

Low Income Oversight Board Meeting (LIOB)

Seaside City Hall
Council Chambers
440 Harcourt Avenue
Seaside, CA 93955
10:00am -3:30pm

Call - In Number 1-866-642-1440 - Passcode 7516937#
www.liob.org

Draft Meeting Minutes

Meeting Called to order at 10:10am by Chairman Castaneda

LIOB Board Members Present:

Chairman Robert Castaneda, Vice-Chairwoman Patricia Watts, Commissioner Catherine J.K. Sandoval, Dave Stephenson, Dan Rendler, Larry Gross, Jason Wimbley, Jose Hernandez and Charlie Toledo

LIOB Members Absent:

Benito Delgado-Olson and Ortensia Lopez

California Public Utilities Commission (CPUC) Staff Present:

Joanna Gubman, Lisa Paulo, Jonathan Lakritz, Anna Jew, Kevin Troung and Zaida Amaya

Public Present:

Yvette Vazquez, Joy Yamagata, Mayda Bandy, Mark Aguirre, Andrew Steinberg, Richard Heath, Mary O'Drain, Patti Landry, Julie Garcia, Sheila Lee, Roberto DelReal, E Russel, Lauri Walker and Sunne McPeak

Via Conference:

Dennies Guido, Jim Hodges, Ted Humprey and Emma Ponco, Castilla inaudible

1. Welcome and Introductions— Robert Castañeda, LIOB Chair and Commissioner Catherine J.K. Sandoval -Standing Item

Chairman Castañeda welcomed all present to the Low Income Oversight Board Meeting. Commissioner Sandoval thanked the City of Seaside for their hospitality and allowing the LIOB to utilize its facility to hold the quarterly LIOB meeting.

Chairman Castaneda thanked the Commission for the action taken on the recent Bridge Funding Decision. He also thanked staff at the CPUC for their dedication.

2. Public Comments – Facilitated by Robert Castañeda, LIOB Chair – Informational/Standing Item

No comments were offered during public comment.

3. Approval of the August 19th, 2015 LIOB Meeting Minutes, Facilitated by Robert Castañeda, LIOB Chair- Action Item

Motion to approve the August 19th, 2015 minutes; moved by Board Member Toledo, seconded by Board Member Gross. (Yes: Commissioner Sandoval, Board Members Rendler, Gross, Stephenson, Watts, Toledo and Castaneda; motion passed) (Members Abstained: Board Member Wimbley)

4. **Investor Owned Utilities Reports – Utility Representatives - *Standing /Action/Discussion Item***
 - a) **CARE Enrollment Penetration and Expenditures**
 - b) **ESA Homes Treated and Program Expenditures**
 - c) **Projected Year-End Expenditures and Unspent Funds**
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Ms. Mary O'Drain, representing PG&E, provided an update on the current enrollment, penetration and expenditures for the CARE and ESA programs. Ms. O'Drain also provided a report on the projected year-end expenditures and unspent funds. The amount authorized in 2015 was \$162,218,020; PG&E projects expenses at approximately \$137,000,000, leaving \$25,218,020 of projected unspent funds. The total unspent funds through 2014 is \$93,059,282.

Board Member Gross inquired how the unspent funds through 2014 will be spent.

Commissioner Sandoval explained that this is an issue in the CARE and ESA proceeding and is one of the issues that the Commission is looking at. PG&E's presentation can be viewed and downloaded at: <http://www.liob.org/docs/Item%204.%20PG&E%20CARE%20ESA%20Participation%20and%20Expense%20LIOB%202015-10-29%20FINAL%20rev.ppt>

Mr. Roberto DelReal, representing SCE, provided an update on the current enrollment, penetration and expenditures for the CARE and ESA program. On the projected year-end expenditures and unspent funds; SCE's authorized amount in 2015 was \$72,736,630; SCE projects expenses at \$48,300,000, leaving \$24,436,630 of projected unspent funds. The total unspent funds through 2014 is \$88,218.830.

