provided here looks at the sample as a whole and also reports differences between Active and Former groups with respect to direction and strength. For example, if the Active group is positive on an item while the Former group is negative, that is reported as a major difference on that item. If, however, both groups are positive on a set of items but the Active group is consistently more strongly positive on those items, it will be reported as a tendency for the whole set of items rather than for each item individually. Percentages for the total group of respondents is reported to give a sense of scope. Differences in percentages between Active and Former groups are reported to show direction and should not be taken to mean a false degree of precision in the distinction. (*Please see Attachment #7 for a reformatted telephone survey containing the frequencies and percentages for each question*)

Respondent Understanding of Why They Were Taken off the Program

Former participants were asked why they were no longer participating in the pilot program. The most common reason given for being taken off the program was that the person was unable to pay their bill in full and on time (41 out of 80 responses). Almost one-fourth of those no longer in the program (19 out of 80) reported that they did not know why they had been removed from the program.

Strategies for Dealing with Public Service Company Billing Problems

The major strategies reported for dealing with billing problems were calling Customer Service and the PAR office. Sixty-seven (67%) of the respondents said that they called Customer Service with billing problems. Former and Active groups were similar on this item. Less than half (46%) of the total group of respondents reported calling PAR. Former and Active group participants differed on this item with slight majority (54%) of the Active group using PAR and a greater majority (65%) of the Former group not doing so.

Knowledge about the Rules and Expectations of the Pilot Program.

One of the assumptions of the study was that Active and Former participants would differ in the understanding of the Pilot Program. A majority of respondents (62%) knew that the pilot program lasted for two years. Three quarters (76%) of the respondents also knew that their bill had to be paid in full and on time in order to participate in the program. A majority of respondents (66%) knew they must be enrolled in LEAP to qualify for the program. .

Although respondents were not told that they had a grace period (if one payment was missed it could be made up in the second month to maintain eligibility in the program), almost half (49%) of them indicated knowledge of this rule. A majority (64%) of respondents did not know that once removed, a participant could not join again. And almost half (48%) did not know that by paying regularly, a portion of their arrears would be forgiven.

On all of these items, a greater percentage of the Active group knew the correct answers or a smaller percentage responded in the "don't know" category as compared to the Former group.

Respondent Attitudes and Perceptions

Another study assumption was that attitude and perceptions about receiving program information would influence the ability of a household to complete the pilot program. Only slightly more than half (55%) of respondents remembered receiving a contract that explained the rules of the program. Somewhat more (57%) felt the information they received about the program was clear, and 67% felt the program had been explained to them and they understood it. Respondents stated that their bills usually were correct (66%) and that they received prior notice of changes in payments or program (75%).

In each of these instances a higher percentage of the Active rather than the Former group accounted for the direction of the responses.

Reasons for Difficulty Paying Bills.

It was assumed that Active and Former groups might differ in the reasons they had difficulty paying utility bills. Respondents were given a list of situations that might make it difficult to pay Public Service bills. Only the most frequent responses are reported here. For the vast majority of respondents (86%) the reason for being unable to pay the bill was lack of money. A higher percentage (90%) of the Former group reported this item than did the Active (82%).

Other reasons were increases in cost of living (78%); unexpected expenses (76%); and lack of help from relatives (53%) In all these items the Former group reported higher percentages than the Active.

Bills Paid First with Limited Money

Respondents were asked to identify the bills they would pay first should "things get tight". It was assumed that Active and Former groups might have different priorities. The items with the highest percentages are presented here. Respondents identified: rent or house payment (80%); Public Service - utilities (78%); Groceries (44%) and Telephone (41%). Former and Active groups contributed equally to these percentages except in the grocery category where a majority (51%) of the Former group would place groceries in the top three while a greater majority (61%) of the Active group would not. Items like clothing, cable tv, burial expenses and insurance were indicated by less than 2% of respondents.

Strategies Employed to Deal with Funds Insufficient to Pay Bills.

Respondents were asked to identify strategies they use to pay bills when they have limited funds. This questions is crucial in that some of these strategies are in conflict with the expectations of the pilot program. Only those strategies employed by the most individuals are reported here.

The most commonly employed strategy was making a partial payment on a bill (89%), with both Former and Active groups reporting this equally. The next most common strategies were to: use money that would go for something else (69%); cut down on appliance usage (77%); cut down on groceries (60%); apply for assistance (65%); take on extra work (48%); pay bills in alternate months (47%); borrow from relatives or friends (43%); and don't pay some bills (45%). Higher percentages of Former rather than Active participants reported partial payment and non- payment strategies. The groups were similar in the percentage of respondents who payed on alternative months.

Involvement in Public Service and Other Energy Assistance Programs

A majority of respondents reported that they had participated in Budget Billing (61%) and Weatherization (53%), but few (39%) said they had been involved with the PAR Unit. While almost all (97%) respondents said they had received LEAP, only 15% said they had received any other form of community energy assistance. Active and Former groups did not differ appreciably on these items. Almost all (95%) respondents said that they and others like them need payment assistance programs like the PSCo pilot program.

Comments and Suggestions

When asked what Public Service could do or offer that would help people pay their utility bill, 117 people responded with either a comment regarding their hardships, or a program suggestion or strategy. By far the most commonly offered response, mentioned over twenty times, was the desire for the pilot payment assistance program to continue. The second most frequent response was that the program should last longer than two years.

There were several other comments mentioned at least five times. Individuals said that LEAP was helpful and needed to continue; that energy charges should be figured according to income or the household's ability to pay; rates should be reduced or at the very least, maintained; PSCo needs to be more lenient, especially in winter months and for those that are disabled, elderly, individuals with medical concerns, low-income households, or those with a good payment history; more help and different payment arrangements often need to be made to pay off outstanding amounts; and a greater number and variety of assistance programs need to be created to help low income families and individuals.

Comments offered at least two or three times were:

- PSCo is already doing a good job and they could think of no further suggestions
- Need notice of program or billing changes
- People need the ability to choose their PSCo bill due date
- Provide advise when budgets are tight
- Lower monthly payments
- Budget billing is helpful
- Create a program for people to exchange work for utility payment
- Need more information about assistance programs in general
- People need encouragement to apply for other assistance programs
- Pilot programs should be expanded to help greater numbers of people
- Offer greater numbers of assistance programs to low income people
- Continue the PAR program
- Examine households for energy conservation

Other comments and suggestions were:

- Don't allow people's bills to become unreasonably high
- Appreciated PSCo working out payment arrangement
- PSCo should accept partial payments
- PSCo usually works with people who are having a problem
- PSCo should work harder to work out an arrangement with people
- Allow customer to pay less initially and then catch up
- Bill two times a month instead of in one lump sum
- Budget billing is helpful, although people misunderstand "credit" system
- Call people to work out payment arrangements
- Don't terminate people so quickly
- Don't increase the monthly payment amount once people have started the program
- During cold weather months offer more programs
- People need to be better informed/more information in bills and inserts
- It is hard to work with PSCo on budget billing

- Need a program to pay by phone
- Bills should be clearer/less confusing/are often incorrect
- Late charges for low-income people are unrealistic - they cannot pay them

Limitations of the Study

Before a discussion of the findings of this study, it is necessary to clarify the limitations of this type of research and of a telephone survey. Qualitative research is meant to be descriptive - it clarifies quantitative findings and provides general information that can lead to the development of more specific hypotheses. Therefore, the findings of this study should not be taken as proven fact, but rather as suggestive directions for further exploration.

