SB 1208 Report

LOW INCOME OVERSIGHT BOARD REPORT TO THE LEGISLATURE

June 9, 2023

This report is prepared by the Low Income Oversight Board (LIOB) with support from California Public Utilities Commission (CPUC) staff to compile content. The LIOB is an advisory board to the CPUC on low-income electric and gas customer issues and serves as a liaison for the CPUC to low-income ratepayers and representatives. The recommendations contained herein are prepared by the LIOB and do not necessarily reflect the views of the CPUC.

Authors:

Benito Delgado-Olson, LIOB Chair

Jason Wimbley, SB 1208 Committee Co-Chair

Robert Castaneda

Lourdes Medina

John Tang

Thanks to:

LIOB Members

CPUC Staff

Contents

Executive Summary

This report from the Low Income Oversight Board (LIOB) is submitted to the State of California Legislature with recommendations on how to facilitate enrollment between low-income customer assistance programs and how the California Lifeline third-party administrator (TPA) contract can be expanded per Senate Bill (SB) 1208 (2022, Hueso). SB 1208 tasked the LIOB with submitting a report to the Legislature by June 30, 2023 "regarding the opportunity and process for expanding the third-party administrator contract used for the Universal Lifeline Telephone Service (ULTS) program, or establishing a similar new contract, to include water, gas, and electric utility service for purposes of facilitating enrollment between low-income assistance programs, minimizing privacy and data sharing concerns, and expediting eligibility verification processes."

The LIOB created an SB 1208 Subcommittee tasked with developing recommendations and drafting the report for the full board to vote for adoption. Over eight subcommittee meetings from January to June 2023, the SB 1208 Subcommittee reviewed the administrative structure of the Lifeline program, strategies to promote the co-marketing of California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Energy Savings Assistance (ESA) programs, and data sharing to facilitate streamlined enrollment in low-income utility discount program offerings of regulated energy and water utilities.

The LIOB is recommending actions and strategies to advance current enrollment systems for low income, or "income-qualified," programs across the state, with a particular focus on California Public Utilities Commission (CPUC) regulated energy, water, and telecommunications programs, organized into short- and long-term strategies. Recommendations are aimed at improving the facilitation of enrollment between income-qualified CPUC programs, including the expansion of the TPA contract for ULTS program in the following four areas.

Marketing and Outreach

<u>Short-term Strategies (one to two years)</u>

- The LIOB recommends the CPUC evaluate the existing program administration structure of the California Lifeline Program, including the scope of services and responsibilities maintained within the existing TPA contract, and identify the best way to incorporate third-party marketing and outreach services within the administrative structure of the California Lifeline Program.
- Following the expiration of the existing Lifeline TPA and CPUC's evaluation of the existing program structure of the California Lifeline Program, the CPUC should consider utilizing an appropriate procedural mechanism, to secure third-party marketing and outreach services for the California Lifeline Program. Recognizing that the scope of the existing Lifeline TPA contract focuses largely on eligibility and verification, the CPUC should consider incorporating third-party marketing and outreach services by way of expanding the existing TPA contract or creating a new contract for a stand-alone marketing and outreach provider.

- The CPUC should consider pursuing through an appropriate procedural mechanism to define, establish, and coordinate all aspects of the Lifeline contract for marketing, education, and outreach (ME&O), enrollment, verification, program execution, and management. The CPUC should consider initiating changes to the administrative structure of the program to improve oversight and integration of third-party eligibility and verification and ME&O functions within the California Life Program and ensure the proper alignment of these functions with co-marketing and co-enrollment strategies with income qualified energy and water assistance programs.
- The CPUC should consider working with the IOUs to develop focused marketing and outreach strategies specifically oriented to increasing awareness and participation in low-income utility assistance programs within customer segments considered hard-to-reach, tribal areas, undocumented immigrant populations, and other geographic areas where participation is below annual program enrollment goals established by the CPUC.
- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

<u>Long-term Strategies</u>

- The LIOB recommends the State Legislature pursue legislation that:
    - Establishes systems of reporting and monitoring to track the success of co-marketing strategy implementation and results.
    - Establishes funding mechanisms within each program to support effective co-marketing that results in the equal promoting of each program attainment of annual program enrollment goals established by the CPUC, and ensures fair share contributions from individual programs benefitting to finance co-marketing strategy development and implementation.

Program Coordination

<u>Short-term Strategies (one to two years)</u>

- Following the expiration of the existing Lifeline TPA and the CPUC's evaluation of the existing program structure of the California Lifeline Program, the CPUC shall consider an appropriate procedural mechanism, to incorporate requirements and mechanisms to achieve more expansive program coordination and deepen administrative ties across all CPUC water, gas, electric, and telephone customer assistance programs. Recognizing that the scope of the existing Lifeline TPA contract focuses largely on eligibility and verification, the CPUC should consider incorporating new program coordination responsibilities by way of expanding the existing TPA contract or creating a new contract for a stand-alone provider to perform these responsibilities.
- Using enhanced program coordination between administrators of water, energy, and telecommunications programs, implement co-marketing and coordinated enrollment strategies to simplify customer enrollment in energy, water, and telecommunication assistance programs.

Coordinated enrollment strategies shall emphasize the use of joint applications and intake systems, data sharing, and categorical enrollment to enable a customer's enrollment in multiple programs. The deployment of coordinated enrollment and co-marketing strategies shall occur with the new TPA contract for the Universal Lifeline Telephone Service program or a separate competitive procurement for an independent third-party marketing and outreach administrator.

- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

<u>Long-term Strategies</u>

- The LIOB recommends the State Legislature pursue legislation to unify state-defined eligibility requirements across all low-income utility assistance programs under the CPUC's regulatory authority and align to other public assistance programs under the jurisdiction of Health and Human Services to the greatest extent possible.

Streamlined Enrollment and Data Sharing

<u>Short-term Strategies (one to two years)</u>

- The CPUC should consider, pursuing through an appropriate procedural mechanism, establishing a legal and technology framework to facilitate the cross-system sharing of energy, water, and telecommunication customer data between utility company administrators for purposes of providing streamlined enrollment, improving program marketing and outreach, and program evaluation.
- The Universal Application System (UAS) Working Group's Recommendations Report offers a roadmap for pursuing a universal application for CARE, FERA, and ESA programs, with the ability to expand to other income-qualified programs. The CPUC should undertake efforts to evaluate the feasibility for expanding and extending use of the Concurrent Application System (CAS) platform[1] to the full suite of low-income utility assistance programs under the CPUC's regulatory authority.
- The CPUC should consider establishing categorical eligibility across all programs under the purview of SB 1208 through an appropriate procedural mechanism, and in accordance with applicable federal rules and guidelines.
- Leverage the UAS Working Group recommendations to inform the development of a technology and data sharing roadmap to guide the implementation of a single-application system for CPUC energy, water, and telecommunications customer assistance programs and identify means to leverage

[1] Section 2 of SB 1208 requires the CPUC to implement a Concurrent Application System for ESA, CARE, and FERA programs at a minimum. CPUC Decision 23-05-006 directs large IOUs to implement CAS per SB 1208 Section 2 requirements and outlines the minimum requirements for Phase I.

use of the SVH to advance the functionality of the CAS to provide expedited eligibility verification of program assistance application submissions.

- Recommend the CPUC establish a data sharing agreement with California Department of Social Services to leverage the use of non-personal identifiable information within California Statewide Automate Welfare System (CalSAWS) to perform more robust analysis of program participation rates of the CPUC income-qualified programs and identify underserved geographic areas of the state where co-marketing and program coordination efforts should target.
- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Long-term Strategies

- The LIOB recommends the State Legislature pursue legislation to:
    - Direct the CPUC and the California Office of Systems Integration (OSI) to evaluate how CalSAWS can potentially be utilized to provide a one-stop user experience that integrates application enrollment for CPUC and California Health and Human Services programs.
    - Direct the CPUC and the California Franchise Tax Board to evaluate and identify a means for utilizing tax filing records maintained by the California Franchise Tax Board to verify the income eligibility of customers applying for ESA, CARE, FERA, Lifeline, and any other CPUC-regulated low-income energy assistance program.
- Where CPUC efforts in developing the CAS platform doesn't already implement recommendations from the UAS Working Group, LIOB supports the UAS Working Group's recommendations report.

Program Evaluation and Monitoring

Short-term Strategies (one to two years)

- The CPUC should consider, pursuing through an appropriate procedural mechanism, establishing universal program evaluation using consistent metrics and data collection to measure customer participation rates in energy, water, and telephone low-income customer assistance programs and effectiveness of co-marketing and co-enrollment strategies. The evaluation should study whether investments and resources supporting tailored marketing and outreach to hard-to-reach populations, tribes, and underserved areas are on balance with CPUC determined program participation goals and whether additional resources and supports are needed to increase program participation.
- As part of the evaluation and monitoring effort, the Legislature may consider asking the CPUC to provide a comparative analysis of program participation within energy, water, and telephone low-income customer assistance programs prior to, and at specified intervals, following the

implementation of co-marketing and program coordination recommendations referenced in this report.

- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Background

Senate Bill (SB) 1208 (Senator Hueso, 2022) requires the Low Income Oversight Board (LIOB) to submit a report to the Legislature by June 30, 2023 "regarding the opportunity and process for expanding the third-party administrator contract used for the Universal Lifeline Telephone Service (ULTS) program, or establishing a similar new contract, to include water, gas, and electric utility service for purposes of facilitating enrollment between low-income assistance programs, minimizing privacy and data sharing concerns, and expediting eligibility verification processes." Additionally, the report should include a recommendation for funding the expansion of the contract or establishment of a new contract.[2]

The LIOB is an advisory board to the California Public Utilities Commission (CPUC) on low-income electric and gas customer issues and serves as a liaison for the CPUC to low-income ratepayers and representatives. The LIOB created the SB 1208 Subcommittee in December 2022, which was tasked with providing recommendations and drafting this report in accordance with SB 1208 Section 3 requirements.

Within the broader context of SB 1208 and Legislative intent (Section 1), the LIOB considered recommendations on how to better facilitate enrollment and improve application processes for low-income energy, water, and telecommunications programs through maximizing data sharing and use of technology. Additionally, Section 2 of SB 1208 requires the CPUC to create a process that allows low income customers to apply, or begin, to apply to multiple programs using data already collected, beginning with the ESA, CARE, FERA programs at a minimum. This is a separate effort led by the CPUC to create a Concurrent Application System (CAS) implemented by the electric and gas utilities.[3] Recommendations in this report will be used to help inform the expansion of the CAS platform, such as through integrating additional low income customer assistance programs and features that can help improve the application and verification processes for customers while applying to multiple programs.

In 2021, CPUC Decision (D.) 21-06-015 for the ESA, CARE, and FERA programs directed the four large Investor Owned Utilities (IOUs) to form a stakeholder working group to develop recommendations for implementing a Universal Application System (UAS) to enable low income customers to apply to multiple programs from a single platform, beginning with the ESA, CARE, and FERA programs. The UAS Working Group included membership from the LIOB and released a recommendations report on July 1, 2022. CPUC has been able to build off these recommendations to plan and implement the CAS per Section 2 of SB 1208, and LIOB was similarly able to reference UAS Working Group recommendations in the consideration and development of their own recommendations provided in this report.

---

[2] Senate Bill 1208 (2022), Section 3: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB1208

[3] CPUC Decision 23-05-006 authorized funding and provided procedural steps and timeline for Phase I implementation of CAS: https://docs.cpuc.ca.gov/SearchRes.aspx?DocFormat=ALL&DocID=509348841

I. Income-Qualified Programs

EXISTING INCOME-QUALIFIED ELECTRIC, GAS, AND WATER UTILITY CUSTOMER ASSISTANCE PROGRAMS

There are numerous existing income-qualified electric, gas, and water utility customer assistance programs available to Californians. This section provides an overview of each of those programs, including income eligibilities and existing cross-program outreach and enrollment strategies. While there is coordination between many of the income-qualified programs through marketing, outreach, and data sharing, a concurrent application process across multiple income-qualified utility programs is not yet available to help facilitate cross-program enrollment. Looking to other states for existing models may help illuminate strategies to develop a concurrent application system and lower barriers for enrollment across multiple income-qualified programs.

Existing income-qualified utility programs summarized in this section include:

- CPUC Energy and Water Programs
- Other State of California Energy and Water Programs
- Other State of California Programs with similar income qualifications
- Description of models outside State of California of working concurrent application enrollment between these three program categories

There are many additional programs that the utilities, or third parties in contract with utilities, administer to support geographic regions such as disadvantaged communities, and hard-to-reach customers. While these programs may serve customers that are income-qualified, income-qualification is not an eligibility requirement of these programs, and thus these programs are not included in this report.

CPUC Energy & Water Programs

Program Descriptions

The large IOUs provide three ratepayer-funded energy assistance programs and one ratepayer-funded water bill assistance program for qualifying low-income customers.

<u>ESA (electric and gas)</u>

The Energy Savings Assistance program (ESA) provides no-cost in-home weatherization services, energy efficiency measures, and energy education to help eligible low-income households conserve energy, reduce energy costs and improve their health, comfort, and safety. The program also provides information and education to promote energy efficient practices in low income communities. Income eligibility for ESA households is 250 percent or below the Federal Poverty Guidelines (FPG), expanded from 200 percent

FPG in July 2022.[4] To enroll in ESA, customers must verify their household income, either through providing documentation for proof of income or proof of enrollment in a program with similar income eligibility criteria (i.e., categorical eligibility).

The ESA Common Area Measures (ESA CAM) program provides no-cost energy efficiency measures in common areas (e.g., hallways, lobbies) for income qualifying deed restricted multifamily properties.

In early 2022, IOUs began identifying highly vulnerable ESA customers in multiple need states and conducted competitive ESA solicitations to garner a wider number of applicants and diversify the ESA program workforce. In 2022, the first ESA pilots were launched to achieve the aim of providing deeper energy savings at the household level.

CARE (electric and gas)

The California Alternate Rates for Energy program (CARE) offers bill discounts off electric and gas utility bills to customers at or below 200 percent of the FPG. CARE customers receive a discount of 30-35 percent off electric utility bills and 20 percent off gas utility bills. CARE is funded by non-participating CARE customers as part of a statutory "public purpose program surcharge" that appears on monthly utility bills.

CARE is administered by the utilities, often in partnership with Community Based Organizations who enroll eligible customers in their communities, and has an enrollment rate of over 100 percent.[5] CARE is a self-certification program, thus no documentation for income eligibility is required to enroll. However, IOUs have a post enrollment verification process (PEV) where customers are asked to provide documentation for proof of income or proof of enrollment in a public assistance program on the list of categorical eligibility programs.

FERA (electric)

The Family Electric Rate Assistance (FERA) program provides families of three or more, whose household income exceeds CARE income eligibility of 200 percent and up to 250 percent, with an 18 percent discount on their electricity bill.

D.21-06-015 established a 50 percent enrollment goal by 2023 and a 70 percent enrollment goal by 2026. The decision also approved FERA dedicated program management budgets and directed the utilities to create tailored marketing and outreach efforts to reach these program enrollment goals. The increase in

[4] SB 756 (2021) updated Public Utilities Code Section 739.1 for ESA income eligibility to 250% of FPG beginning July 1, 2022.

[5] Large IOUs 2021 Annual Reports. Enrollment rate for CARE is high, likely due to the economic impacts of the pandemic, which has increased CARE eligible households and enrollment.

income eligibility for the ESA program as of July 2022 allows for cross-program marketing and enrollment between ESA and FERA.

Like the CARE program, FERA is a self-certification program with no documentation for income eligibility required to enroll, however there is a PEV process where customers are required to provide proof of income.

CAP (water)

The Customer Assistance Program (CAP) is a water utility bill discount program applicable for Class A water utility customers at or below 200 percent of the FPG. The bill discount varies between utilities, including a percent discount of total bill, percent of service charge, or a bill credit. The CAP program is funded by non-CAP ratepayers for each of the nine Class A water utilities, or water utilities with greater than 10,000 connections.[6]

The CAP and CARE programs share customer data on a quarterly basis to facilitate automatic enrollment between the two programs. While automatic enrollment is not commonly practiced, there was support for CARE and CAP auto-enrollment given the uniformity between both income eligibility and program offerings for discounts on utility bills. Water utilities tend to have fewer resources and staff to dedicate to marketing and outreach, but are able to leverage the success of the CARE program; around 90 percent of CAP customers are identified through CARE data sharing.[7] If a customer is auto-enrolled into CAP from a data match with the CARE program, the customer is sent a letter and given the option to opt out.[8]

Cross-Program Outreach and Enrollment Strategies

The energy and water utilities implement various strategies to increase awareness, generate leads, and facilitate enrollment in other income-qualified programs, including marketing and outreach, program coordination, and data sharing.

Marketing and Outreach

Customers enroll in the ESA program through various channels including leads from CARE program participants, door-to-door neighborhood canvasing, direct mail, email, community-based organizations, categorical enrollment, online, and community events. Marketing materials are available in multiple

---

[6] Board member John Tang, Presentation on the Water CAP Program, February 17, 2023 SB 1208 Subcommittee Meeting https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2023/02/2023-02-17-SB1208-Subcommittee-Slides.pdf?emrc=9dbaca

[7] Board member John Tang, January 20, 2023 SB 1208 Subcommittee Meeting

[8] Board member John Tang, Presentation on the Water CAP Program, February 17, 2023 SB 1208 Subcommittee Meeting

languages. Customers participating in ESA are provided information on CARE and/or FERA, and can request automatic enrollment into CARE or FERA on the ESA Program application.

IOUs use cross-promotional outreach strategies to increase awareness of multiple income-qualified programs, such as through websites and flyers with information on programs such as ESA, CARE, FERA, LIHEAP (described below), Arrearage Management Plan (AMP), Medical Baseline, and Lifeline (described in section II). Additionally, IOUs coordinate with other utilities and agencies to facilitate enrollment, such as SDG&E with San Diego County Water Authority to leverage enrollments for customer receiving water and energy saving measures.[9]

Data Sharing

Automatic enrollment into a program, where there is no action required of the customer, is an uncommon practice and only exists between ESA, CARE, and FERA, and between CAP and CARE given the uniformity in income eligibility and program offerings of CAP and CARE. Automatic enrollment is enabled by data sharing agreements between each of the four large IOUs and the nine Class A water utilities to share customer data between two programs for the purposes of facilitating enrollment and income verification.[10] Data sharing agreements are also established between the large IOUs and the Department of Community Services & Development (DCSD) to assist DCSD's compliance with mandatory federal and state reporting requirements, , and to support targeted outreach to customers not already enrolled in LIHEAP, CARE or FERA. Lastly, IOUs share data between ESA and DAC-SASH programs to support ESA program targeting and CARE/FERA enrollment.[11]

SDG&E, PG&E, and DCSD recognized that establishing data sharing agreement is a long process given the sensitivity of customer information and consumer privacy laws. In order to share data between programs to generate customer leads and facilitate enrollment, each program must receive customer consent prior to sharing. Consent is received through the application of the program the customer was originally enrolled in and does not cover all income-qualified programs.

