

Low Income Oversight Board Energy Division Update

Presented by Kapil Kulkarni, Energy Division Staff
October 13, 2023



California Public
Utilities Commission

Agenda

- **Large IOUs ESA/CARE/FERA program cycle**
 - Mid-cycle recommendations and report
- **2023 Low Income Potential and Goals study**
- **Concurrent Application System (CAS) Working Group**
- **Upcoming Events**
- **Affordability Proceedings updates**

Large IOUs ESA/CARE/FERA program cycle

- **Mid-cycle recommendations and report**
 - Draft report available at end of September
 - Final report to be submitted to Energy Division/CPUC by end of 2023
- **ESA Working Group**
 - October 26, 2023 – Agenda TBD
 - Materials will be available at <https://pda.energydataweb.com>

ESA program mid-cycle options outlined in Decision 21-06-015, Section 10.3.6.3)

1. Whether Decision goals are aligned with 2023 Potential & Goals study
2. Whether Decision goals are appropriate. Or, are IOUs on track?
3. Whether Decision goals need to be updated
4. Best practices under the new designs – Customer Segmentation
5. Status of Deeper Energy Savings and Electrification pilots
6. Cost-effectiveness

Low Income Potential and Goals 2023 study

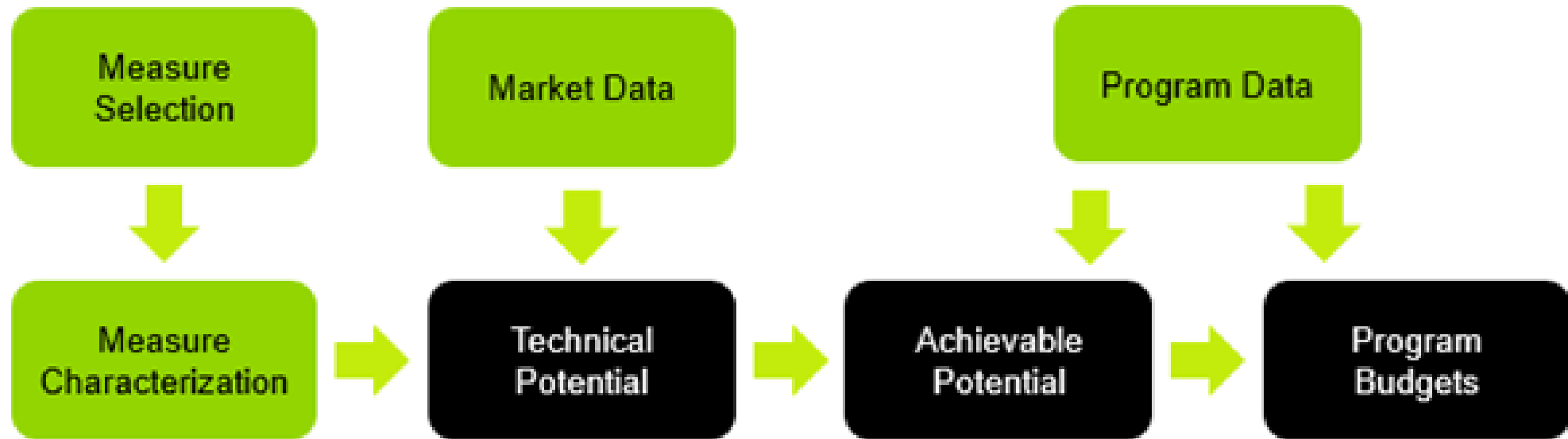
- **Background**

- Bi-annual effort to quantify energy savings potential for income-qualified sector
- Bottom-up measure-based approach (not based on individual households) developed by independent consultant, Guidehouse
- Will be incorporated into ESA WG and IOUs' mid-cycle recommendations and report

