LOW INCOME OVERSIGHT BOARD MEETING

California Public Utilities Commission
Auditorium
505 Van Ness Avenue
San Francisco, CA 94102

Thursday, February 19, 2015

Low Income Oversight Board (LIOB)

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California Public Utilities Commission
505 Van Ness Ave.
Auditorium
San Francisco, CA 94102
9:30am – 4:00pm
www.liob.org

Call - In Number 1-866-630-5989 - Passcode 3362110#

Webcast Information: www.californiaadmin.com/cpuc.shtml

[9:30 a.m. – 9:35 a.m.]	1.	Welcome and Introductions— Jose Hernandez, LIOB Chair and Commissioner Catherine J.K. Sandoval (5 minutes) *Standing Item* • Announcement of the appointments to the LIOB • Introduction of Joanna Gubman, New Supervisor for the Residential Energy Efficiency and Portfolio Approval Section
[9:35 a.m. – 9:40 a.m.]	2.	Election of LIOB Vice-Chair – Facilitated Chairman Hernandez (5 minutes) *Action Item*
[9:40 a.m. – 9:55 a.m.]	3.	Public Comments— Facilitated by Jose Hernandez, LIOB Chair (15 minutes) *Informational/Standing item*
[9:55 a.m. – 10:00 a.m.]	4.	Approval of the October 28, 2014 LIOB Meeting Minutes, Facilitated by Jose Hernandez, LIOB Chair - *Action Item*

ALL PARTY MEETING SECTION

An All Party Meeting in the CARE/ESAP Proceeding A.14-11-007 will be convened at this time. A majority of Commissioners may attend.

[10:00 a.m. – 12:00 p.m.]	5.	High-Level Summary & Overview Presentations of the ESA and CARE Programs Budgets Applications for the 2015-2017 Program Year's from PG&E, SCE, SDG&E and SoCal Gas and Update on Current Penetration Rates for CARE & ESAP and % Budget Spent as of December 31, 2014. (15 minutes each, followed by questions for each utility) Discussion and questions following each presenting (15 minutes each) Presentation and Discussion will focus on CARE / ESAP Proposals per CPUC Guidance Decision and: • New Measures/Retired Measures • Water-Energy Nexus Measures and Drought Programs • Marketing & Outreach Strategies in Coordination with California and Federal LifeLine Providers, Tribal Governments, Local Governments, CBO's and others Q&A Session

END OF ALL PARTY MEETING SECTION

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[12:00 p.m. – 1:15 p.m.]		Lunch (on your own)
[1:15 p.m. – 1:25 p.m.]	6.	Legislative Update – Nick Zanjani - CPUC- Office of Governmental Affairs – (10 minutes) *Informational/Standing Item*
[1:25 p.m. – 1:40 p.m.]	7.	Water Utilities' Current Issues – Rami Kahlon – Director, Division of Water and Audits (15 minutes) *Update/Informational/Standing Item*
[1:40 p.m. – 2:00 p.m.]	8.	Lifeline Telephone Program Update – Anna Jew, CPUC -Consumer Programs –Communications Division - (20 minutes) *Informational/Standing Item* a) Lifeline Proceeding Update *(Standing Item)* b) Update on Lifeline Direct Application Project c) Streamline Process for the Enhanced LifeLine Program

ALL PARTY MEETING SECTION

An All Party Meeting in the CPUC Residential Rate Design Proceeding R.12-06-013 will be convened at this time. A majority of Commissioners may attend.

[2:00 p.m. – 3:00 p.m.]	9.	CPUC Residential Rate Design Proceeding R.12-06-013

END OF ALL PARTY MEETING SECTION

[3:00 p.m. – 3:05 p.m.]		**BREAK**
[3:05 p.m. – 3:25 p.m.]	10.	High Energy Audits – Remote Energy Audit Presentation Lisa Schmidt – HEA (20 minutes) *Informational Item*

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[3:25 p.m. – 3:35 p.m.] 11. Highlights of Upcoming Activities for Low-Income Energy Programs – Energy Division Staff (10minutes) *Standing Item*

[3:35 p.m. – 3:55 p.m.] 12. Subcommittees Reports and Updates – Facilitated by Jose Hernandez, LIOB Chair (20 minutes) *Standing /Action/Discussion Item*

a) Marketing & Outreach (Board Members Toledo, Gross, Watts & Pitcock)
b) ESAP and CARE Implementation (Board Members Castaneda, Pitcock, Wimbley, Watts and Lopez)
c) Workforce Education and Training (Board Member Hernandez & Castaneda)
d) Water Industry (Board Members Stephenson, Lopez and Castaneda)
e) Emerging Issues/Climate Change (Board Member Toledo)
f) AB 327 Subcommittee (Board Members Hernandez, Lopez, Wimbley & Pitcock)

[3:55 p.m. – 4:00 p.m.] 13. Future Meetings Dates & Discussion Items for the upcoming meeting (5 minutes) Discussion Item

Thursday, May 28, 2015 Sacramento New City Hall 915 I Street First Floor - Council Chambers Sacramento, CA 95814 10:00am – 4:00pm	**Wednesday, August 19, 2015** City of Santa Ana Council Chambers 22 Civic Center Plaza Santa Ana, CA 92701 10:00am – 4:00pm	**October 28th or 29th** Monterey, CA Exact Location Date/TBD

This is a public meeting. The meeting is accessible to the physical disabled. A person who needs a disability-related accommodation or modification in order to participate in the meeting may make a request by contacting Zaida Amaya at (916) 928-4702 or sending a written request to 180 Promenade Circle, Suite 115, Sacramento, CA 95834. Providing your request at least five (5) business days before the meeting will help ensure availability of the requested accommodation.

Interested parties may attend in person or via teleconference. Notice of the Low Income Oversight Board meeting can be accessed at: www.liob.org. Teleconference Information: Call - In Number 1-866-630-5989 Passcode 3362110#

This meeting notice is being sent to all parties on the service lists of Applications A.14-11-007, A.14-11-009, A.14-11-010 , A.14-11-011, A.11-05-017 et al, and A. 11-06-016 as well as the utilities, contractors and agency contacts. And solely for the purposes of Commission's Ex Parte Communication Requirements, this notice will be deemed a functional equivalent of the notice pursuant to Commission's Rules of Practice and Procedure, Rule 8.3 (c)(1) for the A.14-11-007, A.14-11-009, A.14-11-010 , A.14-11-011, A.11-05-017 et al, and A. 11-06-016

Welcome and Introductions

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* Per Article Six of the LIOB Charter, Officers shall serve a one year term.

Public Comments

Approval of the October 28, 2014 LIOB Meeting Minutes

Low Income Oversight Board (LIOB)

October 28, 2014
Fresno City Hall, 2nd Floor
2600 Fresno Street
Hearing Room #2165
Fresno, CA 93721
10:30am – 2:30pm
www.liob.org
Call - In Number 1-866-630-5989 - Passcode 3362110#

Meeting called to order by Chairman Hernandez at 10:00am

LIOB Board Members Present:
Chairman Jose A. Hernandez, Commissioner Catherine J.K. Sandoval, Ortensia Lopez, Dave Stephenson, Jason Wimbley, Maril Pitcock , Charlie Toledo, Robert Castaneda & Larry Gross (quorum present)

LIOB Members Absent: Janine Scancarelli & Patricia Watts

California Public Utilities Commission (CPUC) Staff Present:
Rami Kahlon, Tory Francisco, Ava Tran, Amy Baker, Zaida Amaya and Anna Jew

Public Present:
Mary O'Drain, Anna Solorio, Frances Thompson, Adam Avila, Jose Landeros, Chris Kleiber, Marco Lizarraga and Michael McCain and Shay Bakman

Participants via Conference:
Dennis Guido, Ted Humphrey, Andrew Steinberg and Alice Glasner

1. **Welcome and Introductions— Jose Hernandez, LIOB Chair and Commissioner Catherine J.K. Sandoval** - *Standing Item*

Chairman Hernandez welcomed all participants to the Low Income Oversight Board Meeting. The Board thanked Board Member Castaneda for hosting and arranging the Proteus tour. The Board also thanked the City of Fresno for welcoming the Board to their facility.

2. **Announcement of the appointments to the LIOB -Commissioner Catherine J.K. Sandoval - Informational Item**

Commissioner Sandoval announced the re-appointment of Board Member Dave Stephenson for the water representative position, his –re-appointment was approved during the October 2, 2014 Commission meeting.

3. **Public Comments— Facilitated by Jose Hernandez, LIOB Chair - Informational/Standing item**

Ms. Anna Solorio from the Energy Efficiency Council and Community Housing Opportunities Corporation (CHOC) brought to the attention of the board the issue of the statewide low-income marketing funds. Decision D.13-12-038 (The Statewide Wide Marketing Decision) authorized the California Center for

Sustainable Energy (CCSE) approximately $1.15 million dollars for the energy upgrade rebranding efforts. The adopted Low Income Needs Assessment recommends that the best way to reach the low income communities is targeted outreach, cultural and language alignment, use of CBO', and direct one-on-one contact. Ms. Solorio mentioned that ESA contractors have reached record number of ESA eligible customers over the last 3 years and that the aggressive 2020 goal established by the CPUC has made it extremely difficult to find the remaining hard to reach customers. Ms. Solorio noted that over 95% of ESA customers, are identified by ESA contractors directly, and not by statewide IOU or CCSE marketing efforts. ESA contractors are paid $10.00 per enrollment for marketing; in 2008 ESA contractors were paid $100 per customer. Ms. Solorio emphasized that $10.00 does not cover the cost of reaching or serving hard to reach customers and that re-directing low-income funds to mainstream marketing does not serve the low income community. Ms. Solorio urged the LIOB to advocate for better use of these funds, and stated that she would like to see more funds directed to the groups that can generate the best service to low-income community and believes that ESA contractors should be a key partner in this effort.