CPUC Energy Programs

In addition to the ESA, CARE, FERA, and CAP programs detailed above, there are several other CPUC energy programs available to income-qualified customers. There are no additional CPUC income-qualified water utility programs. CPUC programs with similar income eligibility guidelines (around 200% of FPG) are provided in Table 1.

[9] SDG&E presentation, March 10, 2023 SB 1208 Subcommittee Meeting

[10] Board member John Tang, Presentation on the Water CAP Program, February 17, 2023 SB 1208 Subcommittee Meeting

[11] SDG&E and PG&E presentations, March 10, 2023 SB 1208 Subcommittee Meeting

Table 1: CPUC Programs

Program	**Primary Purpose**	**Administration / Implementers / Funder**	**Income Eligibility**
Energy Savings Assistance program (ESA)	No-cost, direct install energy efficiency upgrades and services, and energy education to help households conserve energy, reduce energy costs and improve their health, comfort, and safety	CPUC / IOUs / ratepayer funded	Up to 250% of FPG, with documentation required
California Alternate Rates for Energy program (CARE)	Bill discount of 30-35% off electric utility bills and 20% off gas utility bills	CPUC / IOUs / ratepayer funded	Up to 200% of FPG, with documentation required
Family Electric Rate Assistance (FERA)	Bill discount of 18% off electricity bills	CPUC / Large IOUs / ratepayer funded	Up to 250% of FPG, with documentation required
Customer Assistance Program (CAP)	Bill discount off water bills (discount varies by utility)	CPUC / Class A Water Utilities / ratepayer funded	Up to 200% of FPG, with documentation required
Solar on Multi-family Affordable Housing (SOMAH)	Utility bill reduction through onsite generation	CPUC / 4 CBOs / funded by IOU GHG auction proceeds	60% of Area Median Income (AMI), with documentation required
Self-Generation Incentive Program (SGIP)	Reduce emissions of greenhouse gases, peak demand, and ratepayer costs per PUC §379.6(a)(1). The equity resiliency budget also aims to enhance customer resiliency.	CPUC / IOUs / IOU ratepayer funded	80% of AMI, with documentation required: • California Indian Country ≤80% AMI only • Single family homes ≤80% AMI & subject to actual or presumed resale

			restriction or equity sharing agreement • Multifamily residential buildings of ≥ 5 units of low-income deed-restricted housing & located in a DAC or ≥80% of households ≤60% AMI
Disadvantaged Communities – Solar Single Family Homes (DAC-SASH)	Utility bill reduction through onsite generation for single family homes located in a disadvantaged community (DAC)[12]	CPUC / GRID Alternatives / funded by IOU GHG auction proceeds revenues and IOU ratepayer funded	Up to 250% of FPG, with documentation required
Disadvantaged Communities – Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT)	Access to utility scale clean energy at a 20% bill discount for residential customers in DACs and income-qualified households	CPUC / IOUs / funded by IOU GHG auction proceeds and IOU ratepayer funded	Up to 250% of FPG, with documentation required
Arrearage Management Plan (AMP)	Debt forgiveness plan for residential customers	CPUC / IOUs / IOU ratepayer funded	Customers who: • Are enrolled in CARE or FERA • Owe at least $500 or more on their gas and electric bill OR (for gas-only customers) owe at least $250 or more on their gas bill

[12] DACs are identified using CalEnviroScreen. Homeowners must live in one of the top 25 percent most disadvantaged communities statewide.

			• Are more than 90 days past due • Have been a PG&E customer for at least six months • Have made at least one on-time payment

Other State Energy and Water Programs

Program Descriptions

The State of California provides many programs offering an array of services to assist low-income households to manage the financial burden of home energy, water and wastewater services, meet their immediate home energy needs, improve the energy efficiency of housing occupied by low-income individuals and families, and enable the acquisition of clean vehicles.

Low Income Home Energy Assistance Program

The federal Low Income Home Energy Assistance Program (LIHEAP) provides various forms of assistance to low-income Californians to manage their financial burden for home energy and meet their immediate home energy needs. LIHEAP is funded by the U.S. Department of Health and Human Services, Administration for Children and Families, and Office of Community Services. The State Department of Community Services & Development (DCSD) is the designated administering agency for LIHEAP in California.

LIHEAP is comprised of the following program service components:

- The Home Energy Assistance Program provides one-time financial assistance to help balance an eligible household’s utility bill.
- The Energy Crisis Intervention Program provides assistance to low-income households that are in a crisis situation, such as a household receiving a 24-48 hour disconnect notice or service termination by their utility company due to nonpayment.
- Wood, Propane and Oil Program provides a one-time financial assistance to help offset the cost for alternative home heating fuels such as wood, propane, and oil.
- Weatherization Program provides free energy efficiency upgrades to eligible low-income dwellings to lower monthly utility bills while also extending benefits of improved the health, safety, and comfort to occupants.

DCSD contracts with a network of community-based organizations and public entities, also known as Local Service Providers, that maintain responsibility for providing intake, outreach, and service delivery throughout the state. Due to limited annual funding, LIHEAP prioritizes services to households with the lowest income and highest energy burden, as well as households with vulnerable populations, including the elderly, disabled and households with young children. To enroll in LIHEAP, individuals must contact their local LIHEAP Service Provider to obtain an application, maintain a household income less than or equal to 60% of the State Median Income, and provide documentation to substantiate household income and expenses for home energy.

Low Income Household Water Assistance Program

Established by Congress in December 2020, the federal Low Income Household Water Assistance Program (LIHWAP) provides financial assistance to low-income Californians to help manage the financial burden for residential water utility service. DCSD is the designated administering agency for LIHWAP in California.

LIHWAP assistance includes a one-time financial assistance benefit to help pay down a past due residential water or wastewater utility bill or offset the cost of maintaining water or wastewater utility services.

DCSD contracts with a network of community-based organizations and public entities, also known as Local Service Providers, that maintain responsibility for providing intake, outreach, and service delivery throughout the state. LIHWAP services are limited to state water and wastewater systems authorized to receive direct payment of LIHWAP customer assistance payments from DCSD. To enroll in LIHWAP, individuals must apply with their Local Service Provider, maintain a household income less than or equal to 60% of the State Median Income, provide documentation to substantiate household income and expenses for water or wastewater services to their home, and be serviced by a wastewater system authorized to receive direct payment of LIHWAP customer benefits from DCSD.

Low-Income Weatherization Program

California's Low-Income Weatherization Program (LIWP) provides low-income households with solar photovoltaic (PV) systems and energy efficiency upgrades at no cost to residents. The program reduces greenhouse gas emissions and household energy costs by saving energy and generating clean renewable power by offering two core services: Farmworker Housing Energy Efficiency and Solar, and Multi-Family Energy Efficiency and Renewables. DCSD is the designated administering agency for LIWP. The following provides a brief description of LIWP subprogram components and offerings:

Low-Income Weatherization Program – Farmworker Housing Energy Efficiency & Solar

The LIWP Farmworker Housing component provides no-cost rooftop solar PV systems and energy efficiency upgrades to low-income farmworker households to reduce greenhouse gas emissions and lower energy costs for participants. The Farmworker Housing Component is part of DCSD's LIWP and is designed to reduce greenhouse gas emissions by saving energy and generating clean renewable energy.

DCSD contracts with a third-party Program Administrator to direct program implementation. The Program Administrator and its team of partner organizations enroll eligible farmworker households and install energy saving and solar measures in single-family dwellings and buildings of 2-4 units across 18 counties with the highest farmworker populations.

Households may apply for service by contacting DCSD or the Farmworker Household Administrator directly to obtain an application. Eligibility requires that a household complete an application for assistance, maintain a household income less than or equal to 80% of Area Median Income or provide proof of current participation in a categorically eligible program, reside in a single-family dwelling, and include a household member that has worked as a farmworker within 12 months of the application for assistance.

Low-Income Weatherization Program – Multi-Family Energy Efficiency and Renewables

The LIWP Multi-Family Energy Efficiency and Renewables component provides technical assistance and incentives for the installation of energy efficiency measures and solar PV in low-income multi-family dwellings serving low-income households and designated disadvantaged communities in accordance with the California Environmental Protection Agency (CalEPA) Office of Environmental Health Hazard Assessment (OEHHA) developed the California Communities Environmental Health Screening Tool, or CalEnviroScreen.[13] Properties that participate in the LIWP Multi-Family Component benefit from lower energy costs while reducing energy demand and greenhouse gas (GHG) emissions. The program also helps preserve affordable housing by reducing property owners' operating costs.