Mr. DelReal explained that SCE encountered challenges over the last 2-3 years in reaching the ESA targets and that although the penetration rate shows as 40% of treated homes, the actual number is approximately 68%-70% . He further explained that challenges have been related to existing program rules policies, which do not permit certain homes be counted as treated homes.

Vice-Chairwoman Watts expressed concern about contractors who are out in the field outreaching and trying to enroll income qualified customers, but due to the 3 minimum measure rule or other challenges, these customers are not accounted for, therefore, the contractors are not compensated.

The Board asked SCE to file a letter with an explanation of the percentage of expenditures for measures in the projected year-end and unspent funds table; (2) 2015 ESA measures program experience; and (3) challenges in meeting homes treated goal due to existing policies. A response from SCE was filed on 12-15-15.

<http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M156/K748/156748366.PDF>

Commissioner Sandoval asked for clarification on the energy division expenses.

Ms. O'Drain explained that the IOU's pay for the portion of the administration for these programs. Most of the IOU's have a standard budget that they use every year, the IOU's typically check with Commission staff to determine if changes are necessary, this budget line item is typically underspent and historically the amount has been the same every year.

Ms. Gubman added that the creation of this line item was related a settlement associated with the LIOB and implementing it per the Statute.

SCE's presentation can be viewed and downloaded at:

<http://www.liob.org/docs/Item%204.%20SCE%20CARE%20ESA%20Participation%20and%20Expense%20LIOB%202015-10-29%20FINAL.ppt>

Ms. Mayda Bandy, representing SDG&E, provided an update on the current enrollment, penetration and expenditures for the CARE and ESA program. On the projected year-end expenditures and unspent funds; SDG&E's authorized amount in 2015 was \$23,772,250; SDG&E projects expenses at \$26,904,989, leaving \$5,072,250 of projected unspent funds. The total unspent funds through 2014 is \$20,078,232 (this amount stretches back to 2006)

Ms. Bandy concluded her presentation by reiterating the importance for dual-fuel utilities of having greater flexibility to shift funds between authorized gas and electric program budgets to help minimize unspent funds in the future. The Board asked SDG&E to send a letter to the LIOB members to describe SDG&E's fund shifting request that was included in its Application. A response from SDG&E was filed on 11-12-15

<http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=156455022>

SDG&E's presentation can be viewed and downloaded at:

<http://www.liob.org/docs/Item%204.%20SDGE%20CARE%20ESA%20Participation%20and%20Expense%20LIOB%202015-10-29%20FINAL.ppt>

Mr. Andrew Steinberg, representing SoCalGas, provided an update on the current enrollment, penetration and expenditures for the CARE and ESA program. On the projected year-end expenditures and unspent funds; SoCalGas' authorized amount in 2015 was \$131.4M; SoCalGas' projects expenses at \$75.9M leaving \$55.5M of projected unspent funds. The total unspent funds through 2014 are \$113.3M.

Chairman Castaneda asked on the type of collective ME&O outreach SoCalGas and SCE engage in.

Mr. Steinberg responded that both utilities engage with one another on a regular basis and coordinate delivery of their services. He also mentioned that one of SoCalGas' proposals in the most recent application was a nuance to the 3 measure minimum. SoCalGas proposed that once a home has been determined to require three measures (or otherwise meeting the 3-Measure Minimum Rule), the rule should be interpreted to allow the installation of one or two measures, when the third (or other 3-Measure Minimum Rule qualifying) measure is expected to be provided by another entity, including that of a different utility. This proposal will be addressed in the Commission's final decision.

Vice-Chairman Castaneda added that although areas, regions and communities are different for the each IOU, he would like to see standards on how the enrollment dollars are spent. He also expressed concern about the low percentages on the willingness to participate, and the fact that there are more low income individuals on fixed income that are becoming seniors, as well as individuals on categorical eligibility programs.

Mr. Steinberg pointed out that as their monthly reports shows; SoCalGas has numerous relationships with community based organizations, especially those that work with aging communities or communities with customers who have disabilities, as well as customers that face challenges with literacy. SoCalGas has also requested an opportunity to study the effects of documentation status as a barrier to enrollment.