Mr. Michael McCain, Executive Director of Proteus, Inc. thanked the Board for taking the time to meet in the City of Fresno, the heart of agriculture of the world. Mr. McCain expressed concern over the current severe drought conditions, which affect the entire State. Mr. McCain mentioned that Fresno California is the epicenter of the drought and that there are communities in the surrounding counties that have zero water availability; he mentioned that in some areas, water is trucked in, and some communities depend on bottle water donations. He mentioned that as the municipalities and water districts have converted to water meters, rates have increased and the low-income population is paying more for water. He indicated that this is a serious scenario in California and urged the Board and the Commission to utilize the ESA Program, and Statewide Workforce already in place to supplement water conservation for residents throughout California and to pursue opportunities when the contractors are in the customers' homes under ESA, to be able to assist in water conservation efforts and also deliver cost savings measures to the low-income population.

The Board thanked Ms. Solorio and Mr. McCain for their comments.

4. Approval of the August 20, 2014 LIOB Meeting Minutes, Facilitated by Jose Hernandez, LIOB Chair - Action Item

A motion was made to approve the August 20, 2014 LIOB minutes. The motion was moved by Board Member Stephenson and seconded by Board Member Toledo (Motion passed unanimously).

5. Lifeline Telephone Program Update – Anna Jew, CPUC -Consumer Programs –Communications Division - Informational/Standing Item

a) Lifeline Proceeding Update *(Standing Item)*
b) Update on Lifeline Direct Application Project

Ms. Jew provided an update on the lifeline proceeding and the direct application project. Ms. Jew reported that there are 6 Lifeline Wireless providers, and 5 Federal Lifeline Wireless providers, with 7 California Lifeline providers pending and 9 Federal Lifeline providers pending. Currently, there are 1,254,572 California Lifeline and/or Federal Lifeline participants. Ms. Jew highlighted that there are 262,712 California Lifeline Wireless participants, which represents a 92% increase from the August 2014 report. Ms. Jew also provided the CA Lifeline penetration rates.

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Commissioner Sandoval reiterated that the large carriers have been encouraged to apply and participate in these programs. The door has been open for them to participate in Federal program since February of 2011 and in the CA program since January 2014. Commissioner Sandoval also mentioned that the Commission has had dialogue with the FFC on the waiver request and will be submitting it to the FCC very soon.

Board Member Toledo asked for an update on the Enhanced Lifeline for Tribal Lands and the streamline process currently in place.

The Board requested a presentation on the marketing and outreach strategies the Lifeline providers use to outreach customers for their wireline and wireless program and to include penetration information by county/region as well as areas where there is high eligibility and low participation.

Ms. Jew's detailed presentation can be view and downloaded at:
http://www.liob.org/docs/Item%205.%20California%20LifeLine%20Presentation%20LIOB%20October%202014.pdf

The Board thanked Ms. Jew for her presentation.

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

Rami Kahlon, Director of Division of Water and Audits, provided a report on water affordability and an update on the drought. Mr. Kahlon reported that September 30, 2014 marked the end of the water year for 2014, ending with one of the driest years on record with only 60% average precipitation. As previously reported, on January 17, 2014 Governor Brown declared a Drought State of Emergency calling for a 20% voluntary reduction in water use, and although many water agencies made progress toward the 20% goals, most did not make it. On January 31, 2014 the State Water Project announced no water deliveries due to record dry conditions and low storage levels and in February the Central Valley Project had a 50% cut for urban customers. On February 27, 2014 the Commission ordered the large utilities to put in place a 20% voluntary conservation. Mr. Kahlon has continued serving as a member of the Governor's Drought Task Force. On August 14, 2014 the Commission ordered the utilities to comply with SWRCB's (State Water Resources Control Board) mandatory use restrictions. The Commission has been monitoring vulnerable water systems along with division of drinking water at the State Board. Mr. Kahlon reported that none of the investor owned utilities have run out of water, which is not the case for some of the municipal and public agencies. The Commission regulates 114 water utilities, which serves over 6 million Californians or about 16% of the state's population and about $1.4 Billion in total revenue. Mr. Kahlon continued with his presentation on water affordability reporting that the Michigan State University Institute of Public Utilities conducted a National Utility Cost Comparison in 2012, which shows the average consumer pays about 1/3 of what consumers pay for electricity and telephone service. Mr. Kahlon's presentation included the 2012-2014 annual average revenue increases as well as the average monthly bills for the regulated water utilities and this comparison is in line with the national average. Mr. Kahlon's also reported on the January 29, 2013 Southeastern Los Angeles State Auditor's Report and the July 8, 2014, Antelope Valley Water Rates State Auditor's Reports. Highlights of the findings on the January 29, 2013 report included that the rates charge by Golden State Water had risen mostly due to the increase in wholesale water rates. The report also references that the CPUC uses its ratepayer advocacy arm to protect the interests of consumers and it recommended that other retail water suppliers also adopt this practice. The findings on the July 8, 2014 report include the fact that purchased water has a

significant higher cost per acre-foot than pumped groundwater; Cal Water is the only utility reviewed that offers rate assistance program. Mr. Kahlon also reported on ratemaking, and explained that the two components are expenses and ratebase. On the low-income program, he reported that over 250,000 CPUC-regulated residential water customers participate in the income water assistance program, since the inception in 2006. The discount for low-income customers varies from about $6.00 a month at San Jose Water Company to about $15.00 a month at California American. All Class A utilities have in place discounts for low-income customers. On August 18, 2014 the Commission adopted D.14-08-11, this decision adopted the proposed settlement agreement authorizing California Water Service Company's general rate increases for 2014, 2015, and 2016. The cap was raised to $18.00 for non-rate support fund customers and $30.00 for rate support customers. Also, on October 2, 2014 the Commission adopted D.14-10-041, which provides guidance on rate balancing for Commission-regulated, multi-district water utilities for use in their next general rate case (GRC) applications or Tier 3 GRC Advice Letter (AL) filings. Lastly, Mr. Kahlon emphasized that these actions are a product of the Water Action Plan, which was adopted in 2005 and updated in 2010.

Mr. Kahlon's detailed report can be view and downloaded at:
http://www.liob.org/docs/Item%206.%20Water%20Utilities%20Current%20Issues.pdf

The Board thanked Mr. Kahlon for his report.

7. Legislative Update – Nick Zanjani - CPUC- Office of Governmental Affairs – *Informational/Standing Item*

The Board requested a brief on the November 4th, 2014 general election. Mr. Zanjani reported that California voters will vote for statewide officers, members of the state Legislature, and Congressional representatives. They will also vote on whether to retain three appointed Supreme Court justices. There will be an odd number of districts in the Senate up for election in addition to the Assembly Districts which are re-elected every two years. Mr. Zanjani also informed the Board that every 10 years, after the federal census, California must re-draw the boundaries of its Congressional, State Senate, State Assembly, and State Board of Equalization districts, to reflect the new population data. The new even-numbered districts will go into effect for the 2014 election cycle, and the even-numbered districts previously established by the 2001 redistricting will continue to exist until 2014. These unique circumstances created some areas of overlap between the old and new districts ("accelerated areas") and some areas without coverage ("deferred areas"). The 2014 elections will conclude the redistricting confusion as all Californians fall into their new district boundaries. The passage of the term-limits measure will reduce the time a citizen can serve in the Legislature from 14 years to 12, but allow a member to serve the entire time in one house, this only applies to legislators first elected in 2014 and onward. He also informed the Board that a Special election will be held in February. Three sitting state senators won seats in the U.S. House of Representatives: Sens. Mark DeSaulnier, D-Walnut Creek; Steve Knight, R-Antelope Valley; and Mimi Walters, R-Irvine. They will need to resign from their positions in the state Legislature sometime in order to take their places in Congress. A fourth state Senate seat is already open from a vacancy created by the conviction and resignation of state Sen. Rod Wright, D-Inglewood. The Legislature will be back in session in December.

The Board thanked and acknowledged the Office of Governmental Affairs for all of their hard work.

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8. Highlights of Upcoming Activities for Low-Income Energy Programs – Energy Division Staff - *Standing Item*

Tory Francisco of Energy Division provided an update on the highlights and upcoming activities for low-income energy programs, highlighting that the 2015-2017 IOU's Low Income Budget Applications due are November 18, 2014, with responses due on December 17th, 2014 and replies due December 29th, 2014. A similar process has been scheduled for the Small Jurisdictional Utilities (SMJU's) with their 2015-2017 Low Income Budget Applications, which are due January 17, 2015, responses due February 16th, 2015 and replies due February 25th, 2015.

Mr. Francisco provided a brief update on the three phase recent mainstream Energy Efficiency decision D.14-10-046. The first phase of the decision relates to the budget, it authorizes the 4 IOU's, Marin Clean Energy, Southern California Regional Energy Network and Bay Area Regional Energy Network to collectively spend roughly $1 billion dollars on energy efficiency (EE) activities in 2015 and it sets the 2015 savings goals which are based on the Navigant potential study, which is the same study use by the CEC and CAISO. Phase II moves to implement rolling portfolios which will examine whether/how to move to alternative accounting for EE spending and it also directs the IOUs to establish pilot programs to yield additional data on existing versus code baseline issues. The scope for Phase III has yet to be set, but it will look at cost-effectiveness calculations and what should and should not include. This decision reflects the Commission's commitment to EE as the preferred energy resource in California. In return for the billion-dollar-a-year commitment of customer funds, the Program Administrators (PAs') are expected to yield measurable, verifiable, cost-effective energy savings.

Commissioner Sandoval informed the Board that the decision directs the IOU's to create "to-code pilots". In the next phase of the EE proceeding, the Commission will be looking in depth the issue of what is an appropriate baseline. The program has been designed to only provide incentives for going above code. Commissioner Sandoval added that this is a very important issue for California and for the low income community, adding that California has a huge stock of existing buildings, many of which were built before the time of the prohibitions on lead paint or asbestos. An estimated 40% of all Californian's are renters and a lot of these renters live on older homes or are business owners. The overwhelming majorities of schools in California were built before 1990 and do not comply with current codes. Parties commented that thru their observation of the program, many customers seemed interested in Energy Efficiency upgrades, but were not participating since the incentives only started with above code and the incentives were not attractive great enough for to generate any action. The IOU's were also directed to each file a program implementation plan (PIP) for a pilot program to better understand the extent to which there is below-code equipment that is not getting replaced quickly enough through natural turnover or existing programs. The pilots shall be designed to assess whether cost-effective ratepayer-funded programs can be developed to target this equipment when PAs receive savings credit and customer incentives are made available based on to-code, in addition to through-code, savings. The pilots were budgeted up to $1m per IOU using program funds authorized in this decision. The Commission looks forward to the pilots and the valuable information and comments it will bring on these issues.