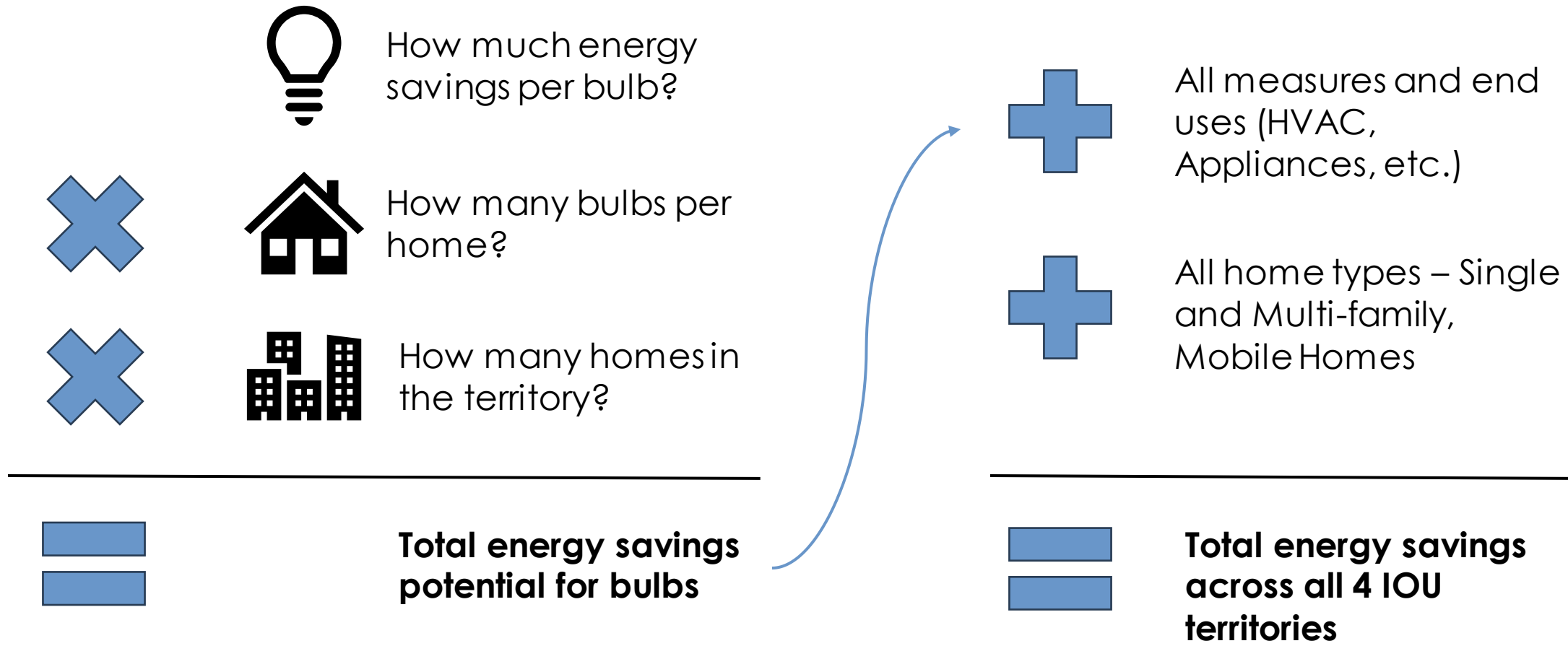
- **Study**

- Generally, results are aligned with Decision-adopted goals
- Materials available at <https://pda.energydataweb.com>
- Findings will be incorporated into mid-cycle report

