

Low Income Oversight Board (LIOB)

Wednesday, August 19, 2015

City of Santa Ana
Council Chambers
22 Civic Center Plaza
Santa Ana, CA 92701
9:30am – 3:30pm

www.liob.org

Call - In Number 1-866-642-1440 - Passcode 7516937#

DRAFT MEETING MINUTES

Meeting Called to order at 9:32am by Chairman Castaneda

LIOB Board Members Present:

Chairman Robert Castaneda, Vice-Chairwoman Patricia Watts, Commissioner Catherine J.K. Sandoval, Ortensia Lopez, Dave Stephenson, Benito Delgado-Olson, Dan Rendler, Larry Gross and Charlie Toledo

LIOB Members Absent:

Jose Atilio Hernandez and Jason Wimbley

California Public Utilities Commission (CPUC) Staff Present:

Administrative Law Judge Anthony Colbert, Jamie Ormond, Rami Kahlon, Anna Jew, Joanna Gubman, Syreeta Gibbs and Zaida Amaya

Public Present:

John Fasana, Lisa Mau, Tory Weber, Warrant Dotty, Danielle Manzano, Rose Casillas, Louis Lopez, Pam Greene, Jessica Lim, Lauri Walker, Jack Clark, Kimberly Lukasiak, Celine Apo, Valerie Ontiveroz, Vid Prabhakaran, Lori Williams, Sally Andreatta, Vanessa Melvin-Gunn, Art Brice, Luis Chavez, David Ortiz, David Clark, Allan Rago, Ron Garcia, Kim Hassan, Arleen Novotney, Mauricio Blanco, Jose Landeros, Emma Ponco, Dave Cantrell, Elizabeth Baires, Pamela Wu, Thuy Nguyen, Ted Humprey, Cynthia Bruno, Trevor Ware, Mary O'Drain, Lisa Long, Ayaka Emoto, Brandon Ridley, Allen Fernandez Smith, Claire Luffborough, Lisa Davison, Ty Tantum, Irma DePratti, Mayda Bandy, Carmen Rudshagen, Mark Aguirre, James Ozenne, Danielle De Clercq, Nguyen Quan, Natasha Siores, Cynthia Mifsud, Melissa Nottingham, Julissa Garcia, Marco Lizarraga and Anna Solorio,

1. Welcome and Introductions— Robert Castañeda, LIOB Chair and Commissioner Catherine J.K. Sandoval - *Standing Item*
Introduction of Dan Rendler, Utility Representative – SoCalGas

Chairman Castañeda welcomed everyone to the Low Income Oversight Board Meeting.

Commissioner Sandoval thanked the City of Santa Ana for their hospitality and allowing the LIOB to utilize its facility. Mr. Dan Rendler from SoCalGas was introduced as the LIOB's new utility representative. Commissioner Sandoval announced the two session workshop scheduled at today's meeting. She explained that these workshops are part of CPUC proceedings which involve the Energy Savings Assistance (ESA) Program and the California Alternate Rates for Energy (CARE). The first workshop will focus on the Small Multi-Jurisdictional Utilities (SMJUs) and their current activities in the ESA and CARE programs. The second session will focus on the Investor-Owned Utilities (IOUs) on a number of issues that have been raised in the ESA program, highlighting the unspent funds and high energy usage. Party and public comment will be allowed at the end of the workshop and a workshop report will be prepared as part of the record in the proceedings.

2. Approval of the May 28, 2015 LIOB Meeting Minutes, Facilitated by Robert Castañeda, LIOB Chair- *Action Item*

A motion was made to approve the May 28th, 2015 LIOB meeting minutes. The motion was moved by Board Member Charlie Toledo and seconded by Chairman Robert Castaneda (Yes; Commissioner Sandoval; Board Members Lopez, Toledo, Castañeda, Delgado-Olson and Stephenson; motion passed) (Members Abstained; Board Members Rendler, Gross and Watts)

3. Workshop in Proceedings A.15-02-001 and A.14-11-007

Commissioner Sandoval commenced the workshop in proceeding numbers A.15-02-001(SMJUs) and A.14-11-007 (IOUs). The workshop report on the California Alternate Rates for Energy (CARE) and the Energy Savings Assistance (ESA) Programs of the Small and Multi-Jurisdictional Utilities (SMJUs - A.15-02-001) and the Investor Owned Utilities (IOUs - A.14-11-007), can be viewed and downloaded at:

<http://docs.cpuc.ca.gov/SearchRes.aspx?docformat=ALL&docid=154510541>

4. Overview of CSE's Program – Center for Sustainable Energy, Sachu Constantine, Director of Policy - *Informational Item*

Ms. Laurie Walker, the manager for the Energy Upgrade California, Community Ambassador Program, provided an overview of the Energy Upgrade California (EUC) process and how the program is administered. Ms. Walker explained that this program consists of statewide Community Based Organization (CBOs). Ms. Walker highlighted the difference in the logos for Energy Upgrade California (EUC) and the Home Upgrade Program Energy Upgrade California (HUP EUC), and explained that based on CPUC guidance in decision, [D.13-12-038](#), EUC transitioned to serve as the primary statewide campaign to educate, residential and small business customers and the HUP EUC logo is to identify the whole house retro fit program. CSE signed contract with IOUs in February 2014 and in March 2014, CSE proceeded with outreach on climate credits and also launched their first version of its website. In May 2014 CSE had experiential events that focused on Energy Upgrade California and the marketing of the program and in September 2014, they launched a subsequent of its website and they also initiated their retail and community based CBO program. In May 2015, the statewide mobile education was launched and in the summer of 2015 they are focusing on the rebate finder, online energy management tool, youth education, small business and real state program.. There are 75 CBOs Statewide; 83% CBOs address the Low-moderate income; 10% CBOs address small business; and 6% CBOs address environmental issues. Ms. Walker explained the process for CBO training and grants, highlighting monthly webinars; upcoming campaigns/best practices; weekly social tips and training; online training modules and onsite training in targeted areas. She also reported on the CBO channel highlights from Sept 2014 - July 2015. Ms. Walker informed the Board that CSE is waiting for the bridge funding to be approved for 2016 to continue the program, and explained that the parameters with this program only allows for half of the budget, and CSE has requested for additional funding to continue and not lose momentum with the education of Californians in 2016-2017 on energy efficiency and the ESA program. CSE also proposes an Annual statewide ESA Summit on outreach to share best practices; address barriers and lessons learned. The Board thanked Ms. Walker for her presentation.

CSE's presentation can be view and downloaded at:

<http://www.liob.org/docs/Item%204.%20Center%20for%20Sustainable%20Energy.ppt>

5. Legislative Update – CPUC- Office of Governmental Affairs – *Informational/Standing Item*

The office of Governmental Affairs was not able to present before the board. The following list of low income related bills was provided to the Board.

<http://www.liob.org/docs/Item%205.%20Summary%20of%20Low%20Income%20Related%20Bills%20-%20Office%20of%20Governmental%20Affairs.pdf>

6. Public Comments— Facilitated by Robert Castañeda, LIOB Chair - *Informational/Standing item*

Casey McFall from Milestone Consulting discussed Lifeline subscription in the limited English proficient population. Ms. McFall commented that customers are dropped because they do not understand the process and that there is no effective appeal process. She also mentioned that with the implementation of the new wireless Federal Lifeline program, there is a new set of issues for the limited English communities, particularly related to what the Commission calls, aggressive sales practices. Ms. McFall stated that many companies do not inform customers about the qualifications to only have one discounted service per household, which is a misrepresentation, fraud, and a violation of the Commission's own limited English proficient decision that requires any company that markets in language to provide terms and conditions of the contract to the customer's language. Due to the lack of information provided to the customer, many customers end up with bills of up to \$400. CBO's in the TEAM (Telecommunications Education and Assistance in Multiple-languages) program are now faced with many customers asking for assistance to discontinue the cell phone service that they unknowingly signed up for; however, the appeals process prevents this from happening.

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Ms. McFall also informed the Board that a letter has been drafted to go out to people who unknowingly were found to have two lifelines (cell phone and landline). The letter “Households that do not follow the one discounted service per household rule will lose their discounts, and may be prosecuted by the U.S. government. Receiving multiple discounted phone services violates the program’s rules. Penalties for violating the California LifeLine Program’s rules can include imprisonment, losing the discounts, monetary fines, and being banned from the California LifeLine Program. Also be advised that the phone company may disconnect your service and charge regular rates to continue your new use of phone service. Please contact the phone company if you would like to make new arrangements for phone service”.

Ms. McFall asked for the Board to take this issue to the Commission and to take immediate action.

The Board thanked Ms. McFall for bringing this issue before the Board. Ms. Jamie Ormond from Commissioner Sandoval’s office and Ms. Anna Jew from Telecommunications will look into this issue.