SoCalGas' presentation can be viewed and downloaded at:

<http://www.liob.org/docs/Item%204.%20SCG%20CARE%20ESA%20Participation%20and%20Expense%20LIOB%202015-10-29%20FINAL.ppt>

Commissioner Sandoval requested that in the interest of transparency and abundance of caution, parties to the CARE and ESA proceeding should file an Exparte.

SDG&E and SCG Exparte - Mayda Bandy & Andrew Steinberg
<http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=157362223>

SCE Exparte
<http://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=156236822>

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

OGA was not present to provide a current update. A summary of the Low Income Related Bills can be found at:

<http://www.liob.org/docs/Item%205.%20Legislative%20Update.pdf>

Board Member Stephenson provided briefs on the water related legislation.

AB 401 (Dodd)

SB 7 (Wolk)

SB 13 (Pavley)

SB 226 (Pavley)

AB 1390 (Alejo)

Board Member Hernandez commented on the importance of SB 350 (DeLeon) and AB 693 (Eggman). Board Member Hernandez also informed the Board that there has been a shift in leadership; Assembly member Anthony Rendon was selected to be the next Speaker of the Assembly. Assembly member Autumn Burke will be the chair of utilities. He reminded the Board that this is a great opportunity for the LIOB to get involved with the Legislature.

Commissioner Sandoval invited Ms. Sunne Wright McPeak to provide comments on the recent passing of AB 1262 (Wood). Ms. Wright McPeak informed the Board that AB 1262 passed the Legislature unanimously. This Bill had a broad base of support throughout California from community organizations and also from regional civic leader groups and recognition by the CPUC. AB 1262 reallocated \$5 Million of the authorized funding for the California Advanced Services Fund (CASF) Broadband Infrastructure Revolving Loan Account (Loan Account) to the CASF Rural and Urban Regional Consortia Grant Account (Consortia Account). The purpose is to help bridge the Digital Divide by encouraging broadband deployment through the Rural and Urban Regional Broadband Consortia Grant Account. Legislation was necessary to continue funding the consortia grant activities beyond 2015. Current authorized funding for the Consortia Grant Account has been fully allocated for consortia grantees during the 2012-2015 grant cycle.

Commissioner Sandoval commented that the consortia makes sure that we remain focused on not only the large cities, but smaller cities such as Hollister, San Benito, Gonzales, Seaside and all the communities in between these towns, and really understand that we cannot assume that the level of connectivity available in San Francisco is enjoyed by the people of Gonzales, and that having this focus of regional leadership has been absolutely critical.

The Board thanked Ms. Wright McPeak for her input on AB 1262.

Chairman Castaneda provided highlights from SB 350 (DeLeon); he indicated that there are specific inserts within the Bill that specifically relate to the low income community, which indicates barriers to access for low-income customers to all forms of renewable energy being generated in the state and added that there are opportunities to not only work more effectively with the CPUC but also with other implementing agencies, such as the Energy Commission and the Air Resources Board.

http://www.leginfo.ca.gov/pub/15-16/bill/sen/sb_0301-0350/sb_350_bill_20151007_chaptered.pdf

Board Member Toledo thanked the Legislation for addressing the remote rural issues, which has been long time coming.

6. Water Utilities' Current Issues – Kevin Troung, Division of Water and Audits - Update/Informational/Standing Item

Mr. Kevin Troung from Division of Water and Audits provided the Board with the history and background on Governor Brown's Executive Order for a 25% water reduction. As of August 2015, Californians as a whole have saved 29%, and the CPUC regulated companies have saved an average of 30%. The 2010 Water Action Plan was adopted to guide the Commission in ensuring clean, safe and reliable water at reasonable rates. Mr. Troung also mentioned that there has been an increase in penetration rates, there are approximately 250,000 customers enrolled, compared to 115,000 in 2013. The CPUC hosted a workshop in the current Balance Rates Rulemaking in R.11-11-008; this rulemaking explores the potential for a comprehensive realignment of ratemaking for water utilities. Some of the issues discussed in regards to the low income were –●fixed discounts ●low-income areas with high participation ●self-certification ●multi-residential housing and ●lack of public agency program (AB 401). He explained that SB 401 is collaboration between SWRCB (State Water Resources Control Board), BOE (Board of Equalization) and relevant stakeholders to develop a plan for the funding and implementation of the Low-Income Water Rate Assistance Program.