DCSD contracts with a third-party Program Administrator to oversee all facets of program implementation, including performing the screening of properties for eligibility, assessing opportunities for energy efficiency improvements, and providing technical assistance offerings to property owners to assist the financing and completion of identified energy efficiency measures and retrofit improvements to the enrolled property.

LIWP Multi-Family Energy Efficiency and Renewables program offerings are specifically oriented to property owners of low-income multi-family property that meeting the following requirements:

- Located in a qualified designated low-income or disadvantaged service area in accordance with the latest iteration of the California Communities Environmental Health Screening Tool;
- Property exhibits strong potential for significant energy reduction through the installation of energy efficiency retrofits funded in whole or in part by LIWP financial incentives;
- The property is classified as U.S. Department of Housing and Urban Development (HUD) Section 8 housing or an affordable housing property in which no less than 66 performed of the units are occupied by households with an income of 80 percent or less of the Area Median Income as established by HUD;

---

13 CalEnviroScreen was developed by the Office of Environmental Health Hazard Assessment of the California Environmental Protection Agency as a means of focusing efforts and prioritizing investment in communities disproportionately affected by air pollution and facing socioeconomic burdens. CalEnviroScreen identifies "disadvantaged communities" (DACs) using indicators such as environmental, health, and socio-economic burdens. https://oehha.ca.gov/calenviroscreen

- The property has not received significant energy efficiency upgrades or renovations within the previous five years; and
- Provides demonstratable benefits to building tenants.

Clean Vehicle Rebate Program

The Clean Vehicle Rebate Program provides up to $7,500 for the purchase or lease of a new plug-in hybrid electric vehicle (PHEV), battery electric vehicle (BEV), or a fuel cell electric vehicle (FCEV). CVRP offers vehicle rebates on a first-come, first-served basis and helps get the cleanest vehicles on the road in California by providing consumer rebates to reduce the initial cost of advanced technologies. The Center for Sustainable Energy administers the Clean Vehicle Rebate Program on the behalf of the California Air Resources Board (CARB).

Rebates are available to income qualified consumers with household incomes that are less than or equal to 400% of the FPG. Applications must be submitted within 90 calendar days of the purchase or lease date to be eligible for a rebate.

Clean Cars 4 All

Clean Cars 4 All is a program that focuses on providing incentives through California Climate Investments to lower-income California drivers to scrap their older, high-polluting car and replace it with a zero- or near-zero emission replacement. The program aims to focus the benefits of the program to low-income and disadvantaged communities and has a heavy emphasis on consumer protections, education of the new technologies, and coordination with other clean transportation programs. CARB is the designated administering agency for the Clean Cars 4 All program. Programs are available in select air districts, and individual air districts administer the local Clean Cars 4 All program.

Program incentives are available to lower-income individuals with incomes at or below 300% of the FPG and those meeting certain needs-based criteria.

Clean Vehicle Assistance Program

The Clean Vehicle Assistance Program (CVA) provides grants and affordable financing to help income-qualified Californians purchase or lease a new or used plug-in hybrid, fuel cell, or electric vehicle. The Beneficial State Foundation administers the Clean Vehicle Assistance Program on behalf of CARB.

Program offerings include low-interest loans and vehicle price buy-downs for lower-income consumers to purchase new or used battery electric, plug-in hybrid electric, or fuel cell electric vehicles and grants for charging installation or charge cards plus a portable charger. Eligibility is limited to lower-income individuals residing within a disadvantaged community (DAC) and with incomes at or below 300% of FPG.

Table 2: Additional State Energy and Water Programs

Program	Primary Purpose	Administration / Implementers / Funder	Income Eligibility
Low Income Home Energy Assistance Program	Reduce the financial burden for home energy and address the immediate energy needs of low-income households	DCSD / 41 CBOs / funded by federal LIHEAP Block Grant	60% of State Median Income (SMI), with documentation required
Low Income Water Household Assistance Program	Reduce the financial burden for residential water and wastewater services	DCSD / 41 CBOs / funded by federal LIHWAP grant funds	60% of SMI, with documentation required
Low-Income Weatherization Program – Farmworker Housing Energy Efficiency & Solar	Improve the energy efficiency of residential housing occupied by low-income farmworker families and reduce GHG emission	DCSD / Program Administrator/ funded by California Climate Investments and State General Funds	80% of AMI, with documentation required
Low-Income Weatherization Program – Multi-Family Energy Efficiency and Renewables	Access to utility scale clean energy at a 20% bill discount for residential customers in DACs and income-qualified households	DCSD/ Program Administrator / funded by California Climate Investments and State General Funds	80% of AMI, with documentation required
Clean Vehicle Rebate Program	Provides up to $7,500 for the purchase or lease of a new plug-in hybrid electric vehicle (PHEV), battery electric vehicle (BEV), or a fuel cell electric vehicle (FCEV)	CARB / Program Administrator / IOUs / California Climate Investments	400% of FPG, with documentation required
Clean Cars 4 All	Provides financial incentives to lower-income California drivers to retire older, high-polluting car and	CARB / Regional Program Administrators / California Climate Investments	300% of FPG, with documentation required

	replace it with a zero- or near-zero emission replacement		
Clean Vehicle Assistance Program	Provides grants and affordable financing to help income-qualified Californians purchase or lease a new or used plug-in hybrid, fuel cell, or electric vehicle	CARB / Program Administrator / California Climate Investments	300% of FPG, with documentation required

Other State Programs with Similar Income Qualifications

In addition to the DCSD and CARB administered programs detailed above, there are numerous public assistance programs currently available to Californians with similar income eligibility guidelines (around 200% of FPG).

Table 3: Other Public Assistance Programs in California

Program	**Primary Purpose**	**Administration / Implementers / Funder**	**Income Eligibility**
CalFresh	Monthly food benefits on an Electronic Benefit Transfer (EBT) card	California Department of Social Services (CDSS) / County Implementers / Federal funding through Supplemental Nutrition Assistance Program (SNAP)	At or below 200% of FPG for most households. Exceptions include people 60+ and disabled who may have a higher income and still qualify.
CalWORKS	Cash aid for rent, housing, food, clothing, and utilities for families with at least one child.	CDSS / County Implementers / Federal, state, and county funded	Gross income must be under the Minimum Basic Standard of Adequate Care (MBSAC) for the family.

General Assistance or General Relief (GA/GR)	Cash aid for adults who are not supported by their own means, other public funds, or assistance programs.	CDSS / County Implementers / County funded	Varies by county.
Medi-Cal	Free or low cost health coverage.	Department of Health Care Services (DHCS) / County Implementers / Federal and state funded	Up to 138% of FPG for most households. Individuals may also qualify if 65+, blind, disabled, under 21, pregnant, in a care facility, refugee status, caretaker of an age eligible child, or have been screen for breast and/cervical cancer.
Women, Infants, and Children (WIC)	Nutrition education, breastfeeding support, healthy foods, and referrals to health care and other community services.	California Department of Public Health (CDPH) / Local Implementers / Federal funding	At or below 185% of FPG for a household.
Public Housing and Housing Choice Vouchers	Assists low-income families, elderly, and persons with disabilities to afford decent, safe, and sanitary housing.	U.S. Department of Housing / Public housing agencies (local and county) / Federal funding	50% AMI for most households.
California Lifeline	Discount on wireless or wireline voice, or broadband services.	CPUC / approved California LifeLine Service Providers / Surcharge collected by telecommunications carriers	Up to 150% of FPG, with documentation required.

Other State Systems and Platforms

California Statewide Automated Welfare System (CalSAWS)

The CalSAWS[14] project is a Joint Powers Authority developed and directed by all 58 counties. On September 27, 2021, the CalSAWS project migrated the 39 C-IV counties to join Los Angeles County in forming a 40-county CalSAWS system. The remaining 18 CalWIN counties will migrate to CalSAWS to form a 58-county CalSAWS system in a series of conversion waves from October 2022 through October 2023. Once the migration of the remaining CalWIN counties to the CalSAWS system is complete, CalSAWS will be the eligibility determination and case management system for the entire state, in alignment with the federal mandate. County eligibility workers utilize CalSAWS to assist with eligibility determinations for over 14 million Californians seeking assistance with health coverage, access to food, cash assistance and supportive services. As new policy initiatives are implemented to support the needs of underserved populations in California, CalSAWS plays a critical role in developing automated processes.

The CalSAWS Project and Consortium will serve as the state's primary automated welfare business process and case management system for county eligibility staff managing public participation in CalWORKs, CalFresh, Medi-Cal, Foster Care, Refugee Assistance, County Medical Services Program, and General Assistance/General Relief to children, families, and individuals in all 58 California counties. In serving as the state's primary case management system, CalSAWS will encompass the following functions: eligibility determination, benefits calculation, benefits issuance, and information management.

<u>Statewide Verification Hub (SVH)</u>

The Statewide Verification Hub (SVH)[15] is a multi-department Information Technology (IT) solution with CDSS and DHCS that will improve California families' access to services by streamlining the eligibility verification process for many California Health and Human Services Agency (CHHSA) income-qualified programs, with initial efforts focusing on CalFresh, CalWORKs, child care programs, and Medi-Cal. While upholding Californians' privacy and security, the new IT effort will develop a modernized and leverageable Hub that will connect eligibility case management systems with near real-time data that is required for eligibility and enrollment in a given program, such as income information, identity validators, non-cash assets, demographics, vital statistics, immigration status, etc. This data is necessary to support eligibility and benefit level determinations for income-qualified human services programs, as well as federally mandated Income Eligibility Verification System (IEVS) data matches. The SVH solution will assist in bringing key programs together with the common goal of producing fast and accurate verification for eligibility determinations for needs-based programs. The SVH is a technological innovation possessing the capability to streamline eligibility verification of customers opting to apply for assistance offerings of ESA, CARE, and FERA programs.

