Highlights of 2013 CARE, FERA and ESA Program Accomplishments

Joint Utility Public Meeting
San Ramon, CA
June 3, 2014

CARE Program Highlights

Penetration Rate

Month (2013)	Estimated Eligible	Number of Participants	Penetration Rate
January	1,574,844	1,488,356	95%
February	1,574,844	1,482,035	94%
March	1,574,844	1,478,927	94%
April	1,574,844	1,473,831	94%
May	1,574,844	1,458,085	93%
June	1,574,844	1,446,731	92%
July	1,574,844	1,434,285	91%
August	1,574,844	1,429,186	91%
September	1,574,844	1,416,398	90%
October	1,574,844	1,402,586	89%
November	1,574,844	1,392,075	88%
December	1,574,844	1,386,070	88%

YTD New Enrollments: 320,150

CARE Program Highlights

CARE Expenditures

Budget Category	2013 Authorized	2013 Actual
Outreach	$5,268,667	$3,635,811
Processing, Certification, Recertification	$3,667,000	$1,376,359
Post Enrollment Verification	$1,920,000	$1,122,913
IT Programming	$646,000	$1,185,913
Cool Centers	$127,846	$117,028
CHANGES Pilot Program	$216,000	$229,039
Measurement & Evaluation	$86,000	$4,994
Regulatory Compliance	$316,000	$188,819
General Administration	$2,042,000	$923,837
CPUC Energy Division	$128,000	$41,421
TOTAL Administrative Costs	**$14,417,512**	**$8,826,133**
CARE Discount & Other Subsidies	$633,029,000	$703,432,080
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	**$647,446,512**	**$712,258,213**

Note: Table does not reflect fund shift activities performed to align budget with actual expenditures

CARE Program Highlights

Average CARE Discount Per CARE Customer

2013	Gas	Electric	Total
Monthly	$7.31	$42.19	$49.50

Annual Subsidy for all CARE customers by Energy Source

Gas	Electric	Total
$96,556,718	$606,875,362	$703,432,080

CARE Program Highlights

CARE High Usage Post Enrollment Verification

CARE High Usage Definition

Customers with usage above 400% of baseline in any monthly billing cycle

Four stage High User Verification process, with the following requirements:

Stage 1 – Income Verification and ESA Agreement (45 days)

- Provide an IRS Tax Return Transcript or Verification of Non-Filing
- Agree to participate in the Energy Savings Assistance Program

Stage 2 – ESA Participation (45 days)

- Complete participation in the Energy Savings Assistance Program – allow contractor and inspector access to all portions of metered property

Stage 3 – Usage Notification (90 days)

- Notice to reduce and/or maintain usage below 600% of baseline within 90 days

Stage 4 – Usage Monitoring / Appeal Process (24 months)

- Maintain usage below 600% of baseline, or be removed from CARE
- Customers removed from CARE are blocked from re-enrolling for two years
  - Removed customers can file an expedited appeal to prove usage is "necessary, basic, and legitimate"

CARE Program Highlights

High Usage Post Enrollment Verification Highlights

Total Audience (above 400% of baseline within the past 12 months)

- 70,000 customers (5% of total CARE)
- $180 million annual subsidy (25% of total CARE)

Requests Mailed to Date (April 2014)

- 42,000 customers (60% of total audience count)
- $126 million annual subsidy (70% of total audience subsidy)

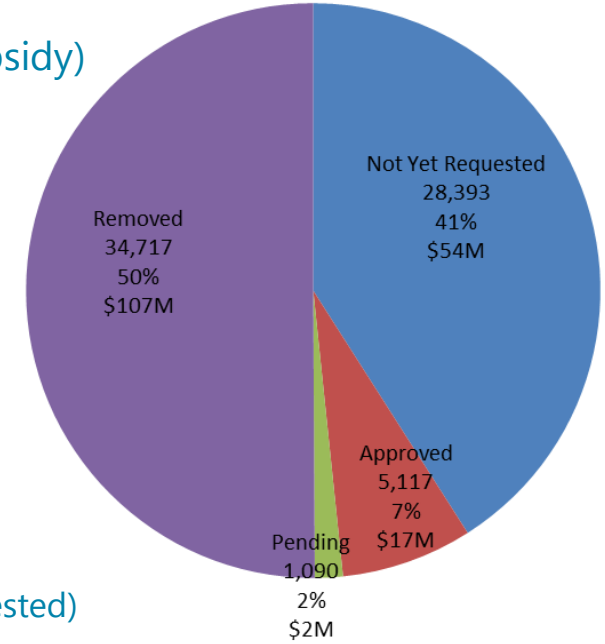
Results to Date (April 2014)

