Southern California Gas Company

A **Sempra Energy** utility℠

**SOUTHERN CALIFORNIA GAS COMPANY (U-904-G)
SEVENTENTH ANNUAL PROGRESS REPORT ON THE
CALIFORNIA ALTERNATE RATES FOR ENERGY PROGRAM
JANUARY 2005 – DECEMBER 2005**

May 1, 2006

Southern California Gas Company
Seventeenth Annual CARE Progress Report
May 1, 2006

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CARE PROGRESS REPORT
RESIDENTIAL AND EXPANDED PROGRAMS

January 1, 2005 through December 31, 2005

CARE RESIDENTIAL PROGRAM

Individual and Submetered Participants (Tenants of Qualifying Master-Metered Customers)

I. Participant Information

  A. Provide the total number of residential CARE customers, including submetered tenants, by month, by energy source, for the reporting period.

See Table 1.

TABLE 1		
Residential CARE Program Gas Customers by Month		
PY2005	**CARE Customers**	**Percentage Change**
Jan	1,055,827	0.6%
Feb	1,063,383	0.7%
Mar	1,070,081	0.6%
Apr	1,074,086	0.4%
May	1,082,004	0.7%
Jun	1,082,778	0.1%
Jul	1,077,652	-0.5%
Aug	1,077,550	0.0%
Sep	1,087,858	1.0%
Oct	1,086,834	-0.1%
Nov	1,117,134	2.8%
Dec	1,149,859	2.9%

As of December 2005, 1,149,859 residential customers were receiving CARE benefits. This represents a 9.5% increase from the 2004 year-end CARE participation of 1,049,754 customers.

 1. Explain any monthly variance of 5% or more in the number of participants.

SoCalGas did not experience any month-to-month variations in CARE customer participation of more than five percent in 2005.

B. Describe the methodology, sources of data, and key computations used to estimate the utility's CARE penetration rates by energy source.

1. Describe the estimates of current demographic CARE-eligibility rates, by energy source.

CARE eligibility for the first ten months of program year (PY) 2005 was developed at 175% of Federal Poverty Level (FPL) using an implicitly adjusted 1999 distribution of household income obtained from Census 2000 SF3 income data and PY2005 estimates of household size. For the remaining two months of PY2005, eligibility was developed at 200% FPL using an implicitly adjusted 1999 distribution of household income obtained from Census 2000 SF3 income data and PY2006 estimates of household size. The methodology used was consistent with the Assigned Commissioner's Ruling (ACR) dated December 27, 2002 and the methodology recommended by the Reporting Requirements Manual (RRM) Working Group in its October 2, 2000 Report for Low-Income Assistance Programs and approved by the Commission in Decision (D.) 01-03-028.

2. Describe how the estimates of current CARE-eligible meters were derived. Explain how total residential meters were adjusted to reflect CARE-eligible meters (including submetered tenants) and CARE-ineligible meters (i.e., master meters that are not submetered or other residential meter configurations that do not provide residential service.)

A count of all active residential meters and residential submetered units, minus residential accounts with billing tariffs that do not qualify for CARE, was undertaken to derive the number of residential eligible meters (i.e., households). By using tariff rates as the criteria for counting, all non-eligible master metered accounts were not included in the CARE eligible meter count.

3. Discuss how the estimates of current CARE-eligible households were developed.

Estimated CARE eligible rates developed as described in the response to question B.1 above, were applied to the count of current CARE eligible meters, developed as described in the response to B.2 above, to the estimated number of CARE eligible households to estimate the number of CARE-eligible households in SoCalGas' service territory.

4. **Describe how current CARE customers were counted.**

> Each month SoCalGas determines the number of CARE customers based on the total number of residential customers billed monthly on the CARE rate.
>
> Although the residential submetered customers are not billed individually by SoCalGas, SoCalGas maintains the information of all participating tenants in the submetered facility. The submetered CARE customer count is included in the total number reported monthly as part of SoCalGas' Rapid Deployment Report.

5. **Discuss how the elements above were used to derive the utility's CARE participation rates by energy source.**

> The formula for calculating CARE-participation rates is:
>
> $$\frac{\text{Number of CARE Customers}}{\text{Number of Estimated CARE-Eligible Households}}$$
>
> In November of 2006, the denominator of the formula increased when the eligibility criteria increased to 200% of FPL. The result of this change is reflected in the December figure included in Table 2.

C. Provide the total number of CARE residential customers, CARE-eligible households, and CARE participation rates, by energy source, by quarter.

> See Table 2.

TABLE 2			
CARE Residential Penetration Rate Gas			
PY2005 Quarter Ending	**CARE Residential Customers**	**CARE Eligible Customers**	**CARE Penetration Rate**
March 31	1,070,081	1,485,982	72.0%
June 30	1,082,778	1,487,064	72.8%
September 30	1,087,858	1,489,490	73.0%
December 31	1,149,859	1,718,350	66.9%

> As a result of SoCalGas' direct mailings, bill inserts, community events, mass media, community-based organization associations, CARE process improvements, and the increase in the income eligibility guidelines from 175% FPL to 200% FPL ordered by the Commission in D. 05-10-044,

(Winter Initiative), SoCalGas increased its net CARE participation by 100,105 customers in PY2005.

D. Provide the estimates of current demographic CARE-eligibility rates by energy source at year-end.

SoCalGas is a single energy-source utility (natural gas). At year-end 2005, 33.23% of SoCalGas' 5,170,996 residential meters were estimated to be eligible for the CARE discount on their monthly gas bills.

E. Provide the estimates of current CARE-eligible submetered tenants of master-meter customers by energy source at year-end.

At year-end 2005, SoCalGas had 145,080 submetered tenants in 1,833 master-meter facilities. Assuming 33.23% of its residential customers are eligible for CARE, SoCalGas estimates that 48,210 of its submetered tenants are CARE eligible.

F. Provide the current CARE submetered tenant counts by energy source at year-end.

SoCalGas had 33,101 CARE submetered customers at year-end 2005.

G. Provide the current CARE submetered tenant penetration rates by energy source at year-end.

SoCalGas estimates that 69% of its CARE eligible submetered customers were enrolled in the CARE Program at year-end 2005.

H. Discuss any problems encountered during the reporting period administering the CARE program for submetered tenants and/or master-meter customers.

SoCalGas did not encounter any notable problems in administering the CARE program for submetered tenants or master-metered customers in PY2005. Occasionally, SoCalGas receives submetered tenant inquiries regarding non-receipt of the CARE discount on their bills. Through communications with property owners/managers, resolution was always achieved, to the satisfaction of all parties.

SoCalGas attributes the ease of administering the program to the mailing of CARE application requests and annual recertifications directly to each CARE tenant's address and space number. As a courtesy, the respective property owners/managers were also informed about the upcoming recertification requests to their tenants. At the close of the recertification

period, each master metered submetered facility was mailed the names of its CARE tenants.

Also attributing to the ease of program administration was the annual Senate Bill 920[1] notification that was sent to all master metered submetered accounts reminding property owners/managers of their responsibility to educate their tenants about the CARE program. This notification resulted in an increase in application requests and enrollment for submetered tenants. Upon CARE discount approval, both the tenant and property owner/manager were notified of the billing change.

II. Usage and Bill Information

A. Provide a comparison of CARE and non-CARE residential usage by Baseline and Non-Baseline, excluding usage of residential master-meter customers, by energy source.

See Table 3.

TABLE 3			
Average Monthly Gas Usage **Residential Non-CARE vs. CARE Customers**			
Customer	**Gas Therms Baseline**	**Gas Therms Non-Baseline**	**Total**
Non-CARE	28.5	14.3	42.8
CARE	22.6	7.8	30.4

B. Provide a comparison of the average monthly bill for CARE and non-CARE residential customers, excluding bills of master-meter residential customers, by energy source.

See Table 4.

TABLE 4
Average Monthly Gas Bill

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[1] The bill requires the management of a master-meter mobile home park to give written notice by February 1 of each year to homeowners and residents in their utility billing statements about assistance to low-income persons for utility costs available under the California Alternate Rates for Energy (CARE) program. The notices would be required to include specified information regarding the CARE program.

Residential Non-CARE vs. CARE Customers (Dollars per Customer)	
Customer	**Gas**
Non-CARE	$49.36
CARE	$28.85

III. Program Costs

A. Discount Cost

1. State the average monthly CARE discounts received, in dollars per CARE customer, by energy source.

The average monthly discount received per SoCalGas CARE customer in PY2005 was $7.04[2] per month. This does not include the CARE customers who received a discount on their Service Establishment Charge (SEC).

2. State the annual subsidy (discount) for all CARE customers by energy source.

SoCalGas' CARE customers received $91,936,862 in natural gas rate discounts and $2,913,554 in Service Establishment Charge discounts in 2005. The 2005 annual subsidy for all SoCalGas CARE customers exceeded $94.9 million.

B. Administrative Cost

1. Show the CARE Residential Program's administrative cost by category.

See Table 5.

TABLE 5
CARE Residential Program

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[2] The average monthly rate discount was computed by monthly dividing the CARE rate discount recorded to the CARE balancing account in 2005 by the monthly residential CARE customers: the total of the 12 months was then divided by 12 for the average.

CARE Costs and Reporting Classifications	
Category	**Cost**
Capitation Outreach	$372,348
Outreach	$1,835,825
Automatic Enrollment	$0
Processing, Certification and Verification	$824,126
Billing System/Programming	$190,993
Measurement and Evaluation	$10,514
Regulatory Compliance	$177,401
General Administration	$309,854
CPUC Energy Division Staff Funding	$70,264
Total Program Costs	**$3,791,326**
Subsidies and Benefits – Rate Discounts, SEC discounts	$94,850,416
TOTAL PROGRAM COSTS AND CUSTOMER DISCOUNTS	**$98,641,742**

2. **Explain what is included in each administrative cost category.**

> **Capitation Outreach:** Capitation payments and any agency related outreach support efforts are included in this category. Capitation payments are compensation fees paid to third party and community-based organizations that assist SoCalGas in enrolling hard-to-reach CARE-eligible customers in the program.