A further limitation of the study is that a telephone survey, by definition, is biased in that it only reaches those with working telephones. This fact and the reality that many low income households move frequently, resulted in a final respondent group that represented only a small portion (34%) of the original universe of participants. In that PIP and POB programs and Active and Former participants were fairly equally represented, however, some comparisons between the groups in the sample can be made. These should only cautiously be applied to the total group of Pilot Program participants.

Discussion

The findings of this study produce no surprises. All of the respondents are poor and the majority have limited education. Few have jobs and most are on fixed incomes. Those families with children under 18 are likely to be headed by single parents.

Poor people simply don't have enough money to go around. Some respondents employed strategies to cope with this situation (ie. paying partial bills, paying every other month) that might prevent a shutoff of service but would cause them to fail in the Pilot Program. These strategies were employed even though the Public Service bill was second only to housing expenses in importance.

The respondents as a whole did not completely understand the expectations and benefits of the Pilot Program. And they were somewhat confused by their communications from Public Service.

The Active (completers) and Former (non-completers) groups were remarkably alike. They differed only in degree in their understanding of the program and in the strategies they used to deal with limited funds. As might be expected, Active participants were somewhat more knowledgeable about the program expectations and benefits, and they were somewhat less likely to use bill paying strategies that would cause failure in the pilot program. The only real differences

between Active and Former groups were in the areas of life circumstances over which participants had little direct control at the time of the study.

The Active households are less likely than Former households to have children under 18 and be headed by a single parent. The Active respondents are more likely to be older, widowed, have lower income and less education. The income of Active respondents is more likely to come from SSI and OAP.

The Former group, in contrast to the Active, is likelier to have children under 18 and be headed by a single parent. They are more likely to be younger, and have slightly higher income and more education. Their income is more likely to come from AFDC, and, probably due to the presence of children, they are more likely to place groceries among their top three priority expenses.

The following Summary Chart of Respondent Demographics describes only those who responded to our survey and should not be generalized to any other population. *Please note, for the complete Demographic Comparison of Active and Former Respondents to the PIP/POB Telephone Survey, please refer to Attachment #6.

SUMMARY OF DEMOGRAPHICS

	ACTIVE	FORMER	TOTAL
Male	17%	20%	18%
Female	82%	80%	81%
Age - Less Than 65	62%	82%	70%
Age - Greater Than 65	35%	16%	27%
Single	22%	51%	35%
* Married/Ever Married	71%	49%	63%
Yes - Single Parent	42%	57%	48%
No - Single Parent	55%	44%	50%
Yes - Children Under 18	42%	66%	52%
No - Children Under 18	55%	33%	45%
One Adult Over 18	64%	64%	64%
More Than One Adult Over 18	32%	37%	34%
HS/ GED or Less	71%	56%	65%
College	20%	36%	26%
Income \$750 and Under	87%	71%	80%
Income \$751 and Above	10%	23%	15%
Yes - Current Employment	17%	28%	21%
No - Current Employment	80%	71%	76%
Largest Source of Income - SSI	72%	55%	61%
Second Largest Source - AFDC	24%	35%	29%
Housing - Rent	53%	68%	59%
Housing - Own	43%	33%	38%

* Excludes "Other" and "Living Together," both only 1% for Active and 0% for Former

APPENDIX FOR QUALITATIVE RESEARCH STUDY

This appendix contains technical information which expands on the paper describing the qualitative study of active and former participants in Public Service Company pilot payment assistance program

It is followed by several attachments that also add to the reader's understanding of the research.

DETAILS ABOUT FOCUS GROUPS

Contact Process

Names of PIP/POB program participants and control group members were chosen at random to be invited to attend focus groups. Control group members were individuals who had been invited to participate in the Pilot Program but who were unable to attend the orientation appointments. Their bill paying pattern was followed for the two year period, although they did not know that they were part of the study.

Public Service Company of Colorado Personal Account Representatives initially contacted the invitees by telephone using a script which explained why they were calling; who would be facilitating the groups; that payment would be provided; and the time, date, and location of the meeting. As the response was limited, additional names were generated, and a second round of calls were made by CHIP staff. Reminder calls were made to all participants just prior to the focus groups. *(Please see Attachment #2 for a copy of the script)*

Those who agreed to participate in focus groups were initially assigned to one of five groups according to status - PIP Active, POB Active, PIP Former, POB Former, and Control Group. Meetings were held in a comfortable, community-based location such as a church, community center, recreation center, or school. The meetings were held in the late afternoon or early evening to facilitate attendance. *(Please see Attachment #3 for a schedule and location of meetings)*

Number of Participants - Payments and Food

As an incentive to increase attendance, participants in the focus groups were offered a honorarium and reimbursement for transportation and child care. Refreshments were provided at all meetings. One hundred and forty seven (147) persons were called about attending focus groups. Thirty one (31) individuals, 21% of those called, agreed to attend. Seventeen (17) persons actually participated in the focus groups, 55% of those who agreed to attend, but only 11.5% of the group called.

Because of the low participation rate at individual group meetings, Active and Former participants from both PIP and POB programs were combined. It was assumed that the reasons for completion or non-completion in the program would be the same for each group.

Refreshments were provided at each meeting. The original honorarium for participation was \$10.00, as well as a \$10.00 reimbursement, if needed, for child care and transportation. These payments were provided for participants of the Control Group and initial Former POB group. However, as an increased inducement to attendance, the amount of payment was increased to \$20.00 for each participant in the remaining groups. Most people did not exceed the cap for child care and transportation.

The increased honorarium had a slight positive effect on participation, but the time of year, cold weather, and the necessity to travel out of their neighborhoods for meetings appeared to be the greater deterrent. The number of individuals called, those people scheduled, and how many people attended the meetings are identified by category in the table below.

As expected, those with an Active status showed greater response and participation in the focus groups than the Formers. Of the individuals who were called in the combined Active PIP and POB Group, 30% agreed to participate, with attendance at 70%. However, in the combined Former PIP and POB Group, only 11% agreed, and only 40% of those were in attendance.

Attendance, while less than hoped, was sufficient for the purpose of providing a range of potential questions and responses to be employed in the telephone survey. And as the telephone survey analysis below shows, the focus group participants were remarkably insightful about the issues and concerns of the population as a whole.