---

[14] https://www.calsaws.org/

[15] https://www.cdss.ca.gov/inforesources/statewide-verification-hub

II. Universal Lifeline Telephone Service Program

PROGRAM BACKGROUND AND ROLE OF THIRD-PARTY ADMINISTRATOR

This section contains a description of Universal Lifeline Telephone Service Program, specifically the following program characteristics and implementation information.

- Eligibility and assistance offerings
- General Administration
- Roles and Responsibilities of the third-party administrator contract
- Roles and Responsibilities of Service Providers
- Existing application enrollment system(s)
- Existing linkages/program coordination with CPUC Energy and Water Programs and other programs

Eligibility and Assistance Offerings

The California LifeLine program enables affordable phone service to eligible low-income customers through approved California LifeLine Service Providers (i.e., phone companies) who offer a discount on their wireless or wireline voice service or broadband (i.e., internet) service. The California LifeLine Service Providers receive a reimbursement from the Universal LifeLine Service fund for this discount.

Applicants may qualify for California LifeLine in two ways: (1) through enrollment in an eligible public assistance program (program-based eligibility) or (2) by meeting an income threshold (income-based eligibility). Under program-based eligibility, households may qualify for the California LifeLine discounts if they provide supporting documentation that at least one household member is enrolled in one or more Lifeline/LifeLine-eligible public assistance programs. Over 90 percent of California LifeLine customers establish eligibility through program-based qualification and less than 10 percent through income-based qualification. Under income-based eligibility, a household may qualify for state LifeLine subsidy if the household's total annual gross income is at or less than approximately 150 percent of the FPG. A household may qualify for the federal Lifeline subsidy if the household's total annual gross income is less than 135 percent of the FPG.

Unique to other public purpose programs, consumers initiate their LifeLine applications through LifeLine telecommunication Service Providers, and then the LifeLine Program Third Party Administrator (TPA) determines their eligibility. The consumer records are transferred back and forth through regular file exchanges between the LifeLine Service Provider systems and LifeLine TPA. The Lifeline telecommunication Service Providers offer different types of phone service (i.e., wired or wireless), plus they have distinct enrollment outreach methods and application processes for interacting with customers that would be challenging to fit into a concurrent application system. The LifeLine Third-Party Administrator interacts with LifeLine Service Providers as an integral part of completing the enrollment and renewal processes. From the LifeLine perspective, promoting other CPUC programs would be challenging as LifeLine Service Providers focus solely on promoting their own business services.

General Administration

Roles and Responsibilities of the Third-Party Administrator contract

The CPUC contracts a Third-Party Administrator (TPA) to manage the enrollment and renewal processes for LifeLine customers. These processes include receiving inquiries from the participating Service Providers, processing mail/paper/electronic enrollment applications and renewals, hosting and managing online application and renewal processes, and providing a helpline for customer inquiries. The TPA also reviews and processes the eligibility of customers and communicates the eligibility to Service Providers for customers to enroll in LifeLine plans. Additionally, the TPA communicates to customers via print, SMS, and pre-recorded outbound messages, informing them of their enrollment and renewal processes. The TPA creates daily customer print files and coordinates the print and mail fulfillment process with the Office of State Publishing (OSP). The CPUC Communications Division collaborates with the TPA to develop program implementation guidelines related to any FCC and Commission decisions. California is one of three opt-out states that do not participate in FCC's National Verifier administered by Universal Service Administrative Company (USAC), the national TPA of the federal Lifeline program. The California LifeLine TPA facilitates the FCC's audits of Lifeline customer eligibility determinations and Service Provider customer records. The California LifeLine TPA manages and enhances its proprietary technology platform that runs all the federal and state programs' operational requirements. Therefore, the California LifeLine TPA must comply with federal and state legislation.

Roles and Responsibilities of Service Providers

The Service Providers offer eligible customers subsidized LifeLine plans, which they can choose based on their service and affordability needs. The Service Providers initiate the new enrollment process from their systems, and the TPA then determines eligibility and manages the completion of the application process. The Service Providers apply a discount to the participant's bill and submit monthly claims to the CPUC for reimbursements from the discounts granted to participants. California LifeLine Service Providers must meet specific FCC and California requirements demonstrating their functionality, financial and technical capabilities, compliance with customer and service quality standards, and compliance with General Order 153. Additionally, Service Providers advertise and market their LifeLine plans to prospective customers.

Existing Application Enrollment System(s)

Customers find their chosen LifeLine Service Provider and LifeLine service plan from the California LifeLine Program website or by calling the operations center, unless a LifeLine Service Provider has already directly marketed to them. There is no standard application enrollment system since each LifeLine Service Provider has distinct outreach methods and application processes for customer interaction. Some examples of the multiple entry points through LifeLine Service Providers include: LifeLine Service Providers develop their own online customer systems; LifeLine Service Providers develop their own point of sale applications used in the field or operations centers by their agents; and/or they initiate to the LifeLine TPA to have a paper application mailed to their customer.

The California LifeLine TPA handles application enrollment and renewal processes through its proprietary technology platform and operations center to determine if an applicant is eligible to enroll or remain in California LifeLine.

LifeLine Service Providers keep their records on LifeLine customers in sync with the TPA system by initiating daily record exchanges from their system through an Application Programming Interface (API) or daily file process involving a Secure File Transfer Protocol (SFTP) server to the TPA system. When Service Providers use the Service Provider Intake API (SPIA), they interact in near real-time with the TPA system throughout a customer's enrollment process and have visibility to the status of identity verification, eligibility, and other documentation requirements.

Existing Linkages/Program Coordination with CPUC Energy and Water Programs and Other Programs

There are no current linkages or program coordination for enrollment with CPUC Energy and Water Programs. California LifeLine program had a Boost Mobile pilot with the CARE program that started in 2019 (Decision 19-04-021). It ended in 2021 due to the minimal increase in LifeLine participation that resulted from the CARE program's promotion of LifeLine. There is a linkage to California Department of Social Services' (CDSS) CalFresh Confirm eligibility verification hub, which the LifeLine TPA uses to check for enrollment of Lifeline applicants in CalFresh as a categorically eligible program. This linkage is also being explored through the CARE/FERA Post-Enrollment Verification (PEV) Working Group in 2023 to determine if this is a good/feasible solution for verifying income eligibility for CARE/FERA recertification and PEV purposes, and what the process would be to establish this connection. The Concurrent Application System (CAS) will also explore a future linkage with CDSS' Statewide Verification Hub, which will be able to offer additional program verifications along with CalFresh, including Medi-Cal, when it becomes available in 2024.

III. Universal Application System Working Group

UAS BACKGROUND AND WORKING GROUP RECOMMENDATIONS

The Universal Application System (UAS) was an effort initiated by the CPUC for ESA, CARE, and FERA programs, and the UAS Working Group formed in December 2021. UAS is aligned with SB 1208's concurrent application system (CAS) objectives, and the recommendations report from the UAS Working Group will be leveraged as much as possible in implementing SB 1208 and CAS. This section provides an overview of the following:

- Brief Background on UAS Working Group
- UAS Working Group Objectives
- California Statewide Automate Welfare System (CalSAWS) and Statewide Verification Hub (SVH) UAS Working Group Recommendation Report: emphasis on recommendations and strategies directly aligning with SB 1208 objectives and those informing a potential roadmap for using new technologies in the future to: 1) to streamline customer enrollment and post-enrollment verification in CPUC energy and water assistance programs; 2) facilitate enrollment opportunities of assistance programs administered by the state and public and private utilities; and 3) maximize data sharing to promote greater public awareness of and participation in target programs.

Background on UAS Working Group

The UAS Working Group was formed by the four large IOUs as directed by the decision on ESA, CARE, and FERA programs and budgets for 2021-2026 (D.21-06-015) to provide recommendations on the feasibility of developing a low-income programs-centric Universal Application System (UAS). The UAS Working Group held 10 public meetings over six months as a sub-working group under the overall ESA Working Group. Membership consisted of the IOUs, the Energy Division (ED), Community Based Organizations (CBO), ESA contractors, and others with experience and expertise in application systems.

The Decision outlined several basic requirements for UAS for the Working Group to build off:

- Single application portal, starting with ESA, CARE, and FERA
- Support and connect to other IOU programs, PAs, and implementers (i.e., program partners)
- Allow multiple registration pathways: online, in-person, by phone, text, email
- Customer types: owner, tenants, building manager/owner

- Ability to share application information and related energy usage information with program partners[16]

UAS Working Group Objectives

The UAS Working Group was tasked with addressing specific questions and requirements about the feasibility of developing a UAS laid out in D.21-06-015, including defining UAS purpose, goals, system requirements, and intra- and interagency solutions for a single statewide system.[17]

The report provides a summary of the UAS Working Group activities and discussions, and ultimately provides recommendations on UAS design and next steps. The report does not include detailed working plans, such as project scope, budget details, and timelines.