> **Outreach:** Costs included in the outreach category are: printing and mailing of CARE applications/documents, printing and mailing of the SB920 annual notification, postage, bill inserts, brochures and flyers, advertising, direct mailing campaigns, community event sponsorships and support, distribution of collateral materials, outreach staff labor, and other outreach and enrollment efforts.

> **Automatic Enrollment:** Included in this category are IT staff costs required to implement the automatic enrollment of the Department of Community Services and Development (DCSD) Low-Income Home Energy Assistance Program (LIHEAP) clients onto SoCalGas' CARE program.

> **Processing, Certification and Verification:** Included in this category are CARE Administration Group labor and data entry costs. The function of

the CARE group includes: 1) opening and sorting CARE application forms; 2) processing all CARE applications; 3) initiating and responding to customers' inquiries regarding CARE applications/program; 4) tracking CARE enrollment and operating statistics in support of operations, management, and regulatory reporting; 5) and supporting outreach events to promote the CARE program.

Billing System/Programming: Costs include IT staff costs to maintain the CARE billing system, CARE documents, CARE database, system reports, data exchange with other utilities, undertaking system enhancements to comply with CPUC mandates, and improving operation efficiency.

Measurement and Evaluation: Includes costs for measurement and evaluation and CARE participation eligibility updates.

Regulatory Compliance: These costs include labor and non-labor costs for the preparation and filing of various regulatory filings including: program applications, advice letter filings, comments and tariff revisions, preparing reports and studies; attending working group meetings, public input meetings and other CPUC hearings or meetings.

General Administration: General costs include: office supplies, market research, program management labor, and general business expenses.

CPUC Energy Division Staff Funding: This category of expenses reflects costs incurred by Energy Division staff in support of the CPUC's authorized low-income programs.

C. Provide the year-end December 31 balance for the CARE balancing account.

At year-end 2005, the CARE balancing account was under-collected by $19.7 million.

D. Describe which cost categories are recorded to the CARE balancing account and which are included in base rates.

All rate discounts, service establishment charge discounts, surcharge revenues, amortization and interest are recorded to the CARE balancing account. The administrative costs as described in Section B are also recorded to the CARE balancing account.

CARE program costs recorded in the CARE balancing account are not included in base rates but are recovered via the Public Purpose Program (PPP) surcharge.

SoCalGas is required to remit natural gas Public Purpose Program revenues collected to the State Board of Equalization (BOE) on a quarterly basis in accordance with (D) 04-08-010. Once SoCalGas remits the funds to the BOE a claim form is submitted to the BOE in order to receive reimbursement of previous funds submitted. Funds received from the BOE are recorded in the appropriate PPP balancing accounting when received by SoCalGas.

E. Provide a table showing, by customer class, the CARE surcharge paid, the average bill paid, the percentage of CARE surcharge paid relative to the average bill, the total CARE surcharge collected, and the percentage of total CARE revenues paid.

See Table 6.

TABLE 6					
CARE Surcharge and Revenue Collected by Customer Class – Gas					
Customer Class	Average Monthly CARE Surcharge	Average Monthly Bill	CARE Surcharge		
			Percent of Bill	Revenue Collected	Percentage Revenue Collected
Residential	$0.784	$49.36	1.59%	$37,801,437	44.15%
Core C & I	$7.939	$418.50	1.90%	$20,134,222	23.51%
Non-Core C & I	$3,300.03	$8,390.27	39.33%	$27,693,847	32.34%

IV. Outreach

A. Discuss utility outreach activities and those undertaken by third parties on the utility's behalf.

In an ongoing effort to provide service to our low-income customers, increased CARE program participation and awareness was accomplished through the integrated use of mass media, targeted mailing and community outreach events. Special emphasis was placed on communicating the CARE program's new income guidelines that were adopted under the Winter Initiative.

- **Mass Media**: SoCalGas used various creative forms of mass media including radio, TV, print (newspapers, magazines, posters etc.), direct mail, bill inserts and bill messages, internet communications and community events to inform customers of CARE program benefits and associated eligibility guidelines. Cross promotion with other customer assistance energy programs and events were used whenever possible to increase program awareness and reduce costs.

- **Targeted Mailing**: By continually refining the direct mail and bill insert targeting strategies and tactics, SoCalGas' penetration into the CARE eligible customer segments continues to progress. Special emphasis targeted at the underserved customers was addressed by the use of outreach materials, where communication was tailored to the recipient either through language, message or both. Continual concentration on high gap (income-eligibility differential) demographic profiling, coupled with historical trend and correlation analysis, enables this methodology to continue to be an effective outreaching medium for increasing CARE program enrollment.

- **Grassroots Outreach**: This technique is used by SoCalGas to raise overall public awareness of the CARE program and to identify low-income customers who traditionally have not responded to other traditional forms of program outreach. By leveraging SoCalGas' relationships with local politicians, community based organizations and internal Public Affairs, events are held throughout the service territory to both enroll CARE customers and inform a targeted community of the multiple energy related assistance programs available to them. Print, radio and television media are invited to these outreach events to further expand their effectiveness. Press releases describing the events are also developed and distributed to SoCalGas mass media contacts.

1. **Utility Outreach Activity**

   Mass Media: In PY2005, SoCalGas conducted multiple targeted CARE program print, radio and television media communication campaigns to increase awareness and participation in the CARE program. These mass media activities included:

   - **Jan – February**
     SoCalGas conducted radio advertising campaigns for the General market (GM) and Hispanic market. The objective of these campaigns was to build overall customer awareness of the CARE program while

encouraging eligible customers to enroll. The strategy involved targeting GM income-eligible adult customers (renters & homeowners) ages 25-64 and Hispanic customers 18 and above. The geographic targets were cities within the following counties: Los Angeles, Orange, Riverside and San Bernardino. The media used for the GM consisted of four weeks of 10 second metro traffic sponsorships that reached approximately 42% of the targeted population. The media used for the Hispanic market consisted of four weeks of 10 second radio liners that reached approximately 40.9% of the targeted population.

- **July – September**

  SoCalGas used various print, radio and television campaigns for the General, African-American (AA), Hispanic and Asian markets. The objective of these campaigns was to build overall customer awareness of the CARE program while encouraging eligible customers to enroll. The primary strategy involved targeting GM income eligible adult customers (renters & homeowners) ages 25-64 and Hispanic, Chinese and Vietnamese customers 18 and above. A secondary strategy was also used where the target was GM & AA income eligible customers 65 or older. The geographic targets were cities within the following counties: Los Angeles, Orange, Riverside, San Bernardino, Oxnard and Ventura. The media used for the GM consisted of three weeks of 10 second metro traffic sponsorships that reached approximately 46% of the targeted population. Print was also used for the GM and Senior (SR) markets, with insertions in 10 GM community publications and an ad in Senior Life and Senior Living magazines for the SR market. The media used for the Hispanic market consisted of four weeks of Los Angeles based 15 second television sponsorships that reached approximately 62% of the targeted population. Radio was also used for Hispanic program communications, consisting of two weeks of Los Angeles based 60 second radio liners that reached approximately 37.4% of the targeted population. The media used for the Chinese market consisted of two weeks of 15 and 20 second radio liners that reached approximately 40% of the targeted population. The media used for the Vietnamese consisted of two weeks of 20 second radio liners that reached approximately 60% of the targeted population.

- **November**

  SoCalGas launched a joint CARE and LIEE (Low-Income Energy Efficiency) radio campaign that was conducted in the Hispanic markets to cost-effectively raise customer awareness of the new 200% FPL for CARE and LIEE program guidelines. The strategy involved targeting

Hispanic customers (renters & homeowners) 18 years old and above. The geographic targets were cities within Los Angeles County. The media used consisted of four weeks of Los Angeles based 15 second radio liners that reached approximately 42.8% of the targeted population.

- **December**

  During December, a radio campaign targeting only Hispanic customers over 18 years old was conducted to further reinforce the new Winter Initiative program guidelines, promote spontaneous enrollments and help boost response to a direct mail application sent out to 55,000 customers in November. The geographic targets were cities within the following counties: Los Angeles, Orange, Riverside, San Bernardino, Oxnard and Ventura. The media used consisted of four weeks of 15 second radio liners that reached approximately 71.6% of the targeted population.

  Customer Contact Personnel:

- *Customer Contact Center* (CCC)*:* Customers are offered CARE program information when they call to initiate service, select the new occupant turn on option from the Interactive Voice Response (IVR) system, initiate service through the web site, or call for payment arrangements. SoCalGas customers may also have CARE applications mailed directly to their homes through the CCC IVR system.

- *Bilingual Employees*: The CCC, CARE administration office and most company business offices are staffed with bilingual (English/Spanish) customer service representatives (CSR). The CCCs are staffed with CSRs who also speak Vietnamese, Korean, Mandarin and Cantonese. These offices are open between the hours of 8 am and 5 pm. Additionally, SoCalGas CCCs provide service in 150 languages through a third-party translation service which is available to customers 24 hours a day, seven days a week.

- *Branch Payment Offices:* Both English/Spanish CARE applications and program information brochures are located in Branch Payment offices (BPOs). Applications and brochures are provided to customers upon request. English/Spanish CARE posters (complete with program guidelines and helpful information) are on display in each BPO and revised as program information changes.

- *Community/Employee Presentations:* SoCalGas employees inform and update local government officials and interested organizations about SoCalGas' customer assistance programs including the CARE program.

- In collaboration with Pacific Region Public Affairs, SoCalGas' Customer Assistance (CA) presented program information to members of the California Congress of Seniors.
- Leveraging with Inland Empire Public Affairs, CA presented program information to the San Bernardino Department of Aging and Adult Services.
- Inland Empire Public Affairs and CA met with the assistant superintendents of the San Bernardino County school districts and presented information on programs available to customers.
- SoCalGas Community Relations and CA co-hosted the Fifth Anniversary Kick-off of the Tomorrow's Leaders Executive Director's Briefing, presenting program information and discussing the role of non-profits in developing the future workforce.