FOCUS GROUP PARTICIPATION BY CATEGORY

	Number	Of the Total	Of Those Scheduled
Control Group			
# of Individuals Called	39		
# of People Scheduled	8	20%	
# of People Who Attended	4	10%	50%
Former POB			
# of Individuals Called	19		
# of People Scheduled	5	26%	
# of People Who Attended	2	10%	40%
Active PIP and POB			
# of Individuals Called	44		
# of People Scheduled	13	29%	
# of People Who Attended	9	20%	69%
Former PIP and POB			
# of Individuals Called	45		
# of People Scheduled	5	11%	
# of People Who Attended	2	4%	40%
TOTAL Number of Focus Group Participants	17	11%	55%
Total Expenditure	\$459.00		
Average Cost Per Participant	\$ 27.00		

Description of Participants

The total number of participants was 17. All but one were female, and the majority were single or were single parents. Half had children living at home. Most participants lived on fixed incomes, a little over half rented, the other half owned their home. The majority were persons of color and almost half of the total appeared elderly.

Questions and Summary of Results

(For a copy of the questions asked of the Focus Groups, please see Attachment #4. Note that question #1 was excluded for the Control Group).

Participants were asked about their understanding of the pilot payment assistance program that they had participated in. This discussion raised issues such as program guidelines, receipt of information from Public Service Company of Colorado regarding program expectations, and reasons for termination.

The Groups addressed the reasons that it is sometimes difficult to pay bills on time. Participants in every group stated that lack of money was the central reason. The groups also generated lists of other common responses such as unexpected expenses, people living on a fixed income, and medical expenses.

Group members discussed strategies that people use to pay their bills when funds are limited. Again a list of the most common responses was generated including borrowing from their children and others, borrowing from "Peter to pay Paul," paying bills on alternate months, or paying a small amount on all of them, as well as doing without essentials.

Participants were asked to generate a list of typical expenses. They were then asked to indicate what bills they would pay first if they had only enough money to pay three bills. The top three answers were: 1) Rent/House Payment; 2) Public Service; 3) Groceries. Other consistent responses were what would logically be expected: telephone, transportation, water, and various kinds of insurance.

The final question asked of focus group participants referred specifically to what kinds of programs or approaches would be effective in making it easier to pay utility bills. Responses centered around the perception that Public Service rates are very high. The majority of people asked for more energy assistance programs to become available to more people. The ability to choose the Public Service bill's due date was suggested by some people, as were various incentive programs (e.g., decrease in bill if conservation is achieved) and work-benefit programs.

A number of focus group participants expressed frustration with their understanding of the program, utility costs in general, and their communications with Public Service Company of Colorado. People were generally unaware of assistance programs, both through Public Service Company of Colorado, or from other community human service providers.

Active groups communicated the same ideas as Former group members, however, they had more "positive" input. Some of the participants spoke highly of their interactions with Public Service Company of Colorado, and all stated the programs were extremely helpful and important to continue. All agreed that they could not afford budget billing and everyone in both groups said they experience extreme stress regarding their finances.

DETAILS ABOUT THE TELEPHONE SURVEY

The Sample

Passive consent letters were sent to all households on the calling list stating that unless Public Service received a request to withhold their name, it would be forwarded to the researchers. Sixteen (16) persons called Public Service to decline participation in the study and their names were removed from the list. Twenty five (25) letters were returned as undeliverable and these individuals were also removed from the initial list. Forty three (43) households had no telephone listed on the material provided by Public Service and the researchers were unable to find a current phone listing. In all, 84 households (18%) were removed from the original list leaving 464 households (85%) as targets for telephone interviews. Of those removed from the list, 60 were POB and 24 were PIP. Three quarters (73%) were Former participants and 25% were Active.

The following table lists the households targeted for the telephone survey by category and provides the percentage they represented of the group available to be called. The calling group (464) was representative of the original participant group (548) in that PIP participants constituted 40% of the original group and 42% of the calling group and POB participants constituted 60% of the original group and 58% of the calling group.

NUMBER OF HOUSEHOLDS TARGETED FOR TELEPHONE INTERVIEWS

CATEGORY	NUMBER	PERCENT OF TARGETED SAMPLE
PIP Active	91	19%
POB Active	124	27%
PIP Former	105	23%
POB Former	144	31%
	<hr/> 464	<hr/> 100%

Survey Completion

The table below reflects the reasons for uncompleted surveys and the percentage of completed surveys in each category.

PILOT PROGRAM TELEPHONE SURVEY

	ACTIVE POB		ACTIVE PIP		FORMER POB		FORMER PIP		TOTAL	
TOTAL # called for survey	124	27%	91	19%	144	31%	105	23%	464	100%
Phone Refusals	4	3%	15	16%	8	6%	2	2%	29	6%
Disconnections	12	10%	12	13%	37	26%	22	21%	83	18%
Wrong Numbers	8	6%	2	2%	20	14%	19	18%	49	11%
Language Barrier	4	3%	6	7%	6	4%	2	2%	18	4%
Called Three Times	20	16%	17	19%	21	15%	17	16%	75	16%
Other	6	5%	1	1%	3	2%	12	11%	26	6%
Completed Surveys	70	56%	38	42%	49	31%	31	28%	188	39%

ATTACHMENTS TO QUALITATIVE RESEARCH STUDY

ADVISORY GROUP

Jeff Ackerman
Public Service Company of Colorado

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Colorado Energy Assistance Foundation

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SPB Research, Inc.

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Colorado Energy Assistance Foundation

Gil Trujillo
Public Service Company of Colorado

Dianna Schaefer
Colorado Energy Assistance Foundation

SCRIPT FOR PAR CALLS CONCERNING FOCUS GROUPS

For Former PIP/POB; Active PIP/POB representatives

Hello, may I speak to *customers name*:

My name is (*your name*) and I am a Personal Account Representative with The Public Service Company of Colorado (PSCo). We are trying to learn how to improve our service to customers who may need some assistance in paying their utility bill.

We have asked the Center for Human Investment Policy (CHIP) at the University of Colorado at Denver to get some information to help us serve our customers better. They will conduct small groups with customers to ask about how they handle their utility bills and other expenses.

The groups will have 6 - 10 people and will take about 2 hours. People who attend will receive \$10 for their time. In addition, child care expense will be reimbursed to you, up to \$10, as well as up to \$10 for travel cost. There will also be refreshments served at the meeting.

We hope you might be willing to attend a group meeting. Your ideas are very important to us. We would like you to attend the group on _____ from _____ pm to about _____ pm. The group will meet at _____. The address is _____.

Do you think you would be able to attend this meeting?

Do you know where the meeting place is?

We will call you to remind you of this meeting.

Thanks so much for helping us. If you have questions, you can call me (*your name*) at _____ or Tracey O'Brien at 820-5631.

(Attending? Yes ____ No ____)

SCRIPT FOR PAR CALLS CONCERNING FOCUS GROUPS

For Control Group representatives

Hello, may I speak to *customers name*:

My name is (*your name*) and I am a Personal Account Representative with The Public Service Company of Colorado (PSCo). We are trying to learn how to improve our service to customers who may need some assistance in paying their utility bill. Your name was chosen at random from our customer list.

We have asked the Center for Human Investment Policy (CHIP) at the University of Colorado at Denver to get some information to help us serve our customers better. They will conduct small groups with customers to ask about how they handle their utility bills and other expenses.

