

Draft meeting notes

Thursday March 24, 10:00 AM – 3:30 PM

Webex Virtual Meeting

Board Member Attendance:

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

Absent: None

Meeting Recording: <https://www.adminmonitor.com/ca/cpuc/other/202203242/>

1. Welcome and Introductions/ Board Member Transitions & Introductions

Board Chair Delgado-Olson opened the meeting of the Low Income Oversight Board (LIOB) at approximately 10:00 AM. Chair Delgado-Olson announced that agenda items 1 and 3 would be combined into a single item. Commissioner Shiroma followed by providing an introduction and opening remarks, which included an announcement of the departure of Board Members Jeff Linam and Jessica Lim. Board Member Linam served as the water utility representative to the LIOB for three terms, beginning in 2016. Commissioner Shiroma also welcomed Valarie Hernandez as the new representative from Southern California Edison (SCE), to serve the remainder of SCE's two-year term.

Board Member introductions and acknowledgements of the service of Jessica Lim and Jeff Linam followed. Board Member Linam noted the accomplishments of state of California during his tenure on the LIOB in regards to water and thanked the board for the opportunity to serve.

2. Approval of the December 15, 2021 Meeting Minutes – Action Item

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

3. Board Member Transitions & Introductions

Included in agenda item 1.

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

Gillian Weaver 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. Commissioner Shiroma also 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. These nominations were seconded by Board Member Medina. The election of Benito Delgado-Olson to LIOB Chair and Maria Stamas to Vice-Chair was passed unanimously by the board.

5. Public Comment

Nicole Milner of Eco Services provided comment. Ms. Milner shared concerns over Energy Savings Assistance (ESA) contractor layoffs, rising costs and inflation, and transition between program cycles. Ms. Milner expressed the contractors' need of help from the utilities.

James Hinson of Staples Energy provided comment and spoke to the challenges of the current situation, the pandemic, and rising costs. Mr. Hinson commented that it is important to evaluate how to support the contractor network so they can best serve communities in need.

Greg Belanksy of Pacific and West Coast Energy provided comment and reiterated Ms. Milner's comments on challenges, costs, and pandemic effects. On behalf of the contractor network, Mr. Belanksy asked for help from the LIOB with working with the utilities moving forward into the new program cycle.

Anna Solorio of Community Housing Opportunities Corporation (CHOC) provided comment and reiterated previously stated contractor concerns. Ms. Solorio noted that the ESA contractor network is made up of small businesses, many of which are women and minority owned businesses. Ms. Solorio commented on the difficult times, but emphasized the network's commitment to serving customers in need. Ms. Solorio asked for assistance in making contractor voices heard to the utilities.

There were no Spanish commenters on the Spanish Verizon phone line at this time.

6. Comment from Community Based Organizations & Special Presentations

Vice-Chair Maria Stamas introduced Becky Schaaf and Alison Seel from Vermont Energy Investment Corporation (VEIC). VEIC is the administrator for the TECH Clean California Program and Ms. Seel presented to the LIOB on the program's quick start grant program.

Board Member Wimbley asked how to couple electrification with some of the other needs that exist in low income housing. For example, if there is a strategy to combine the program offerings with energy efficiency upgrades in order to provide a more enhanced retrofit. Ms. Seel noted this idea.

Board Chair Delgado-Olson asked how the program was determining what underserved geographies were. Ms. Seel answered that question is something VEIC would like feedback from the Board on.

Board Member Medina answered the question of underserved communities and said that school communities and small communities/ unincorporated areas should be targeted. Board

Member Medina shared that unincorporated areas are managed at the county level and often don't receive the full range of assistance programs. Board Member Medina also commented that small businesses and mobile home parks are underserved communities. Ms. Seel thanked Board Member Medina for these ideas and noted that one constraint to eligible communities is that it is only a program for residences.

Board Member Wimbley asked about whether the purpose of the grants was market transformation or customer assistance. Ms. Seel answered that both are goals of the grant program, however the primary goal is to change the market which will then help customers. The intent of the program is to test innovative ideas that could be then launched statewide. Board Member Wimbley noted that these technologies, such as heat pumps, are expensive for low income customers. He recommended a possible underserved community be areas where there is high energy burden.

Commissioner Shiroma asked about publicizing this grant solicitation and whether there is guidance on the projects TECH is looking for. Ms. Seel answered that the application information will be sent out on their list serve and noted the idea to include examples of previous approved projects to help applicants in responding to the grant.

