

LIOB MEETING

Draft Meeting Minutes

Thursday, May 16, 2013

California Public Utilities Commission

Auditorium

505 Van Ness Avenue

San Francisco, CA 94102

10am- 4pm

www.liob.org

Call - In Number 1-877-930 0524 - Passcode 3494395#

LIOB Board Members Present:

Chairman Jose Atilio Hernandez, Vice-Chair Jason Wimbley, Commissioner Catherine J.K. Sandoval, Ortensia Lopez, Dave Stephenson, Patricia Watts, Charlie Toledo, Jason A. Hobson Gene Rodrigues and Larry Gross (quorum present)

LIOB Members Absent: Janine Scancarelli

California Public Utilities Commission (CPUC) Staff Present:

Hazlyn Fortune, Ava Tran, Syreeta Gibbs, Tory Francisco, Stephen St.Marie, Camille Watts-Zagha, Maria Carmen Rocha, Ditas Katague, Dave Peck, Rami Kahlon, Alice Glasner, Benjamin Schein and Zaida Amaya

Public Present:

Arleen Novotney, Yvette Vasquez, Sandra Williams, Alex Kim, Andrew Steinberg, Rebecca Eaton, Patti Landry, Mary O'Drain, Jay Thomas, Ann Gressani, Carmen Rudshagen, Mark Aguirre, Shalini Swaroop, Ann Kim, Tessa Myles-Garcia, Ron Garcia, Larry Garcia, Kyle Jeffery, Allan Rago, Holly Lloyd, Joy Yamagata, Anna Solorio, Megan Kirkeby, Jana Katz, Leslie Sherlin, Andrea Tozer, John Fasana, Enrique Gallardo and Brett Searle

Participants Via Conference:

Meeting called to order by Chairman Hernandez at 10:05am.

Item 1. Welcome and Introductions— Jose Hernandez, LIOB Chair and Commissioner Catherine J.K. Sandoval (10 minutes) *Standing Item*

Chairman Hernandez welcomed board members, members of the public and Commission staff to the May 16, 2013 LIOB meeting. Commissioner Sandoval welcomed the LIOB and all of the constituents present to the California Public Utilities Commission. Commissioner Sandoval informed the Board that the discussion regarding categorical eligibility for the CARE program will be continued during the Ex-Parte Session, under agenda item #10. The discussion will be focused on proposed questions and topics that will be explored in the proceeding. The goal of the discussion is not to debate the answers, but to discuss whether or not these are the appropriate questions and obtain the Board's insight.

Item 2. Public comments— Facilitated by Jose Hernandez, LIOB Chair (30 minutes)
Informational/Standing item

Board member Hobson reported that the National Asian American Coalition (NAAC) has submitted several letters expressing concerns about SDG&E's CARE and ESAP recent reporting. In their letter, NAAC alleges that there is insufficient outreach in some of the hardest hit communities and hard to reach constituents, particularly within the Asian community. The letter also alleges that outreach efforts needed to address the newly immigrant and long-term unemployed and recently foreclosed and now renting households. The NAAC also expressed concern about SDG&E's current ESAP penetration rate of 11%. NAAC reported that they conducted an informal survey in the Bay area and in the San Diego area addressing issues of energy conservation in the low income communities which concluded that about 10% of respondents indicated that they didn't have any information regarding energy conservation.

Board Member Rodrigues commented that these are very important issues and should be addressed, and suggested that the LIOB ESAP implementation sub-committee hold a public meeting with the IOUs and interested parties to address these concerns and provide an update/report during the August LIOB meeting.

Item 3. Approval of the February 27, 2013 meeting minutes, Facilitated by Jose Hernandez, LIOB Chair (2 minutes) Action Item

Motion to approve the February 27, 2013 LIOB minutes, motion moved by Board Member Lopez and seconded by Board Member Stephenson (Motion passed unanimously).