The groups will have 6 - 10 people and will take about 2 hours. People who attend will receive \$10 for their time. In addition, child care expense will be reimbursed to you, up to \$10, as well as up to \$10 for travel cost. We do need receipts from you in order for these expenses to be reimbursed. There will also be refreshments served at the meeting.

We hope you might be willing to attend a group meeting. Your ideas are very important to us. We would like you to attend the group on _____ from _____ pm to about _____ pm. The group will meet at _____. The address is _____.

Do you think you would be able to attend this meeting?

Do you know where the meeting place is?

We will call you to remind you of this meeting.

Thanks so much for helping us. If you have questions, you can call me (*your name*) at _____ or Tracey O'Brien at 820-5631.

(Attending? Yes ____ No ____)

SCHEDULE OF PIP/POB FOCUS GROUPS

October 26, 1995 (Thursday)

CONTROL GROUPS (both PIP and POB)

- ▶ 4:00-6:00 p.m.
- ▶ Park Avenue Recreation Center
Contact: Larry Smith
839-3625
1849 Emerson Street
- ▶ Enter main entrance
- ▶ Parking Lot next door

November 1, 1995 (Wednesday)

FORMER POB

- ▶ 5:00-6:45 p.m.
- ▶ Annunciation School
Contact: Sister Jean
295-2515
3536 Lafayette Street
- ▶ Enter main entrance
- ▶ Parking Lot next to school

ACTIVE PIP

- ▶ 7:00-8:45 p.m.
- ▶ Annunciation School
Contact: Sister Jean
295-2515
3536 Lafayette Street

November 2, 1995, (Thursday)

FORMER PIP

- ▶ 4:00-6:00 p.m.
- ▶ Mennonite Church
Contact: Shirley
892-1038
430 West 9th Avenue
- ▶ Enter main entrance

November 7, 1995, (Tuesday)

ACTIVE POB

- ▶ 4:00-6:00 p.m.
- ▶ Mennonite Church
Contact: Shirley
892-1038
430 West 9th Avenue
- ▶ Enter main entrance

QUESTIONS FOR FOCUS GROUPS

1. *These questions are to see if people understood the conditions and obligations of PIP and POB. DO NOT ASK THESE QUESTIONS IN THE CONTROL GROUP.*

WHAT WAS YOUR UNDERSTANDING ABOUT THE ENERGY ASSISTANCE PROGRAM YOU PARTICIPATED IN?

WHAT DID YOU EXPECT WOULD HAPPEN WHEN YOU SIGNED THE CONTRACT WITH PSCO?

2. *This question is to see what causes people to fail to pay their full utility bill on time.*

JUST ABOUT EVERYONE HAS A HARD TIME PAYING THEIR BILLS SOMETIMES. WHAT MAKES IT HARD FOR YOU TO SOMETIMES PAY YOUR BILLS ON TIME?

3. *This question is to understand the strategies people use to pay their bills when they have limited income.*

WHAT KINDS OF THINGS DO YOU HAVE TO DO TO GET YOUR BILLS PAID WHEN THINGS ARE TIGHT?

4. *This exercise is designed to see what kind of priority a utility bill is.*

WE ARE GOING TO CREATE A LIST OF THE TYPICAL BILLS PEOPLE PAY OR EXPENSES THEY HAVE. NOW WE WANT EACH OF YOU TO VOTE FOR THREE BILLS THAT YOU WOULD PAY IF YOU DIDN'T HAVE ENOUGH MONEY FOR ALL YOUR BILLS. WE WILL THEN SEE WHICH ITEMS GET THE MOST VOTES.

5. *This question is to get suggestions on how to improve energy assistance.*

WHAT DO YOU THINK WOULD MAKE IT EASIER FOR PEOPLE ON LIMITED INCOME TO PAY THEIR PUBLIC SERVICE BILL REGULARLY?

TELEPHONE SURVEY
for
EVALUATION OF ENERGY ASSISTANCE (PIP/POB)

Hello, may I speak to *(customer's name)*:

My name is *(your name)* and I am calling on behalf of the Public Service Company of Colorado. They sent you a letter to request your participation in this survey regarding a pilot program to help customers pay their Public Service bill. Your answers will be very helpful in providing Public Service with the information they need to improve their services to customers who have difficulty paying their Public Service bills.

We need to ask you some questions about your experience with the pilot payment assistance program. Can we do that now? *(IF YES, say "thank you" and continue - IF NO, ask when would be a good time to call them back, and make an "appointment")*.

I will refer to the pilot payment assistance program, for the remainder of the survey, as just the pilot program.

We appreciate your willingness to answer these questions. You may stop this interview at any time.

(Write in customer's name and status)

NAME: _____

STATUS: _____ a. PIP ACTIVE c. POB ACTIVE
 b. PIP FORMER d. POB FORMER

If Former PIP or Former POB begin with question # 1.
If Active PIP or Active POB, begin with question #2.

1. According to Public Service records you are no longer participating in the pilot program. I would like to read you a list of reasons that Public Service might have taken you off the program and I would like you to tell me which ones might be true for you. You may choose as many as apply. *(Circle the letter of the item.)*

- a. You were unable to pay your public service bill in full and on time.
 - b. You completed the two-year pilot program.
 - c. You were no longer eligible because your income was too high.
 - d. You did not apply for LEAP.
 - e. You were not approved for LEAP.
 - f. You don't know why Public Service took you off the pilot program..
2. What do you do when you have a concern or a question about your Public Service bill? From the following list, tell me which ones you do. You may choose as many as you want. *(Circle the letter of the item.)*
- a. You call PAR(a personal account representative} at Public Service yourself.
 - b. You call customer service or the credit department at Public Service.
 - c. You ask a friend or someone else to call Public Service for you.
 - d. You write a letter to Public Service.
 - e. You don't do anything.

Public Service established certain rules and guidelines which govern the pilot payment assistance program. We are trying to determine what people remember about those guidelines. I'm going to read you six statements and I want you to tell me whether or not you think those statements are true, or false, or you don't know. The first statement is:

3. Participation in the current pilot program lasts for only two years.
- a. True
 - b. False
 - c. Don't Know
4. The Public Service Company's bill has to be paid in full and on time, in order to continue in the pilot program.
- a. True
 - b. False
 - c. Don't Know
5. If a person misses one payment but is able to make it up in the second month, they may remain in the program.
- a. True
 - b. False
 - c. Don't Know
6. Once a person is removed from the pilot program for non-payment, it is not possible to join the program again, even if the balance is paid later.
- a. True
 - b. False
 - c. Don't Know

7. For every month that a payment is made on time and in full, a percentage of any past due amount is cancelled.

- a. True
- b. False
- c. Don't Know

8a. *(IF THE PARTICIPANT IS/WAS IN THE PIP PROGRAM, ASK THE FOLLOWING):*

People in the pilot program receive a reduction in their bill based on a percentage of their income.

- a. True
- b. False
- c. Don't Know

8b. *(IF THE PARTICIPANT IS/WAS IN THE POB PROGRAM, ASK THE FOLLOWING):*

People in the pilot program receive a reduction in their bill based on a percentage of their bill.