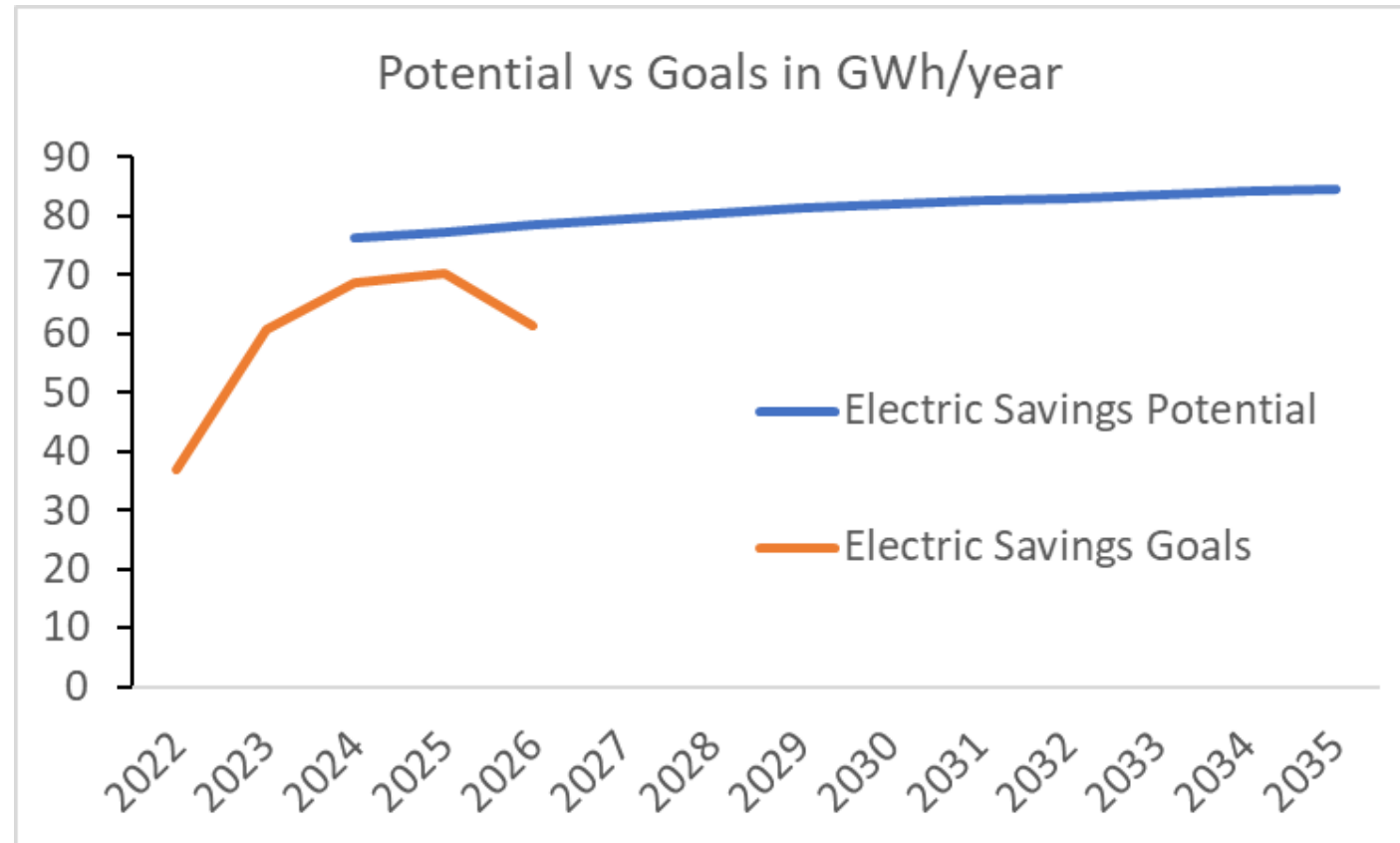
Low Income Potential and Goals 2023 study – methodology



