



2021-2026 INCOME QUALIFIED PROGRAM APPLICATION UPDATE: CARE & ENERGY SAVINGS ASSISTANCE PROGRAM

LIOB Q3 Board Meeting, San Ysidro
September 16, 2019

Southern California Gas Company California Alternate Rates for Energy

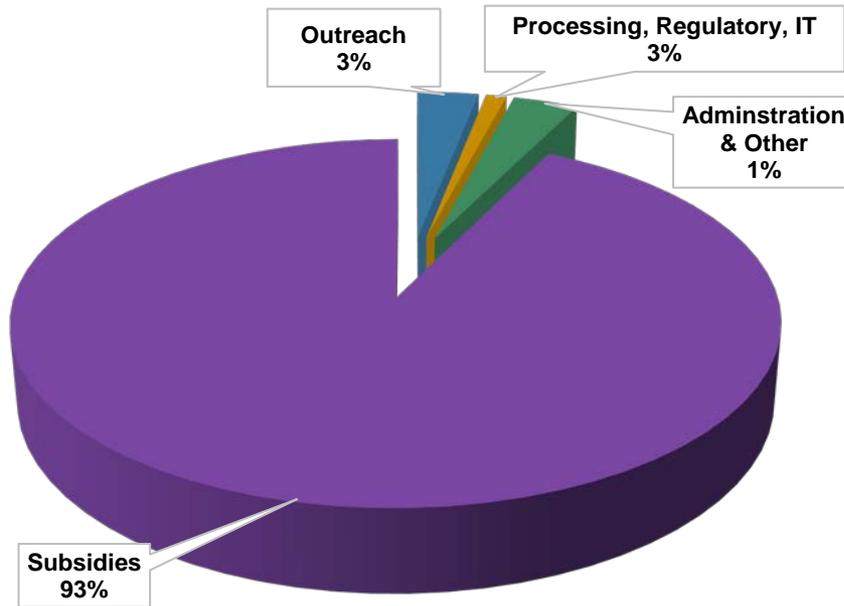
CARE Program Performance 2019



County	Estimated Eligible	Penetration Rate
	Total	%
Fresno	11,234	99%
Imperial	15,699	96%
Kern	43,218	96%
Kings	13,572	108%
Los Angeles	854,527	97%
Orange	195,076	80%
Riverside	228,281	94%
San Bernardino	152,196	112%
San Luis Obispo	20,910	68%
Santa Barbara	34,163	82%
Tulare	57,469	105%
Ventura	57,193	85%
Total	1,683,537	95%*

* 2019 YTD through August 2019, as reported in the IOU ESA-CARE Monthly Report.

CARE Budget 2021-2026 Estimated



Budget Category	Estimated
Outreach	\$5,059,166
Processing, Regulatory, IT	4,197,161
CHANGES	\$437,502
General Administration	\$953,792
SUBTOTAL MGMT BUDGET	\$10,647,621
Subsidies & Benefits	\$132,351,979
TOTAL PROGRAM BUDGET	\$142,999,600

CARE Program Challenges and Opportunities Post 2020

Challenges

- **Fear is a barrier to enrollment.**
 - Customer concerns regarding fraud, scams and immigration status.
 - Customer hesitation in providing personal information.
- **Attrition continues to provide challenges.**
 - Recertification and post-enrollment verification requirements pose challenges to retaining customers
 - Discount not seen as worth the effort to enroll.
- **Reaching remaining eligible customers.**
 - In LA, 1 in 4 are living in poverty; in CA, 14.3%*

Opportunities

- **Program enrollment by channel is more diverse.**
 - In 2017, 75% of CARE enrollments via paper (30% YTD)
 - Currently, 1 in 3 customers enroll online
- **Modify outreach and marketing strategies to align with enrollment trends.**
- **Leverage trusted CBO network to help carry the message and help enroll customers.**

*Public Policy Institute of California, CPM (California Poverty Measure, July 2018) **DRAFT – FOR DISCUSSION PURPOSES ONLY**

2021-2026 CARE Program Targets

01

Maintain and improve current penetration rate – 95%*.

02

Maintain current budget targets – with allowances for inflation.

03

Continue current program elements, service deliveries and strategies that have proven to be successful.

* 2019 YTD through August 2019, as reported in the IOU ESA-CARE Monthly Report.

2021-2026 CARE Program Initiatives

Increase	Increase CARE discount from 20% to 25%
Refresh	Refresh probability model to help retain the most likely-to-be eligible customers.
Change	Change recertification frequency for Expanded CARE Program from two to four years.
Automate	Automate recertification mailing to Expanded CARE Program.
Retain	Retain fixed-income and verified customers (1-2 in the household) by exemption from future recertification requests.
Expand	Expand partnerships with CBOs, focusing on DACs and areas of extreme poverty.
Develop	Develop focused messaging & data analytics for hard-to-reach customers.
Utilize	Utilize text messaging to reach eligible customers.
Implement	Implement a tablet enrollment program for customer self-enrollment at community events.

