



**California Emerging Technology Fund
Overview of Presentation
California Public Utilities Commission
Low Income Oversight Board
November 22, 2016**

I. Energy Assistance Savings Program Funding – What the Law Says

- Assembly Bill 793 (Chapter 589, Statutes of 2015) amended the Energy Savings Assistance Program (EASP) to allow “energy management technology” to count as a weatherization program.
- Further, the statute defines “energy management technology” and says it “. . . may include a product, service, or software that allows a customer to better understand and manage electricity or gas use in the customer’s home.”
- Public Utilities Code 382 (e) The commission shall . . . ensure that all eligible low-income electricity and gas customers are given the opportunity to participate in low-income energy efficiency programs, including customers occupying apartments or similar multiunit residential structures.

These programs shall be designed to provide long-term reductions in energy consumption at the dwelling unit based on an audit or assessment of the dwelling unit.

II. What the CPUC Regulations Say

- ESAP Manual 2.3.2. Referrals
In order to provide the maximum opportunity for eligible customers to receive all feasible measures . . . the utilities will work with community agencies and local governments including their local Department of Community Services and Development (DCSD) agencies to expand leveraging opportunities. This will increase the number of measures available to eligible customers by sharing the cost of measures offered by both programs.

- 2.8 Need for ESAP Services
A home must receive all feasible measures offered under the ESAP.
 - For homes that need fewer than 3 measures, the energy savings achieved must be at least 125 kWh annually or 25 therms annually.
 - Homes that require 3 or more individual energy efficiency measures qualify for ESAP participation regardless of energy savings.

- 3.2.4. Targeted Outreach
Outreach efforts should target those customers with the highest energy usage, energy burden and/or energy insecurity but not at the expense of all other customers. Contractors shall also serve those customers who are disabled. Such customers may be identified based on their enrollment in the Medical Baseline Program, their enrollment in the Deaf and Disabled Telecommunications Program (DDPT), their enrollment in ESAP through a disability-based community-based organization (CBO), their request for accessible formats of written materials or use of Tele-Typewriter / Telecommunications Device for the Deaf (TTY/TDD), the visibility of an observed disability and/or their self-identification as having a disability. Contractors shall not ask the customer if he/she is disabled.

III. Energy Savings through Broadband Usage

- The “Internet of Things” promises great benefits, including cost savings, energy savings, and convenience. However, the “Internet of Things” cannot benefit a customer without high-speed Internet connectivity.

- According to the FCC’s Broadband.gov web site:
 - Studies have repeatedly demonstrated that when people get feedback on their electricity usage, they make simple changes that save energy. Real-time information can also inform automated thermostats and appliances, enabling consumers to save energy and money automatically.

- Whirlpool and GE have both released a line of wifi-connected, smart appliances.
 - Appliances can communicate with utility to receive price and energy data to operate at most cost effective time.

- The potential energy savings is significant. As an example, the following calculation is based on Nest, a relatively new and popular thermostat.
 - According to the Energy Information Administration, the average California household consumes 6,684 kWh of electricity annually.
 - According to Nest: In independent studies, the Nest Thermostat saved an average of 10% to 12% on heating bills and 15% on cooling bills. [6,684 kWh x 15% = 1,002.7 kWh Annual Electricity Reduction]
- According to the Energy Information Administration, the average California household uses 600.343 Therms annually. [600.343 Therms x 10% = 60 Therms Annual Gas Reduction]

IV. Broadband Adoption through Energy Utility Outreach

- Utilization of ESAP funding for outreach to low-income customers to inform them about affordable broadband subscriptions appears to be allowed under statute and regulations. AB 793 amendments to include technology as eligible for ESAP funding, including for “service or software”, cannot be implemented without high-speed access to the Internet (generically called broadband).
- Nothing in the CPUC regulations prohibits ESAP funding from being used for broadband adoption outreach if it meets the other criteria.
- Broadband technology is required for consumers to recognize the benefits of smart thermostats and other Internet-enabled devices and appliances, such as dish washers, water heaters, and washers and driers.
- There also are ancillary benefits in reduced transaction costs for customers who can pay bills and manage energy accounts on line.
- Thus, IOUs can use existing ESAP funding for outreach to inform low-income customers about affordable broadband offers and programs. Encouragement from the Low Income Oversight Board will accelerate action by IOUs to get low-income customers online so that all residents can benefit from energy efficiency programs and technologies.

V. Low Income Oversight Board Has a Vital and Critical Role as the Official Low-Income Customer Advocate and Liaison to the CPUC

- Public Utilities Code 382.1 established the Low-Income Oversight Board and instructs that the Board “shall advise the CPUC on low-income electric, gas, and water customer issues and shall serve as a liaison for the commission to low-income ratepayers and representatives.” The statute says “The Low-Income Oversight Board shall do all of the following to advise the commission regarding the commission’s duties”:
 - (1) Monitor and evaluate implementation of all programs provided to low-income electricity, gas, and water customers.
 - (2) Assist in the development and analysis of any assessments of low-income customer need.
 - (5) Assist in streamlining the application and enrollment process of programs for low-income electricity and gas customers with general low-income programs, including, but not limited to, the Universal Lifeline Telephone Service (ULTS) program and, including compliance with Section 739.1.
 - Public Utilities Code 739.1 (e) says the CPUC shall examine methods to improve CARE enrollment and participation. This examination shall include, but need not be limited to, comparing information from CARE and the Universal Lifeline Telephone Service (ULTS) to determine the most effective means of utilizing that information to increase CARE enrollment, automatic enrollment of ULTS customers who are eligible for the CARE program, customer privacy issues, and alternative mechanisms for outreach to potential enrollees.

The commission shall consult with interested parties, including ULTS providers, to develop the best methods of informing ULTS customers about other available low-income programs, as well as the best mechanism for telephone providers to recover reasonable costs incurred pursuant to this section.

- State law delineates responsibilities for the Low Income Oversight Board that include: requesting IOUs to report their activities in reaching all customers by online communications; ensuring that all customers have access to information and programs to achieve energy efficiencies (including programs and tools that require high-speed Internet access); and making recommendations to the CPUC Commission on design and implementation of energy-efficiency programs and assistance.