Item 4. Subcommittees Reports and Updates – Facilitated by Jose Hernandez, LIOB Chair (20 minutes)
Update/Standing Item

- a) Marketing & Outreach (Board Members Toledo, Rodrigues, Gross and Watts)
No report provided
- b) ESAP Implementation (Board Members Wimbley, Watts & Hobson)
No report provided
- c) Workforce Education and Training (Board Members Rodrigues, Hernandez & Hobson)
No report provided
- d) Water Industry (Board Members Stephenson, Lopez & Hobson)

Board Member Stephenson reported that the Water Industry met on May 8, 2013 in San Francisco, the meeting focused on the penetration rates of the low income programs, enrollment is at approximately 25% currently and there is an effort to increase the penetration rate, which could increase from 25% to over 80%. Emerging Issues/Climate Change (Board Members Toledo & Rodrigues)
No report provided

Item 5. Lifeline Telephone Program Update – Benjamin Schein, CPUC- Consumer Programs (15 minutes) Informational/Standing Item

- a) Lifeline Proceeding Update (*Standing Item*)
 - i. Report on Scoping Memo and Public Participation Hearings
- Mr. Schein reported that an all-party meeting was held on January 29, 2013 on the CA LifeLine proceeding, a scoping memo was issued on April 10, 2013, with opening comments due May 28, 2013 and reply comments due June 12, 2013. Mr. Schein also reported that a number of public participation hearings have been scheduled throughout California, the first one held on May 14, 2013 in Rancho Cordova followed by one on May 15, 2013 in San Francisco with additional hearings scheduled in June, July & August across the state. A summary of the basic service elements that the provider must offer to customers was provided as well as the billing provisions, toll free services and access to public programs. Mr. Schein also reported on the major issues in the CA LifeLine proceeding such as, should the service

elements for CA Lifeline be changed?; should they be different than the general basic service elements?; and should they be different from wireless providers? Other issues of concern are, what should the requirements for wireless (and VoIP) participation be in the CA LifeLine program; and should there be more rules governing, bundled service, connection charges or contract or early termination fees? Mr. Schein clarified that there are 4 carriers that offer LifeLine service in California that only receive subsidy from the Federal Government. A current basic Lifeline customer (land line customer) receives the benefits of subsidy from both the Federal Government and the State program. Currently, the wireless participants only receive the Federal subsidy, and the Commission is looking into the option of allowing wireless customers to receive both the Federal and State subsidies.

Board Member Gross offered to assist in outreaching his contacts about the hearings.

Commissioner Sandoval encouraged board members to spread the word in their communities regarding the upcoming public hearings and commented that the carriers have sent notices via bill inserts as well as texts, which have been very resourceful.

b) Update on Lifeline Direct Application Project

Mr. Schein provided a brief overview on the LifeLine direct application project (DAP), recapping that this process was ordered by the Commission in response to concerns that the application process was cumbersome and too dependent on the US postal service. The direct application process bypasses the postal service which expedites the process by allowing customers to go directly to a participating retail store, during which time the carrier collects the basic information and electronically submit it to the third party data base to ensure the customer passes the initial check. If the customer passes, a pre-populated PDF form is produced for the customer to fill out, and if all documentation is in order, the retail store can e-mail all relevant documents and forms back in real time to the third party administrator for immediate approval. To date (4/24/13) a total of 19,840 transactions were processed and 15,490 were successful, with 4,350 erred due to multiple submission. The current wireless participants in Lifeline are Cricket with 18,428 approved and 4,604 pending; Nexus with 76,076 approved, and 20,958 pending; Telscape Wireless 181 approved and 25 pending and Assurance (Virgin Mobile) 557 approved and 140 pending.

Commissioner Sandoval informed the Board that this is a Quasi-Legislative proceeding and that equal time rules are not invoked, therefore, the Board can discuss this item. Commissioner Sandoval suggested continuing this discussion during the August LIOB meeting, as the last public participation hearing (PPH) is scheduled for August 13, 2013, and reminded the Board that comments can be filed individually or thru the organization they represent.

The Board suggested that the Emerging Issues subcommittee meet on this issue and provide a report during the next LIOB meeting. The Board requested the presence of Mr. Schein at this meeting.

