

Draft meeting notes

Thursday March 11th 9:00 – 4:00 PM

Webex Virtual Meeting

Board Member Attendance:

Present: Shiroma, Delgado-Olson, Stamas, Castaneda, Watts, Wimbley, Medina, Linam, Irwin, Castilone, Lim

Absent: None

1. Welcome and Introductions

Board Chair Delgado-Olson opened the meeting of the Low Income Oversight Board (LIOB) at approximately 9:00 AM and noted that 2021 is the 20th year of the Board. Commissioner Shiroma followed and noted the attendance of recently appointed Commissioner Houck. Commissioner Shiroma also shared that the rest of the California Public Utility Commissioners (CPUC) are likely to attend later in the meeting. Also introduced was Cheryl Wynn, Energy Advisor to Commissioner Shiroma, and Galen Lemei, Legal Advisor to the LIOB. Commissioner Shiroma shared that this quarterly meeting had the unique agenda topic of reviewing energy and water utility customer plans for easing off of COVID-19 related consumer protections. Commissioner Houk thanked the Board for hosting the meeting. Vice Chair Stamas thanked the Commission for managing the transition period. Individual board member introductions followed.

2. Approval of the December 10, 2020 LIOB Meeting Minutes – Action Item

Board Member Medina moved to approve the minutes from the December 10th meeting and Board Member Watts seconded the motion. The LIOB approved the minutes unanimously.

3. Election of the LIOB Chair and LIOB Vice-Chair – Action Item

Alison LaBonte from the CPUC's Energy Division (ED) read from the LIOB charter relevant to Chair and Vice-Chair elections, which states that each position is elected annually to serve a one-year term.

Commissioner Shiroma nominated incumbent Chair Delgado-Olson for an additional term and thanked him for his leadership on the board, as a member since 2015 and Chair since 2019. The nomination was seconded by Board Member Medina. The election of Benito Delgado-Olson to LIOB Chair passed unanimously by the board. Commissioner Shiroma nominated incumbent Vice-Chair Stamas for an additional term. Maria Stamas has served as a member since 2015 and

as a Vice-Chair since 2019. This nomination was seconded by Board Member Castilone and also passed unanimously by the board.

4. Public Comment

There were no comments from members of the public at this time.

5. Energy Utility Customer Transition Plans

Representatives of the major investor owned utilities (IOUs) and small multi-jurisdictional utilities (SMJUs) presented high level summaries of their customer transition plans to the Board. Utilities were asked to reserve two-thirds of their allotted time for questions. Board Chair Delgado-Olson noted the Board had met as a joint subcommittee the previous week to discuss initial thoughts on the transition plans.

5a. Investor Owned Utilities

Board Member Lim introduced the IOU presentation and the first presenter, Eric Lee of Southern California Edison (SCE). Eric Lee spoke to the aspects of the IOU customer transition plans and noted similarities and differences among utilities. Erik Olson (Pacific Gas & Electric - PGE), Michelle Summerville (San Diego Gas & Electric – SDGE), and Karen Mar (Southern California Gas – SoCalGas) also spoke to their specific utility plans.

Commissioner Shiroma asked whether the information was going to be translated in different languages and Mr. Lee answered affirmatively.

Board Member Castaneda spoke to the lessons learned from COVID-19 and the importance of trusted person to person communication. Energy Savings Assistance (ESA) providers are an example of a trusted community partner that could be leveraged for customer communications.

Board Member Wimbley asked if the marketing education and outreach (MEO) budgets would demonstrate investment in community organizations, such as capitation contracts. Mr. Lee responded that the IOUs are engaging with community organizations and some of those would be receiving financial compensation for their efforts.

Commissioner Rechtschaffen encouraged the utilities to use clear, simple, and easy to understand language in their marketing. Board Member Castaneda responded to that sentiment by remarking on the need to build trust among consumers.

Board Member Stamas asked if it was certain that the customer protections would end on June 30th. Mr. Lee answered that Resolution M-4849 include a cause that the Commission could extend the protections.

President Batjer asked about the virtual options for medical baseline certification and whether these customers could still certify via non virtual ways. Mr. Lee responded that the virtual

certification was an additional option for customers, but they may still certify in traditional ways.