Board Member Castaneda commented that bringing these old structures in the low income community up to code not only provides benefit to the low income households in terms of comfort, safety and cost, but also a connection with the workforce issue in the Statewide Workforce. Many recruitments begin when installers or assessors are performing ESA services in disadvantaged communities, so by looking, identifying and targeting some of these low income households and becoming very robust in the

approach, there is an added benefit in connection with providing an economic development piece to bringing these home up to code.

Mr. Francisco's report can be viewed and downloaded at:
http://www.liob.org/docs/Item%208.%20Highlights%20of%20Upcoming%20Activities%20for%20LI%20Energy%20Programs.ppt

9. Subcommittees Reports and Updates – Facilitated by Jose Hernandez, LIOB Chair - *Standing /Action/Discussion Item*

a) Marketing & Outreach (Board Members Toledo, Gross, Watts & Pitcock)

The Marketing & Outreach subcommittee met on October 23, 2014. As requested by the subcommittee, Ms. Solorio provided comments on the issue of the statewide low-income marketing funds. The subcommittee discussed the request of the annual report from the IOU's on their marketing outreach, including ethnic media. The subcommittee also requested a similar report from the LifeLine providers.

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

The ESAP and CARE Implementation Subcommittee met on October 3, 2014. The subcommittee reviews the most current quarterly reports; YTD expenditures, service activities, and overall performance trends. Board Member Castaneda reported that there was a discussion about framing the next reiteration of ESA programs, once the goal has been reached. There was an acknowledgement that these programs treat a significant percent of low income customers and housing stock, committee believes that ESA services are still needed to assist low income families manage their household expenditures. This is a discussion that PG&E is taking the lead with the other IOU's. There was discussion about water conservation and it focused on assessment and getting good data.

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

The Workforce Education and Training did not meet; however, a meeting has been scheduled for November 5, 2014. The main discussion will focus on line items within the guidance document that the utilities are moving forward on.

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

Water Industry did not meet; however, there have been side discussion about the water-energy nexus measures and drought programs in the guidance document and to continue working on the education.

e) Emerging Issues/Climate Change (Board Member Toledo)

Board Member Toledo reported that there is a consensus that the drought is getting worse than originally thought. California needs to be looking at major water conservation and massive public education, including how to handle public emergencies. She reported that during the recent Napa earthquake, certain parts of the town did not have electricity and water for 10 days. There are still water lines that are breaking due to the earthquake, which means water is cut-off with no notice to impacted customers. Board Member Toledo emphasized the importance of public education and preparedness for natural disasters.

Commissioner Sandoval informed the Board that in PG&E's general rate case of July 2014, the CPUC approved the use of Picarro, which is a new technology to detect natural gas pipeline leaks thru a vehicle mounted device that measures and maps natural gas and methane plumes in the air as the vehicle drives through neighborhoods. During the August earthquake, PG&E was able to deploy Picarro within hours of the earthquake to identify immediate issues.

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

The AB 327 subcommittee did not meet.

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10. Utilities' Reports— Utility Representative - *Standing /Action/Discussion Item*
    a) Current Penetration Rates for CARE & ESAP and % Budget Spent YTD
    b) High Usage Verification Update

Ms. O'Drain provided a report on the current IOU's penetration rates for CARE & ESAP as well as the % of YTD budget spent. The numbers presented were as of September 30, 2014. The most current numbers are reported in the monthly IOU's reports. Ms. O'Drain reiterated that as previously expressed, it is becoming more difficult to find and enroll customers as the utilities get closer to 2020. Ms. O'Drain explained that the budget was based on measures and numbers that P&GE forecasted several years back; however, it is difficult to predict what mix of measures each home is going to qualify for, so this could account for less of the budget being expensed. For the water energy nexus, PG&E has increased the number of water measures can install per household. Ms. O'Drain also reported that PG&E has started the implementation of the smart strips, noting that this is going to be a very important measure as almost every home is going to qualify for a smart strip.

Board Member Toledo inquired as to the possibility of providing smart strips to the CBO's who are conducting education outreach as an incentive method when they are educating about energy conservation.

Ms. O'Drain explained that the smart strip is offered as an energy savings measure as part of the ESA program, but will take this suggestion to the CARE CHANGES staff for their input.

Board Member Gross asked if the IOU's are backing off from reaching the 100% goal due to potential consequences if the budget is exceeded, and added that the 100% should not be seen as a hard ceiling.

Board Member Pitcock commented that the IOU's know how to go thru proper channels with the Commission if they anticipate exceeding the goal or budget, so this would not be a hard ceiling.

Ms. O'Drain commented that historically, for this particular program the 100%+ has been seen as a very hard ceiling, but that they have ideas that they could put into their applications for consideration.

Mr. Fasana agreed that for SCE it is viewed as a hard cap with potential consequences if the budget is exceeded.

Mr. Francisco commented that this became an issue when one of the utilities overspent their projected budgets because they didn't account for their contracting, which became an issue because there was fear that there would be work stoppage. Historically, the Commission has taken a plan first approach, but if the IOU's could develop an expenditure/ 3 year plan appropriately, they should be able to account for the even flow of the installation and how expenditures work in the program. The idea is not to set a budget that is not open ended because there could be problems down the road, so setting a specific budget tie to a goal tie to a target is common practice in the industry.

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Ms. O'Drain continued with her report on the high usage verification. She noted that customers are notified when removed from the program via the general letter which is in both English and Spanish. If they are CARE customers PG&E often knows their preferred language.

Ms. Fasana explained that there is an appeals process, to determine whether the usage is reasonable if it is above the 600%. If the customer provides the income verification as requested, they can be re-enrolled in the rate.

Commissioner Sandoval commented that besides the income verification/eligibility verification for re-enrollment, it is also required that the customer agrees to ESA treatment. Part of the eligibility verification also looks at issues like number of people in the household. There is documentation that shows that the groups in the 400% to 600% range were more willing to provide verification and re-enroll in ESA program, which may suggest that this group may driven more by large families.

Ms. O'Drain commented that they have continued to do analysis on this issue and are tracking the types of customers and will continue to put this data together and would be happy to give the Board more information as they move forward.

The utilities' reports can be viewed and downloaded at:
http://www.liob.org/docs/Item%2010.%20a%20IOU%20CARE%20Participation%202014-Oct%2028%20LIOB.ppt

http://www.liob.org/docs/Item%2010.%20b%20IOU%20CARE%20High%20Usage%202014-Oct-28%20LIOB.ppt

http://www.liob.org/docs/Item%2010.%20a%20IOU%20ESA%20Homes%20Treated%202014-Oct-28%20LIOB.ppt

11. Discussion Items for the upcoming 2015 LIOB meetings

Staff will coordinate with the Board and Commissioner Sandoval's office on potential 2015 meeting dates. Locations to consider for the upcoming meetings: San Francisco, Santa Ana, Sacramento and the Monterey area.

As previously brought up the Board Member Toledo the issue of headwaters has been a topic of concern to this Board and to better understand the ECO system and how it affects the low income communities, Commissioner Sandoval will reach out to Ms. Celeste Cantú of the Santa Ana Watershed Project Authority (SAWPA), to understand more of their watershed and their vision of watershed management and their focuses on developing methods to ensure that the forests and headwaters within the Santa Ana River Watershed are kept as healthy as possible.

Meeting Adjourned at 2:15pm

DRAFT

10:00am – 12:00pm

ALL PARTY MEETING SECTION

All Party Meeting in the CARE/ESAP Proceeding

A.14-11-007

A majority of Commissioners may attend

CARE Participation

CARE Enrollment, Penetration and Expenditures by Utility, as of Dec 31, 2014[1]

Utility	Customers Enrolled	Estimated Eligible Customers	Pene-tration Rate	Program Costs	% of Budget	Discounts
Pacific Gas & Electric	1,413,334	1,648,774	86%	$12,281,846	78%	$607,206,765
Southern California Edison	1,311,210	1,499,830	87%	$5,073,652	72%	$386,148,029
Southern California Gas	1,568,011	1,898,302	83%	$7,954,178	49%	$109,488,808
San Diego Gas & Electric	278,931	368,229	76%	$4,530,706	83%	$63,897,068

CARE income eligibility guidelines were modified on January 1, 2014. AB 327 revised Section 739.1 (a) of the PU Code and requires the CARE income-eligibility guideline level for one-person households be based on the two-person household guideline level. CARE totals are from IOU Monthly Reports for December 2014 (submitted January 21, 2015).

Pacific Gas and Electric Company

SOUTHERN CALIFORNIA EDISON
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SDGE
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Southern California Gas Company
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ESA Program

Number of Homes Treated by Utility, as of December 31, 2014[1]

Utility	Homes Treated	2014 Goal	% of Goal	2014 YTD Expenditures	% of Budget
Pacific Gas & Electric	120,807	119,940	101%	$146,462,599	88%
Southern California Edison	76,753	87,389	88%	$54,066,781	74%
Southern California Gas	82,928	136,836	61%	$94,307,123	71%
San Diego Gas & Electric	17,351	20,316	85%	$ 18,768,573	70%

Homes Treated totals are from IOU Monthly Reports for December 2014 (submitted January 21, 2015).