Chairman Castaneda encouraged Board members to participate in Rulemaking R.11-11-008.

Board Member Gross inquired as to whether there was any discussion regarding buildings that are low income and that have government subsidies or are non-profit affordable housing buildings.

Board Member Stephenson commented that by law, discounts are not provided to multi-residential complexes, even when those buildings are designated as low-income buildings.

Board Member Wimbley commented that CSD entered in an inter-agency agreement with the Department of Water Resources to launch a low-income toilet replacement program, which is a great opportunity to include it as part of CSD's energy efficiency services. He explained that one of the challenges CSD is facing is with the definitions of disadvantage communities that the Department of Water Resources has defined, and inquired as to whether any water companies have embarked on similar efforts in the past.

Board Member Stephenson mentioned that this type of information would be with each individual water company and added that companies usually have funds in their conservation programs. He also mentioned that there are counties and areas that have mandatory retrofit programs, such as in Monterey, which requires that any house resold has to be completely retrofitted to current standards.

Commissioner Sandoval suggested reaching out to the water districts as some water districts have toilet replacement programs, and added that the CPUC has not authorized toilet replacement for the most part in the energy efficiency program. She mentioned that this might be a great opportunity to help the multi-family housing, as a lot of multi-family owners are very interested in water measures as they tend to pay the water bill. Commissioner Sandoval suggested reaching out to the landlords associations, which might be very fruitful and also working with the people who are working on the California Advance Services Fund (CASF) which might create a one-stop shop for the multi-family.

Commissioner Sandoval commended the customers of the regulated utilities for exceeding the Governor's goals, as well as the regulated water utilities who have done a tremendous job in outreaching to their customers.

Mr. Troung's presentation can be viewed and downloaded at: <http://www.liob.org/docs/ACF8C.ppt>

7. **Lifeline Telephone Program Update – Anna Jew, CPUC -Consumer Programs –Communications Division (25 minutes) Informational/Standing Item**
- a) **Lifeline Proceeding Update**
 - b) **Update on Lifeline Direct Application Project**
 - c) **Update on Current Outreach Contractor**
 - d) **Tribal Lifeline Update**
 - 1. **Average Subscriber Subsidy**
 - 2. **Xerox Update on Potential Customers Qualifying for Tribal Lifeline**
 - 3. **Propose Methods to Increase Penetration Rates for the Tribal Lifeline Program**

Ms. Anna Jew from the Communication Division provided a report on the participation status of the current CA LifeLine wireless providers noting that there are 13 approved wireless providers. TracFone Wireless was recently approved as a Federal Lifeline wireless provider. There are 8 pending wireless carriers requesting CA Lifeline and 3 pending wireless for Federal Lifeline.

Mr. Jonathan Lakritz noted that the FCC requires that handsets provided to LifeLine participants be unlocked. As of September 30th, 2015 the combined CA LifeLine and Federal LifeLine participation is approximately 2.2 million, it was noted that the CA wireline participants continues to steadily decline, however, CA LifeLine wireless has started to leveled out. Mr. Lakritz explained that the income threshold falls at 150% of the Federal poverty level and that for major social services programs it falls at 200% of the Federal poverty level. The Commission requires a 200% threshold through program based and 150% on income based; this is true for the Federal LifeLine program as well, their income threshold is more restrictive to qualify on income basis than on program basis. He added that about 80% of the program participants qualify through program based.

