



Low-Income Oversight Board

April 12, 2023

The Honorable President and Commissioners
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102
Sent via Email

Subject: Low-Income Oversight Board Recommendation

Dear President Reynolds and Commissioners:

The Low-Income Oversight Board (LIOB) is pleased to recommend the California Public Utilities Commission's (CPUC) approval of a data sharing agreement between its regulated water utilities and the California Department of Community Services and Development (CSD).

The CPUC currently has a data exchange arrangement between the CPUC's regulated electric and water utilities as provided in Decision (D.) 11-05-020. The decision allows water and electric utilities to share customer data and automatically enroll customers who are enrolled in their respective income-qualified programs, the California Alternative Rates for Energy (CARE) program for electric utilities and the Customer Assistance Program (CAP) for water utilities. Customers are auto enrolled through a quarterly data match program. The CARE program qualifications are 200% of the federal poverty level and this is adjusted annually as directed by the CPUC.

This successful effort has allowed the utilities to provide discounted utility bills to its customers providing relief for those who qualify. The eight large Class A utilities, those with more than 10,000 connections, have collectively enrolled more than 300,000 customers, representing approximately 25% of all customers served, largely through the data match program with their electric peer.

Currently, additional financial assistance is available to income qualified customers with arrearages or those who may have trouble paying their current bill. The new federal Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to income-qualified Californians to help manage their residential water utility costs. Established by Congress in December 2020, this federally funded program helps income-qualified households pay down their residential water or wastewater bills.

CSD is the designated administering state agency for California's share of one-time federal grant funds. To facilitate the delivery of LIHWAP assistance throughout the state, CSD contracts with a network of community-based local service providers (LSP) to provide LIHWAP outreach, intake, and enrollment services at the local level. Tens of millions of dollars in LIHWAP assistance remain available for distribution through September 30, 2023, the end of the LIHWAP grant period. Any balance of unspent grant funds at the conclusion of the LIHWAP grant period are to revert to the federal government. As of January 2023, the Class A water utilities currently have nearly 27,000 customers with arrearages totaling \$18.3M.



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Among the challenges in delivering the LIHWAP assistance to qualified customers include reaching them and then assisting them through the intake process. To apply and receive LIHWAP assistance, water customers must obtain, complete, and submit an application with their local LSP. Applications deemed eligible by the local LSP are then processed and submitted to CSD for benefit issuance. Due to this involved application process, CSD and Class A water utilities wish to utilize data sharing strategies to provide streamlined enrollment of categorically eligible water customers. This strategy maximizes the federally allowable ability for water customers who have received Low Income Home Energy Assistance Program (LIHEAP) benefits to be automatically eligible for LIHWAP, and is essential to encouraging greater participation in LIHWAP and maximizing the expenditure of remaining LIHWAP grant funds.

To that end, the LIOB recommends streamlining the effort to enroll the qualified customers and provide quicker relief. This would allow for the direct referral of potential or eligible water customers from water utilities to local LIHWAP administrators. With the CPUC's authorization of a data sharing agreement between CSD and the water utilities, this data can be used by CSD, the LSP, and/or a third-party working under CSD to more efficiently and effectively serve income-qualified households and increase expenditure of remaining grant funds. We hope that the CPUC's authorization on this matter can serve as a model for all water utilities to share information with CSD to better serve their customers.

Should you have any questions regarding this matter, please contact me at Benito.LIOB@gmail.com or 510.569.5862.

Thank you for your attention and consideration.

Kind Regards,

[ALL MEMBERS VOTING YES]