- a. True
- b. False
- c. Don't Know

9. Participants must be approved for LEAP in order to qualify for the pilot program.

- a. True
- b. False
- c. Don't know

The following are some statements that may describe your experience in participating in the Public Service Company's pilot program. I will read two sets of statements and I would like you to tell me which statement you agree with the most.

(Only circle "c" if the consumer is unable to choose "a" or "b" or if they insist that they "don't know.")

- 10.
 - a. I did not receive a copy of the signed contract which explained the rules of the pilot program.
 - b. I received a copy of the contract.
 - c. (The consumer doesn't agree with either statement or they "don't know.")
- 11.
 - a. The program was explained to me and I understood it.
 - b. The program was explained to me but I did not understand it.
 - c. (The consumer doesn't agree with either statement or they "don't know.")

12. a. The information I received about the pilot program from Public Service has been clear.
b. I have received confusing information about the pilot program from Public Service.
c. (The consumer doesn't agree with either statement or they "don't know.")
13. a. My Public Service bills while I have been in the pilot program are often incorrect.
b. My Public Service bills while in the pilot program have usually been correct.
c. (The consumer doesn't agree with either statement or they "don't know.")
14. a. I usually receive prior notice from Public Service Company of Colorado, of any changes e.g. payment increases, program termination, etc.
b. Public Service Company of Colorado does not give me prior notice of any changes.
c. (The consumer doesn't agree with either statement or they "don't know.")
15. a. Most people at Public Service are helpful and respectful.
b. People at Public Service are generally not very helpful or respectful.
c. (The consumer doesn't agree with either statement or they "don't know.")
16. Just about everyone has a hard time paying their bills sometimes. I'm going to read you a list of things that may make it hard for you to pay your bills on time. Tell me if any of these reasons are true for you. (*Circle the letter of the item.*)
- a. Lack of money
 - b. Lack of jobs or unemployment
 - c. Due date of bills comes after the money is all gone.
 - d. Unexpected expenses come up.
 - e. Not eligible for assistance programs
 - f. Lack of help from relatives
 - g. Increase in cost of living
 - h. Late charges attached to existing bills
 - i. Forget to pay Bills
 - j. Stress
 - k. Illness
 - l. Changes in family size
 - m. Inconvenience in paying bills because of things such as not having a checking account or difficulty in buying a money order
 - n. *Is there any Other reason?* _____
17. Now I am going to read you a list of bills people typically pay. I'm going to read you the whole list first and then I'll go back and you tell me which are the top 3 bills, if things get tight, that you would pay first. (*Circle the letter of the items.*)
- a. Rent or house payment
 - b. Groceries
 - c. Water/Sewer
 - d. Transportation or car payment

- e. Car insurance
- f. Life insurance
- g. Loan payments
- h. Cable TV
- i. Public Service
- j. Telephone
- k. Medical expenses/Health insurance
- l. Children's expenses/school expenses
- m. Clothing
- n. Burial expenses
- o. Taxes
- p. Other (please specify) _____

18. I'm going to read you a list of things people sometimes have to do, when things are tight, to pay their Public Service bill. I'm going to read you a list and tell me if they are things you might do if you had trouble paying your Public Service bill. (*Circle the letter of the item.*)

- a. Pay partial bill
- b. Use money that should go toward something else
- c. Use other energy sources such as candles, kerosene lamps, etc.
- d. Cut down on use of your appliances
- e. Cut down on groceries
- f. Take on extra work
- g. Apply for assistance from agencies/programs
- h. Pay bills on alternate months
- i. Borrow money from relatives/friends
- j. Don't pay some bills
- k. *Is there any Other thing you might do?* _____

19. Have you participated in any of the following types of payment assistance or energy conservation programs through Public Service Company of Colorado? (*Circle the letter of the item.*)

- a. Weatherization
- b. Budget billing
- c. Personal Account Representatives (PAR) who can help you make payment arrangements when you have difficulty paying your bill.
- d. Other (please specify) _____
- e. No

20. Have you participated in any of the following community programs that help you with your energy bill? (*Circle the letter of the items*)

- a. Emergency assistance through agencies or churches
- b. LEAP
- c. *Any Other program?* _____
- d. No

21. Do you feel that you and others need payment assistance programs like the pilot program provided by Public Service?

Yes _____ No _____

22. Have you had your heat and electricity shut off in the last 12 months?

Yes _____ No _____

(If YES, go to next question - If NO, skip question #24 and go on to question #25)

23. How many times was it shut off? _____

24. How did you resolve the shutoff? Choose as many of the following as are true for you.

(Read the list and circle all that are true)

- a. Entered into payment plan with Public Service Company of Colorado
- b. Received crisis assistance such as money from a church or other private source
- c. Was approved for LEAP
- d. Moved
- e. Borrowed money from friends or family
- f. Put bill in someone else's name
- g. Paid in full with own funds
- h. Shutoff not resolved
- i. Submitted a medical certificate
- j. Not sure
- k. Other (please specify) _____

Now I need to ask you some questions about yourself. This helps us to understand more about you and other participants in the Public Service Company's pilot program..

(Do not ask customer - Interviewer should indicate sex)

25. Sex _____

- a. Male
- b. Female
- c. Uncertain

26. I would like to know your age. Please indicate your age from one of the following groups:

18 - 25 _____ 36 - 50 _____ Over 65 _____
26 - 35 _____ 51 - 65 _____

27. How many people live in your household? Under age 18 _____ Age 18 and over _____

28. What is your marital status? _____

- a. Single
- b. Married
- c. Divorced
- d. Separated
- e. Widowed
- f. Persons Living Together
- g. Other (please specify) _____

29. Are you a single parent? Yes _____ No _____

30. Please choose one of the following categories which reflects your level of education: _____

- a. Less than 12th grade
- b. Completed high school/ GED
- c. Trade school
- d. Some College
- e. Bachelors degree
- f. Graduate degree

31. Please choose one of the following categories which is true for the level of monthly income for your household, before taxes are taken out: _____

- a. \$0 - \$250
- b. \$251 - \$500
- c. \$501-\$750
- d. \$751 - \$1,000
- e. \$1,001 - \$1,250
- f. \$1,251 - \$1,500
- g. \$1,501 - \$1,750
- h. \$1,751 - \$2,000
- i. \$2,001 plus

32. I am going to read you a list and please tell me if any of these are a source of income for your household.

(Circle the letter of the item/s)

- a. Part Time / Seasonal Job
- b. Full Time Job
- c. Child support
- d. AFDC
- e. SSI/ Social Security
- f. Old Age Pension (OAP)
- g. Private Pension or Retirement Funds
- h. Disability Assistance (AND)
- i. Unemployment insurance
- j. Workman's Compensation
- k. Other (please specify) _____

33. Are you currently employed? Yes _____ No _____

(IF YES, go on to question #34. IF NO, skip to question #35)

34. What do you do? _____

35. What was your last job? _____

36. How many months or years have you lived at your current address?

- a. 0-6 c. 13-18 e. More than 2 years
- b. 7-12 d. 19-24

37. Do you rent or own your home?

- a. Rent
- b. Own

38. What would you suggest Public Service do or offer, that could help people in paying their Public Service bill?

Thank you very much for taking the time to answer these questions. Public Service customers who have difficulty paying their bills will benefit from your assistance.