Mr. Schein clarified that the Lifeline discount at the State and Federal level is limited to one discount per household and that you must be at least 18 years old in order to qualify for Lifeline.

Commissioner Sandoval explained that there are two separate program programs, the Federal program and the State LifeLine program. The Federal program is currently open to wireless under the Federal rules. There are a number of Federal rules that the State program does not have, and part of the discussion and the focus of the LifeLine proceeding is what steps should be taken with the State program and whether or not to open up the State program to Lifeline.

Commissioner Sandoval requested a presentation on the Federal Program and the State LifeLine Program at the August LIOB meeting.

Board Member Toledo point out that the discount applies to either, wireless or landline and not both and wants to make sure that this is part of the outreach efforts.

Mr. Schein stated that there have been complaints about this issue and it is something that the Commission plans to address this matter to ensure that the providers make it clear in their marketing material. Mr. Schein also noted that when the 96 decision was written, the basic service elements were written without cell phones in mind and that these efforts are being made in order to catch up to changes in the market place.

Commissioner Sandoval pointed out that constituents that have attended the hearings concurred that a wireless discounts are desired, however, there are still issues that need to be sorted out. Some of the issues include; whether the Commission should require unlimited incoming & outgoing local toll calls for wireless providers, recognizing that an unlimited plan is more expensive and that many carriers may not want to offer this option, should the Commission require a minimum allotment of minutes, keeping in mind that some people devote a lot of time on hold time, which would diminished their allotted minutes, should tax be required, access to e911 and the public switch telephone network or should the \$11.85 subsidy be provided to customers and used as a discount on their cellular bill. These are some of the issues the Commission will be taking into consideration. Commissioner Sandoval also noted that there is concern about the guarantee that 911 services will work inside a residence, as there might be building/wall interference that goes beyond a carrier's control and none of the carriers are willing to guarantee this service.

It was mentioned that Metro PCS is one of the few carriers that offer unlimited monthly voice service for a relatively low price and Cricket offers an unlimited flat rate plan for \$20 for LifeLine.

The Board thanked Mr. Schein for a very informative presentation. Mr. Schein's presentation can be view and downloaded at:

<http://www.liob.org/docs/Item%205.%20California%20LifeLine%20Presentation%20LIOB%20May%202013.ppt>

Item 6. Report on the Governor's interest and priorities in low-income programs and update on CSD/IOU's & CPUC's Pilots - Jeanne Clinton, Special Advisor to the Governor for Energy Efficiency at the CPUC (15 minutes) *Informational/Standing Item*

Ms. Clinton representing the Governor's office and serving as a special advisor for Energy Efficiency at the CPUC provided an overview of the recent activities between the Governor's office, PUC staff, CSD and the IOU's that has occurred over the last year. Ms. Clinton mentioned that the Governor's office has three objectives to achieve: One is to maximize the benefits that can be derived from the funds that are available to California and to bring services and solutions to low income households. Recognizing that these benefits are measured in different ways in terms of lowering energy bills, lowering energy consumption, improving comfort and quality of life in households, and finally maximizing the numbers of households that can be served. The second objective is to avoid overlap duplication in the way these services are provided between the federally funded and administered funds in California, which go thru CSD, its providers and the utility rate payer funded delivery of program and services. The objective is to try to remove any unnecessary overlapping duplication, particularly, on the overhead and delivery cost, so that the money can be maximize in delivering actual benefits to households. And thirdly, to ensure that the programs and the delivery mechanisms and channels that are being used to drive these benefits are available to all qualified and eligible households and particularly to make sure those services are delivered to multi-family households.