Bill Insert: In PY2005, SoCalGas sent out CARE program information in three separate bill inserts, the distributions were as follows:

- February – 150 thousand (targeted to high eligibility geographic areas)

- July – 4 million (system wide CARE eligible non-enrolled with new program guidelines

- September – 4 million (system wide CARE eligible non-enrolled pre winter distribution). Each of these 3 bill inserts included a self mailer type postage paid CARE application that qualified customers could complete and mail in to enroll in the program. SoCalGas' CARE bill inserts continued to be an efficient and cost effective means of promoting program participation and awareness in PY2005, as 93,085 applications were received back resulting in 63,037 enrollments.

Bill Message: CARE bill messages are printed quarterly in both English and Spanish on customers' bills.

Direct Mail: Direct mail proved to be effective in enrolling CARE customers. SoCalGas conducted targeted direct mail CARE outreach campaigns consisting of approximately 50,000 pieces to eligible customers in the months of January, March, April, August, and November.

Smaller campaigns consisting of 5,500 send outs or less were done in the months of June, September and October to various niche demographic markets further segmented by age, payment record and ethnicity.

- Based on customer analysis, SoCalGas was able to identify 68 zip codes which contained a large number of potentially eligible customers who were not participating in the program. Over 273,000 CARE applications were mailed out in PY2005, as part of a 4-part custom direct mail piece. Response to the PY2005 CARE direct mail campaign was strong with 35,849 applications received back from customers, resulting in 25,949 enrollments. SoCalGas response rate was 13% which far exceeded the industry standard of 2% - 3% for direct mail response.

Direct Mailing to Submetered Apartments and Mobile Home Parks:
SoCalGas continued to conduct its annual SB920 target mailing to approximately 1,833 sub-metered customers in 2005. Sub-metered CARE program participation was at 31,332 for PY2004. At the conclusion of PY2005, this figure rose to 33,101 CARE tenants.

Cross Program Promotion: SoCalGas coordinates the communications for the CARE program as well as its other programs and services, in a manner that provides clear, comprehensive and consistent messages to the customers. Communication and outreach opportunities are sought out to cross promote the CARE program with other customer assistance programs to maximize customer value and reduce costs. The ability to apply for CARE through the LIEE application makes it easier for customers to obtain services and other CA program information simultaneously**.**

The following are examples of CARE cross program promotion:
- SoCalGas' LIEE agreement form includes a CARE program signature block allowing applicants to apply for both programs simultaneously if eligible. LIEE outreach workers are instructed to promote the CARE program during their customer consultations. LIEE call center representatives also have the ability to refer customers, who inquire or show interest in the CARE program to designated call center CSRs for information, literature or enrollment. CARE information is included in the LIEE energy education workshop presentations held at various Community Based Organizations (CBOs), and included in the workshop brochures.
- CARE program information was included in the LIEE PY2005 targeted direct mailings to non-CARE customers.

- SoCalGas CA brochures contain program information on other programs and services available such as CARE, LIEE, and Medical Baseline & Gas Assistance Fund (GAF).

- CARE program information is discussed and distributed during outreach events involving SoCalGas' Diverse Market Business and Residential Rebate Program departments.

- SoCalGas' GAF customer information is used to cross enroll eligible customers into the CARE program.

Community Events: While participating in community events within the SoCalGas service territory to promote the CARE program, CA worked with numerous internal departments to leverage all aspects of community outreach activities.

- In PY2005, SoCalGas participated in 34 events and reached over 44,000 customers.

- SoCalGas worked with Media Relations to coordinate a press release on the increased CARE and LIEE income guidelines effective November 1, 2005 and sent out various notices and letters informing customers, agencies and other organizations of the guideline increases.

In PY2005, SoCalGas placed emphasis on developing and conducting community outreach events to seniors, education-focused and faith-based organizations.

- Customer Assistance conducted a presentation to 25 Leaders of the Church of Jesus Christ of Latter Day Saints to potentially reach 25,000 to 30,000 congregational members. SoCalGas sponsored the Calvary Baptist Church's Neighbor to Neighbor Festival. SoCalGas conducted a presentation for members of the City of Los Angeles Department of Aging, in conjunction with an event sponsored by Council Member Martin Ludlow's 10th District

- *Multi-Cultural:* In PY2005, SoCalGas continued to promote the CARE program within its diverse communities. SoCalGas participated in many community events and utilized ethnic media to promote the CARE program. For example, SoCalGas sponsored and supported Asian/Hispanic media campaigns and numerous community events targeted to its ethnic communities. SoCalGas participated in the African Marketplace Festival, Watts Summer Festival, Lotus Festival, 32nd Annual Korean Festival, 13th Annual Sabor de Mexico Lindo, and the Latino Book and Family Festival among others.

- *Targeted Outreach:* During the year, SoCalGas consistently increased its outreach presence in more community targeted events such as health fairs, senior fairs, and school resource fairs. For example, SoCalGas participated in the Senior Convention and Health Care Expo, Annual Orange County Senior Fair, Arroyo Vista Children's Health Fair, Senior Expo at the Pomona Fairplex, Inter Valley Health Plan Wellness on Wheels Community Flu Shot Clinics, and Celebrating Seniors in San Bernardino, among others.

- *Monthly Activity:* SoCalGas' utility and community outreach activity is shown on Attachment A "PY 2005 SoCalGas CARE Outreach & Leveraging Initiatives," and Attachment B, "PY2005 SoCalGas CARE Media Outreach."

Local Government Community Event: In reaching out to key legislators, political leaders, regulators and community based organizations, SoCalGas continues to build and retain relationships. SoCalGas' Public Affairs Region Managers inform and update local governments about the Utility's customer assistance programs, including the CARE program.

In working with SoCalGas Public Affairs, numerous affiliations were established with the City of Los Angeles Community Service Line (3-1-1), Fair Housing Council of Orange County, California Congress of Seniors, Los Angeles Chamber of Commerce, Tomorrow's Leaders, University of Southern California Urban Foundation, Los Angeles Department of Mental Health and Adult Services, Santa Ana Resource Network and The Junior Blind Foundation. Existing alliances were strengthened between SoCalGas and organizations such as Community Action Partnership of Orange County, Second Harvest Food Bank of Orange County, San Bernardino County Transitional Assistance Department, Social Welfare offices, SB Board of Education, Community Senior Services, Inland Valley Council of Churches, and San Bernardino Department of Aging.

Web and Informational Brochures: SoCalGas continued in PY2005 to promote the use of the Internet and the SoCalGas website to inform customers, key stakeholders, and CBOs/Agencies about available customer assistance programs and services. This was accomplished by including the website address (www.socalgas.com) in all program literature and most mass media communications. Website content is continually monitored to provide customers with up-to-date information. Program brochures have a special section promoting customer e-mail use

for correspondence. CARE website information is available in English,
Spanish and Chinese. In PY2005, SoCalGas sent out three electronic
newsletters during the winter, spring and summer seasons to over 500
CBOs and related agencies. These community based e-newsletters
promoted the CARE program and contained interesting articles on topics
like emergency preparedness, leadership and natural gas safety.
Additionally, 18,974 CARE applications were downloaded by SoCalGas
customers from the CARE website, a 374% increase over PY2004 figures.
In addition to enhancements made to SoCalGas' internal website,
customer assistance program and service information was provided to both
the Ventura County 2-1-1 and Los Angeles City 3-1-1 information
networks. This 2-1-1/3-1-1 information was made available to SoCalGas
customers both on the internet sites of these agencies, as well as by
telephonic conversations with their call center operators.

SoCalGas Customer Assistance brochures and collateral materials are
designed to provide customers with quick and easy to understand
information on all available customer assistance programs and services.
Brochures are available in five languages: English, Spanish, Korean,
Chinese and Vietnamese. The brochures were also available in large print
and even as a special military edition for our armed services customers.
Contact information for most programs is provided in both phone number
and internet address form. CARE information has also been added to the
SoCalGas field distributed general information brochure titled the "Home
Energy Guide."

2. Third Party Outreach Activity

SoCalGas strives to build and strengthen relationships with external
agencies, organizations and contractors to promote CARE program
awareness and enrollment. This is accomplished through alliances with
non-profit and for profit entities to achieve mutually beneficial objectives
which benefit low-income assistance programs like CARE. In addition,
SoCalGas selects key agencies within these alliances to conduct strategic
outreach and promotional events with which to further increase the
customer reach of the CARE program message.

The customer information attained from SoCalGas' LIEE and GAF
programs, along with LIHEAP (Low-Income Home Energy Assistance
Program) is used for CARE enrollment, recertification, and verification
purposes. SoCalGas, SCE and PG&E's CARE program information has
the capability to be used for auto enrollment purposes in each utility's
CARE program, through the inter-utility agreement known as the "data

exchange" program. These activities and organizations are described below in more detail.

Community-Based Organizations Association: In PY2005, SoCalGas had 30 CBOs and outreach agencies working under contracts to enroll eligible non-participating customers in the CARE program. These "CARE Capitation Contractors" employ various types of outreach tactics such as door-to-door solicitation, local community event participation and brochure distribution to enroll customers. Total gross customer CARE program enrollment from these contractors was 32,164.

Leveraging with Local Govt. Programs: SoCalGas uses the expertise and alliances of its Regional Public Affairs Managers to help promote the CARE program. By working with local, city, county, and federal officials and assistance agencies throughout the service area, these Company spokespeople enable SoCalGas to extend its program message to many hard-to-reach customers. Some of the PY2005 accomplishments are as follows:

- SoCalGas was awarded the 2005-2006 Large Business of the Year award from the City of Murrieta Chamber of Commerce for its outstanding commitment to public safety and outreach.

- On November 17, 2005, SoCalGas hosted the Legislative Lunch for the Korean American Coalition attended by local City officials and staff members for the local state and federal offices. SoCalGas welcomed the guests and shared information on the utility's customer assistance programs as a resource for constituent concerns about natural gas bills.

- Working with State Assembly Members Nicole Parra and Lloyd Levin, SoCalGas sponsored a news conference and community event in the City of Lamont to increase participation in the Company's customer assistance programs, including the CARE program. The Company received a special Assembly Proclamation for its outreach to low-income customers.

- By partnering with the Riverside and Moreno Valley Chambers of Commerce Military Affairs Committees, SoCalGas distributed CARE program information to over 6,000 Military Reservists and their families who were scheduled for deployment to Afghanistan and Iraq. Working with Military Public Information Officers, details about customer assistance programs have been printed in over 12,000 Navy, Marine Corps, and Air Force Reserve newsletters.