UAS Working Group Recommendations

There are five recommendations detailed in the UAS Working Group Report. Recommendations 1-4 are for the "initial phase" of UAS (i.e. Phase 1, approximately one to three years upon launch) and Recommendation 5 is for the "subsequent phase". Section 2 of SB 1208 (currently in development) requires the CPUC to launch a concurrent application system (CAS) for ESA, CARE, and FERA programs, at a minimum. This is equivalent to the "initial phase" referenced in the UAS Working Group recommendations. The scope of LIOB recommendations presented in this report pertain to the "subsequent phase" referenced in Recommendation 5, following the Phase 1 launch of CAS.

All UAS Working Group recommendations provided below align with SB 1208 intent and objectives for a low income utility program CAS to:

- Improve all low-income utility customer assistance program application processes and maximize upfront data sharing in order to reduce outreach and enrollment expenditures and increase participation by eligible individuals and families.
- Maximize the use of existing and future technologies in order to facilitate the outreach and enrollment processes for low-income utility customer assistance programs.
- Coordinate the enrollment process for those programs between agencies and public and private utilities.
- Complement, rather than replace, existing application processes for each of those programs.[18]

---

[16] D.21-06-015, Section 6.2, pg. 119

[17] D.21-06-015, Section 6.2.3.5 UAS, pg. 130.

[18] SB 1208, Section 1, Intent of the Legislature

The LIOB subcommittee was interested in alignment between UAS Working Group recommendations and specific principles for CAS to:

- *Principle A*: Streamline customer enrollment and post-enrollment verification in CPUC energy and water assistance programs.
- *Principle B*: Facilitate enrollment opportunities of assistance programs administered by the state and public and private utilities.
- *Principle C*: Maximize data sharing to promote greater public awareness of and participation in target programs.

Each of the recommendations below notes which of these three principles the recommendation connects to and how.

Recommendation 1 (Initial Phase): Continue to pursue UAS in Three Ways

(1) Leverage the efforts of the CDSS Statewide Verification Hub (SVH), which can help verify income of applicants for multiple programs without the customer providing proof of income. SVH is currently in development and will not be ready to leverage until a later stage of UAS/CAS.

- *Principle A*: Leveraging SVH will help automate the income verification process for programs, thereby streamlining the enrollment process for customers and reducing the administrative burden on the customer to provide proof of income for multiple programs.
- *Principle C*: Leveraging SVH supports data sharing to promote participation in multiple programs.

(2) Determine the scope of UAS programs. IOUs noted that UAS should not include non-IOU related programs using Public Purpose Program Surcharge (PPPS) funds.

- *Principle B*: this recommendation relates to facilitating enrollment in multiple customer assistance programs, but is primarily seeking information and clarification on which customer assistance programs (IOU and non-IOU) be scoped into CAS. The UAS report highlights the need for separate funding sources from PPPS to support any integration of any programs that are not IOU or energy programs.

(3) Solicit for an RFI to better understand, with a more refined UAS scope, the timeline and costs required.[19]

- This recommendation supports implementation of UAS but does not connect back to any of the three principles specifically.

Recommendation 2 (Initial Phase): Program Integration in Addition to CARE, FERA, and ESA
Expand the launch-day program offerings beyond the limited required programs of CARE, FERA, and ESA

[19] A Request for Information for a concurrent application system (CAS) was released by PG&E on March 15, 2023. CAS scope includes ESA, CARE, and FERA programs and will gather more information on the estimated time and budget to include additional energy IOU programs and other design features per the recommendations of the UAS Working Group. The final scope for Phase 1 of CAS will be determined before a Request for Proposals in released.

to include system integration for bill arrearage programs, referrals for non-IOU programs (e.g., Community Services Department (CSD) programs and Access Clean California), and information regarding health, safety, and resiliency programs. A launch with a more robust portfolio of programs may create more customer value at the inception and may generate momentum towards broad adoption.

- ❖ *Principle A*: Additional integration of income-qualified programs at launch supports streamlining of the enrollment process under a single UAS platform.
- ❖ *Principle B*: Supports facilitating enrollment opportunities for multiple customer assistance programs through integration with UAS.

Recommendation 3 (Initial Phase): Additional UAS Technical Features
Incorporate a feedback mechanism to show customers the status of their application. This would likely increase customer confidence and make for a more successful UAS. In addition, technical features should:

- Allow a customer to complete one application for multiple programs
- Support multiple registration pathways (i.e., online, in-person, by phone, text, or email)
- Support homeowners, renters, building managers/owners on behalf of tenants
- Support data sharing of application information and energy usage information with program partners, clean-energy program administrators, and other implementers

- ❖ *Principle A*: Recommended technical features support streamlining the enrollment process for multiple programs in UAS, including a feedback mechanism to allow users to check the status of their application.
- ❖ *Principle B*: Recommended technical features support facilitating enrollment opportunities for multiple customer assistance programs.
- ❖ *Principle C*: Recommended technical features support data sharing across programs to promote participation in program targeting and eligibility determination.

Recommendation 4 (Initial Phase): Involve Stakeholders During UAS Development
Involve various stakeholders throughout the design process, which should lead to a UAS that is more user-friendly and grounded in the reality of the assistance program landscape of California.

- ❖ This recommendation supports implementation of UAS but does not connect back to any of the three principles specifically.

Recommendation 5 (Subsequent Phase): Integrate Other Low-Income and Clean Energy Programs as Much as Possible
The UAS should strive to link or refer to other low-income and clean energy programs that would not be able to be integrated into UAS otherwise. Not all program software systems will be capable of a direct connection with UAS to facilitate a clean handoff, especially at launch. UAS should have a blend of integration and lead generation options to integrate with a variety of income-qualified programs as much as possible, such as by linking or referring to the application system(s) of those programs.

The Working Group identified three categories of integration for programs in UAS: (1) programs a customer can apply for through UAS and not need further input; (2) programs that require intervention by a third party after the customer submits an application; (3) programs that will be integrated in a referral manner, where a customer would not be able to apply directly within the UAS. The level of integration with UAS should be considered based on each program's enrollment process and program rules, as well as other constraints that may limit the ability of a program to fully integrate into a UAS.[20]

- *Principle B*: Program integration with UAS to enable application submission, or program referral or lead generation, through UAS supports facilitating enrollment opportunities for multiple customer assistance programs, including energy and water programs.
- *Principle C*: Including multiple programs in UAS supports data sharing between UAS and income-qualified program to increase enrollment. Some programs may have difficulty or limitations to fully integrate with UAS (customer completes application in UAS), in which case providing links or referrals to those other programs will also maximize UAS data sharing with programs.

For more information about the full UAS concept proposed by the UAS Working Group, see Appendix A for a flow chart with a description of the process flow and customer journey through a UAS.

[20] UAS Working Group Recommendation Report, July 1, 2022: https://pda.energydataweb.com/#!/documents/2626/view

IV. ULTS Third-Party Administrator Contract

OPPORTUNITIES AND CHALLENGES TO EXPAND THE CONTRACT

The LIOB considered opportunities and challenges to expand the third-party administrator contract for the Universal Lifeline Telephone Service Program to encourage stronger program coordination between CPUC water, gas, electric, and telephone customer assistance programs and the development/implementation of innovative intake strategies and systems to streamline customer application, enrollment, and post-enrollment verification in these programs.

Services of the ULTS Third-Party Administrator Contract

There are nine core services the third-party administrator (TPA) contract provides for the Universal Lifeline Telephone Service (ULTS) program. Responsibilities of the TPA contract are primarily administrative to support the application, verification, and enrollment of customers into the Federal and California Lifeline programs, in addition to management of Information Technology (IT) and data systems to support program administration.

1. Determining the eligibility of households, enrolling, approving, and denying subscribers, as applicable.
2. Operating and monitoring dynamic and responsive IT systems that support the flow of information between the Contractor, subscribers, California LifeLine Service Providers, and CPUC staff.
3. Providing a dynamic, responsive and comprehensive subscriber service solution which includes a call center, Toll-Free service lines, Interactive Voice Response (IVR) system, private website, and public website.
4. Performing records and database management.
5. Coordinate, communicate, and collaborate with the Office of State Publishing (OSP) for outbound printing and mailing of program documents in alignment with the Inter-Agency Agreement between the CPUC, the Department of General Services (DGS), and the OSP.
6. Processing inbound mail documents.
7. Preventing Waste, Fraud, and Abuse (WFA) of the LifeLine program.
8. Keeping current and up to date with federal and state regulations affecting universal service programs.
9. Communicating and interacting with internal and external stakeholders.

Opportunities and Challenges of Expanding the Existing TPA Contract

There are numerous challenges to expanding the current third-party administrator (TPA) contract for the ULTS program to accommodate additional services for coordination and enrollment between CPUC water, gas, electric, and telecommunications programs. The Lifeline TPA contract was competitively bid under the direction of the California Department of Technology (CDT). CDT confirmed the Lifeline TPA contract "cannot be amended to include water, gas, and electric utility services for the purposes of facilitating enrollment between low-income assistance programs because it deviates from the original contract scope" and the contract "did not contain any language to include additional enrollment determinations for other services."[21]

There are several challenges and barriers identified by CDT to expand the Lifeline TPA contract to include services for water, electric, gas, or other telecommunications programs.