Commissioner Shiroma remarked on the language of “eligible for disconnection,” which may confuse customers since “eligible” is usually used for receiving a service rather than experiencing something negative.

Commissioner Guzman-Aceves commented on the need for coordination with CPUC disconnections staff on how the monthly cap in disconnections will work in order to stay a non-disruptive level.

Commissioner Houck asked about the Arrearage Management Program (AMP), which went live in February and noted that there is not much time to get eligible customers enrolled before the customer protections end on June 30th. SCE shared their outreach efforts for the AMP, which include phone and virtual enrollment options. PG&E responded that they have had 8,000 enrollments to date and have significant correct customer outreach efforts underway via phone calls and emails. SDG&E shared that in addition to direct customer outreach, they are also posting on social media.

Commissioner Rechtschaffen commented that the schedule for verifying customers is different among utilities and asked if it would be possible to align those dates. For example, avoid having a SoCalGas and SCE customer have to certify with two different deadlines. SCE and SoCalGas responded that they would discuss offline.

Commissioner Shiroma asked SoCalGas if they are also coordinated with Los Angeles Department of Water and Power (LADWP). SoCalGas answered that they have a strong relationship with their partners and their sister company, SDGE.

To begin board member question and answer of the large IOU customer transition plans, Board Chair Delgado-Olson summarized the ideas discussed at the March 3rd Low Income Energy Assistance Programs (LIEAP) & Water and Climate Change Joint Subcommittee Meeting:

- Extreme climate protections 72 hours and beyond
- Increase CARE subsidies for most vulnerable
- Data sharing between agencies, specifically water and energy
- Possibility for increasing Marketing Education & Outreach (MEO) budgets on a one-time basis for the transition period
- How to measure success
- Best practices from Alison Canyon incident
- Referral and enrollment of customers in need to weatherization programs
- Coordination with public agencies

Board Chair Delgado-Olson began by discussing the extreme climate protections and asked about the 72 hour look ahead, whether it includes heat and cold, and how power would be restored to customers given an extreme weather event. SCE answered that the extreme climate protections include a high and low end, and that there would likely be a way to restore power in a weather emergency, but would need more information from SCE operations. SDG&E noted that the 72 hour provision is located in the IOU tariffs and changing tariffs would require more formal guidance, as well as reconnecting customers might have safety concerns.

Board Member Medina expressed her appreciation for the timeline graph of utility activities and looks forward to seeing further data about enrollment in AMP.

Board Member Castaneda expressed interest in seeing more detail in terms of better data exchange amongst key stakeholders, such as community service providers, the Community Help and Awareness of Natural Gas and Electric Services (CHANGES) program, etc. Additionally, he would like discussion of the hierarchy of customer needs, as there are more customers with arrears than enrolled in California Alternative Rates for Energy (CARE), and among customers in arrears, there are those that dependent on power for life support systems or other medical equipment.

Board Member Wimbley inquired on the strategy to triage customers in need and direct them to the appropriate programs, especially those who have not enrolled in assistance programs before. Board Member Wimbley also asked about IOU capacity to assist customers with special needs. SCE responded that they operate their customer outreach with the goal to enroll customers in all applicable programs. SCE is also working with customers who may have not enrolled in assistance programs before. Special needs customers are assisted by call center staff with Multilanguage capabilities or by partner community based organizations (CBO). PG&E added that their outbound calling program has reached out to 120,000 customers. This call is intended to be a holistic solution orientated call, inviting input if customer has had change in income or life circumstances.

Commissioner Shiroma asked about call centers and their capacity to support the high number of customers who are either in arrears or need other assistance. PG&E shared that they conducted a focus group to develop the best talking points that will resonate with customers. SoCalGas replied that program teams and call center teams are working closely together to anticipate call center volume once the customer protections end. SCE noted that they have the additional constraint of customer service system replacement happening in the spring. SCE triages calls based on complexity to either SCE employees or subcontracted companies. SCE built a database on customers eligible for AMP that helps call center staff identify if customers are eligible.

Board Member Medina commented that in her community, customers have already received outreach calls from PGE. She remarked on the importance of communicating to customers that this program is not a scam.