Board Member Irwin asked if this grant would only apply to replacement water heaters or to new construction as well. Ms Seel responded that it can be used for both, but is targeted more for replacement.

Vice-Chair Stamas then introduced Mark Hall from Revalue.io, an Oakland based energy efficiency project developer. Mr. Hall presented on his organization and their current work.

Commissioner Shiroma noted the "no wrong door model" for Revalue.io and asked if the organization served as a clearing house for all the available grant opportunities related to energy efficiency. Mr. Hall answered affirmatively and noted the cooperation with the Green and Healthy Homes Initiative. Revalue.io evaluates customer needs to see which programs they may be eligible for.

Board Chair Delgado-Olson commented on the quality of low income housing, especially in Oakland, and the costs of addressing structural issues. He asked if any of Revalue.io's partners are identifying this issue. Mr. Hall answered that it is definitely a concern and are leveraging forgivable loan type programs to help with structural and foundational issues specifically.

Board Member Medina appreciated the "no wrong door model" and asked about the diversity of the service area. Mr. Hall responded that most of the contractors are minority owned, but with an English language preference. Revalue.io is looking to expand in language communities other than English.

Board Member Watts expressed appreciation for the model and emphasis on workforce development, which is very important given the current workforce challenges. Mr. Hall thanked

Member Watts for her comments and acknowledged the opportunity to work with TECH Clean California and Pacific Gas & Electric (PG&E) on training.

Board Member Wimbley asked about the all the Revalue.io model which includes information on all the resources a low income customer could access to do home improvement, and what the challenges of that process are. Mr. Hall answered that once they have a customer, they discuss their home issues and how to address those through multiple programs. The process can be tedious and with learning opportunities, for both customers and contractors.

7. A CPUC Standing Reports – Legislative Update

An update on legislation relevant to low income customers was provided by the CPUC Office of Governmental Affairs (OGA) to the LIOB in advance of the meeting. OGA staff were not present in the meeting.

Board Member Castaneda noted Senate Bill 1208 (Hueso) - Public Utilities Commission: commission-approved low-income customer assistance programs: universal application process. Board Member Castaneda shared that the draft bill language is very recent and yet to be fully reviewed, however, this effort should not result in a loss of capacity for outreach and enrollment for community based organizations (CBOs) to provide application assistance to customers.

Board Chair Delgado-Olson explained to the Board that some of these bills have just come out with language and don't yet have analysis or committee review. The Chair recommended a legislative subcommittee once more analysis is available. In regards to SB1208, it does align with the goals of the LIOB Technical Advisory Committee (TAC), but he hopes that this bill would work in tangent with the preexisting Universal Application System (UAS) working group. Additionally, whatever application system is developed as a result of SB1208 or the UAS working group should also be harmonious with the California Statewide Automated Welfare System (CalSAWS) system for social service programs.

Board Member Wimbley also commented that SB1208 is a good idea, but some customers may have challenges in applying for these programs on their own and may need assistance in enrolling. Member Wimbley expressed that an application system should work with CBOs and intake organizations.

Board Member Medina agreed with the statements made by other Board Members on SB1208. Board Member Medina noted that while technology can be an efficient tool, it also opens customers to potential for scams or misuse of customer information. Board Member Medina also asked the Board to consider Senate Bill 1213 (Hueso) - Public Utilities Commission and State Energy Resources Conservation and Development Commission: public outreach: community-based organizations. Board Member Medina asked if the LIOB or CPUC already has a list of community based organizations.

Commissioner Shiroma noted that many customers in need don't have the technological means to fill out applications online and will need assistance from CBOs. The Commissioner also shared that there is a proceeding open to create a list and mapping tool for CBOs - Order Instituting Rulemaking (OIR) 21-02-014 to Address Energy Utility Customer Bill Debt Accumulated During the COVID-19 Pandemic.

Board Member Castaneda stated that creating a list of these organizations is a very worthy effort and it should include all service providers, such as ESA providers and CARE capitation agencies. By creating this tool, the CPUC and LIOB can identify where there are strong areas of support for customers and where there are gaps.

7. B CPUC Standing Reports – Energy Division Update

Kapil Kulkarni, of the CPUC Energy Division, provided updates on the large IOUs ESA/CARE/FERA program cycle, Small and Multi-Jurisdictional Utilities (SMJUs), and the Low Income Needs Assessment (LINA).

