LIOB LINA Subcommittee
Proposed Research Questions for 2025 LINA

In alignment with the statutory requirement that the LINA study "consider whether existing programs adequately address low-income electricity and gas customers' energy expenditures, hardship, language needs, and economic burdens,"[1] and in light of utility rate increases amidst growing economic hardships, the Low-Income Oversight Board recommends the study scope assess the following:

1. Under current budgets, program rules and offerings, and income eligibility limits, how long would it take for existing low-income bill subsidies, energy efficiency, and distributed generation programs to reduce (1) utility energy bill burdens[2] to no more than 10, 6, or 3 percent of total income for all Californians[3], (2) completely eliminate utility bill burdens for those lowest income customers at 200% of federal poverty guidelines or below, or (3) provide adequate support to prevent utility disconnections due to nonpayment.
2. Apart from time, if current programs are not on track to achieve these energy affordability and utility shut-off thresholds, what gaps exist, whether of income eligibility, budget size, or eligible program offerings?
3. How would other eligibility criteria such as 80% of area median income (AMI), the supplemental poverty index (SPI) or raising the threshold to 250% FPL or higher in SB 535 Disadvantaged Communities impact or improve energy burden outcomes as outlined in #1?

In addition, but not in lieu of the research questions above, we would support:
1. Identifying the specific needs of medical baseline customers, especially in light of PSPS and residential building electrification, and gaps in program offerings towards meeting those needs.
2. Greater coordination of California Department of Developmental Services Regional Centers and IOUs for medical baseline enrollment and certification.
3. Assessing unique needs of high and low-usage low-income energy customers, including how they are impacted by peak and non-peak time-of-use rate structures.

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[1] California Public Utilities Code Section 382(e).
[2] We would also support an analysis that uses an equivalent target, but using the Affordability Ratio metric developed by the California Public Utilities Commission.
[3] The American Council for An Energy-Efficient Economy considers 6% a high energy burden and 10% a severe energy burden. They note: "Researchers estimate that housing costs should be no more than 30% of household income, and household energy costs should be no more than 20% of housing costs. This means that affordable household energy costs should be no more than 6% of total household income. For decades, researchers have used the thresholds of 6% as a high burden and 10% as a severe burden (APPRISE 2005). Note that high and severe energy burdens are not mutually exclusive. All severe energy burdens (> 10%) also fall into the high burden category (> 6%)."
https://www.aceee.org/sites/default/files/pdfs/u2006.pdf

Our Board understands that not all findings in this assessment would be immediately actionable under existing laws and regulations; however, given the gravity of ongoing utility shutoffs, debt, and energy insecurity, we strongly urge the Commission and study group to assess the true need–regardless of its size–so all policymakers in the state of California have the information they need to make informed decisions to make utility bills more affordable moving forward.