Leveraging with GAF[3]: SoCalGas' GAF program provides a one-time bill assistance amount of up to $150 on a qualified customer's winter natural gas bill.

The one-time bill payment assistance is available to eligible customers on a first-come, first-served basis. The program typically begins the second week of February and continues through the end of March, or until funds are depleted. However, for PY2005/2006, in anticipation of a cold winter and high gas costs, the program began the first week of November.

GAF is a program that, for more than two decades, has helped thousands of Southern Californians, including the elderly, disabled, or newly unemployed who are struggling to pay their gas bills. This program is funded by voluntary contributions from the utility and its customers. United Way administers the program on behalf of SoCalGas, through its network of more than 100 community based agencies. SoCalGas solicits customer contributions for GAF in October and November, and SoCalGas shareholders match those contributions, generally on a dollar for dollar basis, up to $250,000. For PY2005/2006 shareholder matching dollars were increased four-to-one up to $800,000.

Last year, SoCalGas helped nearly 3,000 customers through a collection of individual contributions and shareholder matching funds totaling more than $380,000. Since the GAF program was established in 1982, more than $10 million has been disbursed to families in need.

Given that eligibility guidelines for GAF are the same as those for the CARE program, customers approved for GAF are not subject to SoCalGas' CARE post-enrollment random verification process. CARE customers who are scheduled for recertification and who are approved for GAF assistance are not asked to recertify their eligibility again until the next two year recertification cycle has lapsed. This process helps reduce barriers to participation and assists in retaining qualified customers in the program.

Monthly activity details are shown in Attachment A "PY 2005 SoCalGas CARE Outreach & Leveraging Initiatives," and Attachment B, "PY2005 SoCalGas CARE Media Outreach."

Leveraging with LIHEAP: SoCalGas and the California Department of Community Services and Development (DCSD), have a Letter of

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[3] GAF is a shareholder-customer funded program that provides bill payment assistance (grants) to income-qualified customers.

Agreement that provides for the automatic enrollment of LIHEAP customers into the CARE program. Customer information is provided by LIHEAP administrators to SoCalGas through data exchange technology. A benefit of this process is that SoCalGas customers who receive LIHEAP payments are automatically approved for CARE. In PY2005, 795 customers were enrolled in the CARE program through the SoCalGas/LIHEAP auto-enrollment process.

B. Discuss each of the following:

1. Most effective outreach method, including a discussion of how success is measured.

Bill Inserts: SoCalGas sent out approximately 8,150,000 CARE (self-mailer type) bill inserts in PY2005. Customers returned 93,085 of these bill-insert distributed applications, which resulted in 63,037 CARE enrollments. The low cost, high distribution (all CARE eligible non-enrolled SoCalGas customers) and non-intrusive characteristics of this outreach method continue to make it successful.

Direct Mail: SoCalGas' efforts to target and reach relatively large numbers of highly eligible customers not yet enrolled in the CARE program, is accomplished through the direct mailing of CARE applications. These customers have a demographic profile that shows them to live in high gap (high eligibility & low penetration) areas. With a return rate of 13% and enrollment rate of nearly 10%, this outreach method continues to be a very effective component of the SoCalGas outreach strategy.

General Outreach "Events": The SoCalGas Customer Assistance Strategy and Outreach department participated in several outreach events during the year in which the CARE program was promoted. In PY2005, the CARE message was communicated at 34 events and 10 presentations, with venues ranging from large scale ethnic celebrations (i.e. Korean festival) to smaller community based gatherings at schools, churches and civic organizations. A block party event targeting program eligible customers in a pre-designated area of a community was conducted this year in Lamont to promote the CARE program to eligible, hard to reach customers on a neighborhood level. To increase the overall effectiveness of its outreach, SoCalGas encouraged the attendance and participation of local radio, TV and print media representatives, associated politicians, community groups and SoCalGas management personnel. Internal and

external press releases were also generated and released to the media before and after the events to increase awareness. As a result of SoCalGas' 2005 outreach efforts, 43,835 customers were reached with CARE program information which included 37,010 applications and 47,000 customer assistance brochures.

Outreach "CARE Capitation": SoCalGas contracted with 30 local CBOs and agencies in the PY2005 CARE Capitation Program. These groups successfully reached out to hard-to-reach customers with door-to-door communication, community events, and walk-in traffic to produce over 31,000 CARE enrollments which SoCalGas may not have enrolled without their assistance. Throughout the year, CARE capitation contractors also received timely program and information updates, such as winter initiative messages regarding rising gas prices and collateral materials from SoCalGas that they could pass on to their contacts. A meeting of all participating CARE capitation contractors was held in March. Participants received a presentation from Program Managers covering CARE program guidelines and capitation contractor related policies and procedures. An interactive question and answer session also provided for further opportunities for capitation contractors to seek more information about CARE and other customer assistance programs, as needed.

2. How CARE customer data and other relevant program information is shared by the utility with other utilities sharing its service territory.

CARE Customer Data Exchange

SoCalGas shares its CARE customer data with Southern California Edison (SCE), San Diego Gas & Electric (SDG&E), and Pacific Gas & Electric (PG&E).

SoCalGas continued to electronically exchange new CARE customer enrollment data on a weekly basis with SCE, a process established in 2001. In PY2005, SoCalGas received over 302,538 customer records from SCE and enrolled 28% of the records or 83,985 SCE CARE customers in SoCalGas' CARE program. Customers that were not enrolled were either already in SoCalGas' CARE program or were not our customers.

SoCalGas, SDG&E, and PG&E also continued sharing CARE customer information within the shared service territories in PY2005. This data exchange resulted in 383 SDG&E CARE customers and 9,480 PG&E CARE customers being added to the SoCalGas CARE program.

Joint-Utility Program Managers Meeting

During PY2005, Investor Owned Utility (IOU) CARE program managers met bi-monthly to discuss issues and ideas to increase CARE enrollment, improve operation efficiency, and implement the CARE program in compliance with mandates. The program managers also discussed the following: 2005-2006 Winter Initiatives Decisions, Universal Lifeline Telephone Service program, new CARE tactics, data exchange, CARE attrition issues, and pros and cons associated with CBO outreach.

3. How CARE customer data and other relevant program information is shared within the utility, for example, between its LIEE and other appropriate low-income programs.

SoCalGas' LIEE application includes a CARE signature block which enables applicants to apply for both programs at the same time. LIEE customers who sign the CARE portion of the LIEE agreement, who meet the income criteria requirements but are not yet on the CARE rate, will be automatically enrolled in the program. During PY2005, 9,009 LIEE customers met the requirements and were automatically enrolled in the CARE program.   Moreover, these customers were exempt from the post enrollment verification since they were already verified through the LIEE process.

One of LIEE's outreach avenues is third-party outreach workers who canvas limited-income areas to find qualified customers for participation in LIEE. As part of the LIEE program, the qualified customers also receive the Energy Education packet that contains energy efficiency education materials and CARE information. During PY2005, 40,503 Energy Education packets were provided to the LIEE participating customers.

CARE information was provided to an additional 18,826 customers at Energy Education workshops supported by LIEE. Additionally, CARE applications contain a brief description of the LIEE program, and a contact number for the LIHEAP program

Also, SoCalGas' CARE program utilizes SoCalGas' GAF customer data to enroll, recertify, and verify CARE eligibility.

4. Attach a copy of the utility's agreement with DCSD. Describe the process for cross-referral of low-income customers between the utility and DCSD. Describe how the utility's CARE customer discount information is provided to DCSD for inclusion in its federal funds leveraging application.

In May 2000, the DCSD and SoCalGas entered into an agreement. See Letter Agreement, shown as Attachment C. This agreement solidified the coordination of resources and program benefits between DCSD's LIHEAP and SoCalGas' CARE and GAF programs. In June 2000, SoCalGas added the toll-free telephone numbers for LIHEAP (and LIEE) on the CARE applications. At the same time, SoCalGas began providing DCSD's toll free number to customers calling SoCalGas to request information on low-income assistance programs.

Together with Automatic Enrollment, SoCalGas continued to cross-reference information on LIHEAP recipients in PY2005 with its CARE database. This eliminated the mailing of CARE post-enrollment verification (PEV) applications to LIHEAP customers and allowed for automatic PEV approval of their accounts. SoCalGas also cross-referenced customers receiving LIHEAP services, who were not enrolled in the CARE program, and sent those customers a preprinted CARE application with their name, account number, and address. These proactive efforts were made to enroll and maintain CARE participation.

5. Discuss barriers to participation encountered during the reporting period and steps taken to mitigate them.

The reasons some customers are not currently participating in SoCalGas' CARE program vary greatly depending on income, age, culture and social conditions. For example, program feedback defined trust (fear of releasing of personal information) and pride (unwillingness to accept subsidy) as reasons customers do not wish to participate in the program. Also, as income guidelines are raised, the value of the subsidy to newly eligible customers (i.e. 175-200 FPL) may diminish yielding lower overall penetration relative to eligibility.

In PY2005, SoCalGas continued to work diligently to overcome program participation barriers; some examples are: 1) providing CARE collateral information such as applications and general customer assistance program information in five languages, 2) using culturally targeted print, radio and television mass media, 3) creating alliances with CBOs and agencies to increase awareness and participation, 4) use of multi-type overlapping mass media campaigns and 5) participation in grass-root community events. SoCalGas customers could receive CARE applications in their

bill, on the internet, from direct mail, referenced in a print advertisement, hand delivered to their house, picked-up at an outreach event, payment office or social agency or mailed to their house upon request. Customers can also use the SoCalGas Telecommunication Device for the Deaf (TDD) and Language Line (150 languages) services to receive information on the CARE program 24 hours a day, 7 days a week.

Initially implemented in PY2004, SoCalGas' eligibility rate transfer program enables previously participating CARE customers to receive the program discounts without re-applying when they move. SoCalGas continues to leverage other customer assistance programs such as LIHEAP, LIEE, GAF, and also SCE's, SDG&E's, and PG&E's CARE participants within the shared service territories, to increase CARE participation through the automatic enrollment process.

