



2015-2017 Low Income Programs Application

CARE and Energy Savings Assistance Program



Pacific Gas & Electric Company

Low Income Oversight Board
San Francisco, CA
February 19, 2015

D.14-08-030 established the 2015-2017 ESA and CARE Programs and Budget Application Filings

- Endorsed continued path towards achieving 2020 Low Income Strategic Plan goals:
 - Offer all eligible and willing low income customers the opportunity to participate in the ESA program and treat all eligible homes by 2020
 - Enroll all eligible (and willing) customers in CARE
- Set **November 18, 2014** Application filing date for 2015-2017
- Authorized 2015 as a Bridge Year
 - Set 2015 Budgets and Goals as Status Quo with 2014
- Provided Application Guidance and filing template

Strategy: Empower low income customers to better manage their energy use and pay their energy bills on time and in full.

Objectives:

- Focus on overall customer journey to deliver a portfolio of high-quality programs to the LI customer segment.
- Streamline PG&E's system support programs and services.

Outcomes:

- Increase targeted penetration
- Reduce cost-to-serve
- Strengthen community partnerships

Resources:

- Cross-functional program teams
- Community partners
- 3rd party contractors
- IT/data systems

- **Increase Communication with CARE Customers**
 - Joint Marketing (Lifeline, water, financial institutions, tribal, etc.)
 - Ensure the Right Customers Participate
- **Address High Energy Users**
 - Explore options to decrease the subsidy impact of these customers
 - Continue High User PEV initiative
- **Deepen Community Engagement**
 - Broaden our involvement with Community Organizations
 - Offering support for assistance with enrollment and post enrollment verification process

Proposed 2015-2017 Budgets

Budget Category	2015 *	2016	2017
CARE Management Costs	\$14,946,832	\$16,946,000	\$18,020,000
Subsidies and Benefits	\$605,950,000	\$580,353,000	\$587,313,000
Total Program Costs	\$620,896,832	\$597,299,000	\$605,333,000

* 2015 is a status quo bridge year; 2015 budgets are based on 2014 budgets and goals (D.14-08-030).

Forecasted Enrollment Goals

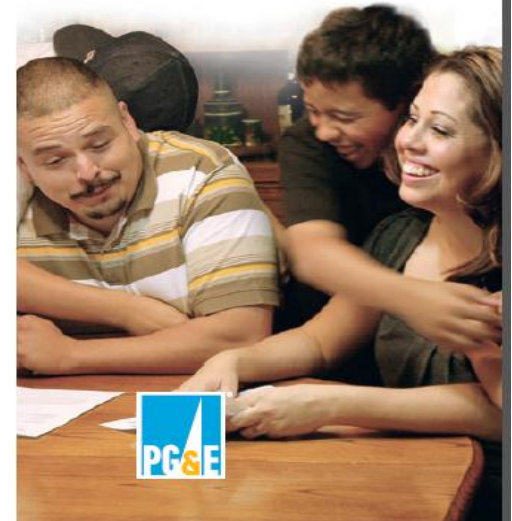
Program Activity	2015	2016	2017
New Enrollments	342,000	342,000	342,000
Attrition	(325,000)	(326,000)	(326,000)
Net Increase	17,000	16,000	16,000
Year-End Enrollment	1,435,000	1,451,000	1,467,000

- **Vision:** Expand low income outreach through strengthened relationships with CBOs, non-profits and key community networks.
- **Objective:** Obtain higher impact, enrollment, and reach of PG&E's low-income programs, products and services while developing strong local partnerships and collaborating across communities.

* CE Strategies are used for all PG&E LI Programs, including both CARE and ESA.

PG&E Programs to Manage Your Energy Bills

Three easy steps to savings and home improvements for qualified households



- ESA II Allows Limited Return to Previously-treated ESA Customer Homes
- Cost Effective Mix of Existing and New Measures
- Water/Energy Nexus Proposals Offer Immediate Help to Alleviate the Drought
- Enhanced In-home Energy Education
- Coordinated ESA-EE MF Program Component Targets Building Owners Using a SPOC Project Manager
- WE&T Recommendations Regarding Reporting and Data Collection, Prevailing Wages/ Wage Floors, Career Ladder, and First Source Hiring

- Proposed 2015-2017 Budgets and Goals

Year	Homes Treated Goal	Budget	kWh Savings	kW Savings	Therm Savings
2015 *	119,940	\$161,862,111	47,008,355	7,100	2,059,361
2016	90,030	\$154,528,000	36,584,256	5,653	1,850,857
2017	90,030	\$157,566,000	36,584,256	5,653	1,850,857
Total	300,000	\$474,288,111	120,176,866	18,405	5,761,075

* 2015 is a status quo bridge year; goals and budgets for 2015 were authorized in D.14-08-030 based on 2014 goals.