SCE's 2015-2017 ESA/CARE Program Application

California Public Utilities Commission
All Party Meeting
February 19, 2015

Today's Topics

- **Overview of SCE's ESA and CARE Request**
- **New Measures / Retired Measures**
- **Water-Energy Nexus & Drought**
- **Marketing and Outreach Strategies**
  - LifeLine Providers
  - Tribal Governments
  - Local Governments
  - CBOs

Overview of SCE's ESA and CARE Request

($ in million)

	Forecast 2014	Actual 2014*	Forecast 2015	Forecast 2016	Forecast 2017
ESA					
- Budget	$72.7	$54.1	$77.1	$62.4	$62.5
- Homes Treated	87,389	76,753	87,389	54,000	54,000
- kWh Savings (annual)	33,504,938	32,331,693	36,221,162	30,881,957	30,881,957
CARE					
- Budget (Administration)	$7.0	$5.1	$7.6	$8.2	$8.2
- Subsidy	$416.8	$386.1	$441.9	$457.9	$482.4
- Participants (year-end)	1,473,330	1,311,210	1,308,267	1,311,073	1,310,774

* Estimate – Final numbers will be filed in May 1, 2015 Annual Report

New Measures / Retired Measures

- **SCE proposes the following new ESA measures beginning in 2016:**
  - LED A-Lamps
  - LED Reflector Downlights
  - Efficient Fan Control for Central Air Conditioners
  - 2nd Refrigerators and replacement of refrigerators more than 15 years old
  - Thermostat-Controlled Shower Valve

- **SCE proposes to retire the following measure beginning in 2016:**
  - Spiral CFLs

Water-Energy Nexus & Drought

- **Continue to offer existing ESA water saving measures in homes with electric water heating:**
  - Faucet aerators
  - Low-flow showerheads
  - Water heater blankets / water heater pipe wrap

- **Offer new measure and improved energy education:**
  - Thermostat-Controlled Shower Valve
  - Leverage in-home energy education to provide water-savings tips and information on other programs
  - Promote www.saveourh20.org

Water-Energy Nexus & Drought (continued)

- **Participation in water-energy nexus Rulemaking**
  - Active in Water-Energy Program Coordination Group, consisting of electric, gas, water, and wastewater utilities / agencies, and others
    - Examine cost-effectiveness of water-energy measures
    - Provide input on a framework for future water-energy programs

- **Stakeholder Outreach**
  - SCE sought input from CBOs, water agencies, CSD, and the other IOUs in developing its Application
  - SCE examined best practices of the American Water Works Association, MWD, California Urban Water Agencies, the Alliance for Water Efficiency, and others

Marketing and Outreach Strategies

- **LifeLine Providers**
  - Partner with the California mobile phone program to reach potential CARE customers
  - Messaging to Smart Phones of California LifeLine Program participants to encourage ESA and CARE participation
- **Local Governments**
  - SCE will continue its participation in community events and community forums targeting ethnic populations to inform customers about ESA and CARE

Marketing and Outreach Strategies (Continued)

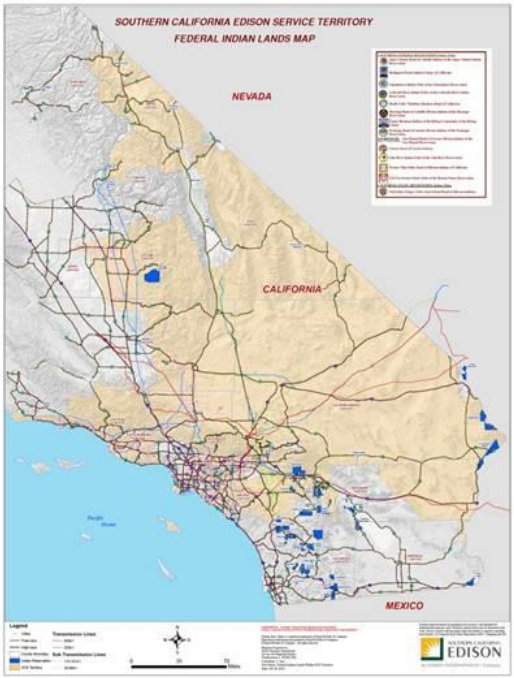
- **CBOs**
  - Continue partnership with CBOs to assess and enroll ESA participants
  - Continue partnership with CBOs to install ESA measures
  - Continue CARE capitation program with CBOs and local agencies
  - Work with CBOs to support community-based outreach campaigns
  - Partner with one or more CBOs in the Central Valley to build trust and increase participation
  - Partner with CBOs to improve worker training

Marketing and Outreach Strategies (Continued)

- **Tribal Governments in SCE's Service Territory**
  - Agua Caliente Band of Cahuilla Indians
  - Benton Paiute Tribe
  - Bishop Paiute Tribe
  - Bridgeport Paiute Indian Colony
  - Chemehuevi Indian Tribe
  - Colorado River Indian Tribes
  - Death Valley Timbisha Shoshone Tribe
  - Morongo Band of Mission Indians
  - Pechanga Band of Luiseño Indians
  - San Manuel Band of Mission Indians
  - Soboba Band of Luiseño Indians
  - Tule River Indian Tribe
  - Twenty-Nine Palms Band of Mission Indians

SCE Tribal Community

- 13 Tribal Nations
- Tribal Organizations
- Tribal and Indian Owned Businesses
- Native Community



Building Relationships with Tribes

- Tribal relations are handled through Local Public Affairs' designated Tribal Liaison position
- Common issues include:
  - Access to Tribal Lands
  - Service and Reliability
  - Ensuring tribal input given early in planning process
  - Interaction with Bureau of Indian Affairs
  - Educating Employees
  - Charitable
  - Taxation Issues
  - Business Partnerships
  - Tariffs (e.g. CARE and FERA)
  - Residential and Commercial Energy Efficiency (e.g. ESA)
- SCE website:
  - on.sce.com/tribalcommunities

SCE Tribal Energy Roadmap

SCE Tribal Community Resource Guide

EDISON

Community Resource Guide

Never Underestimate the Power of Community

Your Best Advantage Is Knowing Your Options

If you're facing difficulties balancing your energy needs and household costs, Southern California Edison (SCE) provides assistance and resources that can help. Take a look at the programs SCE offers to help reduce your monthly energy costs, as well as the programs the government offers to help you manage your budget more effectively. For more information about the various programs SCE offers and eligibility requirements, refer to the contact information provided with each listing.

Assistance & Resources

Discounted Rate Programs 1-800-798-5723

We have two programs designed to help eligible individuals and families who may need support meeting their energy costs. The **California Alternate Rates for Energy (CARE)** program may provide a discount of approximately 30% on your energy bill, while our **Family Electric Rate Assistance (FERA)** plan offers a discount on electric bills if you have three or more people in your household and you exceed your baseline electricity usage by more than 30%.

Energy Assistance Fund 1-800-205-8506

If you're struggling to pay your bills and you meet the eligibility requirements, the Energy Assistance Fund can help. Based on the actual amount of money you owe, this program could provide you with a one-time supplement of up to $100 every 12 months toward the payment of your energy bill.

Medical Baseline 1-800-684-8123

If you depend on electrically-powered medical equipment or have specific medical conditions, we may provide you with an additional baseline energy allowance to help manage your energy costs.

Level Pay Plan 1-800-434-2365

Your monthly budget is easy to stick to when you let us divide your annual energy charges into equal monthly payments. With this plan, you'll know how much money to budget.

Payment Arrangements & Extensions 1-800-655-4555

We understand there are times when you're not able to pay your current bill in full. If you find yourself in this situation, contact us so we can discuss a payment extension or a more flexible payment plan that works for you.

Energy Savings Assistance Program 1-800-736-4777

This program can help you lower your energy costs by replacing your current household refrigerator, cooling system and lighting with more energy-efficient models.*

Budget Assistant

Set an energy-spending goal and stay on track with this free tool that will help you avoid high bill surprises and stay within budget.

General Questions and Information

Visit sce.com/billhelper or call:

English.....1-800-655-4555
Spanish.....1-800-441-2233

Government & Community Programs

These community, county and government plans are here to assist you and your family. In addition, our partnership with the American Red Cross offers emergency training that can make an important difference in a crisis situation.

Low Income Home Energy Assistance Program 1-866-675-6623
csd.ca.gov

If you qualify, you can receive financial assistance to offset energy costs or have your home weatherized through the Home Energy Assistance Program.

CalFresh Program 1-877-847-3663
calfresh.ca.gov

The CalFresh Program supplements your food budget by offering monthly benefits through an electronic card. Use the card to purchase food at participating stores. Certain qualifications are required.

Social Security Administration 1-800-722-1213
socialsecurity.gov

Social Security Administration programs are a great resource for qualified customers, helping with retirement planning, Medicare prescriptions and financial assistance.

American Red Cross
preparesocal.org

We're partnering with the American Red Cross to increase emergency preparedness throughout Southern California. Our joint effort, PrepareSoCal, will help save lives by teaching people how to stay safe and how to respond to emergencies.

Dial 2-1-1 for Free Help

2-1-1 is a free, confidential phone service available 24/7 to assist you and your family during emergencies and with everyday needs. Services vary by community, but the list below gives a well-rounded sampling of the help that may be available to you:

- Financial/Public Assistance Programs
- Housing Assistance/ Emergency Shelter Programs
- Parenting Resources
- Mental Health Services
- Legal Services
- Food Bank/Hot Meal Center Information
- Employment Services
- Transportation Services

*For the Energy Savings Assistance Program, not all services may be available in all areas, and a co-payment may be required in some instances.

Funding for these programs is provided on a first-come, first-served basis and is subject to change without notice. This information is provided for information purposes only. The 2-1-1 service is not available in all communities in California as of 2008. SCE does not endorse and is not a participating agent in these programs.

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E-810-NA-V1-0614

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Appendix

Organization of Application

Exhibit 1	Exhibit 2	Exhibit 3
Policy & Ratemaking Proposal	**Energy Savings Assistance (ESA) Program Plan**	**California Alternative Rates for Energy (CARE) Program Plan**
Legislative Background	Water Saving Measures	CARE Penetration
Policy Considerations	Willingness to Participate (WTP)	High Use Verifications
Ratemaking Proposal	Multifamily Sector	CHANGES
	Program Rules Modifications	Cool Centers
	Workforce, Education & Training (WE&T)	
	Cost Effectiveness	

Key ESA Program Issues

- **Willingness to Participate**
  - The 2013 Low Income Needs Assessment estimates 48% of remaining non-participants are unwilling to participate
- **Three Measure Minimum Rule**
  - SCE is currently required to meet 3 measure minimum rule (or meet minimum 125 kWh energy savings for 1 or 2 measures) in order to treat a home
  - SCE proposes to eliminate the rule to enable us to provide simple to install measures at the time of assessment, even if a customer is not eligible for other measures
  - SCE's funding request assumes revision of this rule
- **Multifamily Measures**
  - D.14-08-030 requires the IOUs to propose common area measures for eligible and willing MF properties via the ESA Program
  - SCE proposes to leverage existing MF EE rebate programs in close coordination with ESA to serve multifamily building owners, offering installation services through a single point of contact

Key ESA Program Issues (Continued)

- **Workforce, Education, and Training (WE&T)**
  - The WE&T consultant recommends adopting a wage-floor or prevailing wages for ESA Program contractors, among other items. The CPUC has asked the IOUs to provide cost data for wage floors/prevailing wage in the Application
  - SCE opposes the wage floor recommendation due to increased costs, and lower cost- effectiveness
  - SCE proposes moving forward with other recommendations, ("First Source" hiring requirement and career pipeline training partnership in Central Valley)

- **Mid-Cycle Measure Addition**
  - SCE proposes an advice letter process describing measures & funding source to introduce new measures mid-cycle for added flexibility

- **Drought/Water Issues**
  - SCE proposes to continue/introduce water savings measures, and enhance energy education to provide customers with resources on water agency incentives, water conservation tips, etc.