DEMOGRAPHIC COMPARISON OF ACTIVE AND FORMER RESPONDENTS TO PIPOB TELEPHONE SURVEY

Gender

	Male	Female
Active	17%	82%
Former	20%	80%
Total	18%	81%

Age

	18-25	26-35	36-50	51-65	65+
Active	1%	13%	23%	25%	35%
Former	5%	33%	21%	23%	16%
Total	3%	21%	22%	24%	27%

Marital Status

	Single	Married	Divorced	Separated	Widowed	Living Together	Other
Active	22%	9%	32%	11%	19%	1%	1%
Former	51%	11%	19%	13%	6%	0%	0%
Total	35%	10%	27%	12%	14%	.5%	.5%

Single Parent Status

	Yes - Single Parent	Not Single Parent
Active	42%	55%
Former	57%	44%
Total	48%	50%

Children Under 18

	Yes - Children Under 18	No - Children Under 18
Active	42%	55%
Former	66%	33%
Total	52%	45%

Adult Over 18

	One Adult Over 18	More Than One Adult Over 18
Active	64%	32%
Former	64%	37%
Total	64%	34%

Education

	Less Than HS	HS or GED	Trade School	Some College	B.S. Degree	Graduate Degree
Active	48%	23%	7%	14%	5%	1%
Former	31%	25%	9%	29%	4%	3%
Total	41%	24%	7%	20%	4%	2%

Education Groupings Combined

	HS/ GED or Less	Some College and Above
Active	71%	20%
Former	56%	36%
Total	65%	26%

Income

	\$0- 250	\$251- 500	\$501- 750	\$751- 1000	\$1001- 1250	\$1251- 1500	\$1501- 1750	\$1751- 2000	\$2001 plus
Active	2%	40%	45%	7%	2%	0%	0%	1%	0%
Former	6%	36%	29%	11%	3%	5%	3%	0%	1%
Total	4%	38%	38%	9%	2%	2%	1%	.5%	.5%

Income Groupings Combined

	\$750 and Under	\$751 and Above
Active	87%	10%
Former	71%	23%
Total	80%	15%

Current Employment

	Yes - Current Employment	No - Current Employment
Active	17%	80%
Former	28%	71%
Total	21%	76%

Source of Income

	Active	Former	Total
Part Time	13%	18%	15%
Full Time	12%	15%	13%
Child Support	2%	8%	4%
AFDC	24%	35%	29%
SSI/ SS	72%	55%	61%
OAP	25%	6%	17%
Private Pension	2%	5%	3%
Disability	7%	15%	10%
Unemployment	0%	5%	2%
Workman's Comp..	0%	1%	.5%

Length of Time at Present Address

	0-6 mos	7-12most	13-18 mos	19-24mos	< 24 mos
Active	3%	4%	3%	3%	82%
Former	10%	6%	1%	4%	76%
Total	6%	5%	2%	3%	79%

Housing Status

	Rent	Own
Active	53%	43%
Former	68%	33%
Total	59%	38%

The following questionnaire has been reformatted to contain the frequencies and percentages for each question asked of the 188 respondents who completed the survey. The number of people (frequency) and the percentage, is listed in bold, at the right of the question. If the frequencies do not total 188, or the percentages 100%, it is due to the respondent(s) not answering the question(s), the option of multiple responses to a question, or the question being asked of only a subgroup of respondents. The number of respondents and the number of those asked is reflected as a fraction, for example, 41/80.

**TELEPHONE SURVEY
for
EVALUATION OF ENERGY ASSISTANCE (PIP/POB)**

Hello, may I speak to *(customer's name)*:

My name is *(your name)* and I am calling on behalf of the Public Service Company of Colorado. They sent you a letter to request your participation in this survey regarding a pilot program to help customers pay their Public Service bill. Your answers will be very helpful in providing Public Service with the information they need to improve their services to customers who have difficulty paying their Public Service bills.

We need to ask you some questions about your experience with the pilot payment assistance program. Can we do that now? *(IF YES, say "thank you" and continue - IF NO, ask when would be a good time to call them back, and make an "appointment")*.

I will refer to the pilot payment assistance program, for the remainder of the survey, as just the pilot program.

We appreciate your willingness to answer these questions. You may stop this interview at any time.

(Write in customer's name and status)

NAME: _____

STATUS: _____	a. PIP ACTIVE	38/188 (20.2%)
	b. PIP FORMER	31/188 (16.5%)
	c. POB ACTIVE	70/188 (37.2%)
	d. POB FORMER	49/188 (26.1%)

If Former PIP or Former POB begin with question # 1.

If Active PIP or Active POB, begin with question #2.

1. According to Public Service records you are no longer participating in the pilot program. I would like to read you a list of reasons that Public Service might have taken you off the program and I would like you to tell me which ones might be true for you. You may choose as many as apply. *(Circle the letter of the item.)*

- | | |
|-------------------------------------------------------------------------|---------------|
| a. You were unable to pay your public service bill in full and on time. | 41/80 (51.3%) |
| b. You completed the two-year pilot program. | 29/80 (28.3%) |
| c. You were no longer eligible because your income was too high. | 11/80 (13.8%) |
| d. You did not apply for LEAP. | 5/80 (6.3%) |
| e. You were not approved for LEAP. | 3/80 (3.8%) |
| f. You don't know why Public Service took you off the pilot program.. | 19/80 (23.8%) |

2. What do you do when you have a concern or a question about your Public Service bill? From the following list, tell me which ones you do. You may choose as many as you want.

(Circle the letter of the item.)

- | | |
|---------------------------------------------------------------------------------|----------------|
| a. You call PAR (a personal account representative) at Public Service yourself. | 86/188 (45.7%) |
| b. You call customer service or the credit department at Public Service. | 126/188 (67%) |
| c. You ask a friend or someone else to call Public Service for you. | 6/188 (3.2%) |
| d. You write a letter to Public Service. | 4/188 (2.1%) |
| e. You don't do anything. | 13/188 (6.9%) |

Public Service established certain rules and guidelines which govern the pilot payment assistance program. We are trying to determine what people remember about those guidelines. I'm going to read you six statements and I want you to tell me whether or not you think those statements are true, or false, or you don't know. The first statement is:

The Correct Answer is Underlined.