Southern California Gas Company Energy Savings Assistance Program

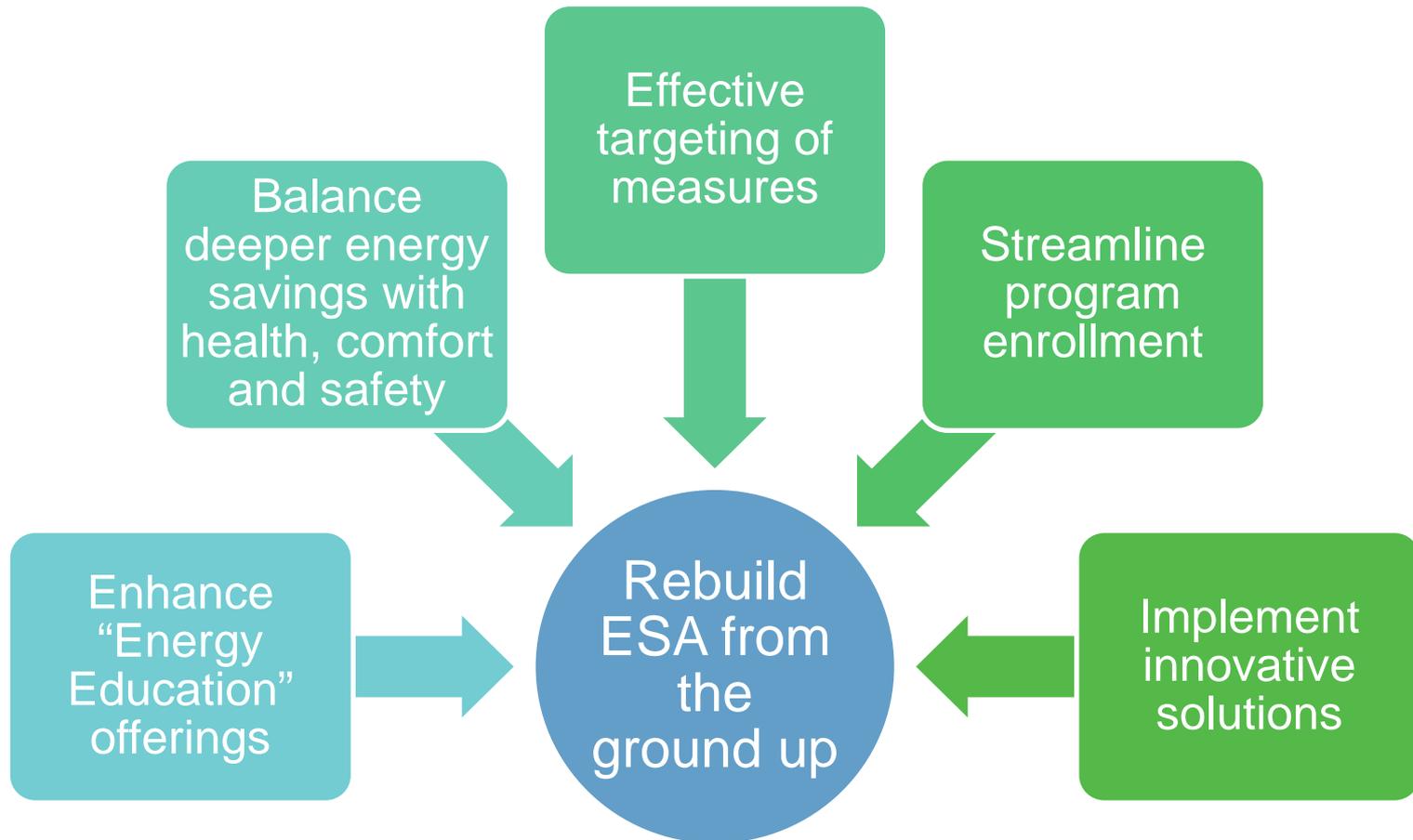
Developing the ESA Program

Defining	Defining targeted customer segments for measure qualification.
Utilizing	Utilizing existing internal and third-party data to better target underserved segments and high energy savings opportunities
Evaluating	Evaluating technology options to improve customer experience and overcome trust barriers
Assessing	Assessing the non-deed restricted MF market segment to identify potential opportunities for a CAM offering.
Developing	Developing other program elements including workforce education and training, leveraging opportunities with Edison, municipality utilities, and CBOs and developing the MF whole building program design.