- 5,000 customers approved
  - $17 million annual subsidy
- 35,000 customers removed (87% removal rate)
  - $107 million annual subsidy

Forecast

- 45,000 additional requests mailed by December 2014
- $160 million estimated reduction in annual subsidy

(based on current electric rates; 85% removal rate of customers requested)



CARE Program Highlights

High Usage letter sample

PG&E CARE Program
P.O. Box 7979
San Francisco, California, 94120-7979

Month 00, 2013

«Customer Name»
«Customer Name2»
«Mailing Address2»
«Mailing City, State Zip»

This is your CARE Program Verification Request. You must reply within **45 days** from the date of this letter or your CARE discount will be discontinued.

RE: Account number «account number»

Dear «Customer Name»:

Pacific Gas and Electric Company (PG&E) has been pleased to provide your household with a monthly discount on your energy bills through the California Alternate Rates for Energy (CARE) program, which has been giving you close to **50 percent savings** on your energy bill.

However, in 2012, the California Public Utilities Commission (CPUC) established new requirements for CARE participants with household electric usage that exceeds 400 percent of their allowance* in any month.

We're contacting you because last month your household's electric usage exceeded 400 percent of your allowance. As a result, it's now necessary to verify certain household information.

To continue getting your CARE discount, we must receive specific documentation within 45 days from the date of this letter. We've detailed what you need to submit to us on the reverse side of this letter. We recommend you start Step 1 today, as collecting your IRS documentation can take over 10 business days.

We understand how important it is for you to continue your CARE participation. Feel free to contact us with any questions. You can reach us on the phone at 1-866-743-5832 or email CAREandFERA@pge.com.

In the meantime, for help in reducing your monthly electric usage, please visit **www.pge.com/CAREWaysToSave**.

Your partners at PG&E,

Susan Norris
Senior Manager, Pricing Products
Pacific Gas and Electric Company

*"Allowance" refers to Tier 1 or baseline allowance, which is the amount of energy provided to residential electric and natural gas customers for basic energy needs, at the lowest cost. It varies by season, climate zone and heat source. Your baseline information is located in the "Charges" section on page 4 of your PG&E bill. Your household energy use has exceeded 400 percent of this baseline allowance in the previous month.

How to complete your CARE Program Verification Request

To continue getting your CARE discount, **we must receive specific documentation within 45 days from the date indicated on the front of this sheet.** Please complete this process by following the step-by-step instructions below precisely.

1

Get a transcript of your tax return

This transcript reflects your annual household income and the number of people living in your household. **Each household member who has filed a tax return within the last two years must submit a separate IRS Form 4506-T to request his or her own Tax Return Transcript.** If a household member DID NOT file a tax return, he or she must submit this same IRS Form 4506-T to request a *Verification of Non-Filing*.

☐ **Get the right IRS form**

You'll need IRS Form 4506-T (Request for Transcript of Tax Return). We've enclosed a form for your convenience. Need more? Just make copies or go online to www.irs.gov to download a copy. You can also request your transcript online at www.irs.gov/individuals/order-a-transcript.

☐ **Complete your Request for Transcript of Tax Return (the white form)**

- Fill out Lines 1 through 4.
- On Line 6, enter the tax form number 1040 and check the box on Line 6a to request your Tax Return Transcript.
- On Line 9, enter the most recent year for which you've filed a tax return. If you haven't filed a return within the last two years, you must request a *Verification of Non-Filing* by checking the box on Line 7.

☐ **Mail your request to the IRS promptly**

Sign and mail your completed Tax Return Transcript request to the IRS at: **RAIVS Team, Stop 37106, Fresno, CA 93888.** The IRS processes and returns most requests within 10 business days.

Do not mail your request to PG&E, as this will delay your CARE verification.

☐ **Retain this letter and the CARE High Usage Form (the yellow form)**

Please keep this letter and the yellow CARE High Usage Form that came with it while you wait to receive your Tax Return Transcript. You'll need to mail this completed yellow form back to us along with your Tax Return Transcript. See Step 2 and Step 3 for more details.

2

Complete the CARE High Usage Form (the yellow form)

This form ensures you understand your obligations and responsibilities as a participant in the CARE program.