Ms. Clinton informed the Board that a series of coordinated meetings have been held between the Governor's office, CPUC staff, CSD and the IOU's over the last year. Four pilots have been identified: IOU/CSD Bulk Purchase Cooperative, Geographic Coordination- Targeting High Energy

Users/Underserved Populations; Solar Water Heaters for Low-Income, Single Family Households and CSD-IOU Datasharing Tool. There are various working groups that work on each of these pilots that represent the different departments, providers or utilities. There is a monthly coordination call to report on progress. Details of the pilots can be viewed and downloaded at: <http://www.liob.org/docs/ACFA8.doc>

Ms. Clinton reported that under the multi-family housing in the low income proceeding there is a requirement in the decision to perform a multi-family segment study. This study will focus on obtaining a better understanding on what the low income multi-family population looks like, review and evaluate multi-family programs and research relevant for low income customers. The study has been initiated and is in its final stages.

Ms. Clinton also reported on the challenges in the area of financing, recognizing that it is challenging to pay for 100% of the cost of certain efficiency measures such as central heating ventilating air-conditioning system in multi-family buildings, and that although it is not possible to pay for 100% of the cost thru the low income programs, that there may be a need for financial tools that better match the changing cash flow to repay the capital cost in making these improvements. The Commission directed the development of various pilots in the financing programs. Two of these are being considered for multi-family housing, one for multi-family affordable housing and the second one is market-rate, multi-family finance. Both pilots are being proposed to be piloted in Northern California as part of the general efficiency proceeding.

Vice-Chairman Wimbley thanked Ms. Clinton for all of the support and leadership she has provided and mentioned that she has been instrumental in getting the pilots going and although they are still being shaped and formed, the collaboration between CSD, CPUC and the IOU's have been very productive.

Board Member Gross thanked the Governor, Ms. Clinton, CSD and staff for prioritizing multi-family housing and recognizing that these low income programs need to be geared to people's income and not where they live or the structure they live under.

The Board thanked Ms. Clinton for her report.

Item 7. Office of Governmental Affairs, Legislative Update - CPUC – OGA Director, Lynn Sadler (15 minutes) *Informational/Standing Item*

Ms. Sadler, Director of OGA, provided an explanation on how the Commission makes decisions on taking positions on Bills. She explained that the advisors and the utility staff that work on the subject matter meet and go thru the Bills as a briefing. Due to Bagley Keen provisions, Commissioners and advisors cannot discuss a position on the Bills, but OGA and their staff can present a summary and intent of the Bill to the Commissioners, advisors & staff. OGA then provides the recommended position and a memo is prepared, (which is posted on the CPUC's-Legislation website), for the Commission to take a vote on. If it is a Bill that everyone agrees on, it is placed as a consent item and if it is something that the Commissioners want to discuss; then it is discussed at a hearing. Ms. Sadler welcomes the Board's input regarding any Legislation questions the Board may have as well as any helpful input, or if the Board knows of any Bills that OGA needs to be aware of, to contact her directly. Ms. Sadler suggested visiting the Official California Legislative Information at www.leginfo.ca.gov for information regarding Legislation.

Ms. Sadler provided a summary of the low income related bills. The 2013 CPUC Analyses and Positions on Legislation can be view at:

http://www.cpuc.ca.gov/PUC/legislation/posanalyses/2013_Legislative_Session_CPUC_Analyses_and_Positions_on_Legislation.htm

Commissioner Sandoval suggested that any recommendations or opinions regarding the Bills should be sent directly to her in order for her to share the LIOB's views with her fellow Commissioners.

The Board thanked Ms. Sadler for her presentation.

Item 8. Water utilities' current issues – Maria Carmen Rocha - CPUC Water Division (20 minutes)
Update/Informational/Standing Item

a) Current Census Data Track

Ms. Rocha of Water Division announced that today's presentation will be and update on the census track data requested at the February, LIOB meeting. Ms. Rocha has been assisting Mr. Stephen St. Marie from the Policy and Planning Division in gathering data from Class A water utilities, to provide the Board a full analysis of the low-income programs.

Mr. St. Marie from the Policy & Planning Division provided a report on the review of the water low-income programs. The programs for the 10 Class-A water utilities have been built up and developed in each company's General Rate Cases, so each program is unique. The programs are all based on income and household size, but beyond that, they have many variations. The value of these programs is between \$6 and \$25 per monthly bill. Enrollment in the programs has been about 25%, however, with the efforts to raise penetration rate, the participation of eligible customers could increase to over 80%. A through program analysis for households in Great Oaks Water Company service area, San Jose Water Company service area and Park Water Company service area was provided by Mr. St. Marie.

