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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its 2012-2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets.

Application 11-05-017
(Filed May 16, 2011)

And Related Matters.

Application 11-05-018
Application 11-05-019
Application 11-05-020

ASSIGNED COMMISSIONER'S RULING CONCERNING CATEGORICAL ELIGIBILITY AND ENROLLMENT AND DEFINITION OF INCOME

This Assigned Commissioner's Ruling solicits comments on two enrollment related issues pending in this proceeding. The first concerns the categorical eligibility and enrollment in the California Alternate Rates for Energy (CARE) Program, and the second concerns the income definition in the Commission's CARE and Energy Savings Assistance (ESA) Programs.

On August 30, 2012, the Commission issued Decision (D.) 12-08-044 (D.12-08-044 or Phase I Decision) which provided, in part, as follows:

By January 31st of each year, the Utilities are directed to jointly and annually review and submit, by Tier 2 Advice Letter, an updated list of proposed categorical eligible low income programs for the upcoming year. The list must propose to retain and add categorically eligible programs for enrollment in low income programs, as appropriate, and must include only programs with income thresholds consistent

with the California Alternate Rates for Energy and Energy Savings Assistance Program Programs....¹

Pursuant to D.12-08-044, Southern California Gas Company, San Diego Gas & Electric Company, Southern California Edison Company, and Pacific Gas and Electric Company (collectively, Utilities) filed a joint advice letter² (Joint Advice Letter). Thereafter, on April 30, 2013, the Commission's Energy Division rejected the protested Joint Advice Letter stating that it raised significant unforeseen policy issues relating to the Commission's categorical eligibility and post-enrollment verification programs. As a result, the Energy Division rejected the protested Joint Advice Letter without prejudice and recommended that the issues it raised be further examined by the Commission in the herein proceeding.

Following the foregoing development, the Joint Second Amended Scoping Memo of the Assigned Commissioner and Administrative Law Judge (Scoping Ruling) was issued on July 24, 2013. The Scoping Ruling acknowledged the above development in the proceeding since the Commission's issuance of D.12-08-044 and identified that categorical eligibility and enrollment in the CARE Program should be examined in this proceeding.

The Joint Advice Letter reflected the Utilities' study of the previously-qualifying public assistance programs in the categorical eligibility program. The study contended that the majority of those previously-qualifying public assistance programs no longer qualify as their income thresholds or methodologies for calculating income resulted in misalignments with the

¹ Ordering Paragraph (OP) 88 (b) of D.12-08-044.

² SoCalGas (AL 4457-G), SDG&E (AL 2455-E-2170-G), Southern California Edison SCE (AL 2849-E), and PG&E (AL 3361-G-4186-E).

qualification thresholds that are consistent with CARE and ESA Program guidelines. Public Utilities Code section 739.1, subsection (f)(1), provides the Commission with some discretion on this issue, as follows:

...The commission may determine that gas and electric customers are categorically eligible for CARE assistance if they are enrolled in other public assistance programs with substantially the same income eligibility requirements as the CARE program....

In turn and as identified in the Scoping Ruling, the resulting policy issue for the Commission's review and resolution here would be to determine which of the public assistance programs has/have income eligibility requirements that is/are "substantially the same" as the CARE Program and therefore should be approved as qualifying public assistance program(s) in the CARE categorical eligibility program, consistent with the above Code section.

Related to the above issue of program eligibility and enrollment is the issue of how income is defined in CARE and ESA Programs. In D.12-08-044, we decided to examine, during the current Phase II of the proceeding, the definition of income used in CARE and ESA Programs and to determine whether non-cash benefits such as housing subsidies should be included as part of income calculation in determining income eligibility.³

The issues related to the Commission's categorical eligibility for CARE Program and the definition of income in the CARE and ESA Programs are within the scope of this proceeding, as stated in the Scoping Ruling and D.12-08-044⁴

³ D.12-08-044 at 13.

⁴ January 26, 2011 Amended Scoping Memo Ruling at 3.

and require a detailed further examination. The comments sought in this ruling are necessary to facilitate the Commission's deliberation on these issues.

IT IS RULED that:

1. Parties shall file and serve comments responsive to each of the questions in Attachment A by no later than March 11, 2014.

1. Parties shall file and serve reply comments by no later than March 17, 2014.

Dated February 25, 2014, at San Francisco, California.

/s/ CATHERINE J.K. SANDOVAL

Catherine J.K. Sandoval
Assigned Commissioner

ATTACHMENT A

**Attachment A to Assigned Commissioner's Ruling
dated February 25, 2014 in A.11-05-017, et al.**

Question 1:

What factors should be considered to determine whether other public assistance programs are substantially the same as the CARE Program income eligibility requirements, for the purposes of categorical enrollment? Comments should also address the threshold and methodology to determine which programs have income eligibility requirements that are substantially the same to qualify for CARE eligibility.

Question 2:

Considering cost effectiveness and efficiency, what thresholds should be established to determine whether a public assistance program's income eligibility requirements are substantially the same, but not necessarily identical to, the CARE Program eligibility requirements? How can we ensure that the thresholds we establish are reasonable, while also ensuring, to the extent practicable, that only the qualified low-income customers and households (meeting the statutory income thresholds or adopted categorical eligibility requirements) enroll and are enrolled in the CARE Program? Provide supporting data, analysis, examples and/or reasoning.

Question 3:

Based on the thresholds and methodologies adopted to determine which programs are "substantially similar" for the purpose of establishing CARE eligibility, which categorical programs should be used to establish CARE Program eligibility?

Question 4:

Should non-cash benefits, such as housing subsidies, be included in the income calculation to determine income eligibility for CARE/ESAP? If so, why? If not, why? Comments should address the administrative feasibility, and program costs or benefits involved with counting non-cash income including housing subsidies toward CARE eligibility. What is the magnitude of expected program savings or benefits from counting non-cash income? If the program benefits are small or negative compared to the costs, benefits, and administrative issues with counting non-cash income can or should the Commission rely on other methods to determine CARE income eligibility?

Question 5:

CARE/ESA currently define a “household” as any individual or group of individuals who are living together as one economic unit in the same residence. Should the definition of the term “household,” as currently used in the context of CARE/ESA eligibility, be revised? If so, how and why? If not, why?

(End of Attachment A)