☐ **Complete the Post-Enrollment Verification (PEV) section** (top half)

Make sure the information you provide here matches the information on your Tax Return Transcript. Also be sure to **review and sign the Declaration.**

Failure to sign means you can be removed from the CARE program.

☐ **Complete the Energy Savings Assistance (ESA) Program Participation section** (bottom half)

The ESA Program provides income-qualified renters and homeowners with free and easy solutions to help manage energy use and save money on monthly energy bills.

You must agree to participate by **checking the "Yes" box** in this section or you'll be removed from the CARE program.

3

Mail your completed documentation

Once you've received your Tax Return Transcript (or *Verification of Non-Filing*) from the IRS, please include it **with** your completed yellow form and **mail them both back to us.**

☐ **Submit your CARE Program Verification Request**

Please mail your documentation to: **CARE Program at P.O. Box 7979, San Francisco, CA 94120-7979.**

You can also fax your documentation to **1-877-302-7563** or email to **CAREandFERA@pge.com.**

Be sure to cover all social security numbers before you put your completed documentation in the mail.

Need help?

Call us at **1-866-743-5832** or email **CAREandFERA@pge.com**

FERA Program Highlights

Enrollments

Customers Enrolled as of December 31, 2013	Customers Receiving Tier 3 Discount
28,308	16,706

Penetration

Estimated Eligible	# Participants	Penetration Rate
174,919	28,308	16%

Discounts & Expenditures

2013	Actual
Average monthly discount per participant	$36.60
Total Discount	$7,661,719
Total Administrative Costs	$110,903

2012-2014 ESA Program Highlights

Warm Transfer Outreach Method

To lessen barriers and encourage local support for each project area, PG&E, RHA and its ESA implementation contractors employed a "warm transfer" outreach method to enroll qualified customers.

PG&E communicated its marketing strategies and shared pre qualified data leads (i.e., customers enrolled in CARE that had not participated in ESA) with RHA and contractors on a regular weekly to monthly basis.

Partnerships

The ESA Program continues its successful partnerships through its outreach efforts like educational booklets, presentations, mobile text messaging, and customized video programming to educate our community.

- **Saber Es Poder**: Spanish-speaking media agency, to promote free home improvement opportunities to Spanish-speaking customers visiting the Mexican Consulates in San Francisco and Sacramento
- **San Mateo local government and San Mateo Farm Bureau**: inform agricultural customers about home energy improvements available for their employee housing facilities and equipment. Working with internal and external partners, PG&E opened new avenues for these agricultural owners/operators to save energy and money through ESA and other energy efficiency programs.
- **Community-Based Organizations (CBOs)**: As part of a comprehensive project to provide financial literacy education, PG&E worked to educate older adults, customers on fixed incomes, and customers with limited English proficiency about energy-saving practices and PG&E programs available to help them reduce their utility costs.

2012-2014 ESA Program Highlights

ESA Program CSD Leveraging

- PG&E is working with CSD on several pilot projects
  - Solar Water Heaters
  - Data Sharing Tool
  - Geographic Coordination
- PG&E leverages refrigerators with CSD providers

Single Family Affordable Solar Housing Program

In 2013, PG&E's ESA Program continued to work with Grid Alternatives to deliver ESA services to customers that were approved to participate in the Single Family Affordable Solar Housing (SASH) Program.

Multifamily Efforts in ESA

- ESA Integration with MF Energy Efficiency Rebate Program (MFEER)
  This program offers property owners and managers incentives for installing energy efficient measures related to the retrofit of existing multifamily properties of two or more units. ESA works closely with MFEER.
- ESA Integration with Multifamily Affordable Solar Housing (MASH) Program
  In 2013, the ESA Program continued to integrate with solar programs to fast-track qualifying low-income customers through the ESA Program prior to them receiving solar measures.
- MF ESA Program (MESAP) Initiative
  PG&E carried out a targeted, project-based MF approach in 2013 addressing property owners/managers. The MESAP Initiative addressed the 8 MF strategies outlined in D.12-08-044.