Board Member Castaneda expressed concerns with the solicitation schedule and the convergence of dates and requirements across multiple investor owned utilities (IOU). He expressed that there is an opportunity for better communication on the solicitation process. Board Chair Delgado-Olson responded that there should be a Low Income Energy Assistance Programs (LIEAP) subcommittee meeting on this topic in the near future.

Board Vice-Chair Stamas reiterated the contractor concerns from this morning and asked if there was a mechanism to address the rising material costs for the ESA program. Mr. Kulkarni answered that this a good point in time for this issue to be addressed, as the contractors are currently negotiating contracts and applying for new ones. Contractors should address with the IOUs directly through solicitation.

Board Vice-Chair Asked if there were funds available for workforce training. Mr. Kulkarni answered that some funding is available. Most of the workforce training funding comes from main energy efficiency programs and the low income decision directed the IOUs to make these available to ESA contractors as well.

Board Vice-Chair Stamas asked when the next version of the LINA (2023-2026) is going to be scoped. M. Kulkarni answered that the scoping for the next LINA will start as soon as the current report is completed in December 2022.

Board Member Castaneda commented on the amendment to the budget to help avoid substantial workforce layoffs. He opined that the LIOB needs to address the dramatic rising cost of inflation, availability of workforce training, and connection between this board and the Affordability proceeding. Board Member Castaneda recommended that these topics be addressed at a subcommittee meeting.

Board Member Medina asked for more information on the data collection methods used in the LINA, especially for phone surveys and asked for the report to consider the best practices from the Community Help and Awareness of Natural Gas and Electric Services (CHANGES) program. Board Member Medina emphasized the need to build trust in low income communities.

Board Member Wimbley commented that this is the second quarterly meeting that contractors have asked for assistance in meeting rising costs and this topic should be prioritized at upcoming subcommittee meeting. Board Member Wimbley also acknowledged the need for workforce transformation to meet the new ESA program design and should be addressed quickly. Board Members Castaneda and Watts concurred with the prioritization of these issues.

7. C CPUC Standing Reports – Water Division Update

Viet “Kevin” Trương of the CPUC Water Division provided an update on current Customer Assistance Program (CAP), Enrollment Bill Arrearage Assistance, and the Disconnection Moratorium. Mr. Trương also acknowledged Board Member Linam’s service on the LIOB.

Board Chair Delgado-Olson asked if there was an update on the Low-Income Household Water Assistance Program (LIHWAP). Board Member Wimbley was able to provide a brief update on LIHWAP from the California Department of Community Services and Development (CSD): implementation efforts are underway and they are finalizing program guidelines. Board Member Wimbley shared that contracts will be sent out late march and the program will be able to begin in April. Additionally, CSD is enrolling water utilities in a direct payment program so that they can distribute customer assistance in compliance with federal guidelines.

Board Member Linam acknowledged that the arrearage program managed by the State Water Resources Control Board (SWRCB) was impressive in working rather quickly to distribute funds for customers. Board Member Linam also noted that there are protections from pre-pandemic that will continue to help customers.

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

8. Public Purpose Programs Surcharge - Joint Investor Owned Utilities

Board Chair Delgado-Olson reconvened the Board at approximately 1:20 PM.

Board Chair Delgado-Olson then opened the next agenda item by sharing that he asked for this presentation specifically in response to reports in the media that tied the public purpose programs (PPP) surcharge to rate increases. The Chair thought it would be a good opportunity to educate the LIOB and the public on how the charge works, and how much it affects rate increases. Each utility was requested to answer the following questions: What does the surcharge for public purpose programs cover (CARE, ESA, FERA, etc.)?; Where is this on their bill?; How much has the average bill gone up from November of 2021 to January of 2022? and; How much of this was attributed to public purpose programs by category (CARE, ESA, etc.)?

Marjorie Schmidt-Pines from Southern California Gas (SoCalGas) presented on SoCalGas and San Diego Gas & Electric's (SDG&E) gas PPP surcharge.

Commissioner Shiroma asked why the percent bill increase was larger for CARE customers rather than non-CARE customers. Ms. Schmidt-Pines answered that it is because the average CARE bill is much lower so a rate increase affects them more. Additionally, the baseline volumes and ratios are different on the sample bills used in the presentation.