The participation rate on the combined CA LifeLine wireline and wireless is about 73%. There are currently 133 enhanced LifeLine participants. It was explained that the enhanced Lifeline programs offers a deeper discount to qualified customers who live on federally-recognized Tribal lands. The LIOB had queried as to the causes of decrease in enhanced LifeLine participation. Ms. Jew informed the Board that the decrease was due to carriers incorrectly coding customers as eligible for enhanced LifeLine, but that this issue has been corrected. Ms. Jew informed the Board that the CPUC started analysis by focusing on consumers already participating in CA LifeLine and residing in Tribal Lands, which many of these customers very likely qualify. This analysis helped understand CA LifeLine participant's preferences for wireline versus wireless on Tribal Lands. Currently, there are 28 customers participating in the wireline enhanced LifeLine program; 942 customers currently participate in the basic **landline** service, and 1,484 **wireless** customers, which both could potentially qualify for enhanced LifeLine; however, the

Commission has not approved wireless providers to offer enhanced LifeLine, a potential applicant is being review and many other carriers are seeking interest to offered enhanced LifeLine. The analysis concluded that the majority of CA participants have wireless and very few CA participants choose to participate in Enhanced LifeLine, and the majority of CA participants reside in Riverside County. The next steps on this process is to inform current CA LifeLine participants on Tribal Lands of both the wireline and wireless of Enhanced LifeLine; work with selected carriers to better identify eligible customers; encourage wireless LifeLine providers to participate in Federal Enhanced LifeLine and consult with Tribal organizations and FCC to understand barriers. The input, comments and suggestions from the LIOB are also welcome in improving the Enhanced LifeLine participation.

Board Member Toledo commented that the report shows people currently registered/sign-up with LifeLine, but it does not reflect the actual individuals residing in the federally recognized tribes. Board Member Toledo encouraged telecommunications to continue with this effort and would like to receive regular updates. She noted that the majority of telecommunications carriers seem to be reluctant to serve the more remote areas.

Commissioner Sandoval commented that this is an issue that the CPUC has looked at in a variety of proceedings, and added that 5 of the 11 workshops in public participation hearings were held on California Reservations and in towns where tribes reside. She added that many reservations such as Morongo or Soboba only have phone service available with dial-up internet. Commissioner Sandoval acknowledged and thanked AT&T, Verizon and Frontier for accepting all of the money that they are eligible from the Federal Government for the Connect America Fund (CAF). California will receive over \$550 million dollars over the next 6 years to build-out networks in the high-cost rural areas, however, some areas such as Yurok reservation is not eligible for this fund because the FCC defines it as a remote area.

Lastly, Mr. Lakritz informed the Board that there is no activity currently being undertaken with regards to the outreach contractor.

Commissioner Sandoval suggested inviting the TEAM (Telecommunications Education and Assistance in Multiple- languages) program and contractor to provide an update on their activities and also to report on the key trends that they are seeing in terms of customer complaints or customers' requests for assistance.

The Board thanked Ms. Jew and Mr. Lakritz for their report.

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

<http://www.liob.org/docs/Item%207.%20California%20LifeLine%20Presentation%20LIOB%20October%2029%202015%20in%20Seaside.ppt>

- 8. Highlights of Upcoming Activities for Low-Income Energy Programs – Energy Division Staff - Standing Item**
 - a) Update on the Low Income Needs Assessment**
 - b) Update on SB 350: by Chairman Castaneda**

Ms. Lisa Paulo from Energy Division provided an update on the LINA (Low Income Needs Assessment) study and an update on the status of the low income proceeding schedules. Ms. Paulo highlighted that a motion was issued to extend the timeline and issue a bridge fund period. Ms. Paulo informed the Board that Energy Division is in the process of finalizing a contract for a vendor for the LINA. Board Members

Castaneda and Lopez are the leads representing the LIOB. Ms. Paulo provided a background report on the low income potential analysis. The low income market potential was first included in the potential model in 2011. The study was conducted by Navigant Consulting, Inc. and input was obtained from IOU reports and interviews with IOU staff. The 2013 study used the same data inputs used in the 2011 study. AB 327 requires a triennial low income needs assessment; in Decision 14-08-030, the Commission required, at minimum, four objectives for the low income needs assessment, including estimates for remaining low income potential; in view of this requirement and since the energy efficiency umbrella potential study was on its way, the LINA study group conferred with the Navigant consulting team, resulting in a revised final 2015 potential study. The study included two primary data input revisions – Unit Energy Savings (UES,) which is an estimate per savings per dwelling, primarily for the ESA program, as well as participation forecast, these are key data inputs in trying to calculate low income potential as part of the Needs Assessment. Ms. Paulo shared the trends between these two revisions that were made, and how it impacted the results. Lastly, Ms. Paulo presented the research recommendations by Navigant Consulting, Inc. Ms. Paulo’s full presentation and report can be viewed and downloaded at: <http://www.liob.org/docs/Item%208.%20ED%20highlights%20for%20October%2029%202015%20%20LI%20OB.ppt>