Key CARE Program Issues

- **CARE Penetration**
  - SCE's plans to maintain at least an 85% CARE penetration rate. SCE is currently at 87%

- **Higher budget for income verification and outreach**
  - Per D.12-08-044,SB 1207, Advice 2814-E, and Advice 2936-E-A, SCE increased verification rates from 1% to 7% (including high usage) from 2011 to 2014, which decreased participation
  - Given attrition due to increased verification, SCE is proposing more outreach

- **Cool Center Strategy**
  - SCE contracted directly with providers to operate 4 Cool Centers in 2014
  - D.14-08-030 did not authorize bridge funding for 2015
  - SCE proposes to move to SDG&E/PG&E modified model leveraging county-run centers and increasing awareness of those centers, and continuing a $100,000 annual budget

2015-2017 Low Income Assistance Programs

Low Income Oversight Board Meeting February 19, 2015

Overview

- D. 14-08-030 determined the requirements for the 2015-2017 Applications
  - Authorized one year's bridge funding to allow the programs to continue until a decision is issued and determined that 2015 programs and budget should maintain the status quo
  - Set November 18th as the due date for the Application
  - Provided A Guidance Document directing utilities what to include in their Applications (Attachment Q)
  - Maintained the policies adopted in the Statewide Strategic Plan
    - Offer all eligible and willing low income customers the opportunity to participate in the ESA Program and treat all eligible and willing homes by 2020
    - Enroll all eligible and willing customers into the CARE program

Proposed New Program Activities

- Development of Standardized Energy Education Training which will include class room and web based training for outreach and assessment contractors.
- Increased focus on ESA Program measures that address the water/energy nexus in response to California's drought emergency.
- Increased contractor requirements for monitoring their workforce including better tracking and reporting of employee demographics, job skills, training and employee pay.
- Expanding leveraging efforts with California Lifeline and Covered California to promote CARE and ESA through their CBO networks.

California Alternate Rates for Energy (CARE) At a Glance

- Proposed 2015-2017 Budgets

Budget Category	2015	2016	2017
CARE Management Costs	$5,485,965	$6,647,204	$6,647,204
Projected Subsidies & Benefits	$71,776,318	$69,916,644	$73,102,151
Total Program Costs	$77,252,283	$76,563,848	$79,937,363

- Forecasted Enrollment Goals

Program Activity	2015	2016	2017
New Enrollments	72,000	75,000	75,000
Attrition	64,000	58,000	55,000
Net Increase	8,000	17,000	20,000
Year-end Enrollments	298,554	315,554	335,554

ESA Program 2015-2017 Proposal At A Glance

SDGE connected
A Sempra Energy utility

Proposed Budgets and Goals

Year	Homes Treated Goal	Budget	Annual kWh Savings	Annual kW Savings	Annual Therm Savings
2015	20,316	$23,772,250	6,238,616	1,134	364,377
2016	20,316	$30,649,505	5,723,366	1,025	331,283
2017	20,316	$31,631,921	5,723,386	1,025	331,283
Total	**60,498**	**$86,053,676**	**17,685,348**	**3,184**	**1,026,943**

Proposed Portfolio Cost Effectiveness

Year	ESACET (Includes both resource and non resource measures	Resource Measure TRC (Includes resource measures only)
2015	.79	.58
2016	.78	.59
2017	.78	.59

2015-2017 Proposed ESA Program Measures

SDGE connected
A Sempra Energy utility

Appliances	Hot Water	Enclosure	HVAC	Maint.	Lighting	Misc.
• HE Clothes Washers	• Water Heater Blankets	• Air Sealing	• FAU Standing Pilot Light Conversion	• Furnace Clean & Tune	• CFLs	• Smart Strip
• Refrigerators	• Low Flow Showerheads	• Attic Insulation	• Furnace Repair/Replace	• Central AC Tune Up	• Interior Hard Wire CFL Fixtures	• Tier II Smart Strips (2016)*
• Microwaves	• Water Heater Pipe Insulation		• Room AC Replacement		• Exterior Hard Wire CFL Fixtures	
	• Faucet Aerator		• Duct Test & Seal		• Torchiere	
	• Water Heater Repair/Replace		• Energy Efficient Fan Control*		• LED Night Lights	
	• Thermostatic Shower Valve				• LED Diffuse Bulb*	
	• Combined Showerhead/ TSV*				• LED Reflector Bulb *	
	• Heat Pump Water Heater*					
	• Tub Diverter*					

*New Measures. SDG&E did not propose to retire any measures.

Water Energy Nexus & Drought Measures

- Leveraging with water agencies to address water-energy nexus
  - Partnering with San Diego County Water Authority to have ESA Contractors conduct their water audits
  - Incorporating SDCWA water conservation fact sheets and tips in the ESA Program energy education booklet
- Requesting $3.63 million from GHG allowance revenues in accordance with D. 14-10-033 for water-related programs (water-energy nexus) provided through the ESA Program
- Offering new measures that will also result in water savings (Combination Low Flow Showerhead/Thermostatic Shower Valve, Heat Pump Water Heater, Tub Diverters)

Outreach Strategies

SDG&E will continue engagement efforts with a coordinated, multi-prong approach which includes direct marketing efforts (door-to-door canvassing, direct and electronic mail, outbound calling) with mass outreach (mass/social media) and partnerships with community-based organizations.

For 2015, SDG&E will enhance efforts in the following areas in support of CARE & ESA:

- **Rural / Back Country**
  - Continue direct marketing efforts with customers through direct mail and phone campaigns, as well as general awareness through rural media
  - Leverage relationships with police, fire, and safety agencies that have a role in emergency preparedness to provide information at outreach events on CARE, ESA other customer solutions

- **High Poverty Areas**
  - SDG&E plans to build on past successes by continuing to work closely with its door-to-door outreach contractors to implement a multi-tactic campaign consisting of direct/electronic mail, outbound calling and door hangers when a customer is not at home
  - Leverage relationships with community-based organizations to help promote program offerings

Outreach Strategies continued

- **Tribal Communities & Government Agencies**
  - SDG&E will continue to leverage opportunities with tribal organizations and local government agencies to promote the CARE, ESA and other customer solutions
  - Enhanced outreach efforts will include program enrollment day events in partnership with community-based organizations that serve the tribal communities.
  - SDG&E will reach out to government agencies to host informational events as an enhancement to training and outreach efforts with government employees who serve low-income and hard-to-reach populations
  - Enhanced outreach efforts with water agencies will include participation at community fairs in low-income and rural zip codes

- **California Lifeline & Other Categorical Programs**
  - SDG&E will build upon and leverage partnerships with social service agencies offering the California Lifeline and other categorical programs like CalFresh, LIHEAP and Covered California to promote CARE, ESA and other customer solutions
  - Enrollment day events will be hosted by SDG&E at various social service partner agencies

Outreach Strategies continued

- **Renters and Multi-family Tenants**
  - Enhance direct connect efforts with customers through direct/electronic mail and phone campaigns, as well as general awareness media campaigns
  - Continue to conduct education and outreach events with organizations that serve property owners/operators including real estate, property manager and trade associations
  - Educate SDG&E employees who work with property managers – providing program materials, training sessions and talking points to help them promote the ESA program
  - Utilize partnerships with associations serving property managers to improve and enhance communications with these customers and evaluate opportunities for events directly with residents of multifamily units

Qualified renters and homeowners may receive these home improvements* at no cost:

- Attic insulation
- Energy-efficient lighting
- Door weatherstripping
- Replacement of qualified appliances**
- Caulking
- Minor home repairs
- Low-flow showerheads
- Water heater blankets

How do I qualify?

You may qualify for these improvements if your household income falls within the guidelines:

Maximum Allowable Annual Income (Effective June 1, 2014 through May 31, 2015)	
Household Size	Total Annual Household Income
1-2	$31,460
3	$39,580
4	$47,700
5	$55,820
6	$63,940
7	$72,060
8	$80,180
Each add'l household member add	+ $8,120

I'm interested. What's the next step?

To schedule a short qualification appointment at a time that's convenient for you, contact SDG&E's Energy Savings Assistance Program at **1-888-272-8394**, or visit **sdge.com/esap.**

Energy Savings Assistance Program

TDD/TTY is available at **1-877-889-7343.**

* As long as the residence was not previously served by the program.

** Existing appliances must meet age requirements to qualify for replacement. Co-pays may be required for landlords who own appliances and pay tenant utility bill.

Authorized representatives of our Energy Savings Assistance Program are working with your property manager to offer these energy saving items to you at no cost.

- Compact Fluorescent Light Bulbs (CFLs)
- Faucet Aerators
- Microwaves
- LED Night Lights
- Smart Strips (also called Power Strips)
- Torchieres

How do I qualify?

You may qualify for these improvements if your household income falls within the guidelines:*

Maximum Allowable Annual Income (Effective June 1, 2014 through May 31, 2015)	
Household Size	Total Annual Household Income
1-2	$31,460
3	$39,580

LIOB MEETING
FEBRUARY 19, 2015

2015 – 2017 Low Income Programs Application Review

SoCalGas A Sempra Energy utility

Introduction / Program Background

- Decision 14-08-030: Established conditions for proposing 2015 – 2017 CARE & ESA Programs.