Jeff Stein from SDG&E presented on their electric rate PPP surcharge.

Commissioner Shiroma asked for clarification on the breakdown on the CARE portion of the surcharge compared to other programs. Mr. Stein shared an approximate answer that CARE makes up around half of the amount of the total PPP surcharge.

Board Chair Delgado-Olson shared that the request for this presentation was driven by recent media reports, especially in the SDG&E area. A proposed solution for these rate increases as a result from PPP increases would be a different funding mechanism, such as a general fund allocation rather than bill surcharge. Board Chair Delgado-Olson asked for confirmation however that the PPP surcharge increases have resulted in ~\$1 per customer bill increase, and the rest of the bill increases came from elsewhere. Mr. Stein confirmed.

Board Member Castaneda asked if CARE customers pay for the market rate energy efficiency programs. Mr. Stein was unable to answer that question for certain.

Commissioner Shiroma asked why the CARE customer was paying more on the sample bill. Mr. Stein said that the discount was not reflected on the slide and that they would be paying less with the discount.

Shue Cheng from SCE presented on their PPP surcharge.

Commissioner Shiroma asked what contributed to the rate decrease. Ms. Cheng answered the decrease was affected by the rate schedule as well as a return of a previous year of over collection.

Board Member Medina asked if these bills will change to reflect Time of Use (TOU) billing. Ms. Cheng answered that TOU bills would look different and this sample bill reflects standard charges.

Commissioner Shiroma asked if the kilowatt usage was similar between the sample CARE and non-CARE customers. Ms. Cheng responded that the CARE usage in this example was slightly lower and that the PPP surcharge is a flat rate.

Board Member Wimbley asked if costs for the Arrearage Management Plan (AMP) and Percentage of Income Payment Plans (PIPP) were collected from the PPP surcharge. Ms. Cheng answered that she would have to check and provide an answer later.

Sharon Pierson of Pacific Gas & Electric (PG&E) presented on their PPP surcharge. Commissioner Shiroma asked about the costs of the PPP surcharge being tied largely to CARE increases, and Ms. Pierson clarified that there has been an increase in enrollment. CARE makes up ~60% of the PPP. Board Chair Delgado-Olson commented that the data does not show much each bill went up as a result of CARE enrollment. Ms. Pierson agreed that the presentation does not include what the segmentation of the PPP per utility is so it hard to see the program specific drivers of the increase.

Board Member Castaneda asked about the ESA unspent funds. Ms. Pierson clarified that there were returned unspent funds in 2021 via a lower rate of collections. Board Member Castaneda expressed interest in the way balancing accounts worked and that remarked that it is important to know how these programs are funded by rates.

Board Member Wimbley asked what impact uncollected rates will have on program funding in the future. Ms. Pierson answered that it would depend on the specific program, but that the forecasted uncollected is unique to the pandemic and is not similar to previous forecasts of uncollected rates. Board Member Wimbley followed by asking whether the California Arrearage Payment Program (CAPP) will provide a benefit to customer rates by reducing the amount of total uncollected rates. Ms. Pierson responded that any funds received through CAPP will offset this uncollected balance.

Board Member Medina asked about the usage of the bills provided as samples and whether the usages in these samples were an average. Ms. Pierson responded that approximately these are averages for electric and gas usage for service territory, but these are a broad average across the entire service territory. Board Member Medina suggested a similar presentation be given to the LIOB in the future on TOU rates.

Chair Delgado-Olson proposed to reflect on this information and place it on the agenda at a future subcommittee meeting. The Chair closed this agenda item with remarks on how enrollment in public programs is not the most significant driver of rate increases, as reflected in the data in the presentation.

8. Joint Investor-Owned Utilities Status Reports

Board Member Hernandez provided an introduction on the IOU presentations on the CARE and ESA Programs, Unspent Funds for Energy Savings Assistance Program, COVID-19 Impacts: PSPS, and Disconnections and Arrearage Management Plans. Presentations were provided to the LIOB in advance of the meeting. Staff from PG&E, SCE, SDG&E, and SoCalGas were available to answer questions.

Commissioner Shiroma highlighted the energy savings and that low income customers are contributing to lowering greenhouse gas emissions.

Board Member Medina asked if the data from the last census is revealing anything about low income communities. Board Member Medina also asked about the newly enrolled CARE

customers and what the actual value is for new customers. Mary O'Drain of PG&E explained that part of the eligible customers includes the estimated eligible and that some of the percent of "over" penetration is due to no verification of eligibility during the pandemic.

