

# Recommendations Pursuant to Resolution M-4849 and Related Matters

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California Public  
Utilities Commission

# LIQB Recommendations

1. Extreme Climate Protections
2. Increase CARE Subsidies for the Most Vulnerable to 50% as part of AMP
3. CARE Data Sharing for Water Utilities
4. Marketing and Outreach
5. Define and Measure Success
6. Aliso Canyon Best Practices
7. Coordination with LIHEAP
8. Referral to Weatherization and Other Programs as Part of AMP

# Recommendation #1: Extreme Climate Protections

## LIOB Recommendation

- a) The LIOB recommends that all transition plans include a 7-day or 168 hour-look-ahead period, where if temperatures are forecasted to be above 100 degrees or below 32 degrees, the household shall not be disconnected. The LIOB requests this to be in effect through December 31, 2021.
- b) The LIOB also requests the Commission to pursue all other appropriate procedural avenues to make this best practice a permanent policy thereafter.
- c) While not within the scope of the Resolution, the LIOB asks the Commission to work with the utilities to develop an “emergency restoration policy,” that would temporarily restore service to any household already disconnected when an extreme climate event is predicted in the immediate future.

*\*These recommendations above are made with the assumption that restoring and/or maintaining power would not conflict with a Public Safety Power Shutoff scenario.*

# Recommendation #1: Extreme Climate Protections

## Response in Utility Transition Plans

- Not adopted at this time.
- **Current rule:** 72-hour look-ahead was established in Disconnections Rulemaking pursuant to D.18-12-013 (temporary basis) and D.20-06-003 (permanent basis).
- **Current proceeding status:**
  - Percentage of Income Payment Plan Pilots Phase, followed by “Phase I-A” (Small and Multi-Jurisdictional Utilities)
  - Phase 1-A is currently scoped to include “other safety issues which the Commission should consider in Phase 1-A”
  - Phase II scope will include more fundamental reforms and could include this “emergency restoration policy” concept, but would require a modification to existing 72-hour rule set forth in D.20-06-003.

# **Recommendation #2:** Increase CARE Subsidies for the Most Vulnerable to 50% as part of AMP

## **LIOB Recommendation**

- a) The LIOB recommends that the Commission instruct utilities to include CARE discounts of up to 50% for households at the highest risk of disconnection as part of their transition plans or other appropriate process.
  - This recommendation is only for households believed to be at high risk of a future disconnection absent of this measure.

# **Recommendation #2:** Increase CARE Subsidies for the Most Vulnerable to 50% as part of AMP

## **Response in utility transition plans**

- California Assembly Bill 327 and P.U. Code section 739.1(c)(1) states the effective CARE discount shall not be less than 30% and more than 35% of the revenues that would have been produced by non-CARE customers.
- Changes in the CARE discount can be addressed in the Commission's Income-qualified Proceeding, A.19-11-003.

# **Recommendation #2:** Increase CARE Subsidies for the Most Vulnerable to 50% as part of AMP

## **R.12-06-013: Commission's Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities' Residential Rate Structures, the Transition to Time Varying and Dynamic Rates, and Other Statutory Obligations**

- **D.19-09-004:** The Commission explored the idea of an increased discount or tiered CARE discount in the Residential Rate Reform proceeding and declined to adopt the proposals because “increasing the discount for a subset of CARE customers necessarily results in reducing the CARE discount for another subset of CARE customers.”

# Recommendation #3: CARE Data Sharing for Water Utilities

## LIOB Recommendation

- a) The LIOB recommends that the Commission instruct electricity and gas utilities to share their CARE data with Class A and Class B Water Utilities at intervals of no less than a quarterly basis as part of their transition plans.
- b) The Board further encourages the Commission to pursue all avenues to make this practice a permanent policy to ensure low-income households have access to all programs that may reduce their utility costs. This includes allowing utilities the resources to build the necessary systems for implementation and management.

# Recommendation #3: CARE Data Sharing for Water Utilities

## Response in utility transition plans

- (3a) Utilities support the intent of this recommendation, but note that increasing the frequency of data exchanges may not be feasible or practical for all water utilities.
- (3b) A permanent increase in the frequency of data sharing between water and energy utilities should be discussed under the Commission's Low Income Water Proceeding R.17-060-024.