CARE Program

- Provides a bill discount to eligible customers at their primary residence.
- Customers, approved within 90 days of starting new gas service, may also receive a $15 discount on their Service Establishment Charge.
- Customers may apply online, using traditional printed forms, or through CARE Clerks by phone.

ESA Program

- Offers no-cost energy-saving home improvements for qualified renters and homeowners.
- Services provided by ESA Program contractors operating in customer's area.
- Customers may contact SoCalGas by phone or online; enrolled through marketing and outreach and contractor network.

Program Eligibility

- Determined based on:
  - Published income guidelines OR
  - Participation in another designated customer assistance program (categorical eligibility)

SoCalGas A Sempra Energy utility

CARE Program At A Glance

Proposed 2015-2017 Budgets

Budget Category	2015	2016	2017
CARE Management Costs	$8,523,913	$9,846,021	$9,600,835
Subsidies and Benefits	$130,453,111	$131,338,535	$132,351,979
Total Program Costs	$138,977,024	$141,184,556	$141,952,814

Forecasted Enrollment

Program Activity	2015	2016	2017
Enrollment Increase	113,948*	17,071	17,242
Year-end Enrollments	1,707,088	1,724,159	1,741,401

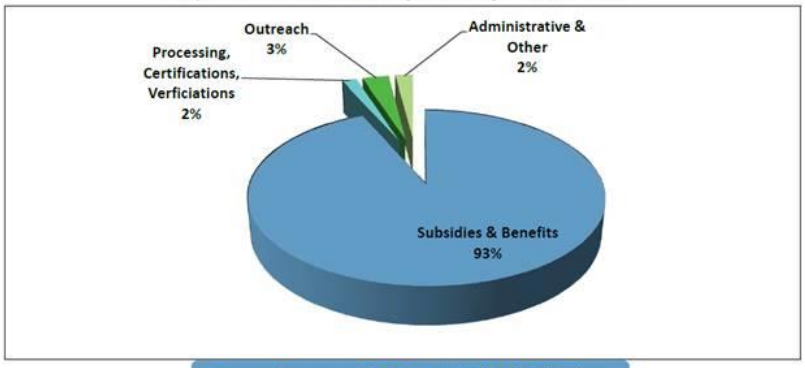
* Value shown for 2015 as projected in Application (A.) 14-11-011.

SoCalGas A Sempra Energy utility

Proposed CARE Program Budget by Category

Over 93% of the proposed CARE budget is associated with bill assistance.

Proposed Annual CARE Program Budget 2015 – 2017



Annual Average CARE Budget $140.7 Million

SoCalGas A Sempra Energy utility

CARE Best Practices Continued in 2015-2017

Maintain Multiple Ways to Apply and Recertify

- Paper application, telephone, on-line, fax, data leveraging with other low income programs, rate-transfer when customers move, and through door-to-door canvassing representative.

Ensure That Customers Are Aware of the CARE Program

- Bill messages, bill inserts, direct mailing, field personnel, CSRs, Public Affair managers, third party door-to-door canvassing, mass media, web campaigns, CBOs, community events.

Different Reminders to Retain CARE Customers

- Bill messages, Out-bound dialing, and 2nd notification about recertification and verification.

Efficient Probability Model Aids in Ensuring Only Eligible Customers Receive the Discount

- Fully Automated Processing of CARE Applications

SoCalGas A Sempra Energy utility

New CARE Program Strategies

New Initiatives!!!

Enhance CARE Forms for Operation Efficiency

CSR Customer Enrollments

Enhance and Streamline Web Enrollment

Enhance PEV Communications to Increase Response rate

Mobile Responsive CARE Application and Webpage

SoCalGas A Sempra Energy utility

ESA Program At A Glance

Historical and Proposed Budgets and Goals

Year	Homes * Treated Goal	Actual	Budget *	Actual
2012	136,836	96,893	$127 mil.	$82 mil.
2013	136,836	106,948	$130 mil.	$98 mil.
2014	136,836	82,928 **	$132 mil.	$94 mil.
2015	110,000		$119 mil.	
2016	110,000		$127 mil.	
2017	110,000		$129 mil.	

Proposed Portfolio Cost Effectiveness

Year	ESACET	Resource Measure TRC
2015	0.86	0.52
2016 - 2017	1.08	0.67

* Years 2012 – 2014 = authorized levels. Years 2015 – 2017 = proposed levels.

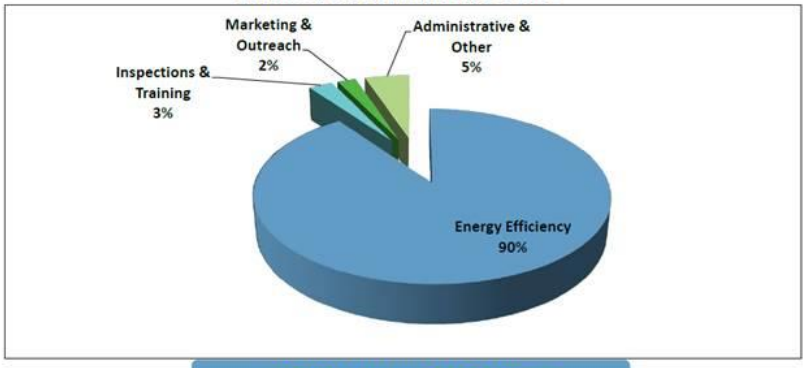
** Value for 2014 is preliminary year-to-date information; additional homes treated in 2014 will be reflected in annual report submitted in May, 2015.

SoCalGas A Sempra Energy utility

Proposed ESA Program Budget by Category

Approximately 90% of the ESA budget is associated with energy efficiency activities.

Proposed ESA Program Budget 2015



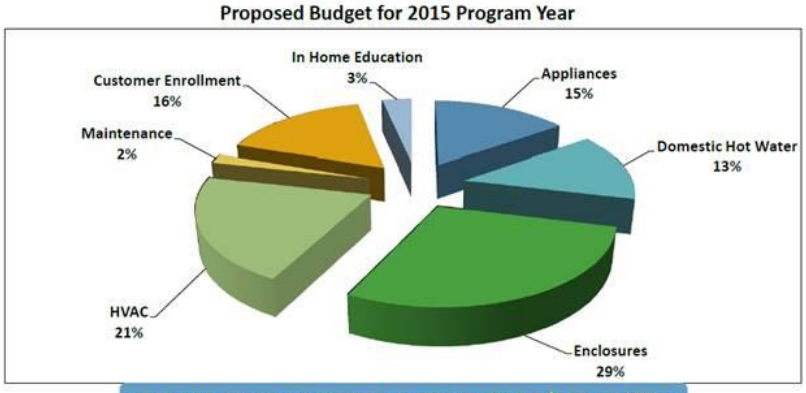
2015 ESA Budget $119.3 Million

SoCalGas A Sempra Energy utility

Proposed ESA Program Budget Detail

Energy Efficiency Activities

Proposed Budget for 2015 Program Year



2015 ESA Energy Efficiency Activities Budget = $107.6 Million

SoCalGas A Sempra Energy utility

ESA Program New / Retired Measures

Thermostatic Tub Spout
- 533 MTh annual energy savings potential
- Complementary to Thermostatic Shower Valve measure for tub/shower combination units

High Efficiency Forced Air Unit
- On burnout in lieu of 80 Annual Fuel Utilization Efficiency replacement
- Early replacement for certain high energy burden cases

Minor Furnace Repair for Renters
- Currently unable to address furnaces that need minor repair for renters

Retire non-code duct test/seal
- Very low cost effectiveness

SoCalGas A Sempra Energy utility

Proposed ESA Program Evolution Highlights

A. 493,000 willing customers remaining to be treated in 2015-2020

- LINA Study unwillingness ~ 24%

B. Reinstitute the 10-Year Go-Back Rule

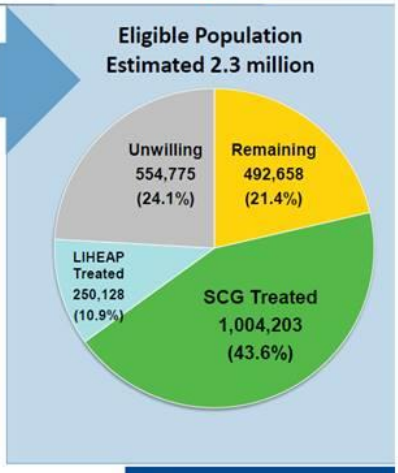
- Energy education + in-home assessment for measures

C. Modification of 3 Measure Minimum (3MM)

- SCG / SCE Coordination

D. Provide Energy Education for All Income Eligible Customers

- Customer receives education even if dwelling does not meet 3MM requirement



SoCalGas A Sempra Energy utility

Water-Energy Measures / Drought Programs

Existing Water Measures	• 1.2 million gallons of water saved in 2013 through HE Washer, TSV, aerator, showerhead • TSV introduced in 2012 saved 53k gallons in 2013
Water incorporation to Energy Education	• Shower timer • Water content on En.Ed. wheel as well as OS messaging • Toilet tank efficiency proposal
Tub Spout proposal	• Complementary measure to TSV for tub/shower combinations • 4K gallons saved per unit

SoCalGas A Sempra Energy utility

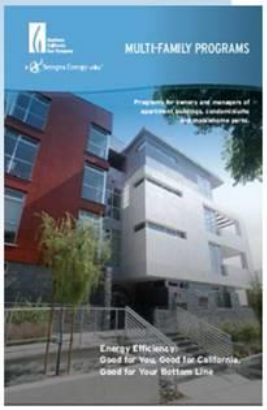
ESA Program Multifamily Segment Proposals

Targeting Enrollments and Streamlining Participation

- Building-wide income verification via affidavit
- Targeted outreach to property owners
- Single Point of Contact (SPOC) expansion
  - S.P.O.C. can navigate utility portfolio of programs including common area programs and certain external programs.