Mr. St. Marie's full report can be view and downloaded at:

<http://www.liob.org/docs/Item%208.%20%20Low-income%20water%20programs.ppt>

Board Member Rodrigues commended Mr. St. Marie for an excellent and comprehensive presentation.

Item 9. Utilities' Reports— Utility representative (30 minutes) Standing /Action/Discussion Item

a) Update on IOU's ESA Studies Reports

- i. Multifamily Segment Study – PG&E**
- ii. Impact Evaluation – SDG&E**
- iii. Program Energy Education Study - SCE**
- iv. Needs Assessment Study – SCE**

Ms. Mary O'Drain provided an overview of the 4 studies directed in D. 12-08-044. Ms. O'Drain reported that all 4 reports are moving forward. Final reports should be available during the fall. She also noted that in order to incorporate the studies finding in the PY 2015-2017 studies must be finalized by July 1, 2014. Before these studies are finalized public workshops will be held to give the opportunity for public input. Energy Division will make final recommendations.

Board Member Rodrigues commented that while an energy savings impact of education is an important study, it also adds to the wealth of information there is for guiding the programs, he pointed out that it is exceptionally difficult to try to measure the impact of education and education brings benefits that aren't direct energy savings in the low income communities.

Ms. O'Drain commented that in conjunction with the studies, there are also 3 working groups and the output of these working groups will also help guide the development of the IOU's applications. These

working groups are looking at cost effectiveness analysis, workforce education and training and the mid-cycle process.

Vice-Chair Wimbley requested for Energy Division to provide the Board with guidance on how the LIOB can be involved with the process this task.

Ms. Gibbs suggested that this can be done at the November meeting since most of the studies will be in their final stages.

Ms. O'Drain will also provide a final update on the studies at the November meeting.

The Board thanked Ms. O'Drain for the report.

Details of the studies can be view and downloaded at:

<http://www.liob.org/docs/Item%209a.%20IOU%20ESA%20Studies%20Update%202013-May-16%20all.ppt>

b) Current Penetration Rates for CARE & ESAP

Mr. John Fasana representing SCE provided the current penetration rates for CARE and ESA.

Vice-Chair Wimbley asked for an explanation on the number for SCG and SDG&E are below goal.

Ms. Sandra Williams of SDG&E addressed the Board on the issue brought by Board member Hobson regarding NAAC concern about SDG&E's penetration rates and looks forward to the discussion to be held by the subcommittee meeting to address the concerns. In their annual report SDG&E reported that they served over 22,000 homes achieving 110% of the Commission's goal. Traditionally and historically SDG&E has always met or achieved the goals. Ms. Williams mentioned that traditionally, SDG&E starts the year slow. The April reporting will be at 20% and by the end of May the numbers should be at 33%-35%.

Mr. Mark Aguirre of SoCalGas reported that although the numbers are currently low, SCG is in a ramp up period. The April report will reflect 24,000 YTD homes treated. SCG is working very closely with its contractors to try to work with them and put together resources to help them increase enrollments. Mr. Aguirre also reported that SCG had a record year for 2011 serving over 160,000 homes.

This report can be view and downloaded at:

<http://www.liob.org/docs/Item%209b.%20IOU%20CARE%20Participation%202013-May-16%20LIOB.ppt>

c) Prior LIOB meeting follow up items

i. Requirements for participants to enroll in the CARE Program

John Fasana provided a detailed report on the establishment of CARE, current CARE requirements, CARE eligibility conditions, enrollment requirements and income eligibility criteria. Mr. Fasana noted that the Federal Poverty Guideline (FPG) values corresponding to correct household size is used to calculate and update annual income limits for CARE and ESA. For 2013-2014 one and two-person household limits are now listed separately, pursuant to Resolution E-3524. D.06-12-038 authorized IOUs to enroll customers in CARE and ESA through categorical eligibility. D08-11-031 determined that categorical programs for CARE should be the same as those adopted in the California Lifeline Program.

