



# Utility CARE/TANF Leveraging Program

Utilize up to \$10 Million in IOU CARE Funds to Leverage  
with \$40 Million in ARRA Temporary Assistance to Needy  
Families (TANF) Funds

Tory Francisco

Low Income Energy Efficiency Analyst

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## Background/Summary

- The American Recovery and Reinvestment Act of 2009 (ARRA) Temporary Assistance to Needy Families (TANF) Emergency Funds:
  - TANF Funds are Federally administered by the U.S. Department of Health and Human Services to the California Department of Social Services (CDSS)
  - TANF is a block grant program to help move recipients into work, making welfare assistance only temporary
  - ARRA authorized an extra \$5 Billion in emergency funding nationwide during fiscal year 2009-2010 to be funneled through TANF for needy families.
  - \$1.8 billion is available for California in emergency funding
  - Assistance period expires September 30, 2010
  - Commission Rulemaking 10-02-005, aimed at reducing number of gas and electric utility service disconnections, ordered the IOUs to make use of the ARRA/TANF emergency fund in combination with CARE dollars for bill payment assistance .





# Objectives of the CARE/TANF Program

## □ Objectives:

- Leverage up to \$10 million in IOU CARE funds with \$40 million in TANF funds (\$1 in CARE funds for every \$4 in TANF funds) for a potential total program budget of \$50M that can go towards utility bill payment assistance
- Assist CARE and TANF qualifying families with their past due utility bills to help reduce and avoid service disconnections for eligible families in the PG&E, SCE, SoCalGas and SDG&E service territories
- Continue and retain the existing IOU-run bill payment assistance programs such as PG&E's REACH program or SoCalGas' Gas Assistance Fund for customers ineligible for the CARE/TANF program





## Funding of the CARE/TANF Program

- Proposed Funding for 4 IOUs' CARE/TANF Programs
  - \$ 10 Million total in IOU CARE funds:
    - \$5 Million of PG&E CARE Funds
    - \$2 Million of SCE CARE Funds
    - \$2 Million of SoCalGas CARE Funds
    - \$1 Million of SDG&E CARE Funds
  - \$40 Million of TANF Emergency Funds total for the 4 IOUs
  - Resulting in potentially \$50 Million in total CARE/TANF Program Budget
    - \$25 Million of PG&E CARE/TANF Funds
    - \$10 Million of SCE CARE/TANF Funds
    - \$10 Million of SoCalGas CARE/TANF Funds
    - \$5 Million of SDG&E CARE/TANF Funds
- Allocation of Administrative Funds
  - Between 15-20% of total program costs will be allocated for administrative costs, of which 80% will be covered by TANF Funds





# Program Activities and Tentative Schedule

- ❑ **April 8, 2010**
  - Commission approves \$5M in CARE funds for PG&E to be leveraged with TANF funds
- ❑ **April 22, 2010**
  - Commission approves \$5M combined in CARE funds to be leveraged with TANF funds for SCE, SoCalGas, and SDG&E
- ❑ **May, 2010**
  - CDSS applied for \$20M in TANF Emergency Funds on behalf of the counties to the Department of Health and Human Services for use in the 2<sup>nd</sup> Quarter 2010 (April-June)
- ❑ **June, 2010**
  - Department of Health and Human Services expected to issue 2<sup>nd</sup> Quarter fund awards
- ❑ **June 7, 2010**
  - State will apply for the remaining \$20M in TANF Emergency Funds on behalf of the counties to the Department of Health and Human Services for use in the 3<sup>rd</sup> Quarter 2010 (July-Sept)
- ❑ **June-July 2010**
  - Department of Health and Human Services expected to issue 3<sup>rd</sup> Quarter fund awards
- ❑ **June-September 2010**
  - The Salvation Army, or respective IOU program administrator, distributes funds to eligible customers
- ❑ **September 30, 2010**
  - Program is expected to end, unless extended by the Federal Government