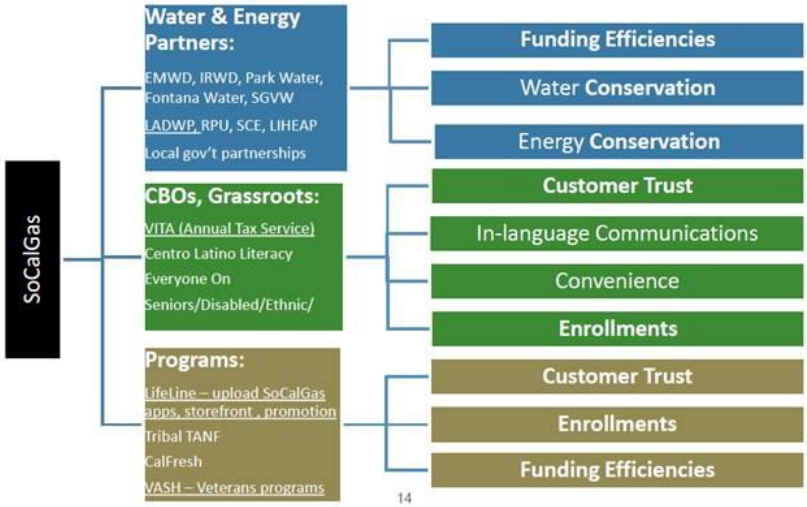
Increase CARE and ESA Program Awareness through Multifamily Marketing & Outreach

- Multi-program multifamily collateral
- Participation in housing forums, events, workshops
- Advertising in apartment owner publications
- Postcards for renters



SoCalGas A Sempra Energy utility

Leveraging and Marketing Coordination
(Lifeline, Tribes, Local Gov't, CBOs, others)



Hard-to-Reach Customers

- **Rural**
  - CBOs/Grassroots
- **Undocumented**
  - Segment study
  - Potential revised communications
- **Seniors and Persons with Disabilities**
- **Limited English and Limited Literacy**
  - CBOs/Grassroots - Centro Latino Literacy
  - Ethnic media
  - CARE CSR Enrollments

SoCalGas A Sempra Energy utility

Legislative Update
CPUC - Office of Governmental Affairs

Water Utilities' Current Issues

Rami Kahlon, Director, Division of Water and Audits

Lifeline Telephone Program Update

Anna Jew–Consumer Programs

a) Lifeline Proceeding Update
b) Update on Lifeline Direct Application Project
c) Update on Enhanced Lifeline Program

California LifeLine Program Update

Presented by Communications Division

Low-Income Oversight Board

February 19, 2015

Participation Stats

- **Current California LifeLine Wireless Providers:**
  1. Telscape Communications, Inc.
  2. Budget PrePay, Inc.
  3. Assurance Wireless
  4. Boomerang Wireless, LLC
  5. Nexus Communications
  6. TAG Mobile, LLC
  7. i-wireless, LLC
  8. Air Voice Wireless, LLC
  9. Total Call Mobile, Inc.

Participation Stats cont.

- **Recently approved federal Lifeline wireless providers:**
  1. Telrite Corp.
  2. AmeriMex Communications Corp.
  3. Global Connection, Inc.

Participation Stats cont.

- **Pending Wireless Providers (as of January 20, 2014)**

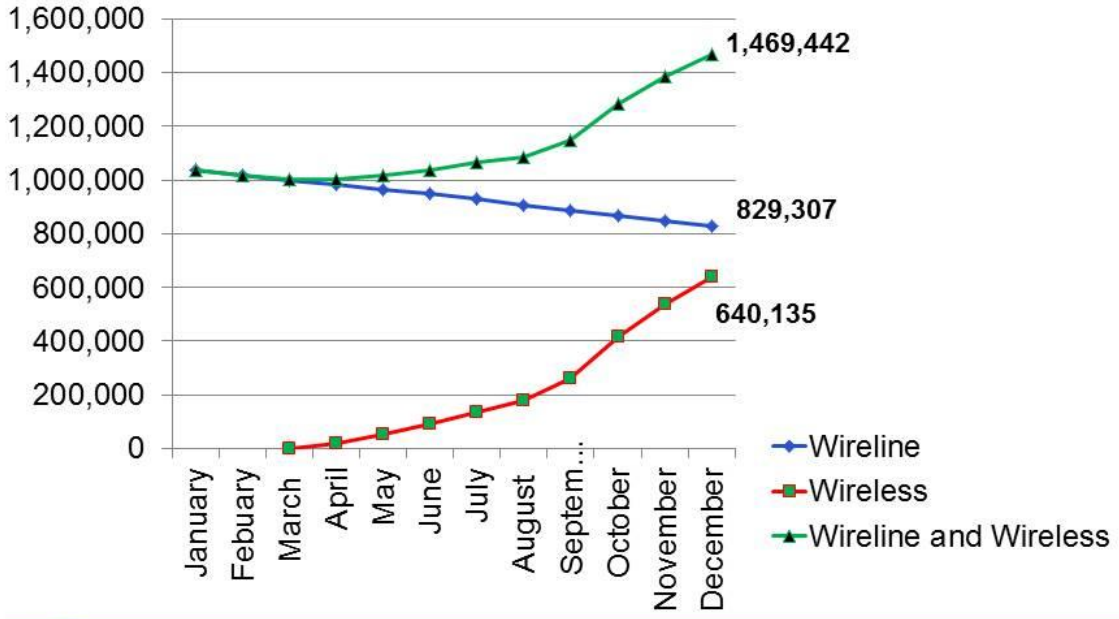
California LifeLine	federal Lifeline
1. TracFone Wireless, Inc.	1. Sage Telecom
2. Blue Jay Wireless, LLC	2. TracFone Wireless, Inc.
3. Curatel, LLC	3. Blue Jay Wireless, LLC
4. TC Telephone, LLC	4. Curatel, LLC
5. TQ Avenger Telecom, LLC	5. TQ Avenger Telecom, LLC
6. American Broadband	6. American Broadband
7. SelecTel, Inc.	
8. Mobile Net POSA, Inc.	
9. Telrite Corporation	
10. AmeriMex Communications Corp.	
11. Global Connections, Inc. of America	

Total Participants

(End of December 2014)

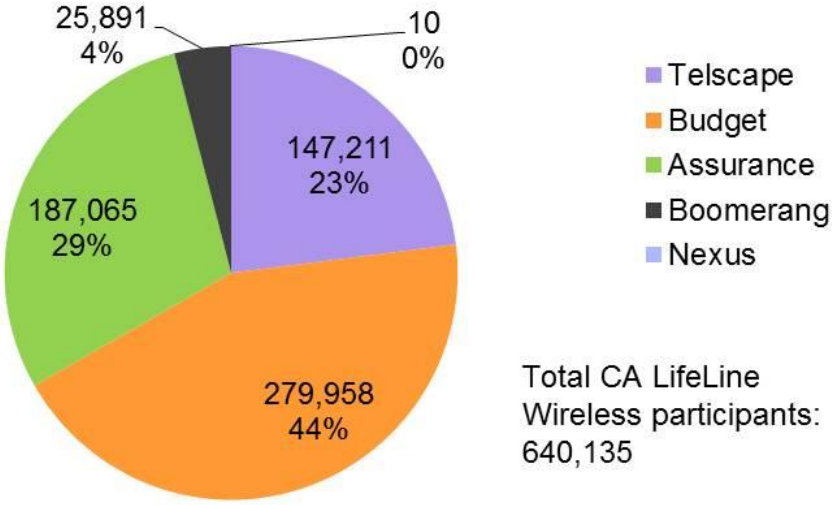
- California LifeLine and/or federal Lifeline Participants = 1,512,867
  - California LifeLine Wireless Participants = 640,135
    - Telscape 147,211 Participants
    - Budget 279,958 Participants
    - Assurance 187,065 Participants
    - Boomerang 25,891 Participants
    - Nexus 10 Participants
  - California LifeLine Wireline Participants = 829,307
  - Federal-only Lifeline Wireless Participants = 43,425
    - Cricket 9,981 Participants
    - Nexus 29,297 Participants
    - Telscape 326 Participants
    - Virgin Mobile 3,821 Participants

2014 CA LifeLine Participants



CA LifeLine Wireless Participants

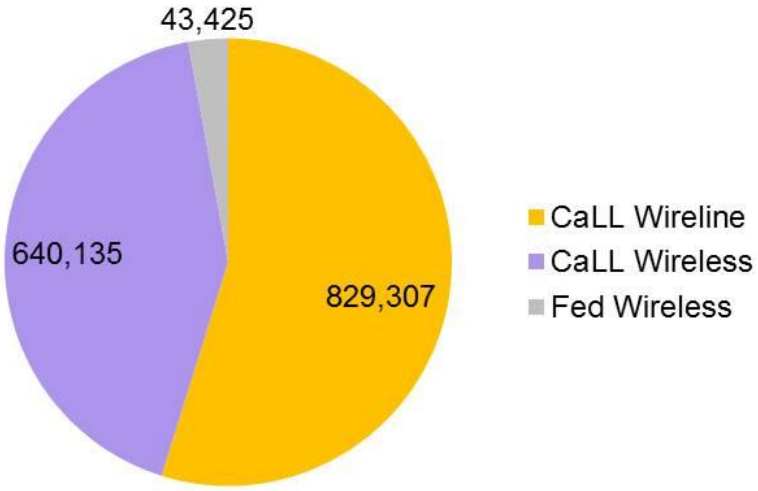
(end of December 2014)



Total CA LifeLine Wireless participants: 640,135

CA LifeLine & Fed Lifeline Participants

(end of December 2014)



CA LifeLine Participation Rate
(end of December 2014)

CA LifeLine	Approved Participants	Estimated Eligible Participants*	Participation Rate
Wireline	829,307	3,059,176	27%
Wireless	640,135	3,059,176	21%
Wireline + Wireless	1,469,442	3,059,176	48%

* At or below 150% Federal Poverty Level, DOF provided based on the Census Data.