ESA Program Highlights

Single Family
82,603

HOMES TREATED

Mobile Homes
6,517

Eligible Homes to be Treated: 119,940

Total Homes Treated: 123,566
103.02%

Multi-Family
34,446

ESA Program Highlights

Total Savings/Expenditures

kWh (Annual)	kW (Annual)	Therms (Annual)
42,863,291	8,810	1,918,656

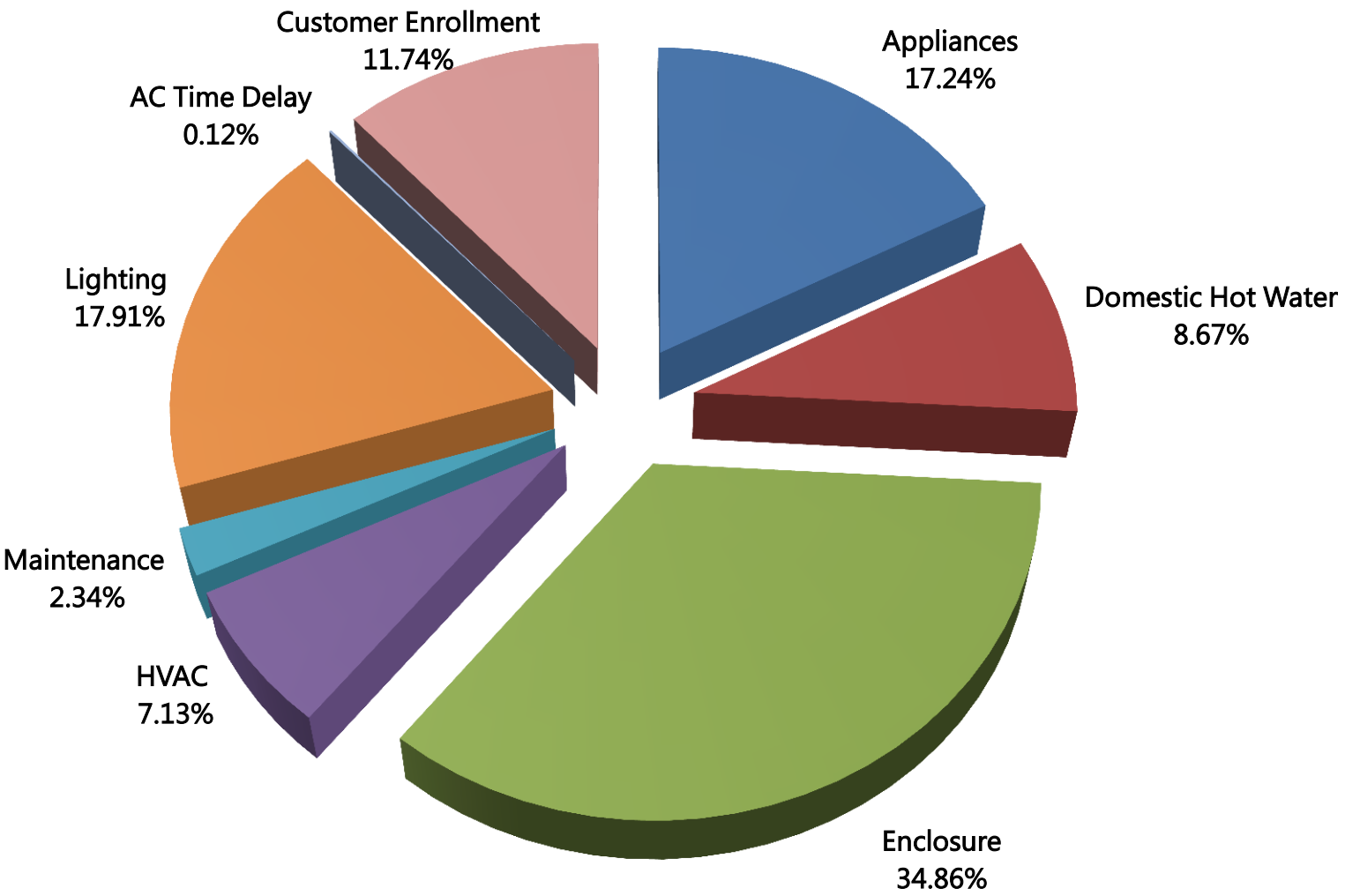
2013 Program Expenditures

Budge Category	2013 Authorized Budget	2013 Actual	% of Budget Spent
Gas Appliances	$ 633,133.75	$ 633,133.64	100%
Electric Appliances	$ 29,198,825.45	$ 22,272,259.74	76%
Other Measures[1]	$ 97,224,878.30	$ 92,888,339.94	96%
Customer Enrollment	$ 1,624,151.00	$ 1,424,901.11	88%
In Home Education	$ 14,733,436.00	$ 14,010,080.80	95%
Training	$ 944,000.00	$ 654,788.51	69%
Inspections	$ 5,801,261.00	$ 5,028,005.35	87%
Marketing & Outreach	$ 1,835,563.00	$ 1,113,800.76	61%
M&E Studies[2]	$ 203,000.00	$ 543,408.40	268%
Other Administrative Costs[3]	$ 4,132,000.49	$ 3,612,670.49	87%
Total	**$ 156,330,248.99**	**$ 142,181,388.74**	**91%**