- CDT is guided by the State Contracting Manual which states that "an amendment must be within the original scope of the purchase document solicitation; if it is not, it must be treated as a non-competitively bid transaction."[22] Including other programs in the scope would qualify as a non-competitively bid transaction, which would open the contract to additional public scrutiny given the high value of the contract, and invite risk to the State for unfairly awarding the contract without the necessary competitive solicitation process.
- Any amendment to the contact requires the approval of the current Contractor, Maximus US Services, and CDT. Some considerations for the Contractor and CDT to approve any amendments, in addition to the risk noted above, include potential for diverting the Contractor's focus away from current Lifeline enrollment services and inadvertently degrading their ability to implement current duties and services for the Lifeline program.
- Amendments to the contract, especially those that include new areas of work with other programs, may require new language that conflicts with the current Lifeline TPA contract, or there may be disagreement on how the services should be conducted. This could ultimately cause issues with discrepancies in the contract and prolong the contract amendment process.

For the LifeLine TPA contract to accommodate additional services for coordination and enrollment between CPUC water, gas, electric, and telecommunications programs, program-specific TPA staff and their associated costs would need to be added, in addition to each program-specific functionality requirement covered by their own funding stream separate from the Universal LifeLine Telephone Service Trust Committee Fund (0471).

---

[21] Letter from CDT on Lifeline TPA contract expansion, provided via email to SB 1208 Subcommittee members on March 15, 2023. See Appendix B for full statement.

[22] State Contracting Manual: Volume 2, Chapter 1805

Any further consideration of the opportunity to amend the Lifeline TPA contract with a specific change in scope would need to be evaluated by CDT as an authority on the IT state contracting process.

Opportunities and Challenges of Expanding the Next TPA Contract

Similarly, several challenges were identified by CDT with expanding the next iteration of the LifeLine TPA contract, specifically if the contract were to include services related to water, gas, and electric utility programs for the purposes of facilitating enrollment and co-marketing activities between low-income assistance programs.

- Clarity and Specificity: Combining multiple TPA services related to additional income-qualified programs into one contract invites risk of confusion, ambiguity, and misunderstanding in the contract, rather than keeping separate contracts which provides opportunity for thorough development of the scope of work, deliverables, timelines, and other relevant factors.
- Risk Management: Separate contracts would allow each program area to effectively manage risks for their specific assistance program, such as including specific clauses and provisions that address potential risks and liabilities associated with that specific agreement. If a dispute arises in one contract, it remains contained and does not affect the other agreements.
- Flexibility and Scalability: A combined TPA contract risks the CPUC being able to adapt to changing business dynamics and maintain agility. If any assistance program expands or changes, it would be difficult to address unique requirements under a combined contract. Individual contracts provide greater flexibility and scalability in operations.
- Compliance and Governance: Separate contracts can aid in meeting compliance requirements and ensuring good governance within each program area, allows easier tracking and monitoring of each agreement's compliance with legal, regulatory, and internal policy obligations, and allows each contract to maintain accurate records, facilitate audits, and demonstrate accountability.
- Availability of Bidders: Expanding the TPA contract with new programs would reduce the bidder pool for TPA services because many of the TPAs have specific administration and technical core competencies. This could result in a contract with several subcontractors to fulfill the services for the different assistance programs. It may also result in less qualified contractors that are unable to successfully carry out the TPA services, or no bids.
    - Having different funding sources would cause issues when paying invoices, which can be time-consuming and require meticulous attention to detail, which could result in late payments and penalties. Each program area would have to review each invoice and accurately specify which services pertain to their funding source(s). The TPA provider may also find it challenging to itemize or detail their invoices for each assistance program or funding source.

V. Recommended Action Plan

SHORT- AND LONG-TERM RECOMMENDATIONS

The LIOB SB 1208 Subcommittee held eight public meetings from January to June 2023 and performed extensive review of the administrative structure of the Lifeline program, strategies to promote the co-marketing of CARE and ESA programs, data sharing to facilitate streamlined enrollment in low-income utility discount program offerings of regulated energy and water utilities, and review of working models of technology-based application systems deployed within California and by other states. Through these efforts the LIOB identified that in order to accomplish the goals of SB 1208 and to best position the expansion of the TPA for the Universal Lifeline Telephone Service program, the LIOB identified four specific areas of program implementation where the objectives of SB 1208 directly impact:

- Marketing and Outreach
- Cross Program Coordination
- Enrollment Practices and Systems
- Program Evaluation and Oversight

Accordingly, the LIOB developed a series of specific actions and strategies essential to advancing the state of current enrollment systems and methods to facilitate an iterative approach to advancing co-enrollment across all CPUC low-income customer assistance programs and revamping the structure of the California LifeLine TPA contract to incorporate new responsibilities and functions in support of this goal.

Marketing and Outreach

Short-term Strategies (one to two years)

- The LIOB recommends the CPUC evaluate the existing program administration structure of the California Lifeline Program, including the scope of services and responsibilities maintained within the existing TPA contract, and identify the best way to incorporate third-party marketing and outreach services within the administrative structure of the California Lifeline Program.

- Following the expiration of the existing Lifeline TPA and CPUC's evaluation of the existing program structure of the California Lifeline Program, the CPUC should consider utilizing an appropriate procedural mechanism, to secure third-party marketing and outreach services for the California Lifeline Program. Recognizing that the scope of the existing Lifeline TPA contract focuses largely on eligibility and verification, the CPUC should consider incorporating third-party marketing and outreach services by way of expanding the existing TPA contract or creating a new contract for a stand-alone marketing and outreach provider.

- The CPUC should consider pursuing through an appropriate procedural mechanism to define, establish, and coordinate all aspects of the Lifeline contract for marketing, education, and outreach (ME&O), enrollment, verification, program execution, and management. The CPUC should consider initiating changes to the administrative structure of the program to improve oversight and integration of third-party eligibility and verification and ME&O functions within the California Life Program and ensure the proper alignment of these functions with co-marketing and co-enrollment strategies with income qualified energy and water assistance programs.

- The CPUC should consider working with the IOUs to develop focused marketing and outreach strategies specifically oriented to increasing awareness and participation in low-income utility assistance programs within customer segments considered hard-to-reach, tribal areas, undocumented immigrant populations, and other geographic areas where participation is below annual program enrollment goals established by the CPUC.

- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Long-term Strategies

- The LIOB recommends the State Legislature pursue legislation that:
    - Establishes systems of reporting and monitoring to track the success of co-marketing strategy implementation and results.
    - Establishes funding mechanisms within each program to support effective co-marketing that results in the equal promoting of each program attainment of annual program enrollment goals established by the CPUC, and ensures fair share contributions from individual programs benefitting to finance co-marketing strategy development and implementation.

Program Coordination

Short-term Strategies (one to two years)

- Following the expiration of the existing Lifeline TPA and the CPUC's evaluation of the existing program structure of the California Lifeline Program, the CPUC shall consider an appropriate procedural mechanism, to incorporate requirements and mechanisms to achieve more expansive program coordination and deepen administrative ties across all CPUC water, gas, electric, and telephone customer assistance programs. Recognizing that the scope of the existing Lifeline TPA contract focuses largely on eligibility and verification, the CPUC should consider incorporating new program coordination responsibilities by way of expanding the existing TPA contract or creating a new contract for a stand-alone provider to perform these responsibilities.

- Using enhanced program coordination between administrators of water, energy, and telecommunications programs, implement co-marketing and coordinated enrollment strategies to simplify customer enrollment in energy, water, and telecommunication assistance programs. Coordinated enrollment strategies shall emphasize the use of joint applications and intake systems, data sharing, and categorical enrollment to enable a customer's enrollment in multiple programs. The deployment of coordinated enrollment and co-marketing strategies shall occur with the new TPA contract for the Universal Lifeline Telephone Service program or a separate competitive procurement for an independent third-party marketing and outreach administrator.

- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Long-term Strategies

- The LIOB recommends the State Legislature pursue legislation to unify state-defined eligibility requirements across all low-income utility assistance programs under the CPUC's regulatory authority and align to other public assistance programs under the jurisdiction of Health and Human Services to the greatest extent possible.

Streamlined Enrollment and Data Sharing

Short-term Strategies (one to two years)

- The CPUC should consider, pursuing through an appropriate procedural mechanism, establishing a legal and technology framework to facilitate the cross-system sharing of energy, water, and telecommunication customer data between utility company administrators for purposes of providing streamlined enrollment, improving program marketing and outreach, and program evaluation.
- The UAS Working Group's Recommendations Report offers a roadmap for pursuing a universal application for CARE, FERA, and ESA programs, with the ability to expand to other income-qualified programs. The CPUC should undertake efforts to evaluate the feasibility for expanding and extending use of the CAS platform[23] to the full suite of low-income utility assistance programs under the CPUC's regulatory authority.
- The CPUC should consider establishing categorical eligibility across all programs under the purview of SB 1208 through an appropriate procedural mechanism, and in accordance with applicable federal rules and guidelines.

[23] Section 2 of SB 1208 requires the CPUC to implement the CAS for ESA, CARE, and FERA programs at a minimum. CPUC Decision 23-05-006 directs large IOUs to implement CAS per SB 1208 Section 2 requirements and outlines the minimum requirements for Phase I.

