



# CPUC

## Low Income Oversight Board

### February 23, 2016

# CALIFORNIA EMERGING TECHNOLOGY FUND

## Mission

**CONNECT ✦ COMMUNICATE ✦ COMPETE**

**Mobilize leadership statewide to close the Digital Divide by accelerating the deployment and adoption of broadband to unserved and underserved communities.**

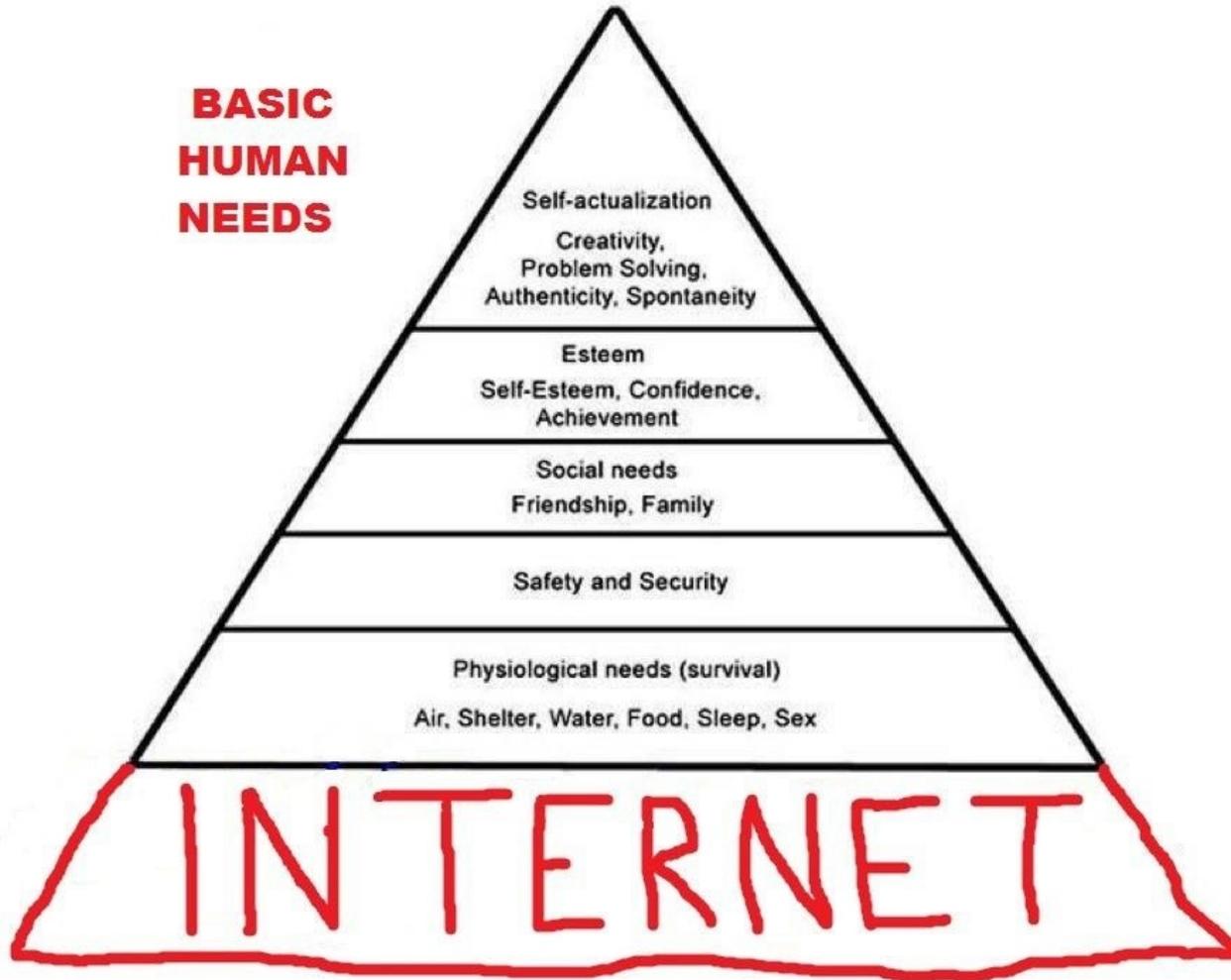
**Ensure that California is a global leader in the availability and use of broadband technology.**