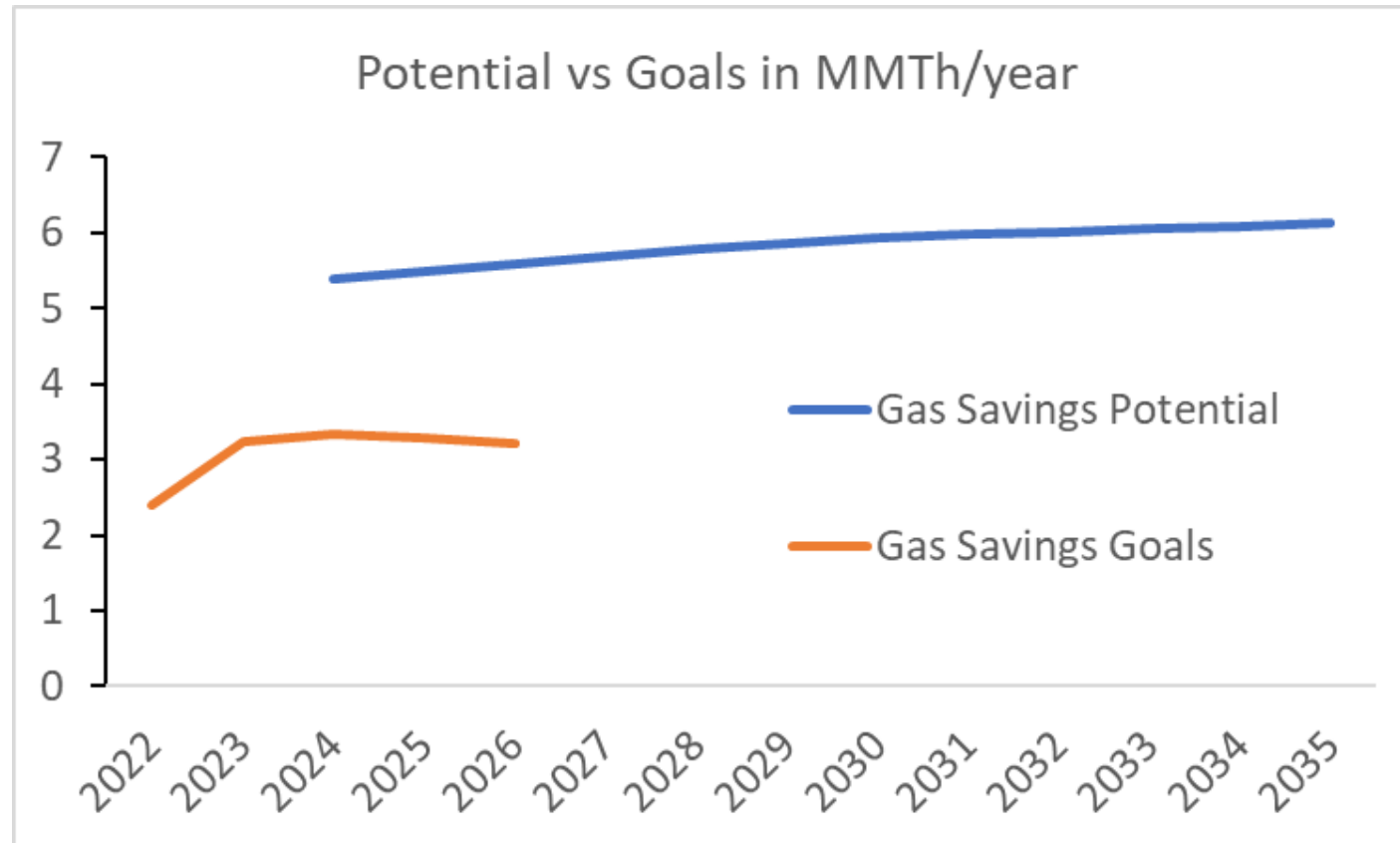
Low Income Potential and Goals 2023 study – example