- Proposed Portfolio Cost Effectiveness

Year	ESACET	Resource Measure TRC
2015	0.90	1.23
2016	0.78	1.26
2017	0.78	1.26

- **New Measures**

- High Efficiency Clothes Washers
- LEDs: Reflector downlights, Downlight retrofit kits, Diffuse A-type lights
- Toilet tank leak detection tablets
- Enhanced Energy Education

- **Retired Measures** – No existing measures are proposed to be retired

- **Other Changes**

- Proposed Enhanced Energy Education be adopted as a stand-alone measure (counting towards the Three Measure Minimum requirement)
- AC proposed in additional climate zones

Incorporates process improvements and findings of the Energy Education, LINA, and Multi-family Studies.

1. Expand In-home, Individualized Energy Education

- Provided during initial ESA Home Assessment (energy efficiency measures, behavioral changes, PG&E rate options, water conservation, etc)

2. Provide Follow-up Energy Education

- All customers will receive a personalized bill disaggregation package post ESA participation & high-usage customers get in-home consultation

3. Provide Continued Feedback

- All participants receive regular Home Energy Reports with tips and behaviors

As we get closer to the Commission's 2020 Strategic Plan 100% goal, the harder-to-reach customers are becoming more challenging to find and enroll

- Create two ESA subprograms:
 - **ESA 2020**
 - **Treat a specified number of homes during the 2012-2014 cycle that will maintain progress towards 2020 100% goals**
 - **ESA II**
 - **Return to treat homes that participated in ESA since 2002**

- **For immediate implementation (2014-2015):**
 - Increase current caps on water conservation measures
 - Add Water Conservation to in-home Energy Education
 - Implement simple toilet leak detection during initial home visit
- **Proposals for 2015-2017 in Application**
 - Closer coordination with water agencies re: conservation
 - Begin leveraging discussions (distribute water info, assess homes for water savings)

CARE

- **Acquisition** - Leverage propensity model to increase targeted outreach
- **Retention** - Simple, clear communication on PEV, High-Usage, Recertification

ESA

- **Enrollment** – Provide warm leads to contractors and expand contractors’ toolkit
- **Targeting** – Build prospect model to identify top prospects and create multi-channel campaigns to maintain a pipeline of interested customers

Outreach Strategies	
Direct Mail	Automated Voice Messages
Email	Targeted Digital Outreach
Bill Inserts	Community Events
Radio	Low income e-newsletter
Telemarketing	CARE customer Welcome Kit
Vendor Partnerships	Enhanced Website

Marketing & Outreach Coordination

- **Lifeline** - Provide LifeLine collateral at community events, COCs, CBOs
- **Tribal Governments** - Consult with targeted tribes to distribute CARE enrollment information
- **Local Governments** - Work with local health departments and health workers to leverage existing low-income programs and networks
- **Community Based Organizations** - Partner with 64 existing COCs, new Community Ambassadors, networks

Comprehensive Strategy

- Leveraged customer insights and research
- Deepen internal alignment and external collaborations
- Intentional community engagement strategy, marketing, and collaborations

CARE

- Increased targeting and outreach for CARE acquisition and retention
- Joint marketing and partnership opportunities (LifeLine, financial, water)

ESA

- ESA 2020 & ESA II strategies
- New measures introduced to maximize health, comfort, safety, and EE
- Coordination across issues (multifamily, WE&T, drought, joint studies)

APPENDIX



Comparison: ESA 2020 and ESA II

Program Year	Home Goal	ESA 2020	ESA II
2015	119,940 *	119,940 *	0
2016	90,030	47,000	43,030
2017	90,030	43,000	47,030
3 Year Total	300,000	209,940	90,060

Program Year	Home Goal	ESA 2020	ESA II
2018 **	100,000	38,000	62,000
2019 **	100,000	31,500	68,500
2020 **	100,000	26,560	73,440
3 Year Total	300,000	96,060	203,940

* PG&E did not set this 2015 goal; bridge year goals and budgets for 2015 were authorized in D.14-08-030 based on 2014 goals. The untreated customers remaining to be treated are increasingly harder to reach. PG&E will carry over the untreated 2015 goal into 2016-2017, and expects to treat an average of 100,000 homes each year during the 2015-2017ESA Program cycle.

** Actual 2018-2019 ESA goals will be proposed in the 2018-2020 Application, and will be based on 2015-2017 results and requirements. They are only shown here to illustrate how we propose to decline the ESA 2020 goals over time.



ESA Program Multi Family Proposals

- Continue two-pronged marketing approach targeting MF property owners/operators as well as MF low income occupants-tenants
- Coordinate and combine LI services with Energy Efficiency multifamily, commercial and other program offerings
 - MF Project funding will come from multiple program sources
 - MF Building retrofit process will be targeted, ID'd and managed by a PG&E Single Point of Contact
 - 2-3 specially trained subject matter experts will be chosen as implementation and delivery subcontractors

ESA addresses WE&T recommendations regarding:

- Reporting and Data Collection
- Prevailing Wages/ Wage Floors
- Career Ladder
- First Source Hiring

In 2015, there are 35 PG&E ESA contractors with approximately 1,925 staff implementing ESA in the field.

- Most in-home workers from the communities in which they will be working.
- Personnel bring their local and in-language knowledge to recruitment.
- PG&E's energy efficiency training provides them with skills and work experience that are transferrable to other green jobs.