**FOCUS ✦ ACTION ✦ RESULTS**

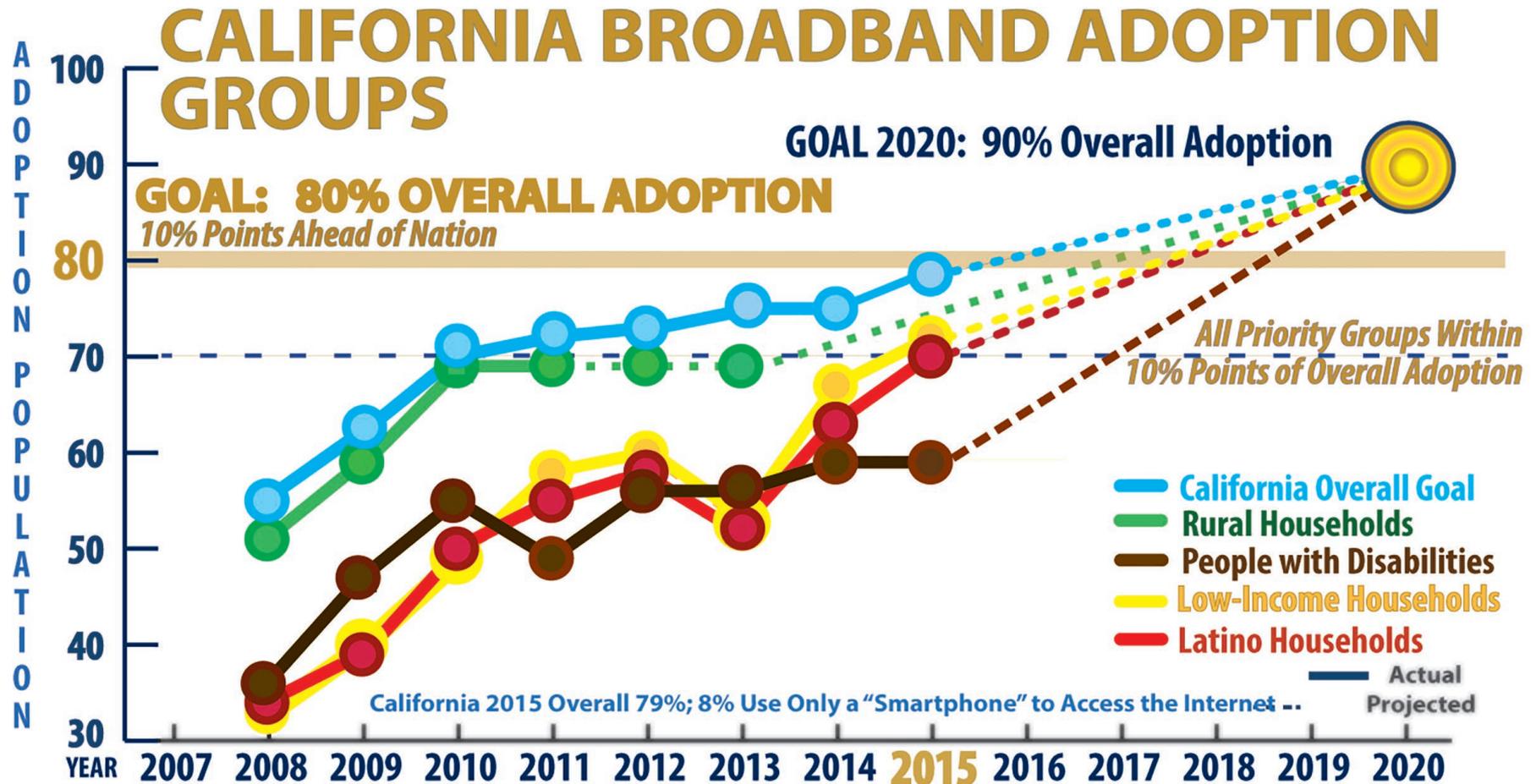


# BASIC HUMAN NEEDS

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# 2015 Statewide Survey Results