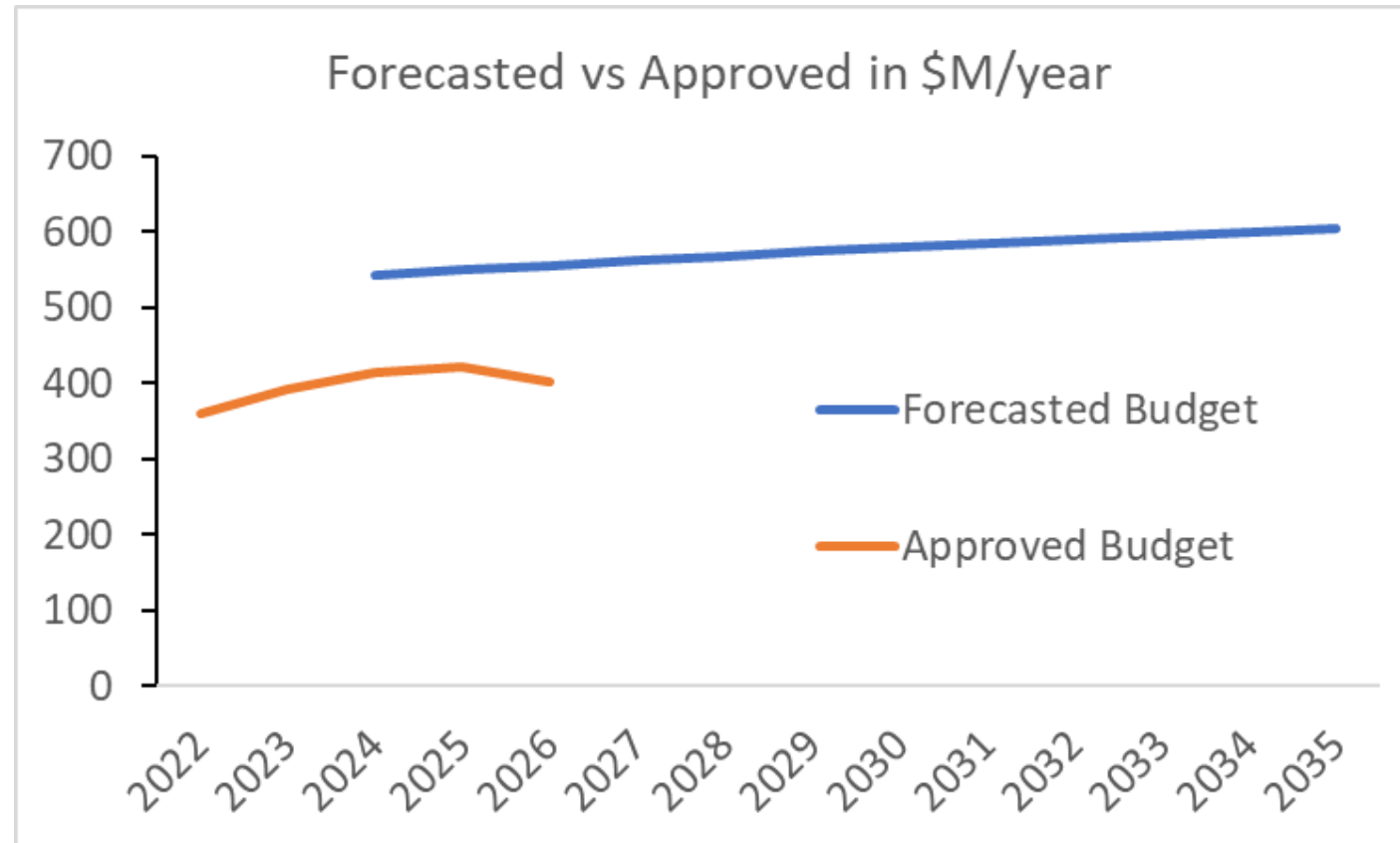
Low Income Potential and Goals 2023 study – electric savings



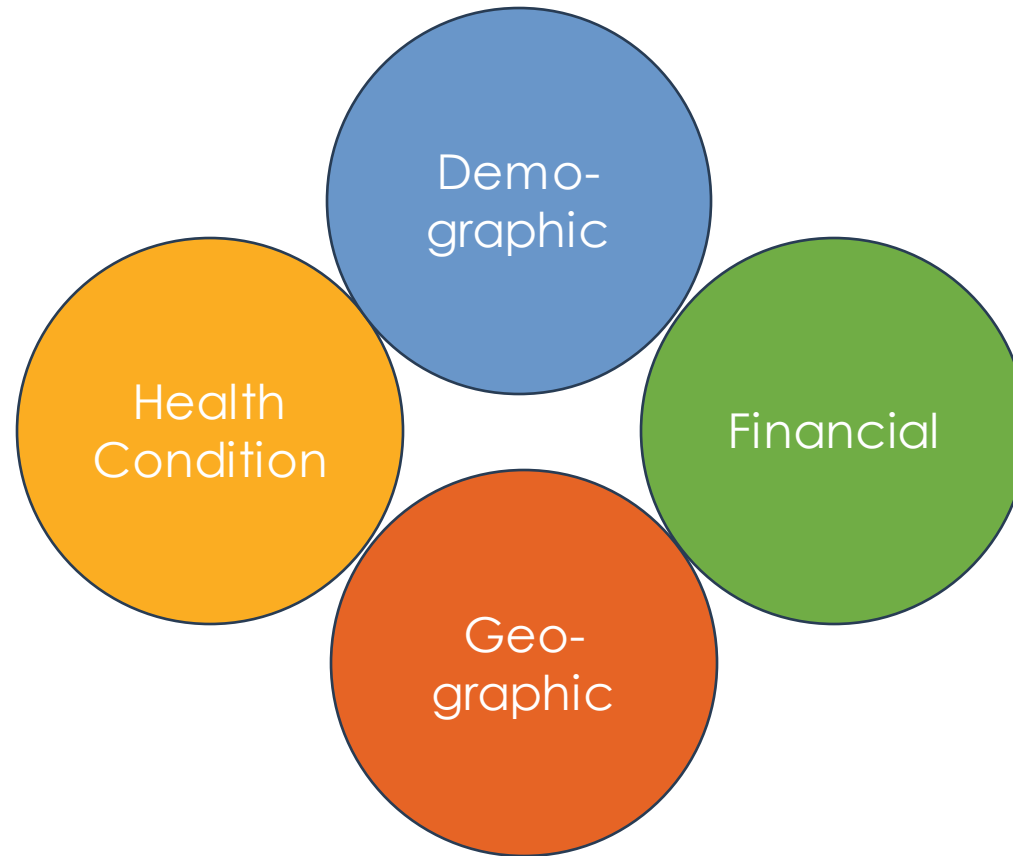
Low Income Potential and Goals 2023 study – gas savings