This report can view and downloaded at: <http://www.liob.org/docs/ACFA5.ppt>

d) Introduction of newly elected LIOB Utility Representative for SDG&E

Ms. Yvette Vasquez introduced Mr. Alex Kim the Director of Residential services for SDG&E as the new LIOB representative.

Mr. Alex Kim expressed his excitement for the opportunity to be representing the IOU's as the new LIOB member and looks forward to working with the LIOB. He took this opportunity to recognized Board

Member Gene Rodrigues for the outstanding job during this appointment as the representative for the IOU's.

Mr. Kim will start his one year appointment as the IOU representative on August 21, 2013. The board welcomed Mr. Kim to the Board and looks forward to working with him.

Ex-Parte Session in accordance with the Commission's Rules of Practice and Procedure, Rule [8.3\(c\)\(1\)](#) for proceedings A.08-05-022 et al, A.11-05-017, A.11-05-018, A.11-05-019, A.11-05-020 and A.11-06-016

Commissioner Sandoval open the all-party meeting related to the CARE proceeding. Commissioner Sandoval informed the Board that this session will particularly discuss the Joint Utilities Advice Letter that was discussed at length at the last meeting. Commissioner Sandoval announced that All Party questions were distributed to interested parties on the service list on the categorical enrollment processes for the California Alternate Rates for Energy (CARE). Commissioner Sandoval mentioned that as part of the issues raised at the previous LIOB meeting and subsequent meetings at the CPUC, the Commission determined to deny Advice Letter AL-4457 without prejudice. Further, Commissioner Sandoval informed the Board that the issues raised in the advice letter will be explored thru an upcoming Assigned Commissioner's Ruling (ACR) that will solicit comments, followed by reply comments about the determination of CARE eligibility. This format, she explained will assist to build a record on these issues and on how to appropriately determine and implement CARE eligibility. Commissioner Sandoval emphasized that today's goal is not to have a substantive debate about the answer to these questions, but rather to get the Board's opinion about whether or not these are the right questions to ask and whether or not there are additional questions or if the questions should be rephrased. Commissioner Sandoval reminded the Board that this is not to debate the questions but to receive input. Commissioner Sandoval expects to have the ACR after the 4th of July week at which time there will be an opportunity to provide comments. The following comments were made by the LIOB:

The complete set of questions can be view and downloaded at:
<http://www.liob.org/docs/5-16-13%20All%20Party%20Questions.pdf>

Question 1 – The Board did not offer any changes or suggestions to question 1.

Question 2 – Chairman Hernandez suggested using the categorical eligibility in two fashions. One is to use it the way it has been used in the past in terms of determining eligibility and the other one is to mirror a similar process to LifeLine, and not to discard any possible eligible customers that might indicate eligibility until an additional check is conducted and a thorough follow up has been completed for potential eligibility.

Question 3 – Board Member Rodrigues commented that what the Commission seems to be asking is: are there changes needed? Are there problems with it? And not whether the definition of consistent is clear.

Chairman Hernandez – commented that when Legislation chose to put that language in code, the intent was not to have these unintended consequences and although it may not be in the purview of the PUC to change it, it might strongly suggest to the Legislation for some flexibility.

Commissioner Sandoval commented that it is important to identify the questions that are subject to an interpretation debate. Issues such as having unrelated people living together with different economic units under one roof, under one meter. Are those 2 households? Is that an interpretation issue as opposed to one which needs new Legislation?

Question #4 – Commissioner Sandoval commented that this came from the Commission’s directive. The Commission asked the utilities to make suggestions about how to align these programs in order for them to be consistent. Now the Commission is debating on what consistency and alignment mean.

Board Member Hernandez commented that this could be as simple as using the same federal poverty guidelines levels. Is the same federal poverty guidelines level used? He also mentioned that this ties to question #2, which is an interpretation question.