# Digital Divide is Greatest for the Disadvantaged

## Percentage of Californians with Broadband at Home

- 65% of Households Earning Less Than \$20,000 a Year (16% by smart phone only – 35% not connected)
- 63% of Households with Spanish-Speakers (21% by smart phone only – 37% not connected)
- 59% of People with Disabilities (8% by smart phone only – 41% not connected)
- 57% of Adults Age 65 or Older – Seniors (1% by smart phone only – 43% not connected)
- 52% of Non-High School Graduates (18% by smart phone only – 48% not connected)

# CPUC Low Income Oversight Board Opportunities to Tackle Poverty

- LIOB is a welcomed ally on key strategies:
  - \_ FCC Broadband Lifeline Proceeding
  - \_ Additional Funding for CASF
  - \_ Education Policy (School2Home Model and NT)
- LIOB can be a powerful voice and collaborator on partnerships with energy utilities:
  - \_ Consider endorsing strategy and sending letter of recommendation to CPUC Commission.
  - \_ Align energy efficiency programs with Digital Inclusion.
  - \_ LIOB could sponsor roundtable with energy utilities.
  - \_ Train CBOs participating in energy efficiency programs.

# LIQB LEADERSHIP NEEDED

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- **Champion a strategy that promotes equity and green benefits. Promote technology for online workforce training to achieve diversity goals.**
- **Pass a resolution calling for IOUs to include broadband adoption in their outreach programs with CARE and ESA funds.**
- **Encourage utilities to do a pilot to understand the benefits and cost of connecting low-income customers to the Internet.**

# BENEFITS TO UTILITIES

- The transaction costs will decrease for billing and communications.
- Low-income customers will have equal access to emergency notification and information.
- Low-income customers will have equal access to products and services that require Internet access.
- Low-income customers can use info from smart meters to manage their usage.
- Low-income customers can pay bills online when cash is available without having to spend time and money to pay bills in person.

# California Emerging Technology Fund

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- **There are 3 primary barriers to broadband adoption by low-income households:**
  - **Cost**
  - **Relevance**
  - **Digital Literacy**
- **Effective Digital Inclusion programs must address all 3 barriers to tackle the “wall of poverty”.**

# California Emerging Technology Fund Partnership with Energy Utilities

## ➤ **SMUD-CFILC Partnership:**

- **New Partnership Agreement has been signed.**
- **Full implementation October 2015-April 2016.**
- **Results to date: 47,500 letters sent; 15,000 calls to CFLIC; 30% adoption).**
- **CFILC provides info about the SMUD online portal.**

## ➤ **SCE-CFILC Partnership:**

- **Pilot: mailing of letters to 10,000 customers with disabilities will begin in April.**
- **Letter describes offer and that CFILC is the partner handling calls; toll-free number provided.**

# GENERAL FRAMEWORK FOR PILOTS

- Train existing CBOs on how to do adoption.
- Recruit new CBOs with experience doing adoption.
- CBOs can refer customers to a call center or complete the adoption. Reimbursed at different rates.
- Support CBOs and a Call Center financially.
- Distribute (mail) letters about the offer weekly.
- Utility staff does not need to handle calls or be an expert on adoption.