Commissioner Shiroma commented that while in 2021 all of the utilities underspent the budget they were allotted, enrolled customers increased, which resulted in a modest bill increase for all customers. SCE responded that part of the underspend was due the stop in certain administrative activities, such as verification, during the pandemic. SCE also shared that the subsidy given to customers almost doubled during the pandemic period.

Eugene Ayuyao of SCE presented in more detail on the ESA solicitation schedule.

Board Member Medina asked if ESA solicitations were limited to California state contractors or if out-of-state bidders were allowed. SCE answered that they do require a business to be located in California.

Hollie Bierman of SDG&E provided an update on a SDG&E recertification backlog in CARE, Family Electric Rate Assistance (FERA) and Medical Baseline (MBL) processing due to customer service platform conversion issues.

Chair Benito Delgado-Olson thanked SDG&E for the information and asked for an update on the issue be provided at the next quarterly meeting.

Commissioner Shiroma asked how the CAPP assistance funds may be able to help customers on AMP or that have been recently been removed from AMP. SCE answered that many customers do fall off the program due to being unable to make the payment plans, but then they are enrolled in a longer payment plan. SCE is also increasing marketing and outreach on the program. Commissioner Shiroma expressed in interest in seeing if the CAPP assistance will help customers stay on AMP.

Board Member Wimbley asked if the CPUC is tracking data on customer behavior in regards to AMP and how long customers participate in the program on average (i.e.; 1 month, 6 month). This data could inform adaptations made to the program to help customers stay on for the full 12-month period. Board Chair Delgado-Olson suggested this topic for a future subcommittee meeting.

Board Member Castaneda shared information on ESA services provided by SDG&E to the Our Lady of Guadalupe Church in the Barrio Logan neighborhood in San Diego. Board Member Castaneda expressed gratitude for this work in helping the residents of this historic building.

9. Coordination Report on Low Income Weatherization Program (LIWP) & California Arrearage Payment Program (CAPP)

Board Member Wimbley provided an update on CAPP. CSD has approved forty-four funding requests from investor-owned and municipal utilities for over \$900M in arrearages. The four

investor owned utilities (IOU) received \$695M in funding. All utilities received their funding at the end of January 2022 and have sixty days to disperse benefits to customers. Now that CSD completed the dispersing phase, the agency is doing follow up to confirm disbursements and outstanding arrearages. Utilities are required to report benefits within six months and then CSD will submit a report to state legislature.

10. Disadvantaged Communities Advisory Group (DACAG) Update

No update at this time.

11. Subcommittee Reports

Board Chair Delgado-Olson noted that this agenda topic was an opportunity for board members to add or remove themselves from subcommittees.

Board Chair Delgado-Olson asked to be added to the legislative subcommittee.

Board Member Hernandez asked to be added to LIEAP and legislative subcommittees.

12. Technical Advisory Committee (TAC) Updates

The Technical Advisory Committee (TAC) did not meet during this quarter.

13. Wrap Up & Closing Remarks

Board Chair Delgado-Olson closed by acknowledging Board Member Linam, former Board Member Lim, and new Board Member Hernandez.

Commissioner Shiroma shared closing remarks and noted the 20th anniversary of the LIOB. The Commissioner expressed optimism at meeting and celebrating in person. Commissioner Shiroma also gave special thanks for Board Members Castaneda and Watts for keeping the LIOB's attention on the needs of ESA contractors during the program transition. The Commissioner's remarks also mentioned the approved Emergency Load Reduction Program (ELRP), which will provide a rebate for decreased energy use during certain times, and the increasing ESA eligibility to 250% of the federal poverty guidelines on July 1, 2022.

Board Member Castaneda noted the California Energy Efficiency Coordinating Committee (CAEECC)'s work Diversity Equity and Inclusion (DEI).

Board Member Medina acknowledged the CPUC, utilities, and participants for promoting women in leadership positions, especially as March is Women's History Month. Board Member Medina asked for information at a future meeting on whether ESA unspent funds collect interest.

Board Member Watts thanked the Commissioner for her ongoing support for the low income community service provider network.

Board Chair Delgado-Olson closed the meeting by thanking the presenters, the Commissioners in attendance, the utility staff, and all other attendees.

The meeting adjourned at approximately 3:40 PM.

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