# Recommendation #4: Marketing and Outreach

## LIOB Recommendation

- a) **The Board recommends the Commission to direct IOU transition plans to require separate and distinct marketing, education, and outreach (ME&O) plans for targeting hard-to-reach customers**, including those residing on tribal lands and within communities designated as low-income, disadvantaged, and/or underserved. Plans should disclose geographical detail to identify the areas the specific targeted ME&O plans will encompass.
- b) **The Board recommends the Commission extend flexibility for IOUs to increase ME&O budgets by 50% for the transition period**, to ensure they are adequately scaled and incorporate the needed enhancements to effectively serve hard-to-reach customers and underserved communities. In extending this flexibility, the Commission shall require IOUs to identify financial and contractual resources extended to human services agencies and community-based organizations specifically targeting and serving hard-to-reach customers and underserved communities.
- c) **The Board recommends the Commission direct IOUs to develop reporting mechanisms to track expenditures and outcome results** from partnerships with community-based organizations and human services agencies specifically targeting hard-to-reach customers and underserved communities.

# Recommendation #4: Marketing and Outreach

## Response in utility transition plans

- (4a) Utilities did not accept recommendation for separate and distinct marketing, education, and outreach plans for hard-to-reach customers, however PG&E and SDG&E noted their outreach plans include hard-to-reach customer groups.
- (4b) Utilities did not anticipate needing more funds than already allocated for ME&O and Commission did not need to extend flexibility to increase budget since large IOUs track costs in their COVID-19 Pandemic Protections Memorandum Accounts (CPPMA).

# Recommendation #4: Marketing and Outreach

## OIR to Address Energy Utility Customer Bill Debt Accumulated During the COVID-19 Pandemic

R.21-02-014: Mailed May 24, comments due June 13

- **(4b, 4c) Working together with IOUs, Energy Division staff will create a map of CBOs in each energy utility service area.** This map will provide a structure to identify gaps to fill or barriers to overcome.
  - The map will display the geographic reach of each CBO, identify the functions that each CBO currently performs, and the communities to whom they offer service.
  - On the map or in a companion report there should be listings of the functions each CBO performs, the communities with which they engage, and compensation structure, if any.
  - At a minimum, communities should be specifically labeled as DACs, ESJs, hard-to-reach, Small Business, tribes, or access and functional needs.
- **Energy utilities will submit a jointly developed template to the Energy Division within 60 days of the issuance of this decision.** Energy Division will work cooperatively with the energy utilities to finalize the template, populate the map and companion report, and present it at a future LIOB meeting for additional refinement.

# Recommendation #5: Define and Measure Success

## LIOB Recommendation

- a) **The LIOB recommends the Commission direct utilities to provide no less than quarterly reports to the LIOB that at a minimum provide the following information as part of their transition plans:**
- What number and percentage of disconnections were households enrolled in AMP?
  - What number and percentage of disconnections were households enrolled in CARE where applicable?
  - What number and percentage of disconnections were households enrolled in CARE and AMP?
  - What number and percentage of disconnections were households that received assistance from the LIHEAP program?
  - What percentage and number of households enrolled in AMP were referred to the following programs:
    - ESA
    - LIWP
    - LIHEAP
    - Other Programs
  - What were the median and average lengths of disconnections?
  - What were the median and average arrearage amount and time past due from a disconnection?
- b) **The LIOB further recommends the Commission to direct all utilities to include their definition of success in their transition plans so this can be measured with the data presented in answering the above. If possible the Board requests utilities coordinate their definition of success to ensure uniformity in outcome evaluation.**

# Recommendation #5: Define and Measure Success

## Response in utility transition plans

- (5b) Success means keeping customers connected and helping impacted customers enroll in assistance programs.
- To measure success and set up a baseline, the IOUs will report number of customers enrolled in Arrearage Management Program (AMP) and 12-month payment plans during the customer protections (March 2020 to June 2021).
- The large IOUs jointly developed a standardized reporting template and will start reporting in the July 20 Disconnection Monthly Reports. The reporting period will last one year and end in June 2022.

# Recommendation #5: Define and Measure Success

- **(5a) Reporting metrics**

- Monthly reporting metrics include:

- Number of customers enrolled in Arrearage Management Program (AMP) during protections period and remain on the programs after protections end.
- Number of customers enrolled in 12-month payment plans during protections period and remain on the programs after protections end.
- Number of customers requested and completed CARE and FERA post-enrollment verification.
- Number of new payment plans
- Number of completed payment plans
- Number of broken payment plans
- Number of customers enrolled in AMP
- Number of customers were removed from AMP and receive disconnections within 6 months

- Disconnections and arrearage amounts are reported in Disconnections Monthly Reports.