[1] Domestic Hot Walter, Enclosure, HVAC and Lighting
[2] M&E Studies 2013 cost not cross-billed by year-end. Actual PG&E percent spent is100% of approved budget
[3] Regulatory Compliance, General Administration, Energy Division Costs

ESA Program Highlights

PY2013 ESA Expenditure by Measure Groups



ESA Program Enrollments

2013 Disability Enrollments			
Source	Total Enrollments	Disability Enrollments	% of Disability Enrollment
Total Enrollment Rate	123,566	24,817	20%

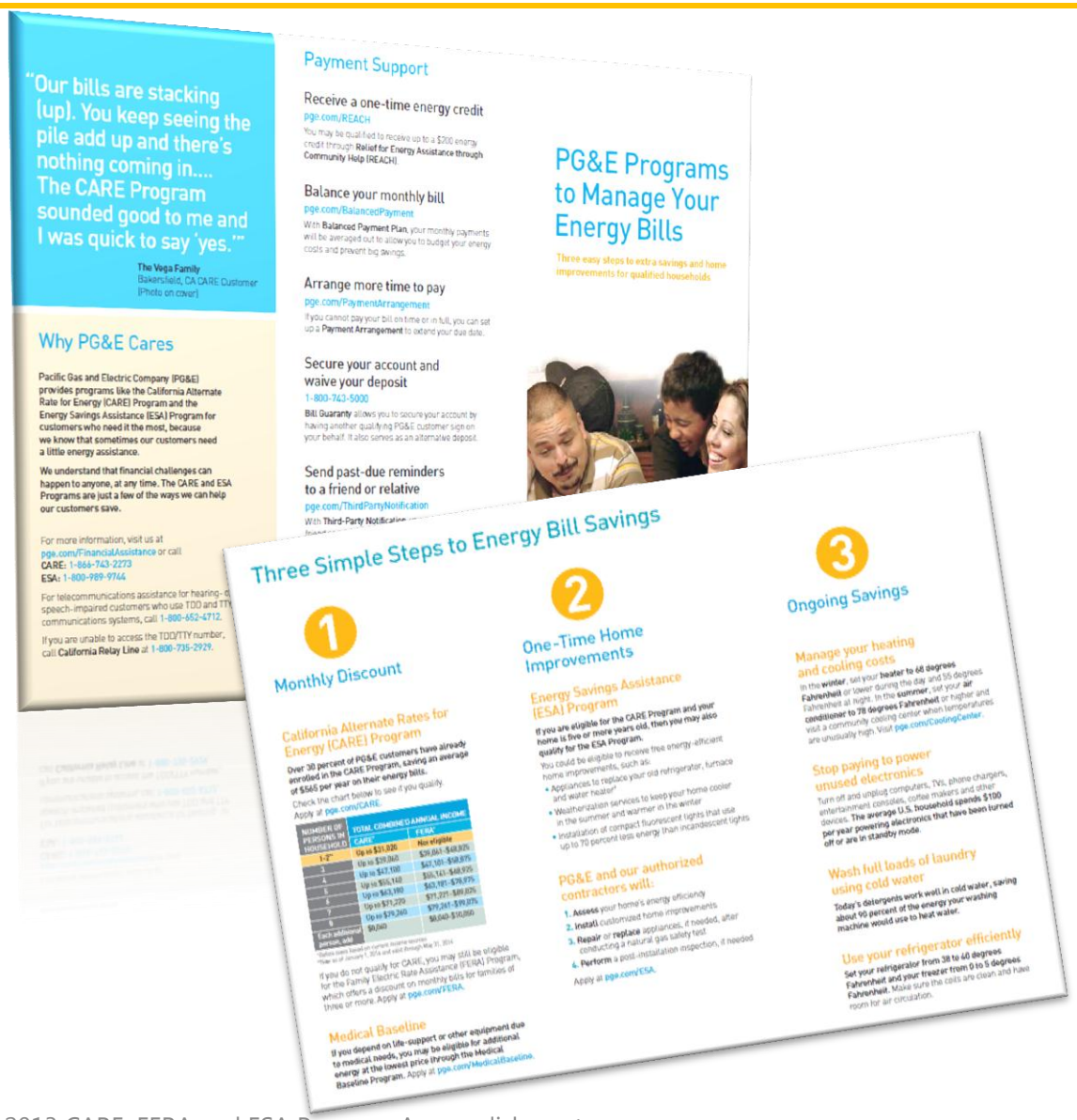
2013 Senior Citizen Enrollments			
Source	Total Enrollments	Disability Enrollments	% of Disability Enrollment
Total Enrollment Rate	123,566	36,596	30%