# PROGRAM COMPONENTS

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- Call Management System
  - \_ Calls go to Call Center for adoption
  - \_ Referred to Other CBOs for Devices and Training
- Affordable Devices
  - \_ Referred to New or Refurbished \$85 to \$250
- Digital Literacy Training
  - \_ Vetted partners that conduct regular classes near customer

# PROGRAM COMPONENTS

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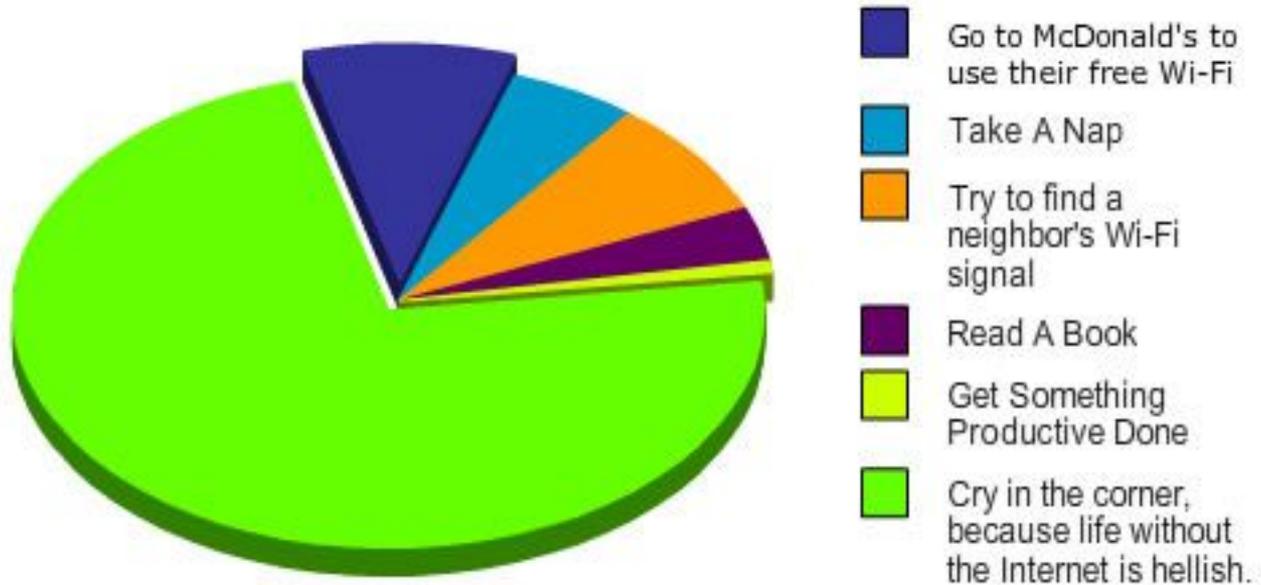
## Affordable Offers

- **Basic Internet \$72 Hot Spot \$10 per month**  
No Eligibility requirements
- **Comcast Free Modem/Router \$10 per month** National School Lunch Program
- **AT&T Free Modem only \$5 and \$10 per month** CalFresh enrollment
- **Frontier Free Modem/Router \$13.99 per month with Lifeline subscription**

# CPUC AND UTILITY SUPPORT

- Progress is being made with other utilities:
  - SMUD continues to reach out to low-income households.
  - SDG&E meeting resulted in decision to take next steps.
  - SCE will be doing a pilot with CFILC.
  - DWP has scheduled meeting in March.
  - PG&E has expressed interested and wants to meet.
- CPUC support is key to encouraging this strategy and partnering by energy utilities with CBOs.
  - Staff is supportive and sees it as consistent with finding new ways to enroll new households and be more efficient.
  - Suggested pilots so costs would be known when producing the budget for new three year cycle .