- Leverage the UAS Working Group recommendations to inform the development of a technology and data sharing roadmap to guide the implementation of a single-application system for CPUC energy, water, and telecommunications customer assistance programs and identify means to leverage use of the SVH to advance the functionality of the CAS to provide expedited eligibility verification of program assistance application submissions.[24]
- Recommend the CPUC establish a data sharing agreement with CDSS to leverage the use of non-personal identifiable information within CalSAWS to perform more robust analysis of program participation rates of ESA, CARE, FERA, and Lifeline programs and identify underserved geographic areas of the state where co-marketing and program coordination efforts should target.[25]
- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Long-term Strategies

- The LIOB recommends the State Legislature pursue legislation to:
    - Direct the CPUC and the California Office of Systems Integration (OSI) to evaluate how CalSAWS can potentially be utilized to provide a one-stop user experience that integrates application enrollment for CPUC and CHHS programs.
    - Direct the CPUC and the California Franchise Tax Board to evaluate and identify a means for utilizing tax filing records maintained by the California Franchise Tax Board to verify the income eligibility of customers applying for ESA, CARE, FERA, Lifeline, and any other CPUC-regulated low-income energy assistance program.
- Where CPUC efforts in developing the CAS platform doesn't already implement recommendations from the UAS Working Group, LIOB supports the UAS Working Group's recommendations report.

Program Evaluation and Monitoring

Short-term Strategies (one to two years)

- The CPUC should consider, pursuing through an appropriate procedural mechanism, establishing universal program evaluation using consistent metrics and data collection to measure customer

[24] See Section 3 of this report for an overview of the "UAS Working Group" recommendations and the Statewide Verification Hub (SVH), in addition to Section 1 "Other State Systems and Platforms" for additional detail on SVH.

[25] See Section 1 "Other State Systems and Platforms" of this report for an overview of CalSAWS.

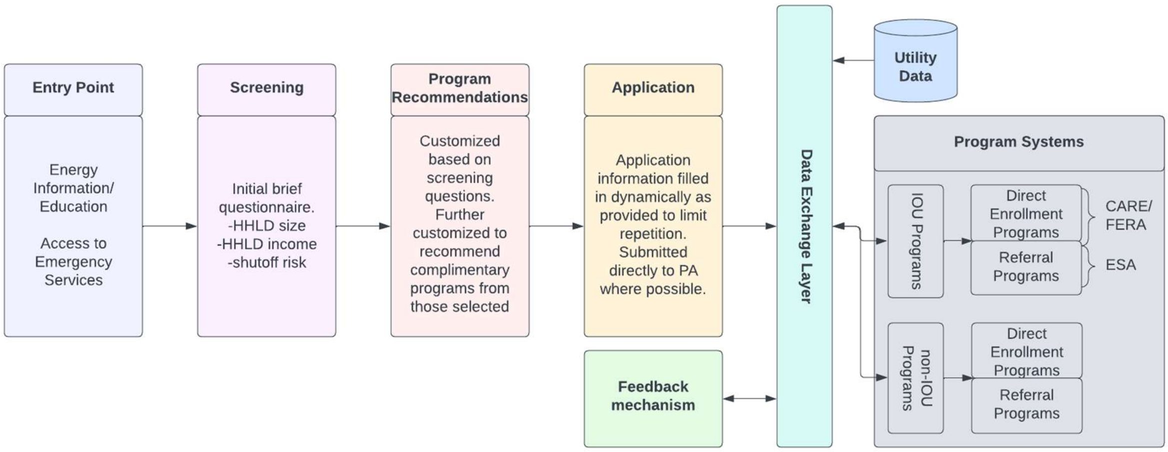
participation rates in energy, water, and telephone low-income customer assistance programs and effectiveness of co-marketing and co-enrollment strategies. The evaluation should study whether investments and resources supporting tailored marketing and outreach to hard-to-reach populations, tribes, and underserved areas are on balance with CPUC determined program participation goals and whether additional resources and supports are needed to increase program participation.

- As part of the evaluation and monitoring effort, the Legislature may consider asking the CPUC to provide a comparative analysis of program participation within energy, water, and telephone low-income customer assistance programs prior to, and at specified intervals, following the implementation of co-marketing and program coordination recommendations referenced in this report.
- The LIOB requests the CPUC update the LIOB at each regularly scheduled quarterly meeting on the above short-term recommendations.

Appendices

Appendix A: UAS System Concept

UAS Working Group System Concept



The final concept flow chart, having evolved throughout the sub-working group, describes the process flow of the customer journey through a UAS. The diagram is not a recommendation for system design or user interface, but rather how the sub-working group envisions the process to be.

Entry Point. The entry point is where a customer enters the portal. This front page could be unique for each type of user – a utility customer, a property owner or property management company, a third party like a CBO assisting a customer, or others. This section would also contain various critical safety and resiliency information such as PSPS events happening in the customer's area.

Screening. The screening is the initial questionnaire for program eligibility. Per discussion during sub-working group sessions, this questionnaire should be as short as reasonably possible and be written in plain language. For example, "Do you need help paying your energy bill?"

Program Recommendations. The customer would then be provided with a list of programs for which the customer may be eligible, packaged in a way to deliver the most value to the customer. For example, complimentary programs such as bill assistance programs or weatherization programs, would be presented together so that the customer would see that there are multiple programs available to address a need.

Application. The UAS would then provide the customer with one form that would satisfy the requirements to complete applications for all the programs selected. Once submitted, the system would parse that information and fill out the multiple applications automatically behind the scenes. This allows for a user-friendly experience.

Feedback Mechanism. The UAS sub-working group sessions repeatedly discussed implementing some sort of feedback mechanism for customer confidence in the progress of their applications. The depth and complexity of the feedback mechanism would be left to the development team, pending feasibility, should the CPUC decide to move forward with the UAS. The feedback mechanism would indicate, at some level of depth, the application status of programs the customer selected and applied for. This could range from a simple "received," "completed," or "denied," to an integrated process where the customer can track an application status via UAS.

Data Exchange Layer. This is the core of the UAS and connects the customer provided information from the application, the utility data, and any other 3rd party integrated data. It will process the information to provide recommendations to the customer, help transmit the application to program systems, and funnel an application status back to the feedback mechanism. In a hypothetical example, a specific program may require the customer needing to be a utility customer for 12 consecutive months. That tenure information would be sent from Utility Data to the Data Exchange Layer, and if the customer selected that program, the Program System would use the data stored in the Data Exchange Layer to verify that the customer met that requirement without the customer needing to be asked the question.

Utility Data. Necessary utility data will permit customer screening for specific programs that a customer would be eligible for. The sub-working group has determined that such data could be sensitive in nature and necessary measures must be taken to ensure customer and utility data is protected.

Program Systems. These are the systems of all the individual programs being served by the UAS. At various levels of integration (*i.e.*, direct enrollment or referral), the UAS will deliver the application on behalf of the customer. The program systems would also provide application status information to the UAS system to as part of the feedback mechanism.

Appendix B: CDT Response

Email from California Department of Technology (CDT)

The contract for the third-party administrator (TPA) of the Universal Lifeline Telephone Service program cannot be amended to include water, gas, and electric utility services for the purposes of facilitating enrollment between low-income assistance programs because it deviates from the original contract scope. A new contract should be competitively bid to avoid any perception of gifting State funds, introducing errors or contradictions into the current Universal Lifeline Telephone Service TPA contract, and objection from the California Department of Technology (CDT) or the current contractor, Maximus US Services, Inc.

The Universal Lifeline Telephone Service TPA contract was competitively bid through a Request for Proposal (RFP) under the direction of the CDT and did not contain any language to include additional enrollment determinations for other services. Per the State Contracting Manual (SCM), Volume 2, chapter 1805, "an amendment must be within the original scope of the purchase document solicitation; if it is not, it must be treated as a non-competitively bid transaction." The contract has been previously scrutinized and protested because of the high dollar value, so adding scope as a non-competitively bid transaction would invite more scrutiny; the public may perceive this as the State unfairly awarding this contract without the proper competition.

The addition of enrollment services would be difficult as this would add 4-5 program areas within CPUC to develop the new scope. The new program areas may add or require language that conflicts with the current Universal Lifeline Telephone Service TPA contract. They may also disagree on how the services should be conducted. This could prolong the additional scope or cause issues with discrepancies throughout the contract.

The new services would require the current contractor, Maximus US Services Inc., to expand their enrollment activities to include water, gas, and electric utility services. This could potentially lead to Maximus US Services, Inc. to split their focus from the Universal Lifeline Telephone Service enrollment and inadvertently degrade their duties in one or more areas. This would also require the approval of the Contractor, Maximus US Services, Inc. as well as CDT. The amendment language in the contract states, "The Contract may be amended, consistent with the terms and conditions of the Contract, and by mutual consent of both parties, subject to approval by the CDT Statewide Technology Procurement under Public Contract Code (PCC) Section 12100."

A new contract should be competitively bid to implement the enrollment for the water, gas, and electric low-income assistance programs. The formal acquisition method should be utilized under the direction of the CDT, as the cost will likely exceed $1,000,000.00 and CPUC's purchasing delegation. An RFP must be created as the services are complex and carry an elevated risk (SCM, V. 2, chapter 1406.2). The RFP would allow for the phased approach to procure the enrollment services equitably because it would provide an equal opportunity to all Contractors to provide a proposal. The State would create their requirements in an RFP, and then evaluate the responses based on the administrative, technical, and cost evaluation criteria set forth in the RFP.