Contact Information

- Anna Jew – California LifeLine Implementation
  - AML@cpuc.ca.gov; (415) 703-3087
- Consumer Affairs Branch
  - http://www.cpuc.ca.gov/puc/cec/e_complaint/; (800) 649-7570
- CA LifeLine Administrator
  - https://www.californialifeline.com/en
  - (866) 272-0349 – English
  - (866) 272-0350 – Spanish
  - (866) 272-0351 – Lao/Hmong
  - (866) 272-0352 – Khmer
  - (866) 272-0353 – Tagalog
  - (866) 272-0354 – Korean
  - (866) 272-0355 – Vietnamese
  - (866) 272-0356 – Chinese
  - (866) 296-0860 – Japanese

2:00pm – 3:00pm

ALL PARTY MEETING SECTION

All Party Meeting in the CP UC Residential Rate Design Proceeding

R.12-06-013

A majority of Commissioners may attend

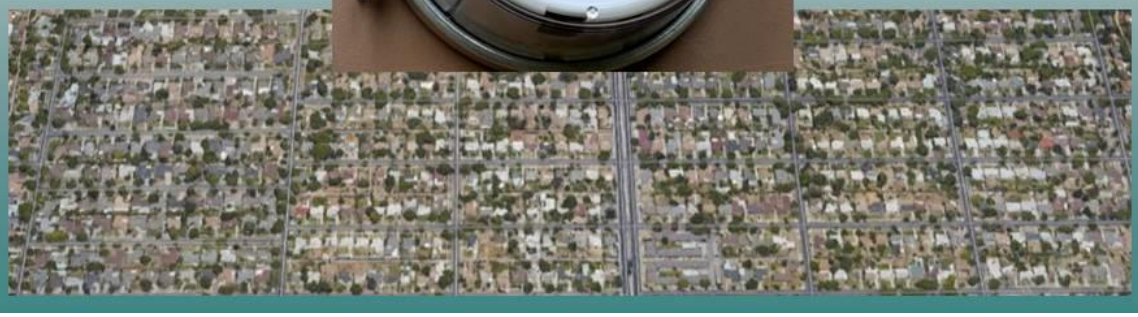
Remote Energy Audit Presentation
Lisa Schmidt – High Energy Audits

Leveraging Smart Meters: Low Cost EE for Low Income

Improve cost effectiveness by 10x

HOME ENERGY ANALYTICS

Lisa Schmidt
CPUC LIOB
Feb 19, 2015



A Bold Claim

HOME ENERGY ANALYTICS

The impact of low income energy efficiency programs can be increased by an order of magnitude (10x) using existing technology.

The cost of program delivery can be reduced

Measured energy reductions can be increased

Existing Barriers

- Too expensive to analyze every home, so using a "one size fits all" approach
- Inability to accurately measure the impact of efficiency measures across participants
- Lack of continuous feedback to improve the process

What's needed?

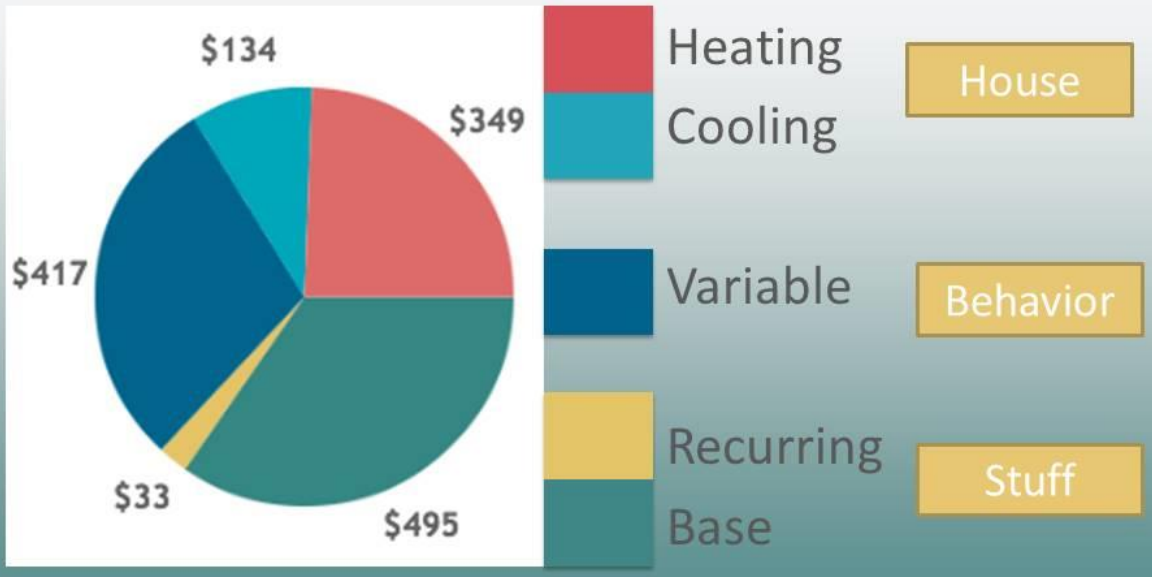
A way to quickly, accurately and inexpensively analyze residential energy use

Results from Several Programs

Program	Participants	Duration	Average reduction in kWh	Average reduction in therms	Reported by
Energy Upgrade Mountain View	1,239	3 years	5.5%	16.4%	HEA
Energy Upgrade Mountain View (top quartile)	310	3 years	14.5%	32.6%	HEA
Alameda County	299	1 year	7.4%	13.0%	BKi
Silicon Valley Energy Watch	85 low income seniors	1 year	10.2%	12.2%	Green Pro Network & HEA

The Big Energy Use Categories

Example: $1,414 per year



Analysis produced using remote, automatic smart meter analysis

Implies Different Interventions

Winter Heating	$100	5%
Summer Cooling	$8	0%
Variable	$522	27%
Recurring	$90	5%
Base	$1,207	62%

$1927/year

Focus on Plug Loads

Focus on HVAC

Winter Heating	$885	46%
Summer Cooling	$4	0%
Variable	$308	16%
Recurring	$35	2%
Base	$692	36%

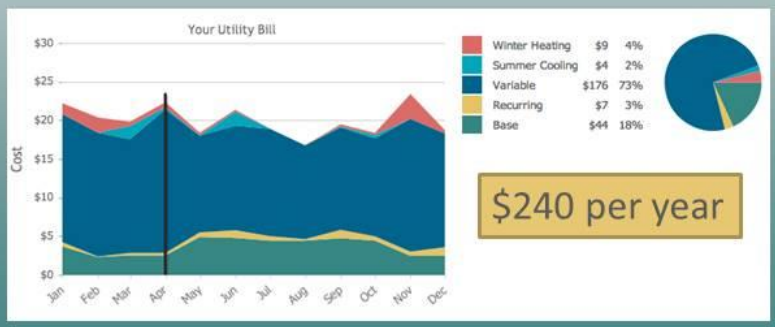
$1,924/year

Low income examples

HOME ENERGY ANALYTICS

Typical Energy Use

$122 per year



$240 per year

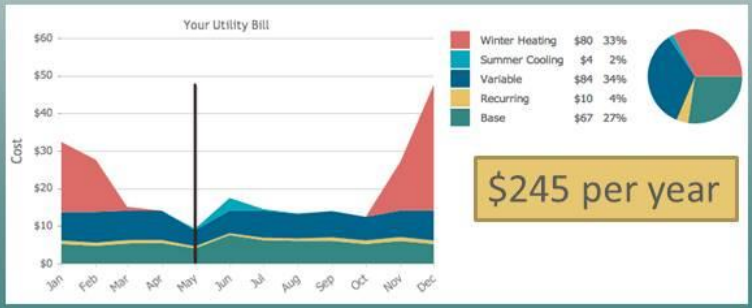
Focus on Behavioral

Low Income Examples

HOME ENERGY ANALYTICS

Cooling and Behavioral

$365 per year



$245 per year

Heating and Behavioral

Low Income Examples

Focus on Base (always on)

$358 per year

$214 per year

Recurring or scheduled

Call to Action

California's $9B investment in smart meters is not being utilized for EE

- Pilot smart meter diagnosis within existing program delivery structure to verify results
- Set standards for EM&V based on analysis of changes in smart meter data

Backing up the 10X claim

HOME ENERGY ANALYTICS

Program Metric	EUMV (2011-2014)	EUCA by PG&E (2011-2012)
Total number of participants	1,576	3,823
Participants analyzed using Billing Data	1,239	1,625
Electric savings per participant (kWh)	301	203
Natural Gas savings per participant (therms)	62	74
GHG savings per participant (lbs CO2e)	993	1,101
Reduction in electric use (all participants)	5.52%	5.40%
Reduction in natural gas use (all participants)	16.44%	16.40%
Reduction in electric use (top quartile)	**14.49%**	7.18%
Reduction in natural gas use (top quartile)	**32.58%**	19.87%
Total cost of program	$409,000	$25,310,500
Program cost per participant	**$260**	**$6,621**

Source of EUCA results: 2010-2012 Whole House Retrofit Impact Study pages 5, 13, 32, 34 & 37.

Highlights of Upcoming Activities for Low-Income Energy Programs

Energy Division Staff

Energy Division Highlights of Recent & Upcoming Activities for Low Income Programs

LIOB MEETING
FEBRUARY 19, 2015
SAN FRANCISCO, CALIFORNIA

ED Staff Preliminary Proposed Proceeding Schedule

➢ 2015- 2017 Budget Applications Filed	11/18/2014
➢ Protests to Applications	01/12/2015
➢ Reply to Protests / Responses	01/22/2015
➢ Prehearing Conference	02/20/2015
➢ Prehearing Conference Statements	03/02/2015
➢ Scoping Memo Issued	03/16/2015
➢ Intervener Testimony and Deadline to File a Motion to Request for Evidentiary Hearings*	04/06/2015
➢ Rebuttal Testimony	05/01/2015
➢ Opening Briefs	06/05/2015
➢ Reply Briefs	07/02/2015
➢ Commission Issues Proposed Decision	September 2015
➢ Comments on Proposed Decision	October 2015
➢ Replies to Comments on Proposed Decision	October 2015
➢ Final Decision	November 2015

** The proposed schedule assumes evidentiary hearings will not occur.*

Subcommittee Reports and Updates

a) Marketing & Outreach (Board Members Toledo, Pitcock, Gross and Watts)

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

c) Workforce Education and Training (Board Members Pitcock, Hernandez and Castaneda)

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

e) Emerging Issues/Climate Change (Board Members Toledo and Pitcock

f) AB 327 (Board Members Hernandez, Lopez, Wimbley and Pitcock)

Agenda Items for Future Meetings