7. Highlights of Upcoming Activities for Low-Income Energy Programs – Energy Division Staff - *Standing Item*
 - Update: Low Income Needs Assessment
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Ms. Joanna Gubman, Supervisor of the Low Income and Residential Energy Efficiency Team provided an update on the IOU and SMJU consolidated application, it is anticipated that a proposed decision for both the IOUs and the SMJUs will be issued in October with comments and reply comments due in November, a final decision for the IOUs in November and subsequent a final decision for the SMJUs in December.

Ms. Gubman also provided the Board with an update on the recent activities surrounding the Low Income Needs Assessment, highlighting that the 2016 LINA RFP was issued on 7/22/15, with bids due 8/18/15. A contractor is expected to be selected by the end of September. Once the contract is in place, ED staff will coordinate with the LIOB and the IOUs on the refinement of the statement of work. The points of engagement that were agreed upon were: monthly conference calls between LIOB liaisons and CPUC staff; LINA updates and discussion during existing quarterly LIOB meetings, **as needed** and LIOB member participation in public stakeholder workshops.

Chairman Castaneda asked if given this construct if it was doable to involve and integrate some of the SMJUs within the LINA.

Ms. Gubman responded that ED will need to check where the funding comes from, and if comes out of the overall IOU proceeding and whether the same contract works for the SMJUs. She will keep the board updated.

Presentations can be viewed and downloaded at:

<http://www.liob.org/docs/Item%207.%20LINA%20Updaterrev.ppt>

<http://www.liob.org/docs/Item%207.%20ED%20highlights%20for%20August%2019%202015%20LIOBrev.ppt>

8. Lifeline Telephone Program Update – Anna Jew, CPUC -Consumer Programs –Communications Division
Informational/Standing Item
 - a) Lifeline Proceeding Update (*Standing Item*)
 - b) Update on Lifeline Direct Application Project
 - c) Tribal Lifeline Update
 1. Allocation of Funds

2. Process for Carriers Offering Tribal Lifeline

Ms. Anna Jew presented on Lifeline and reported that there are 12 approved CA Lifeline wireless providers, and 2 approved Federal Lifeline wireless providers; there are 8 pending CA Lifeline wireless providers and 4 pending Federal Lifeline wireless providers. As of July 31, 2015, there are 2,227,180 California LifeLine and/or Federal Lifeline participants. Ms. Jew mentioned that California Lifeline wireline continues to decline and that in the past 6 months it has been steadily declining at about 17,000 per month. As of July 31, 2015, the approved wireline participants is 712,693 and 1,512,245 wireless approved participants, combined CA Lifeline wireline and wireless the participation rate is at 73%. Ms. Jew also reported that there are 138 enhanced Lifeline participants, and explained that the reason Frontier and Verizon had dramatic decreases was due a miscoding and also to the fact that many customers are transitioning to wireless offerings. Ms. Jew informed the board that Xerox is working on providing on what can be potential CA Lifeline customers already on the program to be eligible for enhanced Lifeline. Ms. Jew will keep the Board informed on this process. Lastly, Ms. Jew reported on the process for a carrier to provide Enhanced Lifeline wireless and the mission and purpose of the Universal LifeLine Telephone Service Trust Administrative Committee.

Board Member Toledo commented that the numbers are still very low and that this program is not working at any level acceptable, and that some companies are not even aware of the enhanced lifeline program. Board Member would like a presentation on the plan to improve and change this process. Board member Toledo asked if RHA's contract is over, and that it is important to make sure the new contract omits any conflict of interest preventing consumers from sitting on the Lifeline committee.

Ms. Jew confirmed that the contract with RHA was over last year, but that new contract has not been set up with a new provider. She also informed the board that Telco Division is drafting their budget for 2016-2017, which appropriates funds to the marketing and outreach efforts.

Board Member Delgado-Olson asked about the average cost to get consumers to sign-up for these services.

Chairman Castaneda encouraged the Communications Division to move quickly on an outreach and marketing RFP, to select a vendor that can interact with this Board, and to start addressing some of low penetration issues, as this is a very critical issue for Tribal lands.