Key Findings on Barriers to Participation

- 1. Trust and security are a primary concern for customers.**
 - Uninvited contact at customers' homes is unwelcome.
 - Customers demonstrate heightened concerns regarding fraud and scams.
- 2. Program elements are confusing.**
 - Misconceptions regarding program's eligibility requirements.
- 3. Customers desire more control.**
 - Self-made appointments are highly preferred.
 - Multiple touch points and advanced notice are needed before customers are receptive to doorknockers.

ESA Program Path to Innovation



ESA Program Path to Innovation

Enhancing Energy Education offerings

Creating multiple venues for offerings

- Online, ongoing, self-service, multi language.

Broaden the reach of Energy Education

- Beyond the household member present at the time.

Customize program messaging based on household composition.
Home Energy Reports.

Balance deeper energy savings with health, comfort and safety

Early replacement of space heaters and water heaters.

Fully incorporate smart thermostats into the current set of measures.

Focus on health, comfort and safety

NEW! CO Detectors

NEW! Smoke Alarms

NEW! FAU Filters

NEW! Range hoods

ESA Program Path to Innovation

Effective Targeting of Measures

Focus on high energy users, disadvantaged communities, tribal communities, medical baseline.

- Utilize home energy audits.

Streamline Measure qualification

- Add ability to assess space heating and water heating upfront.

Focus on early replacement of wall furnaces.

Streamline Program Enrollment

Revamping service delivery

- Put the customer in control.
- Previous unwilling may now be willing.

Utilize Technology to Improve Customer Experience

- Online and the Smartphone app

Expand enrollments beyond in-home = online.

Implement Innovative Solutions

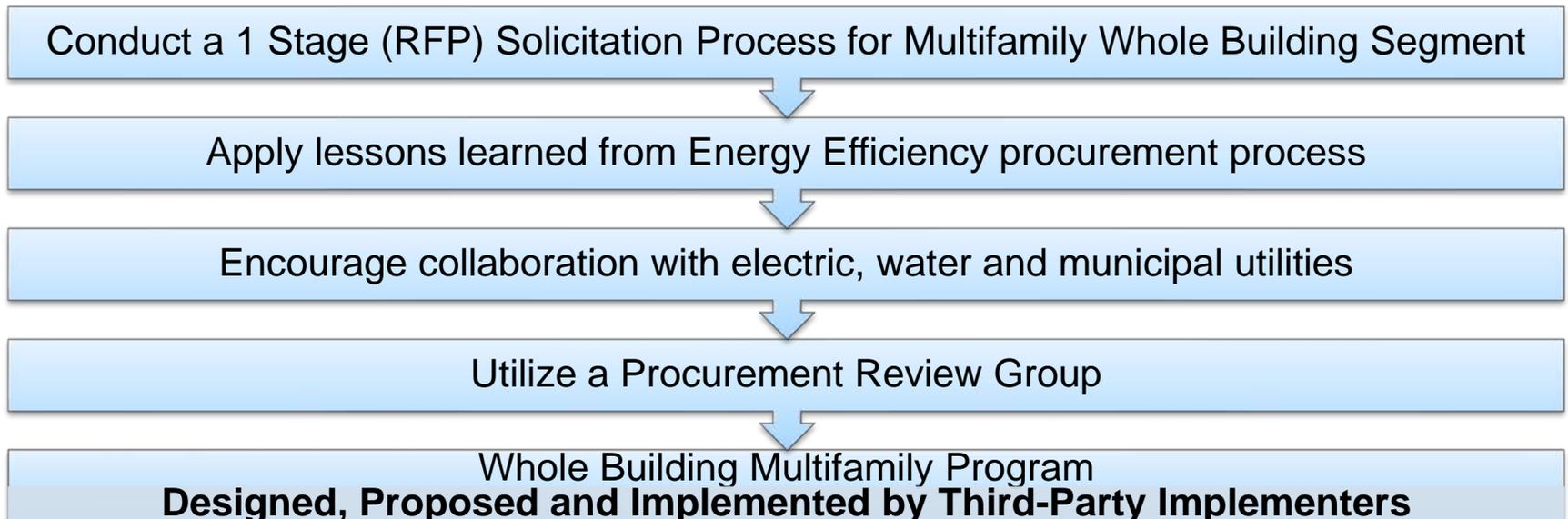
Leverage partnerships with CBOs, and municipal, water and electric utilities.

Focus on Multifamily

- Continue to Offer CAM and in-unit for deed restricted.
- Non-deed restricted CAM with copay or incentive.
- Solicit the Multifamily Whole Building Program.

Multifamily Whole Building Approach

- Across the four IOUs, SoCalGas has:
 - 42% of multifamily low income households
 - 41% of buildings that house low income multifamily households
- SoCalGas' partnership with LADWP (the largest municipal utility in the US) provides gas, electric and water measures to multifamily customers utilizing SoCalGas' network of ESAP contractors. The partnership was initiated in 2016 and has comprehensively treated 20,568 MF homes through July of 2019.