- SMJUs proposed different metrics, but in general will report number of payment plans, total arrears, and number of customers enrolled in low-income programs (e.g. CARE, ESA, and LIHEAP).

# Recommendation #6: Aliso Canyon Best Practices

## LIOB Recommendation

- a) The LIOB recommends that the Commission direct the IOUs to enhance Energy Savings Assistance (ESA) with emergency energy cost reductions measures that ensure a minimum of 10% savings to low-income ratepayer bills as part of their transition plans or other appropriate process.

# Recommendation #6: Aliso Canyon Best Practices

## Response in utility transition plans

- Changes in the Energy Savings Assistance (ESA) program should be discussed under the Commission's income-qualified proceeding A.19-11-003
- Current approved ESA measures, that address energy savings, health, comfort and safety, cannot ensure a minimum of 10% savings to low-income ratepayer bills.

# Recommendation #6: Aliso Canyon Best Practices

## Energy Savings Assistance Program - Pilot Plus & Pilot Deep Program (2021-2026 Program Cycle)

- Approves \$104 million (4% of IOUs originally proposed budget) for a pilot to test the feasibility of deeper energy savings, including electrification measures
  - Plus package – achieve up to **15% energy savings per household**
  - Deep package – achieve up to **50% energy savings per household**
- Plus package will target households who are a part of multiple customer segments (for example, Medical Baseline, at risk for disconnection, and live in a Wildfire Zone) and whose needs are not met by the IOUs' proposed programs.
- Deep package will target the neediest households (the above customer segments as well as high use, hot climate zone, etc.).

# Recommendation #6: Aliso Canyon Best Practices

## Energy Savings Assistance Program - Pilot Plus & Pilot Deep Program (2021-2026)

- Target customers: the neediest and those with highest opportunity to achieve the specified percent savings per household.
  - Customers that have been identified as being in multiple need states or meet Demographic, Financial, Geographic, or Health criteria. For example, customers who are high usage and medical baseline, and may also be a part of other, multiple need states be prioritized over customers who are only high usage.
  - Customers who have already received the IOUs' basic ESA package, and based on the initial home assessment, will benefit from ESA services beyond what the IOUs can provide in their standard program offerings.
  - New or previously unwilling customers who have not received the IOUs' basic ESA package but have needs beyond what the IOUs can provide in their standard program offerings.
- Pilot Workshop to be held by October 1, 2021. Workshop will introduce the IOUs' preliminary implementation plans for the Pilot Deep and Pilot Plus measure packages and seek stakeholder feedback.
- Following workshop, IOUs will file Tier 2 advice letters detailing Pilot implementation. Implementation of Pilot Plus & Pilot Deep programs by Q3 2022.

# Recommendation #7: Coordination with LIHEAP

## LIQB Recommendation

- a) The Board recommends the Commission direct IOUs to establish data sharing agreements between Local Service Providers (LSPs), CSD, and IOUs to effectively target LIHEAP assistance to at-risk customers (i.e. customers at-risk of losing services due to nonpayment) as part of their transition plans.
  
- b) The Board recommends the Commission direct IOUs to explore opportunities for and fund joint program enrollment pilots with LSPs to facilitate enrollment of at-risk low-income IOU customers in LIHEAP and IOU CARE Medical Baseline, Percentage of Income Payment Plans (PIPP), and the Arrearage Management Program (AMP) using a single streamlined intake process as part of their transition plans. CSD, working together with selected LSPs, would participate in the development and administration of such pilots.

## Recommendation #7: Coordination with LIHEAP

- As part of D.20-06-003, utilities have launched data-sharing portals with CSD and LIHEAP Local Service Providers.
- Anticipated state budget allocation for utility arrears will necessitate CPUC-CSD coordination, including targeting funds to highest risk customers.
  - Phase II of COVID Arrears proceeding (R.21-02-014) will explore opportunities for targeting assistance.
- PIPP pilot development underway in Disconnections proceeding (R.18-07-005), anticipated to include dual enrollment in AMP and PIPP, can explore other opportunities for leveraging multiple programs.
- Different eligibility criteria for programs may make single intake process challenging.