C. Discuss any recommendations to improve cost-effectiveness, processing of applications, or program delivery. Discuss methods investigated or implemented by the utility or third parties under contract to the utility to improve outreach and enrollment services to non-participating households in the prior year. Provide cost-effectiveness assessments, if available.

In February 2004, SoCalGas implemented CARE rate transfer automation which allowed CARE customers who closed an existing account 30 days before or 30 days after a new service establishment to automatically receive the CARE discount at their new account. In March 2005, SoCalGas further enhanced the existing CARE rate transfer system process to expand the rate transfer time window to 45 days to help an additional 20,000 customers remain on the CARE rate. Over 63,049 CARE customers continuously received the CARE discount at their new address without the need to reapply for the CARE program in 2005.

One of CARE's participation guidelines requires that the gas bill be in the applicant's name. To verify if customers meet this requirement, SoCalGas' Customer Information System (CIS) compares the applicant name to the name on the gas account and requires matches on the first four letters of the last name and the first two letters of the first name. Consequently, customers with a last name less than four letters or a first name less than two letters would be denied for CARE by CIS and would require manual corrections. The CIS name match process was enhanced in PY2005 to match the full last name when it is less than four letters and the full first name when it is less than two letters. This enhancement eliminated unnecessary manual corrections by the CARE group.

In order to pass the entitled CARE discount to CARE sub-metered tenants, property owners/managers of master metered sub-metered accounts need to know the CARE enrollment of their tenants. SoCalGas has been diligently notifying property owners/managers when any new or terminated CARE units occurred. Since tenants in the sub-metered facilities can request and apply for the CARE program directly, the CARE units can change daily for some large master-metered sub-metered accounts. In PY2005, an enhancement was made to consolidate the daily CARE enrollment report to a monthly CARE enrollment report. Owners/managers of the master-metered sub-metered accounts are receiving the discounted gas bill and matching CARE unit information at the same time.

SoCalGas, based on recommendations from Disability Rights Advocates (DRA), made changes to the CARE English and Spanish applications to include TDD information. SoCalGas' English and Spanish web site program information pages were also updated to include the TDD information. An English large print application was developed and is available on the company website or by request.

V. Processing CARE Applications

A. Processing Self-Certification and Self-Recertification Applications (Individual and Submetered Customers)

1. Provide the total number of third-party CARE applications received, approved, denied, pending/never completed, or duplicates in the reporting period.

See Table 7.

TABLE 7				
CARE Capitation Program **January 1, 2005 through December 31, 2005**				
CARE Applications Submitted				
	Received	**Approved**	**Denied[1]**	**Pending/Never Complete[2]**	**Duplicates**
Total	43,423	32,166	1,920	1,394	7,943
Percent	N/A	74.1%	4.4%	3.2%	18.3%

1. Denied includes applications which did not meet the income requirements, applications with invalid account, name, or under ineligible rate schedule.
2. Pending/Never Completed includes the application with missing information or inactive accounts.

2. Provide the number of utility CARE self-certification and self-recertification applications provided, received, approved, denied, pending/never completed, or duplicates for the reporting period.

See Table 8.

TABLE 8						
CARE Self-Certification and Self-Recertification Applications						
	Provided[1]	**Received**	**Approved[2]**	**Denied**	**Pending/ Never Complete**	**Duplicates**
Total	8,923,828	625,913	549,203	25,149	51,312	249
Percent	N/A	7.0%	87.7%	4.0%	8.2%	0.0%

1. SoCalGas is not able to provide actual counts of self-certification applications provided given the applications are distributed through a variety of ways. Total self-certification and self-recertification applications provided only included the annual CARE notification to all CARE non-participating customers, direct mailing of CARE applications to the targeted areas and recertification requests from SoCalGas,
2. The total approved applications included the duplicated self-cert applications approved as self-certification applications.
3. Pending/Never completed includes the application with missing information or inactive accounts.

3. Provide a table showing the number of customers removed from CARE by month due to the recertification process. (Note: Customers may be removed due to a variety of reasons including non-response to a request to recertify, failure to complete the application process, ineligibility, or by customer request due to changed eligibility status.)

See Table 9.

TABLE 9			
Residential CARE Program Customers Removed by Month through Recertification and Post-Enrollment Verification			
PY2005	**Recertification**	**Post-Enrollment Verification**	**Total**
January	6,171	7,961	14,132
February	4,459	7,131	11,590
March	5,774	7,950	13,724
April	5,695	7,384	13,079
May	5,039	8,860	13,899
June	7,170	8,401	15,571
July	10,360	6,962	17,322
August	8,245	9,124	17,369

September	11,121	8,649	19,770
October	10,816	3,214	14,030
November	496	240	736
December	121	106	227
Total	**75,467**	**75,982**	**151,449**

Note: Recertification and PEV applications mailed to customers prior to November 1, 2005 were received in November and December. The number of customers removed from CARE in November and December is a result of customers' telephone requests for termination, self-denial on applications, or disqualifying income documents provided.

4. Describe the utility's process for recertifying submetered tenants of master-meter customers.

Annually each June, SoCalGas mails recertification applications directly to all CARE tenants' addresses. Each application is pre-populated with the name of the facility, the account number, the tenant's name, address and space number; this was designed for ease of recertifying one's eligibility, thereby reducing attrition.

As a courtesy, SoCalGas notifies owners/managers of the recertification period, however owner/manager intervention is not necessary.

The tenant simply provides the number in household, annual income, signature, and date and mails the application back to SoCalGas in the postage paid envelope provided.

Tenants are allowed 120 days to respond to the recertification request. Those who respond and are qualified continue on the CARE program for another year.

At the end of the recertification period, each submetered facility is mailed a complete listing of its CARE tenants.

B. Processing Random Post-Enrollment Verification Applications

1. Provide the total number of applications mailed, received, approved, denied, pending/never completed, or duplicates, for the reporting period.

See Table 10.

TABLE 10

CARE Random Post-Enrollment Verification Applications						
		Received			**Pending/**	
	Mailed[1]	**Total**	**Approved**	**Denied[3]**	**Never Complete[1,2]**	**Duplicates**
Total	119,352	119,652	95,960	23,692	52,290	N/A
Percent [4]		69.6%	55.8%	13.8%	30.4%	N/A

1. Sum of "Approved", "Denied", and "Pending/Never Completed" is greater than total "Mailed" due to some PEV applications received and processed in 2005 were requested in 2004.
2. Pending/Never Completed defined as no-response to PEV requests.
3. Denied includes the applications that did not meet the program requirements and customers requesting termination.
4. The percentages were calculated based on the PEV application processed in 2005.

2.   Provide a table showing the number of customers removed from CARE by month due to the verification process. (Note: Customers may be removed due to a variety of reasons including non-response to a request to verify income, failure to complete the verification process, ineligibility, or by customer request due to changed eligibility status.)

See Table 9.

C. Describe any contracts the utility has with third parties to conduct certification, recertification and/or verification on the utility's behalf. Describe how these third-party efforts compare to the utility's efforts in comparable customer segments, such as hard-to-reach or under-served. Include comparisons of effectiveness and cost-effectiveness of comparable customer segments, if available.

SoCalGas' internal CARE processing group performed all enrollment processes in PY2005.   SoCalGas had no contracts with third parties to conduct certification, recertification and/or verification on SoCalGas' behalf.

SoCalGas only contracts with CBOs to identify potentially eligible non-participating customers. These organizations assist customers to apply for the CARE discount and inform customers about the recertification and verification requirements. They do not perform actual certification, recertification or verification activities on SoCalGas' behalf.

Currently, SoCalGas has capitation contracts with 30 community-based organizations to enroll eligible non-participating customers in the CARE program. Our capitation contracts serve a wide ethnic and culturally

diverse community, requiring the CBOs to have Spanish-speaking outreach workers. The contractors use various types of outreach tactics such as door-to-door solicitation, local community event participation and brochure distribution to identify potentially eligible customers.

VI. Program Management

A. Discuss issues and/or events that significantly affected program management in the reporting period and how these were addressed.

- **2005-2006 Winter Initiatives Decision:**

    On October 27, 2005, the CPUC issued D. 05-10-044 directing the utilities to implement various initiatives to help mitigate anticipated high natural gas prices during the winter period of November 1, 2005 through April 30, 2006. In the decision, the CPUC adopted: 1) CARE rates became available to all customers with incomes between 175% and 200% of the FPL, 2) during the winter months, customers could enroll in the CARE program by phone, 3) no CARE customer would be dropped from the program for failure to recertify their income eligibility, 4) no reconnection fee or deposit would be required of CARE customers during the winter months, and 5) the utilities must increase and improve outreach efforts.

    To support the Commission's policy and to comply with the decision, the emergency CARE program changes implementation was given top priority. All impacted groups - CARE Program, IT, Regulatory Accounts, Regulatory, Communications, and Public Affairs - worked together to implement the order.

    All print CARE forms, outreach material, and program information in SoCalGas' system and website were revised to reflect the income guideline change. The Advice Letter filing on CARE tariffs and forms revision was filed on November 1st.

    The CARE enrollment process in SoCalGas' CIS was modified to suspend recertification and verification requests starting November 1st. In addition, no customer was removed from the CARE program for failure to return the recertification and verification requests.

    Staring the 3rd week of November, SoCalGas' CARE application processing staff called customers located in limited-income areas who

had once requested a CARE application but did not apply for the program.

Information on high winter bills, CARE, Medical Baseline, LIEE, and Energy Efficiency programs, and energy conservation tips was included in all customer communications. Communication efforts included: winter message bill insert, winter message article in the The Gas Company's customer newsletter and e-newsletter, multi-language press releases, radio and TV winter campaigns, and letters to highly impacted customers such as CARE, LIEE, and Medical Baseline recipients.

All SoCalGas employees were informed about the program changes through SoCalGas' electronic employee company newsletter. Intense communications and training were provided to directly impacted departments such as the Customer Contact Center, Customer Assistance, and Public Affairs.

