

LIEAP March 16, 2023 Summary

Link to Agenda: <https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2023/03/2023-03-16-Low-Income-Oversight-Board-LIOB-LIEAP-Agenda-w-Attachment.pdf?emrc=8c3203>

Link to IOU Responses: <https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2023/03/2023-03-16-LIOB-LIEAP-IOU-Slides.pdf?emrc=a1f8ba>

- On March 16, 2023 the Low-Income Energy Assistance Program Subcommittee met for the purposes of reviewing the FY 2022 ESA Program. Both the Agenda and the questions from the Subcommittee to the IOUs are attached. This summary is the result of notes that the Chair took as well as highlights from the session that was recorded.
- **Southern California Edison** was the first to present their responses the subcommittee questions (IOU formal responses are attached). SCE discussed system ramp up issues and their commitment to get these interruptions addressed. Challenges mentioned included: Reduced budgets, a general shift in the way that SCE targets customers, “waitlist” and budget management, supply chain issues, and customer segmentation regarding data mining to better target customers and develop customer modeling.
- Will follow up at the full LIOB meeting on April 12, 2023.
- **Southern California Edison committed** to spend all their 2022 budget dollars (\$6.8M as of the 3/16 meeting) committed dollars) with diminishing the 2023 ESA budget.
- Castaneda informed the group that the issue of “committed” dollars would be presented to the ESA Working Group as ways and means that IOU ESA budgets can be optimized and alleviate budgeted dollars lost to both the program and the low-income populations that they serve.
- **Southern California Gas** mentioned that with the new program focusing on therm savings that many of the popular measures that customers like will not be available with the new ESA program. Such measures included enclosure measures (weatherization) are too expensive for the program given the fact that they do not provide the therm savings to warrant the cost. Also, furnace repair represents negative therm savings despite health, comfort, and safety concerns.
- **Southern California Gas** reduced the number of contractors creating SCG budgets that were unspent because contracted for budgets had to be spent by the end of the year.
- **Southern California Gas** was not able to commit budget dollars and as a result significant 2022 budget dollars were, and remain unspent.
- **Southern California Gas** is transitioning to automation of customer enrollment, home energy analysis and measure assignment. As a result of this transition vision, fewer enrollment contractor activity would be required and fewer dollars spent enrolling customers.

- **Southern California Gas** will not spend \$10M of the 2022 budget and these funds will not be carried over. Therefore, these dollars are lost to the program. **Southern California Gas** has \$25M in unspent funds with \$15M being carried over to other program activities minus the ESA main program.
- **Southern California Gas** admits that they could do a better job of shifting funds between contractors to reduce the amount of unspent funds and alleviate (in the future) dollars lost to the program.
- **Southern California Gas** went from 30 plus contractors down to 15 and that transition presented challenges resulting in budget shortfalls.
- There was comment from the Subcommittee that the **Southern California Gas** customer acquisition costs are too low. **Southern California Gas** commented that the reduced compensation was due to the altered program focus to high therm savings and not customer acquisition.
- **Southern California Gas** admitted that the weatherization measures that most customers want they cannot receive due to near zero therm savings. Furnace repair – despite extreme cold – cannot be done thru the program since there would be negative therm savings. The Chair mentioned that these issues will be brought to the attention of the ESA Working Group.
- **San Diego Gas & Electric** transitioned to a one implementer to manage their ESA Main contract/Program.
- **San Diego Gas & Electric** will have over \$8M in unspent funds from 2022 that they will not carryover as committed dollars. These are dollars that are lost to the program. **San Diego Gas & Electric** stated that they did not have the necessary systems in place and that their 2022 contracts were expiring.
- **Pacific Gas & Electric** spent all of their 2022 budget dollars. **Pacific Gas & Electric** utilized the ESA WG process to introduce and remove measures to make the program efficient from both a savings and budgetary perspective. No unspent funds.
- **Pacific Gas & Electric** is doing home analytics to better profile the customer and develop ESA program modeling.
- **Pacific Gas & Electric** stated that the only supply chain issues are with certain models of refrigerators.