Vice-Chair Wimbley – commented that whether it applies to question #4 or question #3, in some cases, the beneficiary could be a household, or it could be an individual that is part of a household and it is unclear on how to interpret and apply the definition between the two.

Question #5 – Commissioner Sandoval stated that this is about methodology and measurement, as well as determining what are some of the issues the joint utilities are trying to assess in their advice letter. Chairman Hernandez – commented it might make sense to have some kind of variability. For example if it doesn’t match up exactly but is close, then a presumable eligibility has to be followed up.

Commissioner Sandoval added that the utilities are asking for guidance on how to implement these programs and that this is an absolutely fair request.

Question #6 – Commissioner Sandoval suggested adding a question “c” – If there are two households under the same roof that have two different economic units, but are not sub-metered, how is the discount handled? This becomes a bigger problem when one economic unit would be eligible for a discount and the other one is not and the problem becomes worse if the eligible constituent is not the one on the account.

Vice Chair Wimbley commented that the questions are well written and oriented to flush out the questions and the details that will help clarify and hopefully solidified a better process that could be used to ensure that we don’t establish any unnecessary barriers that prevent or inhibit a low income person from accessing the programs.

Board Member Rodrigues added that the questions are broad enough to allow all stake holders to answer in terms of what the intended policy of the programs was, but also broad enough to allow people to answer specifically in the utility side on the practical day-to-day issues.

Mr. Enrique Gallardo, Legal Counsel with the Greenlining Institute recommended that when considering question #2, the following be taken into consideration: In response to the issues of whether the Commission should require income verification separate from, instead of, or in addition to, enrollment in programs used to establish categorical eligibility, Mr. Gallardo urges the Commission to also consider the administrative costs of such changes, as well as any resulting reduction of enrollment. Mr. Gallardo urged the addition of these questions to the ACR. In response to the issue of how much variance should be permitted in the guidelines of categorical eligibility programs, in question #5, Mr. Gallardo urged the Commission to consider evidence regarding the actual number of customers whose income is above 200 % of Federal Poverty Guidelines that result from these variances. Mr. Gallardo urged that the ACR include a call for review of such evidence.

Greenlining Institute’s Ex-Parte filing can be view and downloaded at:

[http://www.liob.org/docs/Greenlining%20Ex%20Parte%20Notice.A.11-05-017%20-%20A.11-05-020\[1\].pdf](http://www.liob.org/docs/Greenlining%20Ex%20Parte%20Notice.A.11-05-017%20-%20A.11-05-020[1].pdf)

Ms. Alice Glasner representing DRA provided a handout with DRA's their suggestions. Ms. Glassner stated that DRA commends and supports this effort by Commissioner Sandoval to resolve important policy issues that have left stakeholders very far apart with respect to interpretation numerous important issues around CARE eligibility. DRA's Ex-Parte filing can be view and downloaded at: <http://www.liob.org/docs/DRA%20Ex%20Parte%20Responses%20to%20QA%20May%2016,%202013%20LIOB%20All%20Party.pdf>

Item 11. ICF – International Q&A

- b) [Letter](#) from IOUs addressing the level of deviation between the non-utility low income programs that did not align with the income eligibility guidelines of the IOU low income programs.

Andrew Steinberg provided a brief overview of the utility requirement from D.12-08-044 to annually submit an Advice Letter to update the list of categorical eligibility programs for the California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) Programs. He also recapitulated events associated with the review and eventual dismissal (without prejudice) of the Advice Letter by the Commission's Energy Division because "it raises significant unforeseen policy issues requiring review in the formal proceeding." Mr. Steinberg added that with the ending of the Advice Letter process, the utilities' contract with ICF is currently ending. Mr. Steinberg introduced Ms. Rebecca Eaton from ICF International who provided a presentation describing the evaluation prepared by ICF International for Commissioner Sandoval on behalf of SoCalGas, San Diego Gas & Electric (SDG&E), Southern California Edison (SCE) and Pacific Gas and Electric (PG&E). Ms. Eaton informed the Board that an evaluation was initially sent to Commission Sandoval on March 29, 2013 in response to a request at the February 27, 2013 LIOB meeting, in which it was requested for ICF to provide a quantitative representation of the difference in eligibility guidelines of certain low income programs reviewed in the ICF Study and the CARE and ESA Programs. This ICF Study was previously submitted to the Commission in a joint utility Advice Letter filing in compliance with Decision (D.) 12-08-044.