Board Member Watts asked if PG&E was the only utility transition to time of use (TOU) rates at the same time that the customer protections are ending. Board Member Lim answered that SCE is also transitioning and SDG&E answered that they have already completed the transition. Board Member Watts then followed up and asked if there has been any thought given to how many changes are happening to customers at one time. PG&E appreciated the concern and is working on supportive outreach strategies to limit the perception of fraud, such as notifying customers in advance of an in-person visit. SCE acknowledged the many customer changes happening this year and is looking at integrated messaging strategy across the entire year.

Chair Delgado-Olson asked about medical baseline customers and why those with permanent disabilities need to consistently recertify. SDG&E answered that the utility needs confirmation on their location as the bill may not be in their name.

Board Member Castaneda supported the idea of a single spokesperson for statewide messaging, which could provide public service announcements by a 3rd party. Board Chair Delgado-Olson followed with the suggestion that all the messaging from the utilities is uniform, such as a general statewide phone number that would connect customers to the correct utility. Board Member Wimbley shared that that strategy would be similar to the state energy crisis “flex your power” campaign. In that campaign, there was one set of messages and a common landing page that would then connect customers with the correct utility and/or utility community partner. Board Member Lim would appreciate this be put into a letter or recommendation so that the Commission could review and respond. Commissioner Shiroma noted that a statewide marketing campaign could also be discussed at the Order Instituting Rulemaking (OIR) to Address Energy Utility Customer Bill Debt Accumulated During the COVID-19 Pandemic (R.21-02-014) workshop coming up. President Batjer commented that given the short time frame, a statewide marketing campaign run by a third party would not be feasible.

5b. Small Multi-Jurisdictional Utilities

At this point in the meeting, representatives of the SMJUs spoke to their customer transition plans. Michelle Ansani of Southwest Gas spoke to the general similarities and differences among the SMJU plans. Sean Matlock (Bear Valley Electric Services - BVES), Kate Marrone (Liberty), and Melissa Nottingham (PacifiCorp) also spoke to their specific utility plans.

Commissioner Shiroma noted that each of the presenters mentioned working with CBOs and asked them to elaborate on those relationships. PacifiCorp shared that the geographic challenges in their territory make them reliant on their community relationships. Liberty also confirmed that they work with CBOs in their territory. BVES has relationships with the local chamber of commerce, first responders, and a CBO. SWG has a CBO that works with customers to guide them to SWG assistance offerings.

Board Member Medina mentioned the SMJU utility websites and noted that only BVES has a button for Spanish language on their website.

Board Chair Delgado-Olson mentioned the importance of coordination with other public agencies, such as social services, in smaller and rural communities.

Board Member Castaneda asked SWG about the late payment fees to begin in July 2021 and whether the late payment fees are applied to dollars owed during the moratorium. SWG answered that all customers with arrears have been put on differed payment arrangements. The late fees will be on new late payments after the moratorium lifts.

Commissioner Shiroma followed Board Member Medina's comment about non English speakers' ability to navigate utility websites by asking the SMJUS if they were providing mail materials on languages other than English. All the SMJUs answered affirmatively that they send print material out in English and Spanish.

At this point in the meeting, the Board adjourned for lunch.

Following lunch, the Board returned to item 5, Energy Utility Customer transition plans. With the conclusion of Board question and comment, the Board allowed for public comment. Public comment included:

- Listing Low Income Home Energy Assistance Program (LIHEAP) recipients as eligible for AMP.
- Inquiring on CARE recertification results and the breakdown between those who failed recertifying between those actually not eligible and those who simply didn't provide necessary income information.
- Celia Andrade – of Pacific Asian Consortium in Employment (PACE) – spoke to listing LIHEAP as an eligibility category for AMP, which would allow LIHEAP providers to market the program.
- Casey McFall –CHANGES program – shared that CHANGES CBOs have enrolled ~50 customers in AMP to date and they are tracking enrollment as well as average amount of balances. These CBOs will check in with customers on a quarterly basis to see how they are able to navigate the AMP program.