Integration Efforts at PG&E

ESA Program / CARE Integration

- Marketing and outreach for the low income programs—including the ESA Program, CARE and the low income CSI program--continued to be implemented by PG&E's "Hard-to-Reach" group in 2013, allowing better integration of messaging and customer education.
- CARE Community Outreach Contractors received Breathe Easy Solutions brochures for distribution
- The ESA Program team worked with the Local Government Partnership team to offer the Moderate Income Direct Install (MIDI) program to customers who fell slightly above the income-guidelines for ESA.
- Direct Install for Manufactured and Mobile Homes Program. This EE program installs a comprehensive set of energy efficiency measures in the customer's mobile home, at no cost to the customer.

ESA Program Highlights



Integrated Programs Brochure

- Organized into 3 levels of engagement to take customers on energy savings journey
- Removed less relevant programs for simplified messaging and design
- Applied friendlier and more empathetic tone
- Elevated program benefits to encourage participation
- Incorporated customer testimonial to build trust and credibility

Direct Marketing Campaigns

- Automated Voice/Text Messaging
- Email
- Direct Mail
- Bill Inserts
- Informational Brochures
- Community Outreach Contractors
- Energy Specialists
- Branch Offices
- Events

Direct Marketing Campaigns

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- Email
- Direct Mail
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- Informational Brochures
- Community Outreach Contractors
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- Branch Offices
- Events

CARE, FERA and ESA Program Outreach & Marketing

CARE Media Campaigns

- Digital advertising, with special focus on Spanish- and Chinese-speaking audiences
- A Spanish print ad campaign in the Cronicas newspaper, El Observador Publication, Vida en El Valle, and La Voz throughout Napa, Solano, Sonoma, Santa Clara, Alameda, San Francisco, San Mateo, Fresno, Merced, Stockton, Modesto and Sacramento counties
- Tagalog print ad campaign in Manila Mail and Philippine Today throughout San Francisco Bay Area.
- A print ad targeting the African American population in the Post Newspaper, throughout Oakland, Berkeley, Richmond and San Francisco

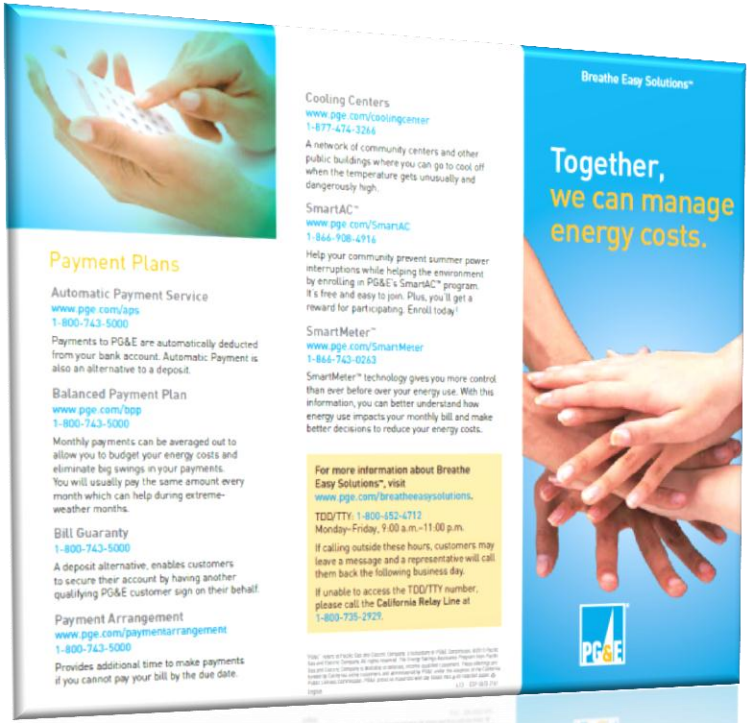
ESA Media Campaigns

- Television and radio ads to Hmong communities in Sacramento, San Francisco Bay Area, Central Valley, Fresno and surrounding areas
- Special phone bank event where PG&E employee promoted and answered ESA Program questions
- Bus advertising in ZIP code-targeted San Francisco and Oakland neighborhoods