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

a) Marketing & Outreach (Board Members Toledo, Gross, Watts, Delgado-Olson & Rendler)

The Marketing & Outreach Subcommittee did not meet; however, Board Member Toledo reminded the Board that the IOUs and the Telecommunication providers have been requested to provide an annual report on their marketing, outreach and strategies.

b) ESAP and CARE Implementation (Board Members Castaneda, Wimbley, Watts, Lopez & Rendler)

The ESAP and CARE Implementation Subcommittee did not meet.

Board member Wimbley commented that careful thought needs to be given to the issue of cost effectiveness, and added that within CSD’s weatherization program, measures are looked at individually, to evaluate their cost effectiveness, based on cost and return on energy savings. He added that the Cap and Trade funding is forcing them to look at a higher quantification to support the soundness of energy efficiency, and to shift some of the cost effectiveness standards; to focus more on the package of measures that are put into a home and to allow certain measures to offset other ones, which favors the low-income customer. Board member Wimbley also mentioned they’ve had challenges with the 3 minimum measure rule, and that they had to weigh-out the benefits and look at it from the stand point of total cost, rather than the cost of the measures themselves. Studies for the weatherization programs shows that the motives for low income individuals are different from non-low income individuals; non-low income individuals focus on becoming green or see the value of these investments; low-income individuals are not necessarily looking at energy efficiency, but are reacting to a need that they have in their home. He stated that this comes at a higher cost to provide incentives to low-income individuals and encourage them to participate in these programs and that it is not appropriate to make direct comparisons or measurements of cost effectiveness with low-income to non-low-income energy efficiency programs, because of the inherent differences between the two, and that this could serve as an impediment to really serve the low-income needs. Lastly, he added that there needs to be an adjustment to the policies around the changing dynamics in the low-income section that we are serving.

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

The Workforce Education and Training subcommittee did not meet. Chairman Castaneda informed the Board that the IOUs held a Statewide Workforce Education and Training Stakeholder Engagement Forum. The meeting went well and it had a lot of valuable information and looks forward to the development of some action items discussed at this forum.

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

The Water Industry Subcommittee meeting met on October 28th, 2015 in the Monterey Public Library from 1:30pm-3:30pm. The subcommittee discussed the current drought, as well as the need for the water companies to be aware of what is going on in the energy CARE program updates, he added that the CARE program is directly tied to what the water companies do in a lot of cases, and that it is important for the water companies to understand, and to keep in mind that as the proceeding moves forward, there is going to be dual impact. The subcommittee also discussed the water energy Nexus OIR, and the requirements in the final decision. On the balance rate, a phase II workshop was held. One of the issues discussed was that no matter what changes happened in the rate design; it will have an impact on the low income side. The subcommittee also discussed Legislation related to water issues.

Commissioner Sandoval took this opportunity to acknowledge and thanked Board Member Stephenson for his very dedicated service to the Low Income Oversight Board. Board Member Stephenson served as the water company representative since early 2008, attending every Board meeting the LIOB has held. Commissioner Sandoval expressed her continuous admiration of Board Member Stephenson's enthusiasm for making sure that all customers are served; specially the low income customers. She added that his knowledge in the industry, his commitment, and collaboration have been priceless. On behalf of the LIOB, she thanked him for his long dedicated and effective service, and wished him health and happiness in his upcoming retirement.

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

The Emerging Issues/Climate - Board Members Toledo and Delgado-Olson met on various climate change issues.

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

The AB 327 Subcommittee did not meet.