- **Probability Model**:

    To ensure only CARE eligible customers are receiving the CARE discount, SoCalGas randomly selected CARE participants and asked them to provide proof of income to verify their CARE eligibility. SoCalGas has found that approximately 55% were dropped from the program for failure to provide income documents. It has been SoCalGas' concern that customers' refusal to provide proof of income may be for other reasons than CARE ineligibility. SoCalGas contracted with a consultant firm to develop a post enrollment verification model to estimate the probability of qualification for CARE and plans to implement the model in PY2006. Randomly selected customers who pass the probability test will not be asked for proof of income. SoCalGas believes the post enrollment verification probability model can eliminate many unnecessary post enrollment verification requests.

CARE EXPANSION PROGRAM

This section covers the non-profit homeless shelters and group living facilities, migrant and farm worker housing centers, qualified privately owned employee housing, and qualified non-profit housing for agricultural employees.

I. Participant Information

   A. Provide the total number of residential and/or commercial facilities by month, by energy source for the reporting period.

See Table 11.

TABLE 11			
CARE Expansion Program Participating Facilities by Month			
PY2005	**Residential Facilities – Gas**	**Commercial Facilities – Gas**	**Total Gas Facilities**
January	N/A	647	647
February	N/A	666	666
March	N/A	679	679
April	N/A	689	689
May	N/A	692	692
June	N/A	693	693
July	N/A	704	704
August	N/A	734	734
September	N/A	752	752
October	N/A	761	761
November	N/A	764	764
December	N/A	780	780

1. State the total number of residents (excluding caregivers) for residential facilities, and for commercial facilities, by energy source, at year-end.

As of December 31, 2005, there were almost 13,444 residents in the non-residential CARE Expansion Program facilities. There were 357 primary facilities with 438 associated satellites participating in the CARE Expansion Program at year-end 2005.

II. Usage Information

A. Provide the average monthly usage by energy source per residential facility and per commercial facility.

See Table 12.

TABLE 12	
CARE Expansion Program Average Monthly Gas Usage	
Type of Facility	**Gas Therms**
Residential Facilities	Not Applicable
Commercial Facilities	223.0

III. Program Costs

A. Administrative Cost

1. Show the CARE Expansion Program's administrative cost by category.

SoCalGas does not record the CARE Expansion Program's administration cost separately from the regular CARE program cost due to the small dollar amount. In PY2005, 20% of a Full Time Employee's (FTE) time was spent on processing self-certification and re-certification applications and responding to customer inquiries. Less than $2,000 of non-labor costs were for a bill insert on the Non-Profit Group Living Facility CARE program which was included in all commercial customers' gas bills. Printing and mailing of annual recertification also occurred in 2005.

B. Discount Information

1. State the average annual CARE discount received per residential facility by energy source.

> SoCalGas does not have residential accounts on the CARE Expansion Program.

2. State the average annual CARE discount received per commercial facility by energy source.

> The annual discount received per participating CARE Expansion Program facility in 2005 was $421.40.

IV. <u>Outreach</u>

A. Discuss utility outreach activities and those undertaken by third parties on the utility's behalf.

1. Utility Outreach

> SoCalGas continued to utilize bill inserts and brochure distribution as effective means to communicate CARE program information to CARE expansion customers. The Customer Contact Center also provided CARE program information to non-residential group living facilities at the time of service establishment and upon request throughout the year.

2. Third Party Outreach

> Due to resource limitations in 2005, SoCalGas was unable to conduct any direct outreach activities targeting the CARE expansion program customers.

B. Discuss each of the following:

1. Most effective outreach method, including a discussion of how success is measured.

> The SoCalGas CCC continues to be the single most effective outreach method for the CARE Expansion Program's non-residential facilities. Customer's have the CARE program presented and explained to them by

CSRs when they call in to have their service established, make payment arrangements or request a turn-on. Social service networks are another valuable communication medium to promote CARE program information to CARE expansion customers. The use of one-on-one or in-person dialogue sessions makes these two outreach methods very effective.

2. How the CARE facility data and relevant program information is shared by the utility with other utilities sharing its service territory.

There was no CARE facility data sharing in PY2005. SoCalGas is planning to ask SCE for a list of CARE facilities in their CARE program in 2006.

3. Barriers to participation encountered in the prior year and steps taken to mitigate these, if feasible, or not, if infeasible.

The program requires annual recertification of the CARE Expansion program facilities. SoCalGas encountered the problem of no response to the recertification request within the recertification timeframe. This necessitated time-consuming follow-up with numerous non-responsive facilities to make every allowance for these facilities to maintain the CARE rate.   In order to mitigate this problem, SoCalGas is planning to implement automated phone-contact reminder messages mid-way through the recertification period in 2006.

C. Discuss any recommendations to improve the cost-effectiveness, processing of applications, or program delivery. Discuss methods investigated or implemented by the utility or third parties on the utility's behalf to improve outreach and enrollment services to non-participating facilities in the prior year. Provide cost-effectiveness assessments, if available.

SoCalGas believes the processing of Expanded CARE applications to be cost-effective provided the facility has included all required documentation and no further follow-up is required.

V. Processing CARE Applications

A. Processing Self-Certification and Self-Recertification Applications

1. Provide the total number of third-party CARE Expansion program applications received, approved, denied, pending/never completed, or duplicates.

> SoCalGas did not receive any third-party CARE Expansion program applications in PY2005.

2. Provide the total number of utility CARE Expansion program applications received, approved, denied, pending/never completed, or duplicates for the reporting period.

> See Table 13.

TABLE 13					
CARE Expansion Program					
Self Certification and Self Recertification					
Entity	**Received**	**Approved**	**Denied**	**Pending/Never Complete**	**Duplicates**
Total	448	418	14	0	16
Percent	N/A	93.3%	3.1%	0.0%	3.6%

B. Describe any contracts the utility has with third parties to conduct certification, recertification and/or verification on the utility's behalf. Describe how these third-party efforts compare to the utility's efforts in comparable customer segments such as hard-to-reach or under-served. Include comparisons of effectiveness and cost-effectiveness of comparable customer segments, if available.

> The SoCalGas CARE Processing group performed all enrollment processes in PY2005. There were no third parties conducting certification, recertification and/or verification for Expanded Program customers on SoCalGas' behalf.

VI. <u>Program Management</u>

A. Discuss issues and/or events that significantly affected program management in the reporting period, and how these were addressed.

Beside the issue mentioned in section IV. question B.3, SoCalGas did not have other events that significantly affected program management in PY2005.

ATTACHMENT A

PY2005 SoCalGas
CARE Outreach & Leveraging Initiatives

CARE Initiative	Summary	Timeline
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	December 20, 2005
Winegard Energy	Sent 1,200 English/Spanish CARE Applications	December 5, 2005
V.A. Loma Linda	Sent 500 English/Spanish CARE Applications	December 1, 2005
West Angeles Community Development Corp.	Sent 1,000 English/Spanish CARE Applications	November 30, 2005
Energy Conservation Consultants	Sent 3,000 English/Spanish CARE Applications	November 30, 2005
Winegard Energy	Sent 1,500 English/Spanish CARE Applications	November 17, 2005
CUI - Campesinos Unidos, Inc.	Sent 200 English/Spanish CARE Applications	October 13, 2005
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	September 30, 2005
Energy Conservation Consultants	Sent 4,000 English/Spanish CARE Applications	September 21, 2005
All Peoples Christian Center	Sent 300 English/Spanish CARE applications	September 13, 2005
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	August 29, 2005
Energy Conservation Consultants	Sent 4,000 English/Spanish CARE Applications	August 10, 2005
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	August 2, 2005
Energy Conservation Consultants	Sent 4,000 English/Spanish CARE Applications	July 21, 2005
Energy Conservation Consultants	Sent 2,000 English/Spanish CARE Applications	July 7, 2005
Housing Authority – San Luis Obispo	Sent 100 English/Spanish CARE Applications	July 5, 2005

CARE Initiative	Summary	Timeline
Visalia Emergency Aid Council	Sent 500 English/Spanish CARE Applications	June 28, 2005
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	June 22, 2005
CHOC	Sent 250 English/Spanish CARE Applications	June 21, 2005
Energy Conservation Consultants	Sent 1,000 English/Spanish CARE Applications	June 13, 2005
Winegard Energy	Sent 1,000 English/Spanish CARE Applications	June 7, 2005
Community Action Partnership of Orange County	Sent 1,000 English/Spanish CARE Applications	June 7, 2005
ELA Communications	Sent 500 English/Spanish CARE Applications	June 7, 2005
Proteus, Inc.	Sent 300 English/Spanish CARE Applications	June 7, 2005
Senior Citizens Emergency Fund	Sent 50 English/Spanish CARE Applications	June 7, 2005
HABBM	Sent 300 English/Spanish CARE Applications	June 7, 2005
Mexican American Opportunity Foundation	Sent 50 English/Spanish CARE Applications	June 7, 2005
Blessed Sacrament Church	Sent 50 English/Spanish CARE Applications	June 7, 2005
Family Services Association – Mead Valley	Sent 25 English/Spanish CARE Applications	June 7, 2005
Crest Forest Family and Community Service	Sent 25 English/Spanish CARE Applications	June 7, 2005
CUI - Campesinos Unidos, Inc.	Sent 50 English/Spanish CARE Applications	June 7, 2005
CHARO Community Development Corp.	Sent 50 English/Spanish CARE Applications	June 7, 2005

CARE Initiative	Summary	Timeline
West Angeles Community Development Corp.	Sent 100 English/Spanish CARE Applications	June 7, 2005
Veterans in Community Service	Sent 50 English/Spanish CARE Applications	June 7, 2005
Reliable Energy Management Company	Sent 100 English/Spanish CARE Applications	June 7, 2005
MEND	Sent 30 English/Spanish CARE Applications	June 7, 2005
Armenian Relief Society	Sent 30 English/Spanish CARE Applications	June 7, 2005
Catholic Charities of LA – Brownson House	Sent 50 English/Spanish CARE Applications	June 7, 2005
Orange County Community Center (OCCC)	Sent 100 English/Spanish CARE Applications	June 7, 2005
Green Light Shipping	Sent 100 English/Spanish CARE Applications	June 7, 2005
Energy Conservation Consultants	Sent 1,000 English/Spanish CARE Applications	June 7, 2005
APAC Service Center	Sent 50 English/Spanish CARE Applications	June 7, 2005
Winegard Energy	Sent 3,000 English/Spanish CARE Applications	April 29, 2005
Family Services Association Mead Valley	Sent 100 English/Spanish CARE Applications	April 22, 2005
Energy Conservation Consultants	Sent 6,000 English/Spanish CARE Applications	April 05, 2005
Branch Office	Sent 50 English CAPS	March 11, 2005
SCG Community Energy E Newsletter	Quarterly e newsletter sent to 500 agencies informing them about CA programs, plug events and other capabilities.	March 31, 2005