Board Chair Delgado-Olson asked about the coordination with LIHEAP especially given the potential increase in federal assistance available for customer bills. Board Member Wimbley noted that CARE lists LIHEAP as a categorical eligibility, which should streamline enrollment between the two programs. Commissioner Guzman Aceves commented that this topic is relevant to the COVID-19 Arrears rulemaking. In the disconnections proceeding, the CPUC did not include leveraging LIHEAP funds as part of AMP, but there may be a potential for adjusting this for COVID-19 response period.

Board Member Castilone asked if utilities are doing direct referrals to CBOs, or if CBOs are just sharing information to their respective communities. SCG answered that they work with CBOs, but do not provide a list of customers for CBOs to target.

6. Water Utility Customer Transition Plans

Representatives of the Class A and Class B water utilities presented high level summaries of their customer transition plans to the Board.

Board Member Linam introduced the water utility presentations, and the first presenter Ed Jackson of Liberty Utilities. Board Member Linam noted the key differences between energy and water regulation, including Senate Bill 998 which addressed water disconnections and the joint regulation between the CPUC and State Water Resources Control Board (SWRCB).

Ed Jackson presented a high-level overview of Class A and B water utilities, California Water Association (CWA), water regulation, and low income customer assistance programs (CAP). John Tang of San Jose Water Company presented on the Class A water customer transition plans. Janice Hannah from Del Oro Water presented on behalf of the Class B water customer transition plans.

Commissioner Guzman Aceves shared that there is a water rulemaking related to COVID-19 that will be a part of the water utility response. The Commissioner also noted that there is a tenfold difference in water bill arrearage to energy bills.

Commissioner Houck also emphasized the need to get this information out to neediest customers, especially given all of the different information and programs.

Commissioner Shiroma noted the difference in disconnection rules for water, as there is no expiration of a moratorium.

Board Member Medina wanted to point out the extremely hot weather in 2020 and asked for more information about outdoor water usage. For example, some families may have managed the heat by using outdoor water. Board Member Castaneda mentioned the previous statewide drought and how in response, the ESA program adopted water conservation measures and utilities created other water efficiency programs. He asked if this was a similar opportunity to install water efficiency measures and increase consumer education. Liberty responded that they routinely do these water audit programs which examine water efficiency. Liberty also explained that “outdoor usage” mainly refers irrigation and landscaping. California American Water (CalAm) commented that they perform similar water audits for customers.

Board Chair Delgado-Olson commented on the coordination between CBOs and LIHEAP agencies. California Water Service answered that they are working together through CWA to get more information on CBOs, though local relationships between water utilities and community partners do exist.

Board Member Linam noted the difference between median and average water bill. California Water Service explained that the median is midpoint for customer bills, while average is calculated using the total bills. Customers using a high amount of water will skew the average, for example 40% of the water arrearage amount is made up by only 10% of those customers.

Board Member Wimbley asked how rates fit into these skewed averages. California Water Service answered that water usage is billed via tiered rates, with the more water used resulting in a higher tier and rate.

Board Member Linam asked about the water utilities relying on the federal funds as the primary source of assistance and what the water utilities were doing currently to address the customers most in need. CalAm shared that they have seen significant impacts from COVID-19 on disadvantaged communities and in response expanded their CAP and increasing data sharing frequency with energy utilities. California Water Service answered that they are developing a pilot debt forgiveness program, which will function as a payment plan with a percent of the customer debt forgiven upon a certain level of participation in the payment plan. Golden State Water is looking into a similar payment plan debt forgiveness program.

With the conclusion of Board question and comment, the Board allowed for public comment. Public comment included:

- A question of whether Class A water utilities automatically enroll CARE customers, which they receive from energy utilities, into CAP.
 - The water utilities confirmed that this enrollment is automatic. Golden State Water shared that water energy data exchanges increased in frequency in response to COVID-19. A meet and confer happened in December 2020 to look into increasing the frequency of data exchanges and determined that given system and administration limitations, 1-2 more data exchanges could potentially happen per year. Cal Water also shared that there is interest in contracting a 3rd party to keep track of all CAP customers and share information to all relevant utility assistance programs.

Liberty commented that the water utilities are not relying on federal funds to solely assist customers, but rather the funds would be a single aspect in the utilities' customer response plans.

At this point in the meeting, the Board discussed the previously shared recommendations for the utility customer transition plans and the next steps for sharing these recommendations. After a majority of Board members supporting the recommendations, a small group of members was identified to write the recommendations in a formal letter to be shared with the utilities and Commission. This letter will be distributed by March 19th in advance of the final submission of utility advice letters.