10. Sunne Wright McPeak, President and CEO, California Emerging Technology Fund
Overview of the California Emerging Technology Fund and the Drive to Close the Digital Divide for All Low-Income Households – *Informational Item*
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Ms. Wright McPeak provided background information on the mission and role of the California Emerging Technology Fund (CETF). She explained that CETF was established by the CPUC as result of a merger in 2005 between SBC-AT&T and Verizon-MCI. AT&T and Verizon contributed \$60 million in seed capital as a public benefit, this effort was organized in 2006 and it began operating in 2007. The strategic plan was based on research, fact finding and by listening to people. With the assistance of CBO's, \$20 million was out into the community within the first 18 months. CETF is providing leadership to close the Digital Divide by setting goals for success. To achieve the optimal impact and a higher return on the investment of the original \$60 million seed capital, CETF uses 5 overarching strategies: civic leader engagement; venture philanthropy grant-making; public policy initiatives; public awareness and education and strategic partnerships. She added that progress has been made in closing the Digital Divide, but there is still a lot to accomplish. CETF's 2015 survey tracked the progress of broadband deployment and adoption throughout California, and the poll found wide differences in broadband connectivity in the nation's largest state: 79% percent of California households have a broadband connection at home, while 21% do not, citing the cost of internet service as major reason for being unconnected. The statewide goal is to achieve 80% home adoption by 2017, with no single demographic group or region below 70%. The poll details how the lowest-income, least-educated Californians are living without an essential tool to access the educational, employment, healthcare and civic engagement opportunities that lead to self-sufficiency and a better quality of life. There are 3 primary barriers to broadband adoption by low-income households: cost, relevance and digital literacy, and in order to tackle the wall of poverty, effective digital inclusion must address all 3 barriers. Ms. Wright McPeak reported that all

\$60 million seed capital will be expended by 2017, and that new public policy and additional resources are needed to close the Digital Divide. Ms. Wright McPeak spoke about the major opportunities that exist with the energy utilities, since the energy utilities have already identified customer base of low income households. She mentioned that a partnership has been created with Sacramento Municipal Utility District (SMUD) and that SMUD has reached to out 20,000 customers of their identified 110,000 low income households customers, informing them about broadband. Referrals have been directed to the Sacramento CBO's through the California Foundation for Independent Living Centers and the Food Bank. Ms. Wright McPeak reported that progress is being made with other utilities and that a meeting with SEMPRA resulted in deciding the next steps. Ms. Wright McPeak emphasized that the partnership with the utilities is significant and that aligning these partnerships would be a huge win for the utilities, as it could translate to online billing and an overall green strategy for the State. Ms. Wright McPeak stated that everything that is being done is not really about technology, but about empowering people and reaching those folks who are disadvantaged in one way or another and that there is still is a 5th of the population not participating in the digital economy. She also mentioned that low performance schools in the middle of low income neighborhoods are also challenged, and that getting technology infused in education as a policy is one of the first steps to absolutely empower low income folks and that it is going to take a real push by policy makers. Finally, Ms. Wright McPeak thanked the Board for allowing her to present before the Board, and encouraged the Board to provide input and support to help advance new public policy, align existing efforts, and assist in securing additional resources to ensure that all low-income households in California are empowered through Digital Inclusion as it aligns with the Board's mission to serve the low income community.

Chairman Castaneda thanked Ms. Wright McPeak for her presentation and encouraged the filing of Exparte to have an official document as a participant in the proceeding. He added that the success that CETF has demonstrated in reaching the rural areas has not been seen anywhere and the strategies, methodologies and approaches used have shown to be extremely successful. He encouraged the continued communication to develop strategies and to intermingle and to bring other stake holders to get assistance and continue with this effort.

Board Member Gross commented that working with the tenant's rights issues in Los Angeles areas; he has seen the impairment of not having access to the internet can cause. In many cases, access to the internet could prevent evictions and ensure that poor housing conditions are upgraded. There have been instances where landlords were forcing tenants to pay their rent online, and many seniors or disabled individuals didn't have access, which was clearly a route to try and evict these tenants. Not having internet access can result in people's homes being threaten, their health being threaten, so this is definitely a priority to ensure that everyone has access to the internet and are able to access the information that is out there.