2021-2026 ESA Program Budgets and Goals

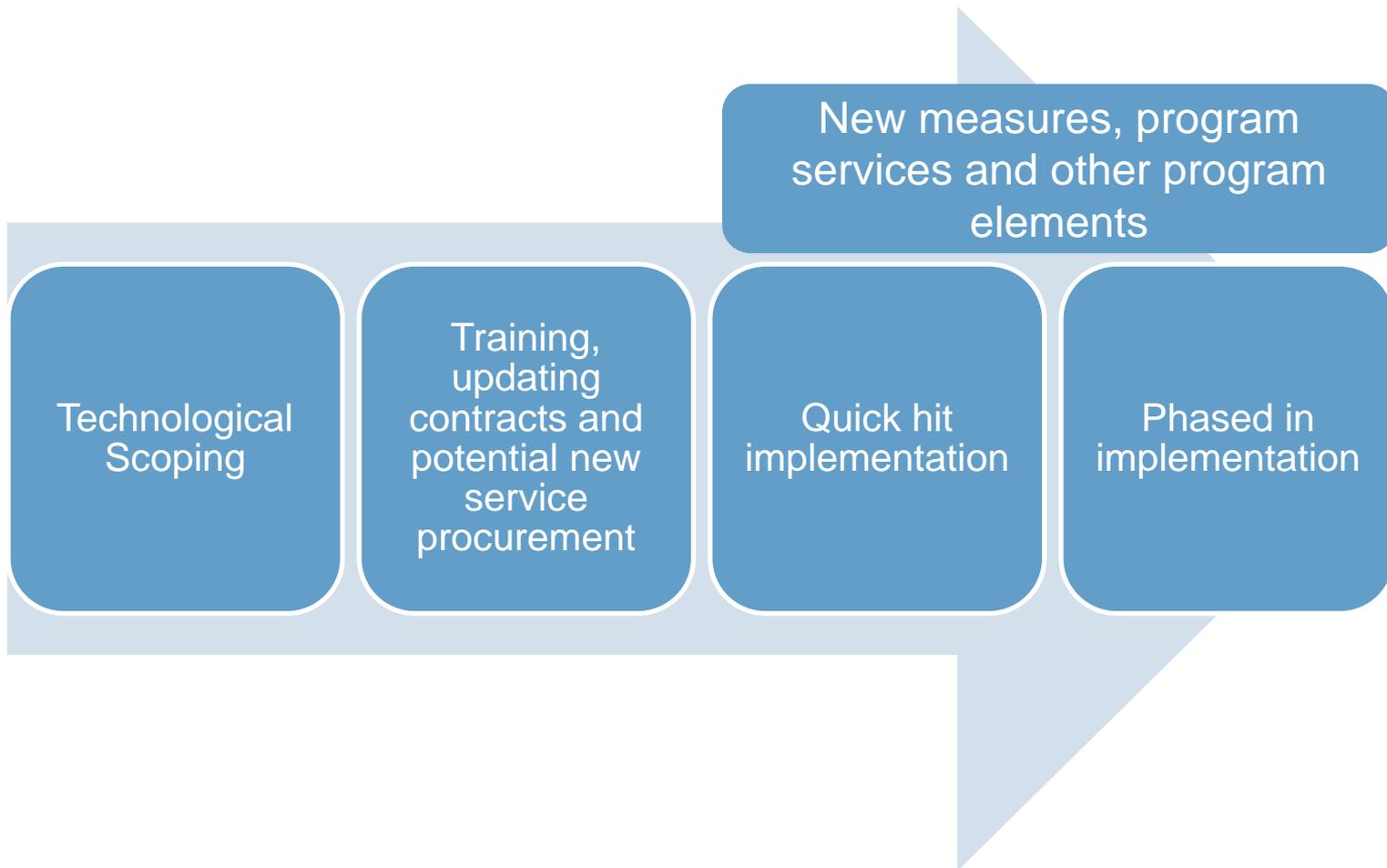
SoCalGas is referring to the approved budget from D.16-11-022 to plan the 2021-2026 ESA program budgets.

2015	2016	2017	3 Year Total	Average
\$119,310,646	\$126,782,639	\$129,251,729	\$375,345,014	\$125,115,005

ESA Program Policy Changes

- » Increased Flexibility in Program Administration
 - Addition of new measures
- » Modifications to current Policy and Procedures Manual
 - beyond the home and online participation for enrollments and energy education
 - energy education and “simple” measures to be provided based on self-certified income level only
 - self-serve measure installation for eligible customer
 - assess, repair, and replace appliances prior to NGAT.

ESA Program Implementation Strategy



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Questions?