This presentation can be view and downloaded at: <http://www.liob.org/docs/Item%2011.%20ICF%20Memo%20Presentation%20for%2005%2016%2013%20LIOB%20Meeting.ppt>

The Ex-Parte filing of the Joint Utilities and ICF can be view and downloaded at: <http://www.liob.org/docs/Joint%20Utilities%20and%20Rebecca%20Eaton%20Ex%20Parte%20Communication%20at%20the%2005-16-13%20LIOB%20meeting.pdf>

<http://www.liob.org/docs/Joint%20Utilities%20and%20Rebecca%20Eaton%20Ex%20Parte%20Communication%20at%20the%2005-16-13%20LIOB%20meeting%20Attch%201.pdf>

<http://www.liob.org/docs/Joint%20Utilities%20and%20Rebecca%20Eaton%20Ex%20Parte%20Communication%20at%20the%2005-16-13%20LIOB%20meeting%20Attch%202.pdf>

Commissioner Sandoval closed the ExParte session part of this meeting and reminded parties to follow the Ex-Parte Commission's Rules of Practice and Procedures, Rule, [8.3\(c\)\(1\)](#)

End of Ex-Parte Session

Item 12. Highlights of upcoming activities for low-income energy programs – Energy Division Staff (10 minutes) *Standing Item*

Ms. Gibbs provided an update on the highlights and upcoming activities for low-income energy programs. Ms. Gibbs can be view and downloaded at:
<http://www.liob.org/docs/Item%2012.%20Highlights%20of%20Upcoming%20Activities%20for%20Low%20Income%20Energy%20Programs%20LIOB%20May%2016%20item%2012.ppt>

Item 13. Future Events/Meetings Dates – *Standing Item*

- c) August 21, 2013 – LIOB Meeting in Sacramento
- d) August 22, 2013 – Delta Tour
- e) November 6, 2013 – LIOB Meeting in San Diego

Item 14. Discussion on agenda items for the August 21, 2013 LIOB meeting – (10 minutes) *Standing Item*

Chairman Hernandez encouraged the sub-committees to start coordinating their meetings as soon as possible.

Communications Division to provide follow-ups on the following:
Update on Lifeline Direct Application Project
Update on LifeLine Proceeding/Public Participation Hearings
Presentation on the Federal Program and the State LifeLine Program

Water Division Update

Board Member Toledo questioned whether it is in the purview the LIOB to discuss water quality.

Commission Sandoval informed the Board that the Commission regulates the investor owned utilities and works with the coordination of the Board of Health on water quality issues. The investor owned utilities that have water quality issues are all on action plans. It is important to keep in mind that most of the water quality issues are on the non-regulated water companies and that the Commission only regulates 17% of the water users.

Commissioner Sandoval informed the Board that her office has been working on the details of the Delta Tour scheduled for August 22, 2013.

Vice-Chair Wimbley inquired as to how the percentage of the CARE discount is calculated.

Ms. Fortune informed the Board the level of the CARE discount is a rate design issue. Ms. Fortune will talk with the rate design group in the Energy Division to provide the Board with a presentation on what is occurring in the residential rate design OIR.

Commissioner Sandoval encouraged that Board to submit to staff recommendations on subjects that may be of interest to the Board.

Board Member Rodrigues addressed the Board and commented that it has been an honor to serve on this Board as an institution but more importantly a delight to serve with all the Board Members. Commissioner Sandoval thanked Board Member Rodrigues for his service and his contributions to the Board.

Meeting of the LIOB adjourned at 3:39pm