Commissioner Sandoval thanked Ms. Wright McPeak for the powerful presentation and for her leadership on this critical important issue, and encouraged the energy utilities to take advantage of the opportunity to collaborate with CETF and to think about how to work collaboratively on deployment and reaching the same households as well as sharing information about effective administration and address the needs of California.

Ms. Wright-McPeak's presentation can be viewed and downloaded at:

<http://www.liob.org/docs/Item%2010.%20CA%20Emerging%20Technology%20Fund.doc>

<http://www.liob.org/docs/Item%2010.%20CA%20Emerging%20Technology%20Fund%20Presentation.ppt>

CETF's Annual Report can be found at:

<http://www.cetfund.org/files/CETF2014-2015ARcomplete13Mar9am.pdf>

11. Elisabeth Russell, AMBAG Energy Watch Energy Efficiency & Climate Planning Programs – Informational Item

Ms. Russell representing the Association of Monterey Bay Area Governments explained that she specifically manages the AMBAG Energy Watch Program, which is a local government program in partnership with PG&E that does regional energy efficiency under the auspicious of the CPUC. Ms. Russell further explained that AMBAG is a voluntary association of 18 cities and 3 counties in California's Central Coast region. In 2005 the AMBAG Board unanimously decided energy was an issue of regional significance. Since its formation, AMBAG has confronted regional issues on a cooperative, unified basis between its members and other governments. AMBAG is the designated Metropolitan Planning Organization (MPO) for Monterey, San Benito, and Santa Cruz counties. As the MPO, AMBAG is responsible for metropolitan transportation for the tri-county region. Ms. Russell provided a list of AMBAG's energy watch programs service and support that they serve, and mentioned that they focus on specifically just above low income. The two largest industries in the region are agriculture and hospitality, for which they have very specific programs to work with. They also serve small business, school districts, non-profits, municipal governments and special districts. Ms. Russell highlighted that in the public sector complex energy projects, 150 completed projects have been accomplished, with a combined annual cost savings of \$2 million. The types of complex projects include: waste water & motor projects, HVAC projects, lighting projects. Ms. Russell highlighted that in 2009 they started the street lighting project, and out of 14,800 street lights in their region, they have retrofitted 12,000 lights. Between 2011-2015 the Residential Direct Installation Program for Just Above Low Income Residents (MIDI) program served 2203 households, with 3,044,837 kWh saved. AMBAG Energy Watch also supports the 21 AMBAG jurisdictions with their climate planning efforts; supporting them through the preparation of Community-Wide GHG Inventory documents for baseline year 2005, 2010, and current training for the 2015 update. The major initiative for this year was the implementation of a new efficiency program for the many school districts in the AMBAG region to access Proposition 39 funding for energy efficiency in schools. In 2015, AMBAG Energy Watch is working with thirty-four school districts to secure approximately \$17 million in Proposition 39 funding for energy efficiency retrofit projects at their schools. Lastly, Ms. Russell reported that from 2006-2015, 81.7 Million kWh was achieved in energy savings, with a total of \$12.2 Million incentives delivered and 17,633 MT CO₂e of annual GHG reduction. Ms. Russell thanked the Board for the opportunity to provide this report, and looks forward to working together and to optimize all resources.

Ms. Russell's presentation can be viewed and downloaded at:

<http://www.liob.org/docs/Item%2011.%20AMBAG%20Presentation%20to%20the%20Low%20Income%20Oversight%20Board.ppt>

The Board thanked Ms. Russell for her report.

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

The Board suggested meeting in San Francisco on February 23rd, 2016. There was consensus to meet in Sacramento in July; Eureka in September; and Long Beach in November/December. Staff will poll Board for best dates/availability. Commissioner Sandoval suggested coordinating a visit to nearby Tribal areas in the Eureka area.

Board Member Gross will coordinate with staff on information on the NET Energy Metering issue for non-profit housing developers (multi-family) and the impacts that it might have in providing solar. TEAM and CHANGES Presentation.