3. Participation in the current pilot program lasts for only two years.

- | | |
|----------------|-----------------|
| a. <u>True</u> | 117/188 (62.2%) |
| b. False | 8/188 (4.3%) |
| c. Don't Know | 63/188 (33.5%) |

4. The Public Service Company's bill has to be paid in full and on time, in order to continue in the pilot program.

- | | |
|----------------|-----------------|
| a. <u>True</u> | 143/188 (76.1%) |
| b. False | 11/188 (5.9%) |
| c. Don't Know | 34/188 (18.1%) |

5. If a person misses one payment but is able to make it up in the second month, they may remain in the program.
- | | | |
|----------------|--------|---------|
| a. <u>True</u> | 58/188 | (30.9%) |
| b. False | 34/188 | (18.1%) |
| c. Don't Know | 95/188 | (50.5%) |
6. Once a person is removed from the pilot program for non-payment, it is not possible to join the program again, even if the balance is paid later.
- | | | |
|----------------|---------|---------|
| a. <u>True</u> | 45/188 | (23.9%) |
| b. False | 22/188 | (11.7%) |
| c. Don't Know | 120/188 | (63.8%) |
7. For every month that a payment is made on time and in full, a percentage of any past due amount is cancelled.
- | | | |
|----------------|--------|---------|
| a. <u>True</u> | 44/188 | (23.4%) |
| b. False | 53/188 | (28.2%) |
| c. Don't Know | 90/188 | (47.9%) |
- 8a. *(IF THE PARTICIPANT IS/WAS IN THE PIP PROGRAM, ASK THE FOLLOWING):*
People in the pilot program receive a reduction in their bill based on a percentage of their income.
- | | | |
|----------------|-------|---------|
| a. <u>True</u> | 53/69 | (76.8%) |
| b. False | 5/69 | (7.3%) |
| c. Don't Know | 14/69 | (20.3%) |
- 8b. *(IF THE PARTICIPANT IS/WAS IN THE POB PROGRAM, ASK THE FOLLOWING):*
People in the pilot program receive a reduction in their bill based on a percentage of their bill.
- | | | |
|----------------|--------|---------|
| a. <u>True</u> | 49/119 | (41.2%) |
| b. False | 19/119 | (15.9%) |
| c. Don't Know | 49/119 | (41.2%) |
9. Participants must be approved for LEAP in order to qualify for the pilot program.
- | | | |
|----------------|---------|---------|
| a. <u>True</u> | 124/188 | (66.0%) |
| b. False | 11/188 | (5.9%) |
| c. Don't know | 491/88 | (26.1%) |

The following are some statements that may describe your experience in participating in the Public Service Company's pilot program. I will read two sets of statements and I would like you to tell me which statement you agree with the most.

(Only circle "c" if the consumer is unable to choose "a" or "b" or if they insist that they "don't know.")

- | | | |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 10. | a. I did not receive a copy of the signed contract which explained the rules of the pilot program. | 50/188 (26.6%) |
| | b. I received a copy of the contract. | 104/188 (55.3%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 34/188 (18.1%) |
| 11. | a. The program was explained to me and I understood it. | 125/188 (66.5%) |
| | b. The program was explained to me but I did not understand it. | 33/188 (17.6%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 30/188 (16.0%) |
| 12. | a. The information I received about the pilot program from Public Service has been clear. | 108/188 (57.4%) |
| | b. I have received confusing information about the pilot program from Public Service. | 46/188 (24.5%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 34/188 (18.1%) |
| 13. | a. My Public Service bills while I have been in the pilot program are often incorrect. | 33/188 (17.6%) |
| | b. My Public Service bills while in the pilot program have usually been correct. | 124/188 (66.0%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 31/188 (16.5%) |
| 14. | a. I usually receive prior notice from Public Service Company of Colorado, of any changes e.g. payment increases, program termination, etc. | 140/188 (74.5%) |
| | b. Public Service Company of Colorado does not give me prior notice of any changes. | 36/188 (19.1%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 11/188 (5.9%) |
| 15. | a. Most people at Public Service are helpful and respectful. | 172/188 (91.5%) |
| | b. People at Public Service are generally not very helpful or respectful. | 9/188 (4.8%) |
| | c. (The consumer doesn't agree with either statement or they "don't know.") | 6/188 (3.2%) |

16. Just about everyone has a hard time paying their bills sometimes. I'm going to read you a list of things that may make it hard for you to pay your bills on time. Tell me if any of these reasons are true for you. *(Circle the letter of the item.)*

a. Lack of money	161/188 (85.6%)
b. Lack of jobs or unemployment	84/188 (44.7%)
c. Due date of bills comes after the money is all gone.	76/188 (40.4%)
d. Unexpected expenses come up.	142/188 (75.5%)
e. Not eligible for assistance programs	43/188 (22.9%)
f. Lack of help from relatives	99/188 (52.7%)
g. Increase in cost of living	146/188 (77.7%)
h. Late charges attached to existing bills	68/188 (36.2%)
i. Forget to pay Bills	23/188 (12.2%)
j. Stress	86/188 (45.7%)
k. Illness	85/188 (45.2%)
l. Changes in family size	43/188 (22.9%)
m. Inconvenience in paying bills because of things such as not having a checking account or difficulty in buying a money order	29/188 (15.4%)
n. <i>Is there any Other reason?</i> _____	6/188 (3.2%)

17. Now I am going to read you a list of bills people typically pay. I'm going to read you the whole list first and then I'll go back and you tell me which are the top 3 bills, if things get tight, that you would pay first. *(Circle the letter of the items.)*

a. Rent or house payment	151/188 (80.3%)
b. Groceries	83/188 (44.1%)
c. Water/Sewer	36/188 (19.1%)
d. Transportation or car payment	12/188 (6.4%)
e. Car insurance	6/188 (3.2%)
f. Life insurance	6/188 (3.2%)
g. Loan payments	4/188 (2.1%)
h. Cable TV	3/188 (1.6%)
i. Public Service	147/188 (78.2%)
j. Telephone	77/188 (41.0%)
k. Medical expenses/Health insurance	16/188 (8.5%)
l. Children's expenses/school expenses	7/188 (3.7%)
m. Clothing	2/188 (1.1%)
n. Burial expenses	2/188 (1.1%)
o. Taxes	7/188 (3.7%)
p. Other (please specify) _____	1/188 (0.5%)

18. I'm going to read you a list of things people sometimes have to do, when things are tight, to pay their Public Service bill. I'm going to read you a list and tell me if they are things you might do if you had trouble paying your Public Service bill. *(Circle the letter of the item.)*

- | | |
|-------------------------------------------------------------------|-----------------|
| a. Pay partial bill | 168/188 (89.4%) |
| b. Use money that should go toward something else | 130/188 (69.1%) |
| c. Use other energy sources such as candles, kerosene lamps, etc. | 45/188 (23.9%) |
| d. Cut down on use of your appliances | 144/188 (76.6%) |
| e. Cut down on groceries | 113/188 (60.1%) |
| f. Take on extra work | 90/188 (47.9%) |
| g. Apply for assistance from agencies/programs | 123/188 (65.4%) |
| h. Pay bills on alternate months | 89/188 (47.3%) |
| i. Borrow money from relatives/friends | 80/188 (42.6%) |
| j. Don't pay some bills | 84/188 (44.7%) |
| k. <i>Is there any <u>Other</u> thing you might do?</i> _____ | 9/188 (4.8%) |

19. Have you participated in any of the following types of payment assistance or energy conservation programs through Public Service Company of Colorado? *(Circle the letter of the item.)*