In-Language & Other LEP Resources

- Program information is available online in-language (English, Spanish, Chinese, Vietnamese, Korean, Hmong and Russian) and in a format that provides easy downloading and printing. Detailed information about the ESA Program is also provided along with links to other assistance programs.
- Media was run in English, Spanish, Hmong, Tagalog, Vietnamese, Cantonese and Mandarin.
- Events serving the above listed languages, as well as Laotian and Russian, were attended

Breathe Easy Solutions brochure



Payment Plans

Automatic Payment Service
www.pge.com/aps
1-800-743-5000

Payments to PG&E are automatically deducted from your bank account. Automatic Payment is also an alternative to a deposit.

Balanced Payment Plan
www.pge.com/bpp
1-800-743-5000

Monthly payments can be averaged out to allow you to budget your energy costs and eliminate big swings in your payments. You will usually pay the same amount every month which can help during extreme-weather months.

Bill Guaranty
1-800-743-5000

A deposit alternative, enables customers to secure their account by having another qualifying PG&E customer sign on their behalf.

Payment Arrangement
www.pge.com/paymentarrangement
1-800-743-5000

Provides additional time to make payments if you cannot pay your bill by the due date.

Cooling Centers
www.pge.com/coolingcenter
1-877-474-3266

A network of community centers and other public buildings where you can go to cool off when the temperature gets unusually and dangerously high.

SmartAC™
www.pge.com/SmartAC
1-866-908-4916

Help your community prevent summer power interruptions while helping the environment by enrolling in PG&E's SmartAC™ program. It's free and easy to join. Plus, you'll get a reward for participating. Enroll today!

SmartMeter™
www.pge.com/SmartMeter
1-866-743-0263

SmartMeter™ technology gives you more control than ever before over your energy use. With this information, you can better understand how energy use impacts your monthly bill and make better decisions to reduce your energy costs.

For more information about Breathe Easy Solutions™, visit www.pge.com/breatheeasysolutions.

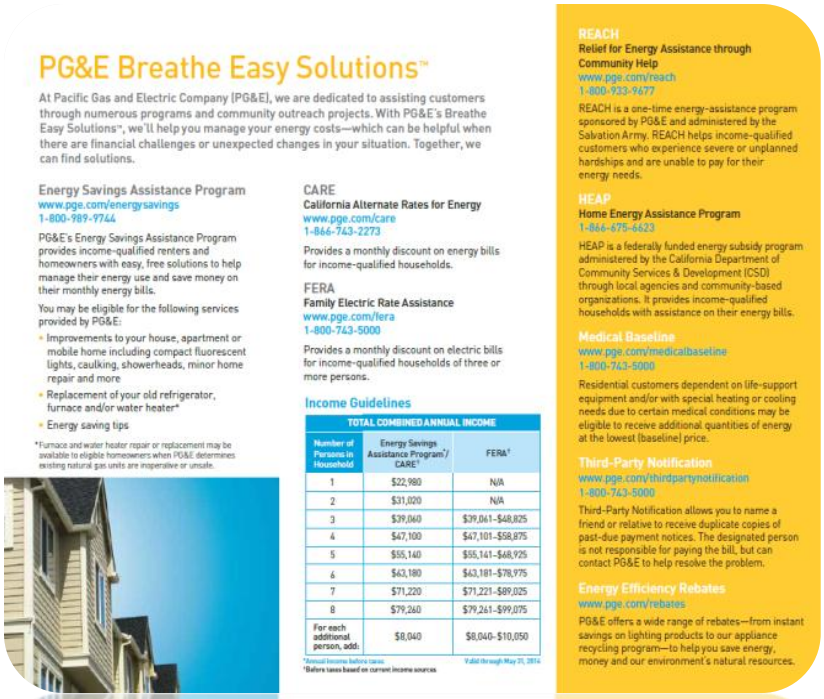
TDD/TTY: 1-800-652-4712
Monday–Friday, 9:00 a.m.–11:00 p.m.

If calling outside these hours, customers may leave a message and a representative will call them back the following business day.