# Things to Do Without Access To The Internet



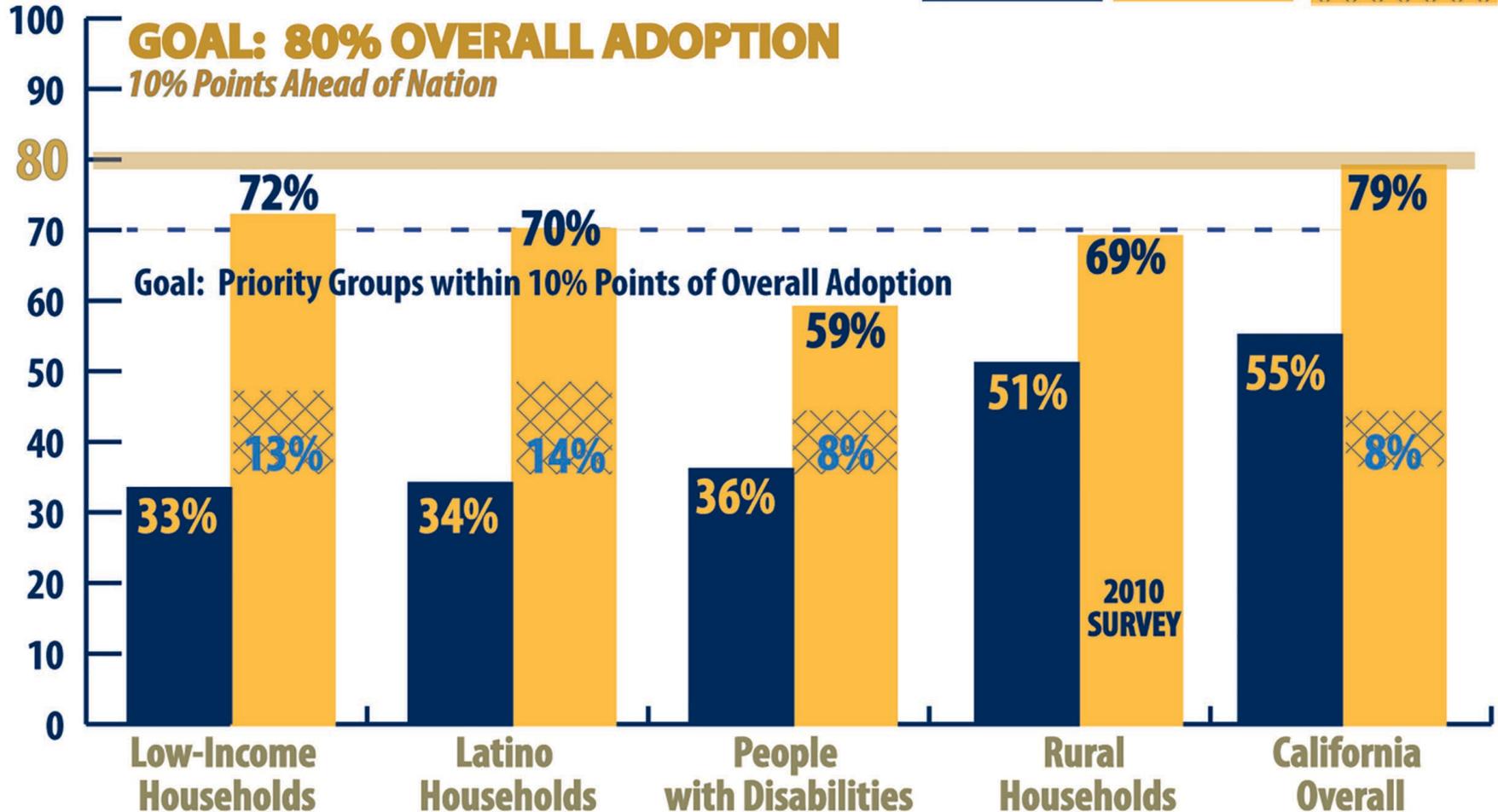
# 2015 Statewide Survey Results

## CALIFORNIA BROADBAND ADOPTION GROUPS

2008

2015

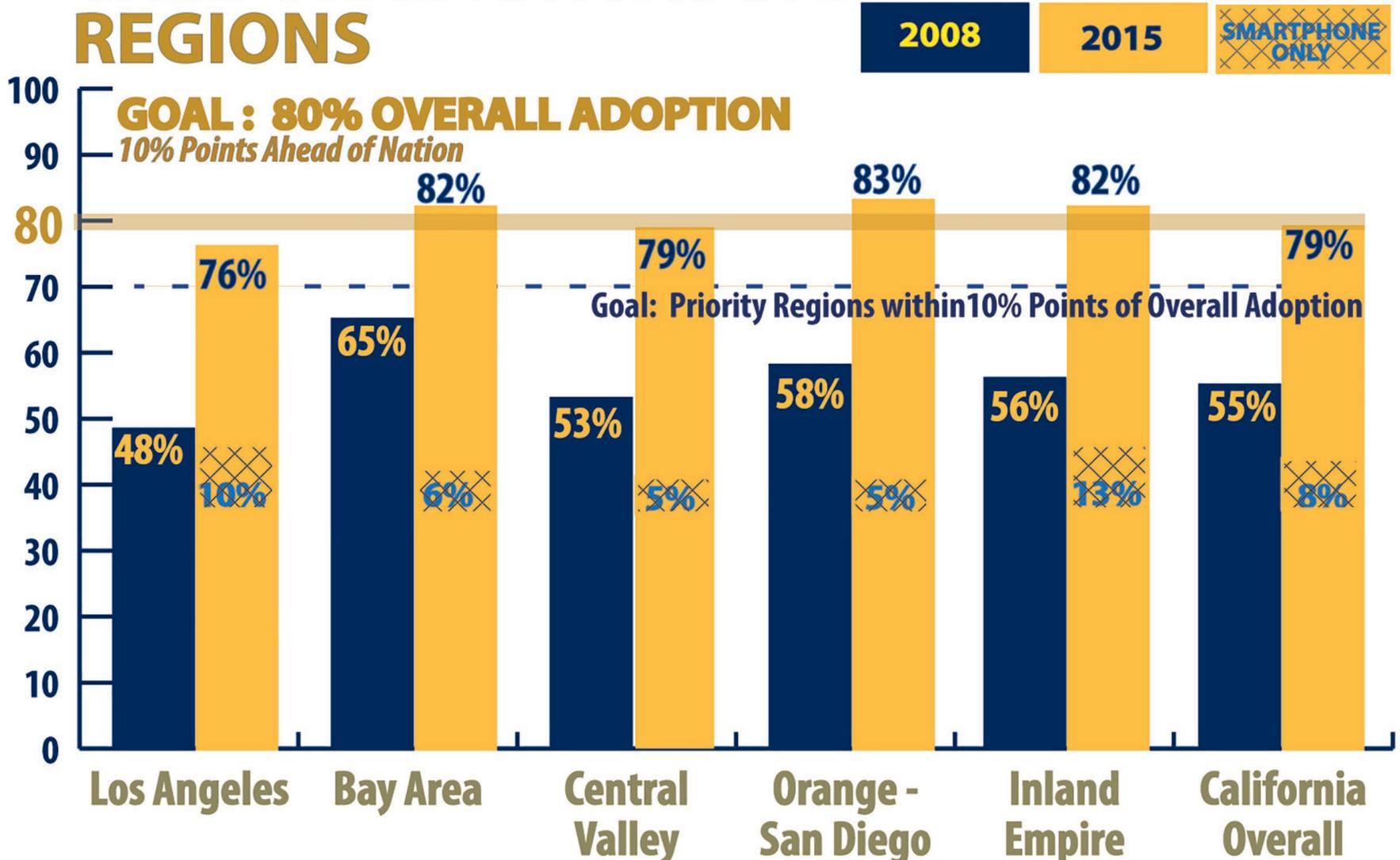
SMARTPHONE ONLY



California 2015 Overall 79%; 8% Use Only a "Smartphone" to Access the Internet

# 2015 Statewide Survey Results

## CALIFORNIA BROADBAND ADOPTION REGIONS



**GOAL: 80% OVERALL ADOPTION**  
*10% Points Ahead of Nation*

Goal: Priority Regions within 10% Points of Overall Adoption

California 2015 Overall 79%; 8% Use Only a "Smartphone" to Access the Internet