Chair Delgado-Olson summarized the main points of the Board's proposed recommendations as follows:

- Extreme climate protections 72 hours and beyond, tentatively extend the forecast to 7 days, and add emergency restoration plan
- Increase CARE subsidies for most vulnerable up to 50%

- Increase frequency of data sharing between agencies, specifically water and energy
- Marketing and outreach, increasing investment in capitation agencies, tribal communities, and high risk communities
- How to measure success and evaluation of how well all these tools are working
- Best practices from Alison Canyon incident, more flexibility in ESA program for additional measures
- Increase coordination with LIHEAP
- Referral and enrollment of customers in need to weatherization programs such as part of AMP
- Coordination with public agencies

Board Member Liman recommended that the Board consider sending a letter to SWRCB and Governor's office saying that federal funds for water should be made available to all customers. The SWRCB is looking at how federal funds were be allocated and it is possible they limit the assistance to municipal water utilities.

Board Member Castaneda asked if an OIR for adjusting CARE ESA program in response to the end of COVID-19 emergency customer protections would be possible. ED responded that there is an open proceeding for CARE and ESA already, and to add an OIR on this topic might create a delay in the implementation of customer assistance programs.

Board Member Castaneda moved that the draft recommendations be assigned to a work group to delineate final and specific recommendations to the utilities. Board Chair Delgado-Olson added the friendly amended that the final draft be shared with the full board before sending out to utilities. Board Member Watts seconded the motion.

Board Members Lim and Linam, as well as Commissioner Shiroma, abstained from voting on the recommendations. The rest of the board members voted in the affirmative to support the recommendations.

Board Chair Delgado-Olson, Vice Chair Stamas, and Members Castaneda, Wimbley and Watts consented to formalize the recommendations into a final letter.

7. Status Reports – Joint Investor Owned Utilities

Given the amount of time left in the meeting, this agenda item was not discussed in full. Board Chair Delgado-Olson noted the ESA savings over the year given the pandemic and appreciated the details on the storage back up program included in the presentations.

Board Chair Delgado-Olson suggested moving this topic to a subcommittee meeting. Board Member Castaneda supported another subcommittee meeting to also discuss the bridge funding period.

8. Coordination Report on Low Income Weatherization Program (LIWP)

Board Member Wimbley shared that there is no update on coordination on with the LIWP program at this time.

9. Subcommittee Reports

Board Chair Delgado-Olson noted that this agenda topic was an opportunity for board members to add or remove themselves from subcommittees. The exception to that is the Technical Advisory Committee (TAC) which was created via resolution and would require another resolution to be changed.

Board Chair Delgado-Olson removed himself from the Legislative subcommittee. Board Member Irwin added himself to the Water & Climate Change subcommittee.

Board Chair Delgado Olson asked that when the committees meet for the first time this year, they elect a Chair.

Board Chair-Delgado-Olson noted that there was a joint subcommittee meeting of the Low Income Energy Assistance Programs (LIEAP) and Water & Climate Change subcommittee on March 3rd. The Low Income Needs Assessment (LINA) subcommittee met on March 5th to discuss the LINA research plan.

The Legislative subcommittee did not meet in the first quarter of 2021.

10. Disadvantaged Communities Advisory Group (DACAG) Update

Board Chair Delgado-Olson shared that there will be a meeting of board leadership from the LOB and DACAG to better define liaison role between the two boards at a future date.

11. Wrap Up & Closing Remarks

Commissioner Shiroma thanked her colleagues for their keen attention to these important matters and the energy and water utilities for their presentations. She outlined the next steps, which include the board submitting their recommendation letter, the utilities following by submitting Advice Letters, and then opportunity for comment on the letters.

Board Member Castaneda expressed his appreciation to the state of California for leading the nation on these topics.

Board Member Lim thanked the board for their thoughtful comments on the utility transition plans and thanked the ESA contractors and service providers for working throughout the pandemic.

Board Chair Delgado-Olson thanked everyone for their hard work and participation in today's meeting.

The meeting adjourned at approximately 4:00 PM.

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