If unable to access the TDD/TTY number, please call the California Relay Line at 1-800-735-2929.

Breathe Easy Solutions™

Together, we can manage energy costs.



PG&E Breathe Easy Solutions™

At Pacific Gas and Electric Company (PG&E), we are dedicated to assisting customers through numerous programs and community outreach projects. With PG&E's Breathe Easy Solutions™, we'll help you manage your energy costs—which can be helpful when there are financial challenges or unexpected changes in your situation. Together, we can find solutions.

Energy Savings Assistance Program
www.pge.com/energysavings
1-800-989-9744

PG&E's Energy Savings Assistance Program provides income-qualified renters and homeowners with easy, free solutions to help manage their energy use and save money on their monthly energy bills.

You may be eligible for the following services provided by PG&E:

- Improvements to your house, apartment or mobile home including compact fluorescent lights, caulking, showerheads, minor home repair and more
- Replacement of your old refrigerator, furnace and/or water heater*
- Energy saving tips

*Furnace and water heater repair or replacement may be available to eligible homeowners when PG&E determines existing natural gas units are inoperative or unsafe.

CARE
California Alternate Rates for Energy
www.pge.com/care
1-866-743-2273

Provides a monthly discount on energy bills for income-qualified households.

FERA
Family Electric Rate Assistance
www.pge.com/fera
1-800-743-5000

Provides a monthly discount on electric bills for income-qualified households of three or more persons.

Income Guidelines

TOTAL COMBINED ANNUAL INCOME		
Number of Persons in Household	Energy Savings Assistance Program†/ CARE†	FERA†
1	$22,980	N/A
2	$31,020	N/A
3	$39,060	$39,061–$48,825
4	$47,100	$47,101–$58,875
5	$55,140	$55,141–$68,925
6	$63,180	$63,181–$78,975
7	$71,220	$71,221–$89,025
8	$79,260	$79,261–$99,075
For each additional person, add:	$8,040	$8,040–$10,050

*Annual income before taxes. Valid through May 31, 2014
†Before taxes based on current income sources

REACH
Relief for Energy Assistance through Community Help
www.pge.com/reach
1-800-933-9677

REACH is a one-time energy-assistance program sponsored by PG&E and administered by the Salvation Army. REACH helps income-qualified customers who experience severe or unplanned hardships and are unable to pay for their energy needs.

HEAP
Home Energy Assistance Program
1-866-675-6623

HEAP is a federally funded energy subsidy program administered by the California Department of Community Services & Development (CSD) through local agencies and community-based organizations. It provides income-qualified households with assistance on their energy bills.

Medical Baseline
www.pge.com/medicalbaseline
1-800-743-5000

Residential customers dependent on life-support equipment and/or with special heating or cooling needs due to certain medical conditions may be eligible to receive additional quantities of energy at the lowest (baseline) price.

Third-Party Notification
www.pge.com/thirdpartynotification
1-800-743-5000

Third-Party Notification allows you to name a friend or relative to receive duplicate copies of past-due payment notices. The designated person is not responsible for paying the bill, but can contact PG&E to help resolve the problem.

Energy Efficiency Rebates
www.pge.com/rebates

PG&E offers a wide range of rebates—from instant savings on lighting products to our appliance recycling program—to help you save energy, money and our environment's natural resources.

Email and Digital Advertising sample

Save an average of $565 on your energy bills each year with the CARE Program.

We're here to help you save.

At Pacific Gas and Electric Company (PG&E), we offer programs, rebates and ways to save, because sometimes our customers need a little energy assistance. We understand that financial challenges can happen to anyone, at any time. The CARE Program is just one more way we can help you save.

Why should you sign up?

CARE is simple and rewarding. The California Alternate Rates for Energy (CARE) Program offers a discounted rate on monthly energy bills for income-qualified households. Once your application is approved, you'll see the CARE Program and your monthly savings listed on the first page of your bill.
On average, CARE participants receive an annual discount of $565.

Getting started is easy.

You're likely to qualify for CARE. To see if you qualify, visit pge.com/CARE. On our website, you'll find the specific details, requirements and program benefits.
No proof of income is needed for enrollment.

Learn More ›

You can also help family members, friends and neighbors who may qualify by telling them about the CARE Program. Share the details »

Questions?

For more information:

- Mary O'Drain MJOb@pge.com
- Nickole Prodouz N1P5@pge.com
- Tina Nguyen TTN7@pge.com
- Brett Searle BJSv@pge.com

Thanks!