CARE Initiative	Summary	Timeline
Mexican American Opportunity Foundation	Sent 300 English/Spanish CARE Applications	March 08, 2005
Veterans in Community Service	Sent 300 English/Spanish CARE Applications	March 08, 2005
West Angeles Community Development Corp	Sent 150 English/Spanish CARE Applications	March 08, 2005
Green Light Shipping	Sent 1,500 English/Spanish CARE Applications	March 17, 2005
West Angeles Community Development Corp	Sent 15 English & 10 Spanish CARE Lapel buttons	March 23, 2005
Reliable Energy Management Company	Sent 25 English & 25 Spanish CARE Lapel Buttons	March 23, 2005
Visalia Branch Office	Sent 100 English & 100 Spanish CAPS	February 03, 2005
Branch Office	Sent 50 English CAPS	February 23, 2005
CHARO Community Development Consultants	Sent 250 English/Spanish CARE Applications	February 02, 2005
Energy Conservation Consultants	Sent 3,000 English/Spanish CARE Applications	February 04, 2005
Energy Conservation Consultants	Sent 3,000 English/Spanish CARE Applications	February 23, 2005
Energy Conservation Consultants	Provided 2,500 postage paid self-mailer applications	February 4, 2005
CHARO Community Development	Provided 250 postage paid self-mailer applications	January 19, 2005

ATTACHMENT B

PY2005 SoCalGas
CARE Media Outreach

Media and Outreach	Summary	Timeline
Branch Payment Office	Sent 100 English and 100 Spanish CAPs to Oxnard BPO.	12/8/05
Branch Payment Office	Sent 200 English CAPs to Area 5 BPO.	12/9/05
Branch Payment Office	Sent 50 English and 50 Spanish CAPs to Lancaster BPO.	12/14/05
Branch Payment Office	Sent 50 English and 50 Spanish CAPs to Hemet BPO.	12/16/05
Public Affairs	Sent 1000 English CAPs, 1000 Spanish, and 1000 CARE applications to Cathy Maguire for the "20 in 20 Days" campaign.	12/1/05
SCG Safety Department	Sent 500 English and 500 Spanish CAPs to Safety group.	12/8/05
Lamont Weatherization event	VP of Customer Services Michelle Mueller, CA department reps, and RPAM Mike Mizrahi participated in a grass roots community effort with Assemblywoman Nicole Parra (30th Assembly District) and Assemblyman Lloyd Levine, "Committee Chairman on Utilities and Commerce," in a low-income community within the City of Lamont. Over 250 local residents participated in the event which received media coverage from the local radio and television stations along with various print mediums. 50 English CAPs and 150 Spanish CAPs and 200 CARE applications were distributed.	12/12/05
Branch Payment Office	Sent 100 English and 100 Spanish CAPs to Van Nuys branch office.	10/4/05
Branch Payment Office	Sent 100 English and 100 Spanish CAPs to Hollywood branch office.	10/4/05

Media and Outreach	Summary	Timeline
Branch Payment Office	Sent 50 Spanish CAPs to the Fontana branch office.	10/4/05
Branch Payment Office	Sent 100 Spanish CAPs to Pomona Payment office.	10/19/05
Branch Payment Office	Sent 150 English and 150 Spanish CAPs to the Anaheim Payment Office.	10/25/05
Branch Payment Office	Sent 100 English and 100 Spanish CAPs to Van Nuys branch office.	10/4/05
East Los Angeles Occupation Center	Sent 300 CARE applications, 300 English and 300 Spanish CAPs on behalf of Public Affairs.	10/7/05
Latino Book Festival	Annual Latino Book Festival held at Pomona Fairplex. Over 800 vendors participated in the 2 day event. Distributed 2000 CARE applications, 500 English and 1500 Spanish CAPs at the event.	10/22-10/23
13th Annual Sabor de Mexico Lindo	Sabor is a family-oriented festival held in downtown Los Angeles. The festival originated in 1992 and attracted 65k attendees. This year, the festival attracted more than 380k and 4k visited the SCG booth. 4000 CARE applications, 1500 English and 2500 Spanish CAPs were distributed.	9/30 – 10/2
Branch Office	200 English and 200 Spanish CAPs were provided to the San Bernardino Office.	7/15/05
Branch Office	200 English CAPs and 100 Spanish were provided to the Santa Maria office.	7/25/05
Branch Office	200 English CAPs were provided to the Inglewood office.	7/25/05

Media and Outreach	Summary	Timeline
Public Affairs	500 LIEE pens, 300 English large font, and 200 Spanish large font brochures were provided to Public Affairs to be distributed at an LA County Board of Education meeting.	7/19/05
Mass Markets	2000 English and 2000 Spanish large font brochures, 300 Korean CAPs, 300 Vietnamese CAPS, and 300 Chinese CAPs were provided to Mass Markets.	7/25/05
LA Public Affairs	1000 CA jar openers were provided to PA to be distributed at various functions.	7/6/05
Junior Blind	CA presentation was conducted for a group of students attending a Junior Blind Event. Other attendees included Community Activists and Directors/Managers of various governmental social programs. 100 CARE applications, 100 large font brochures, 100 MBL flyers, and 100 pens were distributed.	7/1/05
Junior Blind	A second CA presentation was conducted for a group of students attending a Junior Blind Event. Other attendees included Community Activists and Directors/Managers of various governmental social programs. 100 CARE applications, 100 large font brochures, 100 MBL flyers, and 100 pens were distributed.	7/29/05
Lotus Festival	Event was sponsored by the City of LA Department of Recreation and Parks, and promoted an atmosphere of understanding Asian and Pacific Islander cultures.	7/9/05 - 7/10
HUD – Homebuyers Fair – Exposition Park, Los Angeles	Event offered attendees extensive information on first-time home buying, loans, HUD homes, financial assistance, and SCG CA programs. Event outreaching was conducted in English, Spanish, Chinese, and Korean.	7/16/05
Branch Office	Forwarded 300 English and 300 Spanish CAP brochures to the Commerce Office.	6/13/05
Media and Outreach	**Summary**	**Timeline**

Branch Office	Forwarded 200 English and 200 Spanish CAPs to the Compton office.	6/13/05
Branch Office	Forwarded 100 English CAPs to the Porterville office.	6/22/05
Branch Office	Forwarded 150 Spanish CAPs to the San Fernando office.	6/28/05
Cal Works Imperial Valley Housing Fair	Public Affairs will staff booth. Provided PA with 300 English and 200 Spanish large font brochures, 500 CARE applications and 500 key chains.	6/26/05
Green Meadows Recreation Center	Environmental Services Fair. 400 large font brochures were distributed (200 Eng, 200 Spanish), 400 CARE applications and 400 key chains.	6/18/05
Pacific Community Center Celebration – Glendale	Sponsored by City of Glendale. Attendees will learn about quality of life issues in Glendale and will be provided with CA literature. 300 CARE applications, 200 English, 100 Spanish large font brochures, and 300 key chains.	6/25/05
Branch Office	Forwarded 150 English and 150 Spanish CAP brochures to the El Monte Office.	5/16/05
Branch Office	Forwarded 50 English CAPs to San Pedro Office.	5/20/05
Branch Office	Forwarded 400 English and 300 Spanish CAPs to the Baldwin Hills Office.	5/19/05
Branch Office	Forwarded 100 English CAPs to the Visalia Office.	5/23/05
Branch Office	Forwarded 100 English and 50 Spanish CAPs to the Lompoc Office.	5/23/05
Branch Office	Forwarded 50 Spanish CAPs to the Fontana Office.	5/31/05
Media and Outreach	**Summary**	**Timeline**

	Summary	Timeline
Branch Office	Forwarded 100 English and 100 Spanish CAPs to the Delano Office.	5/31/05
LA Public Affairs	Provided 300 English and 100 Spanish CAPs to LA Public Affairs to be distributed at the Getty Center Emergency Preparedness Fair.	5/31/05
CSULA Engineering and Tech School	Provided CA pens to Cal State LA Instructor to be handed out at a CSULA Resume Workshop.	5/18/05
Paint Your Heart Out Anaheim	Non profit organization that repairs and refurbishes homes for seniors or disabled homeowners once a year. CA given names of PYHO customers to research eligibility for LIEE and CARE services and offer services to those eligible.	5/2005
Annual Orange County Senior Fair	In conjunction with Mass Markets, provided information to Seniors at the largest trade show in the Southwest. 450 leave behinds were distributed.	5/21/05 - 5/22/05
Live Work and Play in East Hollywood – Improved Health, Housing, Jobs and Jurisdiction.	Event held by the Thai Community Development Center in partnership with LA City Councilman Eric Garcetti. 200 large font English brochures distributed.	5/23
OCHNA Spring Data Report Breakfast	Orange County Health Needs Assessment provides and collects vital health needs information. CA attended presentation. SCG provided sponsorship to uninsured children under the Uninsured Angels Project	May 2005
1st Annual LANHS Conference on Compulsive Hoarding and Pack Rats	SCG conducted a home and personal safety workshop with other officials from the LA Fire Dept. and District Attorney's Office. 30 brochures were distributed at the event.	5/5/05
Burbank Block Party	Distributed 600 English CA brochures at Senior Assemblyman Dario Frommer's Burbank Block Party.	5/21/05
Media and Outreach	**Summary**	**Timeline**