Low Income Potential and Goals 2023 study – budget



ESA program design – customer segmentation



ESA program design – other considerations

- Deeper energy savings
 - **\$21 million** per year over 5+ years (**\$104 million** in total)
 - IOUs to achieve 50% energy savings per HH (compared to up to 5% historical average)
 - 2 of 3 programs underway; limited data so far
- Electrification
 - **\$10 million** per year over 5+ years (**\$51 million** in total)
 - Retrofit and New Construction pilots, and coordination with BUILD program
 - Both programs underway, limited data so far
- Cost-effectiveness
 - **0.70** Benefit-Cost ratio target for the ESA **portfolio**
 - **0.30** Benefit-Cost ratio target for ESA **measures**
 - How should the ESA programs be assessed so far?

Concurrent Application System

- **CPUC adopted [D.23-05-006](#)**
 - IOUs implement Phase I of Concurrent Application System (CAS), allowing customers to concurrently apply, or begin to apply, to IOU energy programs through a single platform – ESA, CARE, and FERA at a minimum
 - CAS Working Group developing recommendations on Phase I design requirements
 - PG&E to release RFP for CAS developer by December 29, 2023
- **LIOB's SB 1208 report recommendations**
 - Staff are reviewing and exploring LIOB's near-term recommendations
 - A potential Phase II will consider other low-income energy and non-energy programs, and will be informed by LIOB's SB 1208 report and CAS Working Group

Studies updates

Categorical Eligibility Programs

- Webinar held May 2023
- Final report was released in June 2023
- IOUs to submit AL by October 13, 2023 with any proposed updates to list of categorically eligible programs

- Final report available here:

<https://pda.energydataweb.com/#!/documents/2814/view>

Upcoming events

Clean Energy Workshop - virtual

- Thursday November 9 - tentative
- Third annual workshop on how income-qualified programs can continue and improve coordination with other low income and clean energy programs
- Agenda and meeting materials will be available here:
<https://pda.energydataweb.com/>

Disconnections Proceeding

Decision 23-08-049

- Extends 24-month payment plans to eligible residential customers through October 1, 2026
- Extends Arrearage Management Plan program through October 1, 2026
- Authorized the proposed Medical Baseline Study that will estimate eligible Medical Baseline population in each utility's service territory

All proceeding documents are available in the docket card for R.18-07-005 at <https://www.cpuc.ca.gov/proceedings-and-rulemaking> as well as through the service list.

Income-Graduated Fixed Charge Proceeding, Track A

Previous Activity

- November 29, 2022 – Kick-off workshop
- Jan/Feb 2023 – Opening and Reply Briefs on Statutory Interpretation
- April 7, 2023 – Opening Testimony due
- June 2, 2023 – Reply Testimony due

Upcoming Activity

- October 6, 2023 – Opening Briefs
- November 3, 2023 – Reply Briefs
- Q1 2024 – Proposed Decision

All proceeding documents are available in the docket card for R.22-07-005 at <https://www.cpuc.ca.gov/proceedings-and-rulemaking> as well as through the service list.

Thank you!

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