- | | |
|---------------------------------------------------------------------------------------------------------------------------------|-----------------|
| a. Weatherization | 100/188 (53.2%) |
| b. Budget billing | 114/188 (60.6%) |
| c. Personal Account Representatives (PAR) who can help you make payment arrangements when you have difficulty paying your bill. | 73/188 (38.8%) |
| d. Other (please specify) _____ | 1/188 (0.5%) |
| e. No | 24/188 (12.8%) |

20. Have you participated in any of the following community programs that help you with your energy bill? *(Circle the letter of the items)*

- | | |
|------------------------------------------------------|-----------------|
| a. Emergency assistance through agencies or churches | 28/188 (14.9%) |
| b. LEAP | 176/188 (93.6%) |
| c. <i>Any <u>Other</u> program?</i> _____ | 3/188 (1.6%) |
| d. No | 5/188 (2.7%) |

21. Do you feel that you and others need payment assistance programs like the pilot program provided by Public Service?

Yes X No _____ 181/188 (96.3%)

22. Have you had your heat and electricity shut off in the last 12 months?

Yes X No _____ 7/188 (3.7%)

(If YES, go to next question - If NO, skip question #24 and go on to question #25)

23. How many times was it shut off? _____

1	4/7	(57.1%)
5	1/7	(14.3%)
9	1/7	(14.3%)

24. How did you resolve the shutoff? Choose as many of the following as are true for you.

(Read the list and circle all that are true)

- | | | |
|-----------------------------------------------------------------------------------|-----|---------|
| a. Entered into payment plan with Public Service Company of Colorado | 4/7 | (57.1%) |
| b. Received crisis assistance such as money from a church or other private source | 1/7 | (14.3%) |
| c. Was approved for LEAP | 4/7 | (57.1%) |
| d. Moved | 0 | |
| e. Borrowed money from friends or family | 2/7 | (28.6%) |
| f. Put bill in someone else's name | 0 | |
| g. Paid in full with own funds | 1/7 | (14.3%) |
| h. Shutoff not resolved | 0 | |
| i. Submitted a medical certificate | 1/7 | (14.3%) |
| j. Not sure | 0 | |
| k. Other (please specify) _____ | 1/7 | (14.3%) |

Now I need to ask you some questions about yourself. This helps us to understand more about you and other participants in the Public Service Company's pilot program..

(Do not ask customer - Interviewer should indicate sex)

25. Sex _____

- | | | |
|--------------|---------|---------|
| a. Male | 34/188 | (18.1%) |
| b. Female | 153/188 | (81.4%) |
| c. Uncertain | 1/188 | (0.5%) |

26. I would like to know your age. Please indicate your age from one of the following groups:

- | | | |
|---------------|--------|---------|
| 18 - 25 _____ | 6/188 | (3.2%) |
| 26 - 35 _____ | 40/188 | (21.3%) |
| 36 - 50 _____ | 42/188 | (22.3%) |
| 51 - 65 _____ | 45/188 | (23.9%) |
| Over 65 _____ | 51/188 | (27.1%) |

27. How many people live in your household? Under age 18 _____

of Children Frequency of Households Total # of Children

0	85/188	(45.2%)	0
1	25/188	(13.3%)	25
2	34/188	(18.1%)	68
3	22/188	(11.7%)	66
4	9/188	(4.8%)	36
5	4/188	(2.1%)	20
6	2/188	(1.1%)	12
7	2/188	(1.1%)	14
Total			241

Age 18 and over _____

<u># of Individuals 18 and Over</u>	<u>Frequency of Households</u>	<u>Total # of Individuals 18 and Over</u>
0	1/188 (0.5%)	0
1	119/188 (63.3%)	119 (46.0%)
2	55/188 (29.3%)	110 (42.5%)
3	6/188 (3.2%)	18 (7.0%)
4	3/188 (1.6%)	<u>12</u> (4.6%)
Total		259

28. What is your marital status? *(Circle the letter of the item.)*

a. Single	65/188 (34.6%)
b. Married	19/188 (10.1%)
c. Divorced	50/188 (26.6%)
d. Separated	22/188 (11.7%)
e. Widowed	26/188 (13.8%)
f. Persons Living Together	1/188 (0.5%)
g. Other (please specify) _____	1/188 (0.5%)

29. Are you a single parent? Yes _____ No _____ 90/188 (47.9%)

30. Please choose one of the following categories which reflects your level of education:

(Circle the letter of the item.)

a. Less than 12th grade	77/188 (41.0%)
b. Completed high school/ GED	45/188 (23.9%)
c. Trade school	141/188 (7.4%)
d. Some college	38/188 (20.2%)
e. Bachelors degree	8/188 (4.3%)
f. Graduate degree	3/188 (1.6%)

31. Please choose one of the following categories which is true for the level of monthly income for your household, before taxes are taken out *(Circle the letter of the item.):*

a. \$0 - \$250	7/188 (3.7%)
b. \$251 - \$500	72/188 (38.3%)
c. \$501 - \$750	72/188 (38.3%)
d. \$751 - \$1,000	17/188 (19.0%)
e. \$1,001 - \$1,250	4/188 (2.1%)
f. \$1,251 - \$1,500	4/188 (2.1%)
g. \$1,501 - \$1,750	2/188 (1.1%)
h. \$1,751 - \$2,000	1/188 (0.5%)
i. 2,001 plus	1/188 (0.5%)

32. I am going to read you a list and please tell me if any of these are a source of income for your household. *(Circle the letter of the item/s)*
- | | |
|----------------------------------------|-----------------|
| a. Part Time / Seasonal Job | 28/188 (14.9%) |
| b. Full Time Job | 25/188 (13.3%) |
| c. Child support | 8/188 (4.3%) |
| d. AFDC | 54/188 (28.7%) |
| e. SSI/ Social Security | 114/188 (60.6%) |
| f. Old Age Pension (OAP) | 32/188 (17.0%) |
| g. Private Pension or Retirement Funds | 6/188 (3.2%) |
| h. Disability Assistance (AND) | 19/188 (10.1%) |
| i. Unemployment insurance | 4/188 (2.1%) |
| j. Workman's Compensation | 1/188 (0.5%) |
| k. Other (please specify) _____ | 7/188 (3.7%) |
33. Are you currently employed? Yes _____ No _____ 40/188 (21.3%)
(IF YES, go on to question #34. IF NO, skip to question #35)
34. What do you do? _____
35. What was your last job? _____
36. How many months or years have you lived at your current address? *(Circle the letter of the item.)*
- | | |
|----------------------|-----------------|
| a. 0-6 | 11/188 (5.9%) |
| b. 7-12 | 9/188 (4.8%) |
| c. 13-18 | 4/188 (2.1%) |
| d. 19-24 | 6/188 (3.2%) |
| e. More than 2 years | 149/188 (79.3%) |
37. Do you rent or own your home? *(Circle the letter of the item.)*
- | | |
|---------|-----------------|
| a. Rent | 111/188 (59.0%) |
| b. Own | 72/188 (38.3%) |
38. What would you suggest Public Service do or offer, that could help people in paying their Public Service bill?
- _____
- _____

Thank you very much for taking the time to answer these questions. Public Service customers who have difficulty paying their bills will benefit from your assistance.