City of LA, Department of Aging - Senior Convention and Health Care Expo	Distributed 400 English brochures to Seniors at Council Member Martin Ludlow's 10th District Senior Convention and Health Care Expo.	5/7/05
The Energy Coalition	Sent 200 English/Spanish CARE applications.	04/05/05
Branch office	Sent 200 English and Spanish large font brochures to Hollywood Branch Office.	04/15/05
Mass Markets	Sent 500 Customer Assistance pens and 350 CARE bag clips for Special Olympics hosted by C&I Mass Markets.	04/15/05
Public Affairs	Sent LA Public Affairs manager 500 Customer Assistance brochures, CARE applications, and LIEE postcards for senior event hosted by Torrance Fire Department.	04/15/05
Public Affairs	Sent 1,000 English and Spanish large font brochures to Orange County Public Affairs.	04/15/05
Inland Valley Council of Churches Meeting	Inland Public Affairs met with Executive Director of Inland Valley Council of Churches to discuss future collaborative efforts with Customer Assistance programs. Public Affairs, along with Strategy and Outreach, toured its facilities located in Pomona and Ontario. The Council receives support from individuals, foundations, churches, and companies to provide shelter to the homeless through its emergency shelter and transitional housing program as well as offer food through its three food security sites.	04/25/05
Media and Outreach	**Summary**	**Timeline**

Old timers Foundation	Connections were made with this senior focused foundation through Inland Empire Public Affairs to discuss leveraging opportunities with Customer Assistance. A follow up meeting is being set up.	04/26/05
East Valley Community Health Center (EVCHC)	Customer Assistance provided 500 CARE applications and Customer Assistance program brochure to East Valley Community Health Center. The mission of East Valley Health Center is to provide quality medical, counseling and preventive education services to the low-income and underserved populations of the East San Gabriel and Pomona Valleys.	3/15/05
San Bernardino Aging and Adult Services	Customer Assistance staff members spoke with representatives from SB Aging and Adult services about outreach to low-income clients. SB Aging and Adult services suggested we participate in some events to reach their customer base, including the Multiple Sclerosis Walk in Redlands, Relay for Life at CSUSB, Celebration of Seniors, and Senior Olympics.	3/15/05
Community Action Partnership of Orange County (CAPOC)	Sent 5000 winter message flyers to CAPOC to be included in their March food bags.	3/15/05
Los Angeles Department of Mental Health and Adult Services	Sent 500 CARE applications of English and Spanish Senior brochures, giveaways (magnets, flashlights) to LA Department of Mental Health and Adult Services.	3/15/05
USC Urban Foundation	Represented Customer Assistance and distributed 150 program description pamphlets.	3/15/05
Media and Outreach	**Summary**	**Timeline**

Tomorrow's Leaders Executive Director Briefing	Community Relations and Customer Assistance co-hosted the Fifth Anniversary Kick-off and Briefing on March 24 at the Energy Resource Center in Downey. Those in attendance included executive directors from the 32 participating agencies, along with representatives from regional Public Affairs and Customer Assistance. The focus was on "Preparing the 21st Century Workforce", with a corporate perspective including a discussion on the role of non-profits in developing the future workforce. The Tomorrow's Leaders program serves more than 4000 low-income youth in L.A. County, and provides tutoring, homework assistance, computer skills, and leadership development.	3/24/05
CARE Capitation Agency	SCG successfully hosted its first Capitation Agencies Luncheon on March 4 at SCG Energy Resource Center. The objective of the Luncheon was to update the agencies with the community outreach results and to build a stronger partnership with the agencies. Received many compliments from the agencies on the presentations and the support from SCG. They appreciated the opportunity to directly communicate with us about their questions and learned from other organizations.	03/04/05
Educator Enrichment Day	Leveraging with Orange County Public Affairs, an SCG sponsored event where Customer Assistance (CARE, LIEE, MBL) program information was shared during Educator Enrichment Day. Teachers were encouraged to take information for their students. (530 approx. attendance)	3/19/05
LA Chamber of Commerce	Sent 100 English and 100 Spanish large font CAPs to the LA Chamber of Commerce to be distributed to LA residents at their next open forum chamber meeting.	2/3/05
Media and Outreach	**Summary**	**Timeline**

California Congress of Seniors – Region 6	Sent 100 English and 100 Spanish large font CAPs to LA branch of the California Congress of Seniors. Also sent 100 key chains.	2/23/05
Community Action Partnership of Orange County (CAPOC)	Sent 5000 winter message flyers to CAPOC to be included in their March food bags.	2/23/05
Fair Housing Council of Orange County – Community Development Resource Network	775 SCG winter message flyers provided to Fair Housing Council of Orange County's Community Development Resource Network to be included in their Newsletter.	1/25/05
San Bernardino County Food Bank	Sent 20,000 Winter Message flyers to the San Bernardino County Food Bank to be distributed in their food bags.	1/31/05 – Feb
Second Harvest Food Bank of Orange County	Second Harvest is a food distribution organization devoted to Seniors. Second Harvest will include SCG winter message flyers in 2,500 food bags beginning in December.	1/4/05 -1/20/05
Porterville Branch Office	Sent 100 English and 100 Spanish Customer Assistance brochures to the Porterville Branch office.	1/20/05

ATTACHMENT C

Letter Agreement
CSD Leveraging Report

May 10, 2000

Mr. Timothy Dayonot

Director
State of California
Department of Community Services
 and Development
700 North 10th Street, Room 258
Sacramento, California 95814-0338

RE: Letter Agreement between the State of California Department of Community Services and Development and Southern California Gas Company for Leveraging and Reporting the California Alternate Rates for Energy Program Discounts and the State of California Low-Income Home Energy Assistance Program

This Letter of Agreement is entered into by the State of California Department of Community Services and Development (CSD) and Southern California Gas Company (SoCalGas) for the purpose of ensuring integration and coordination of resources and benefits between CSD's Low-Income Home Energy Assistance Program (LIHEAP), and SoCalGas' California Alternate Rates for Energy (CARE) and Gas Assistance Fund (GAF) Programs. The existence of this Agreement places CSD within compliance of the Department of Health and Human Services' LIHEAP Leveraging Incentive Program requirements and enables California to claim the GAF payment/CARE discount (s) as leveraged resources. These programs all provide a form of energy assistance to low-income customers. It is mutually agreed that both parties will assist in the referral of their customers to the other energy assistance program through written and/or verbal referrals of the program. SoCalGas will include the toll-free telephone numbers for the LIHEAP and SoCalGas' Direct Assistance Program (DAP) on SoCalGas' CARE applications starting June 1, 2000 and on all GAF materials starting January 1, 2001.

The eligibility criteria and income guidelines are specific to each program. LIHEAP income guidelines are set at 60% of the State Median Income; GAF/CARE income guidelines are 150% of the Federal Income Poverty Guidelines.

The levels of assistance for each program vary according to the respective program. The amount of Federal funding; the number of persons in the household; the applicant's geographical location; and the household's income determine LIHEAP assistance levels. The GAF program offers one payment of an applicant's gas bill up to a maximum of $100.00 per calendar year. The CARE program offers a 15% reduction off the applicant's monthly gas bill and a 60% discount on the Service Establishment Charge, if qualified for CARE within 90 days of starting new gas service.

The LIHEAP program is operated year round and provides one-time assistance, per household, per program year (January through December). Applicants must re-apply annually. The GAF program provides one-time assistance, per household, per 8-week period (February through March), per calendar year.

Applicants must re-apply annually. CARE provides a continuous 15% rate reduction throughout the year with the applicant re-certifying biennially.

These programs are integrated/coordinated through the written/verbal referral of applicants/customers to the opposite program. Program applications will have the name and toll free telephone numbers of the other programs printed on the applications.

A report on the number of households assisted and the total amount of assistance will be provided to the LIHEAP Program annually starting October 1, 2000.

SoCalGas shall make available to the CSD or its representative all appropriate documents, papers and records pertinent to the referral process and leveraged amounts for examination, copied or mechanical reproduction for a period of three years from the date the information is submitted to CSD. Specifically, SoCalGas will provide CSD with data necessary for completion of California's annual Leveraging Application. The data will be requested each October and will cover the preceding October through September timeframe. The information requested includes: 1) the total number of households currently receiving the reduced rate/energy payment; and 2) the total discount/payment received by all participating households.

AGREED TO:

_____
Tim Dayonot, Director   Donna Jones-Moore
State of California   Manager, Mass Markets
Department of Community Services   Southern California Gas
Company and Development

Dated: _____   Dated: _____

Southern California Gas Company
Seventeenth Annual CARE Progress Report
May 1, 2006

Leveraging Funds
SoCalGas CARE Participation Discounts

Month	Gas Discount	Electric Discount	Total Discount	Total Participants
Oct –2004	$6,696,336	$	$6,696,336	1,039,599
Nov – 2004	$10,191,339	$	$10,191,339	1,042,572
Dec – 2004	$10,708,247	$	$10,708,247	1,049,754
Jan – 2005	$10,876,216	$	$10,876,216	1,055,827
Feb – 2005	$8,569,911	$	$8,569,911	1,063,383
Mar – 2005	$6,766,839	$	$6,766,839	1,070,081
Apr – 2005	$6,894,400	$	$6,894,400	1,074,086
May – 2005	$6,896,421	$	$6,896,421	1,082,004
Jun – 2005	$5,607,864	$	$5,607,864	1,082,778
Jul – 2005	$5,325,745	$	$5,325,745	1,077,652
Aug – 2005	$4,781,753	$	$4,781,753	1,077,550
Sep 2005	$6,518,936	$	$6,518,936	1,087,858
Grand Total	$89,834,007	$	$89,834,007	*

*The September 2005 figure is reported as the total number of CARE participants therefore a grand total of participants are not needed.

Utility Bill Assistance
SoCalGas Gas Assistance Fund

Month	SoCal GAF Payment	Participants	Grant Funds*	Participants
Oct –2004				
Nov – 2004				
Dec – 2004				
Jan – 2005				
Feb – 2005				
Mar – 2005			$378,910.14	3,604
Apr – 2005	$206,543.29	2,031	$27,127.42	283
May – 2005			$92,018.89	931
Jun – 2005	$90,415.84	935	$12,417.25	148
Jul – 2005	$70,934.90	690		
Aug – 2005				
Sep 2005				
Grand Total	$367,894.03	3,656	$510,473.70	4,966

*United Way received $510,473.70 in a special grant for income-qualified utility customers, distributed thru the United Way Utility Assistance Program (SoCalGas' GAF program).