Ms. Jew's report can be viewed and downloaded at:

<http://www.liob.org/docs/Item%208.%20California%20LifeLine%20Presentation%20LIOB%20August%202015%20in%20Santa%20Ana.ppt>

9. Water Utilities' Current Issues – Rami Kahlon – Director, Division of Water and Audits- *Update/Informational/Standing Item*

Mr. Rami Kahlon, Director of Division of Water and Audits provided an update on the drought; customer impacts; participation rates and water action plan. Mr. Kahlon highlighted that the Governor's order called for a 25% reduction across the State, and so far Californians have stepped up, with a 27.3% reduction across the State for the month of June. Mr. Kahlon shared the current reservoir levels; as of August 2, 2015: Shasta 43% (of capacity); Oroville 32% (of capacity) and Folsom 28% (of capacity). Mr. Kahlon noted that Godzilla El Nino may or may not materialize, and that there are not guarantees that there is going to be above average rain fall. He reported on the surcharge in both public and private agencies and noted that overcharges are being reduced for low income customers and that in in general the IOUs customers are stepping up in meeting the water use reduction. All large (Class A) water utilities offer low-income bill assistance programs and about 250,000 CPUC-regulated residential water customers participate in income water assistance programs, there was a huge increase in participation rates in 2013 due to auto enrollments resulting from data exchanges between the energy and water utilities. One objective was to assist low income ratepayers and track service shut offs, he explained that there aren't a lot of service shut-offs for customers, because if water is shut off, the home becomes uninhabitable. The customers are given payment options, and the option to pay by credit card, the action plan calls to continue working with the LIOB; to develop standardized tariff discounts; which are still being discussed with the Commission, also, the increase of penetration rates which has happened and finally the enhance website, which the Commission is in the process of re-designing and making it more customer friendly. Lastly, Mr. Kahlon commented that they are addressing low income concern and that it has been a priority for this Commission. The Board thanked Mr. Kahlon for his report. Mr. Kahlon's report can be viewed and downloaded at:

<http://www.liob.org/docs/ACF417.ppt>

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10. New Assignments and Approval of the LIOB Subcommittees - *Action/Discussion Item*

A motion was made for Board Member Dan Rendler to serve in the ESA and CARE Implementation subcommittee and the Marketing and Outreach subcommittee. The motion was moved by Board member Toledo and seconded by Chairman Castaneda (Yes: Lopez, Toledo, Watts, Castaneda, Gross, Stephenson and Rendler; motion passed)

11. Subcommittee Reports and Updates – Facilitated by Robert Castañeda, LIOB Chair - *Standing /Action/Discussion Item*

- a) *Marketing & Outreach* (Board Members Toledo, Gross, Watts & Delgado-Olson)
- b) *ESAP and CARE Implementation* (Board Members Castaneda, Wimbley, Watts & Lopez)

On July 29th, 2015 the Marketing & Outreach and the ESAP and CARE Implementation held a joint meeting. Most of the discussion was focused on what presented at today's meeting. The subcommittees agreed that it is important to have the annual presentation from the IOUs and SMJUs. The Marketing & Outreach subcommittee decided that it is important to provide input into the re-design of the LIOB website and possibly including a Facebook. Board Member Delgado-Olson is the lead on this project and will be working with ED staff.

- c) *Workforce Education and Training* (Board Members Hernandez & Castaneda)

The Workforce Education and Training subcommittee did not meet.

- d) *Water Industry* (Board Members Stephenson, Lopez and Castaneda)

The Water Industry subcommittee did not meet.

- e) *Emerging Issues/Climate Change* (Board Members Toledo & Delgado-Olson)

Board Member Toledo reported that the Emerging Issues/Climate Change subcommittee met and discussed focusing on the education aspect, especially with respect to the drought. Board Members Toledo and Delgado-Olson will be working with climate.org for a possible presentation and the tactics they are using to educate the public about climate change.

- f) *AB 327 Subcommittee* (Board Members Hernandez, Lopez, & Wimbley)

The AB 327 Subcommittee did not meet.

The Board thanked the IOUs and the SMJUs for their thorough reports at today's meeting/workshop. The Board expressed concerns about the unspent funds as reported during the workshop session and the need to have collaboration to address the needs of the low income customers.

Future Meetings Dates & Agenda Items for Future Meeting - Discussion Item

Board Member Gross suggested inviting stakeholders to attend a future LIOB meeting as this would benefit the Board to hear directly from the community. Chairman Castaneda agreed and suggested that might be an assignment for a subcommittee to take the lead on.

Board Member Lopez suggested inviting the California Emerging Technology Fund to make a presentation. Board Member Lopez will follow up with Chairman Castaneda.

Upcoming Meetings:

Thursday, October 29th, 2015

10:00am - 3:30pm

Seaside City Hall

Council Chambers

440 Harcourt Ave

Seaside, CA 93955

The LIOB Meeting adjourned at 3:45pm