



## **DRA Responses to Commissioner Questions on Categorical Eligibility for Low-Income Energy Programs**

*DRA commends the Commissioner's Office for taking the lead to resolve important yet difficult policy issues related to Categorical Eligibility. DRA offers suggestions below in order to tease out question components and unearth some of the underlying issues indicated in the original All Party questions.*

### **Q1. Requesting Comments on the ICF Presentation and letter of March 29, 2013**

**DRA Response:** Support inclusion of all original questions and recommend adding the following for clarity:

- ▶ Does this material add anything substantive or new to the January 31, 2013 Advice Letter?

### **Q2. Should the CPUC continue to use Categorical Enrollment and appropriate Enrollment, Renewal, Verification procedures?**

**DRA Response:** Recommend utilizing the following questions:

- ▶ Should the CPUC continue to use Categorical Eligibility as an enrollment model?
- ▶ What are the pros and cons of allowing customers to enroll by Categorical Eligibility OR income eligibility (as with the Lifeline program)?
- ▶ What is the most efficient and cost-effective way to enroll low-income and eligible customers?
- ▶ What is the most efficient and cost-effective way to re-certify or renew the low-income and eligibility status of a customer?
- ▶ What is the most efficient and cost-effective way to conduct Post-Enrollment Verification (PEV) to ensure that only eligible customers receive CARE low-income benefits?
- ▶ Provide input on these and other low-income PEV practices:
  - Income only verification
  - Proof of participation in a listed Categorical Eligibility program
  - Allow customer to choose either income or program proof

### **Q3. Defining key elements for CARE Eligibility**

**DRA Response:** Recommend utilizing the following questions:

- ▶ What should be included when calculating household income for the CARE program?
- ▶ How should the term "household" be defined pursuant to the CARE energy subsidy program?
- ▶ What statutes, policies, and CPUC goals support using these definitions?



#### **Q4. Consistency and Coordination among Low-Income programs**

**DRA Response:** In addition to the original questions, we suggest the following:

- ▶ Is there reason to coordinate the CARE eligibility standard with other CPUC-authorized low-income assistance programs, such as water and telecommunications low-income programs?
- ▶ Is it possible to coordinate standards among these programs?
- ▶ Is there reason to coordinate the CARE eligibility standard with its federal counterpart, the Low-Income Home Energy Assistance Program (LIHEAP) program? Is it possible to coordinate standards between these two programs?

#### **Q5. Alignment Criteria and Assessment**

**DRA Response:** Suggest utilizing the following questions:

- ▶ What would be the optimal criteria to assess alignment between CARE and other public assistance programs?
- ▶ What methodologies should be used to evaluate public assistance program alignment with CARE categorical eligibility program policy (including the criteria listed above)?
- ▶ Should any reasonable variance be permitted if programs aren't perfectly aligned?
- ▶ Should some reasonable variance be permitted as long as PEV affords adequate safeguards, etc.?

#### **Q6. Restricting CARE benefits to eligible, Low-Income customers**

**DRA Response:** Suggest utilizing the following questions:

- ▶ Document the percentage of CARE-eligible individuals or household units that access the CARE subsidy for non-eligible co-residents. Provide IOU and/or public agency data, as appropriate.
- ▶ What program "loopholes" could be closed cost-effectively that would reduce the number of ineligible people/households on the CARE program? Provide supporting data.
- ▶ Are there particular Categorical Eligibility programs, as shown by PEV, or other robust data gathering mechanisms, that account for a large proportion of cases where households, in their entirety, do not meet the 200% Federal Poverty Guideline (FPG) threshold?
- ▶ How do the results of the PEV probability modeling inform this issue?

#### **Q7. Are there additional questions the ACR should ask to solicit comments, reply comments, and an evidentiary record to determine CARE Categorical Eligibility?**

**DRA Response:** DRA has no additional questions at this time.