# Recommendation #8: Referral to Weatherization and Other Programs as Part of AMP

## LIOB Recommendation

- a) The LIOB recommends that the Commission direct IOUs to include a referral to ESA, LIWP, and other weatherization programs in the AMP enrollment process, as part of their transition plans.
- b) The LIOB recommends that the Commission direct IOUs to work closely with SOMAH, LIWP, CARE and ESA service providers, CBOs and community stakeholders, to construct enrollment best practices with improved outreach, program eligibility and tailored household energy assessments to better target ratepayer investments that enhance energy savings and reduce energy burden.

# Recommendation #8: Referral to Weatherization and Other Programs as Part of AMP

- (8a) Utilities generally indicated they are supportive of this recommendation and already refer customers to ESA when eligible
  - PG&E specifically indicated this is a part of its standard AMP enrollment process
  - Other utilities did not identify specific barriers to implementing this recommendation and indicated they would explore
- (8b) ESA/CARE PD directs large IOUs to hold a workshop with other low income and/or clean energy program administrators (at a minimum to include ESA, CARE, FERA, SGIP, SOMAH, Arrearage Management Plan (AMP), Percentage of Income Payment Plan (PIPP), CSD low income assistance programs, DAC programs) within 120 days after approval of decision.
  - The purpose of the workshop is to discuss how the various program administrators can better align customer eligibility for the programs, increase referrals and enrollment across multiple programs, and increase coordination efforts.

**Questions?**



# APPENDIX



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# Recommendation #5: Define and Measure Success

- The IOUs reporting template – customer retention

Customer Retention - Post June 30, 2021							
Program	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CARE Post-Enrollment Verification Rate <sup>1</sup>		50%					
Total PEV Requests		10					
Total PEV Approved		5					
FERA Post-Enrollment Verification Rate <sup>2</sup>		50%					
Total PEV Requests		4					
Total PEV Approved		2					
Number Remaining on AMP <sup>3</sup>							
Number Remaining on 12-Month Pay Plans (Residential) <sup>4</sup>							
Number Remaining on 12-Month Pay Plans (Small Business) <sup>5</sup>							
<sup>1</sup> xx customers enrolled in CARE during protections period (3/16/20 to 6/30/21). Number of enrolled CARE customers (i.e. master metered customers counted as multiple customers)							
<sup>2</sup> xx customers enrolled in FERA during protections period (3/16/20 to 6/30/21).							
<sup>3</sup> xx customers enrolled in AMP during protections period (3/16/20 to 6/30/21).							
<sup>4</sup> xx customers enrolled in 12-Month Pay Plans (Residential) during protections period (3/16/20 to 6/30/21).							
<sup>5</sup> xx customers enrolled in 12-Month Pay Plans (Small Business) during protections period (3/16/20 to 6/30/21).							

# Recommendation #5: Define and Measure Success

- Residential customers payment plans

New Payment Program Enrollments - Impacted Customers <sup>6</sup>							
Bill Payment Assistance Programs							
Program	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LIHEAP							
REACH/EAF/GAF/N2N							
Residential Payment Plans							
New Enrollments	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total New Enrollments</b>							
Completed	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total Kept</b>							
Broken	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total Broken</b>							

# Recommendation #5: Define and Measure Success

- Small business payment plans

Small Business Payment Plans							
<b>Active Payment Plans</b>	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total New Enrollments</b>							
<b>New Enrollments</b>	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total New Enrollments</b>							
<b>Completed</b>	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total Kept</b>							
<b>Broken</b>	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1-3 Months							
4-6 Months							
7-9 Months							
10-12 Months							
>12 Months							
<b>Total Broken</b>							

# Recommendation #5: Define and Measure Success

- Arrearage Management Plan

Arrearage Management Plan <sup>7</sup>							
Program	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Incremental Monthly Enrollment	25	25					
Total AMP Enrollment as of End of Month	100	120					
Customer Completed AMP	5	5					
Customer Voluntarily Opt-Out / Account Closure	0	0					
Customer Removed Involuntarily from AMP	10	0					
Customers Removed Involuntarily from AMP Disconnected <sup>8</sup>							
Percentage of Customers Removed Involuntarily Disconnected <sup>9</sup>							
<sup>7</sup> Customers removed from AMP before completing the program, due to not meeting program requirements.							
<sup>8</sup> Customers disconnected within six months of AMP removal.							
<sup>9</sup> Percentage of customers removed from AMP that have been disconnected.							