Low-Income Oversight Board

Technical Advisory Committee

Priorities for ESA CARE FERA Application/Proceeding

WORKING DRAFT

Background

The Low-Income Oversight Board (LIOB) exists to advise the Commission on low-income ratepayer issues related to gas, electricity, water and certain aspects of the Lifeline program related to coordinated outreach with the CARE program.

The LIOB's Technical Advisory Committee (TAC) is charged with managing the process for the LIOB's recommendations for the next Decision on Low-Income programs and other matters impacting low-income ratepayers. As a first step, the TAC presents these initial recommendations for the full Board's consideration at their September 2024 meeting.

This working draft includes two sections: Previous Recommendations to Commission (1) and Initial Additional Recommendations (2). Section 1 includes letters sent to the Commission as part of the public record and the SB 1208 Report submitted to the Legislature. Additional Recommendations include items deliberated in this and other LIOB Subcommittees and Committees, full LIOB meetings and third party contributions through public meetings.

Previous Recommendations to Commission

Low-Income Needs Assessment (LINA)

Section 382.1 of the California Public Utilities Code specifies that the LIOB shall, "Assist in the development and analysis of any assessments of low-income electricity and gas customer need." The code also specifies the parameters of this assessment as follows:

> *Beginning in 2002, an assessment of the needs of low-income electricity and gas ratepayers shall be conducted periodically by the commission with the assistance of the Low-Income Oversight Board. A periodic assessment shall be made not less often than every third year. The assessment shall evaluate low-income program implementation and the effectiveness of weatherization services and energy efficiency measures in low-income households. The assessment shall consider whether existing programs adequately address low-income electricity and gas customers' energy expenditures, hardship, language needs, and economic burdens.*[1]

The TAC recommends including all recommendations in the letter to the Commission dated April 10, 2023. This includes, but is not limited to the following:

in light of utility rate increases amidst growing economic hardships, the Low-Income Oversight Board recommends the study scope assess the following interrelated research questions. The Board sees these two questions as a single integrated study and critical information for decision makers everywhere to assess the scope of energy poverty in California:

[1] http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=PUC&division=1.&title=&part=1.&chapter=2.3.&article=7.

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

In addition, but not in lieu of the research questions above, we would support:

3. Identifying the specific needs of medical baseline customers, especially in light of PSPS and residential building electrification, and gaps in program offerings towards meeting those needs.
4. Greater coordination of California Department of Developmental Services Regional Centers and IOUs for medical baseline enrollment and certification.
5. Assessing unique needs of high and low-usage low-income energy customers, including how they are impacted by peak and non-peak time-of-use rate structures.

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

[2] We would also support an analysis that uses a comparable metric, such as the Affordability Ratio metric developed by the California Public Utilities Commission.

[3] The American Council for An Energy-Efficient Economy considers 6% a high energy burden and 10% a severe energy burden. They note: "Researchers estimate that housing costs should be no more than 30% of household income, and household energy costs should be no more than 20% of housing costs. This means that affordable household energy costs should be no more than 6% of total household income. For decades, researchers have used the thresholds of 6% as a high burden and 10% as a severe burden (APPRISE 2005). Note that high and severe energy burdens are not mutually exclusive. All severe energy burdens (> 10%) also fall into the high burden category (> 6%)." https://www.aceee.org/sites/default/files/pdfs/u2006.pdf

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ESA Program

The TAC supports the inclusion of recommendations in the LIOB letter to the Commission dated December 15, 2023. This includes, but is not limited to the following:

- Structural Changes: The LIOB requests that the ESA program design for contractors' compensation be based on a time and materials basis. We further request that the effectiveness of the PG&E model of lead generation, balanced with energy savings potential and including all feasible measures for contractors be considered to improve outcomes in other regions of the state.
- Market Rate Study: The LIOB requests the Commission complete a market rate study to inform how contractors are reimbursed for their work on the ESA program and to achieve a prevailing wage for their workforce.
- Support Cash Flow of Contractors: The LIOB requests the IOUs to work with their contractors to determine if contractor advances to ensure the financial stability of the program services delivery would assist financial stability for both the service provider network and the program. Qualified contractor advances will be state law effective January 1, 2024.
- Fund a Prevailing Wage: The LIOB requests the IOUs to implement adequate contractor compensation margins that ensures worker retention, program sustainability and competitive wages.
- Streamline Procurement: The LIOB requests the CPUC to direct the IOUs to reexamine all bulk purchasing activities of appliance programs and equipment with the intent of not overburdening contractors with added expenses that increase the administrative overhead to service implementers.
- Fund Workforce Development: The LIOB requests the IOUs to provide adequate contractor compensation for workforce, education, and training costs for the development of a skilled workforce that meets the demands of an evolving ESA program.
- Independent Study Actual Costs: The LIOB asks the CPUC to order an independent (not IOU administered) ESA market rate study to provide data on fair compensation and the true costs of program fulfillment.
- Compliance with 2790: The LIOB asks the CPUC to direct ALL IOUs to deliver all feasible measures consistent with the Public Utilities Code 2790. The administration of ESA services across all service areas must ensure all income qualified customers seeking ESA services are treated equitably and receive all feasible measures.
- Weatherization Measures: The LIOB further asks the CPUC to direct the IOUs to perform all feasible measures to include "weatherization measures" consistent with PUC Code 2790. This includes completing as many measures as possible to each household for the benefit of the contractor as well as the health, safety and comfort of the ratepayer. These measures include:

  Attic insulation, caulking, weather stripping, low-flow shower heads, door and building envelope repairs to reduce air infiltration, and water heater blankets. The LIOB understands that some of the IOUs are delivering all feasible measures to include some, if not all weatherization services, however, that is not the case with Southern California Gas (SCG).

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The LIOB asks the CPUC to direct SCG to deliver all feasible measures (to include air infiltration and weatherization) to their eligible low-income customers.

- Budget Flexibility for Better Outcomes: The LIOB would request that the CPUC extend ESA budget flexibility to the ESA Main portion of the program for the entire program portfolio. Current budgets should be maintained, but intelligent strategic portfolio budgeting will allow the IOUs to avoid Q4 year decisions primarily for the primary purpose of accommodating deadlines. This Q4 practice may create unforeseen impacts in subsequent fiscal years.

SB 1208 Report Recommendations

Marketing and Outreach

- 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.

Program Coordination

- 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>Streamlined Enrollment and Data Sharing</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) platform1 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 use of the SVH to advance the functionality of the CAS to provide expedited eligibility verification of program assistance application submissions.

[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.

- 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.

Program Evaluation and Monitoring

- 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.

LIOB Recommendations Pursuant to Resolution M-4849 and Related Matters

To meet its statutory obligation to advise on Resolution M-4849, the LIOB scheduled a joint Low-Income Energy Assistance and Water and Climate Change Committee meeting, to receive a briefing on Commission and related response efforts to the COVID-19 Pandemic, arrearages and discuss subject areas for the Board to include in this recommendation letter at the next LIOB meeting. The outcome of that meeting and those deliberations are reflected in the language below. These recommendations were approved at the Low-Income Oversight Board Meeting on Thursday, March 11, 2021.

1. Extreme Climate Protections

According to the draft transition plans, existing policy ensures that if temperatures are forecasted to be above 100 degrees or below 32 degrees on a 72-hour-look-ahead period, Investor Owned Utilities (IOUs) shall not disconnect the household. As evidenced by recent events in Texas and others across the nation, not having power during an extreme climate crisis, can directly impact the ability to sustain life through that crisis.

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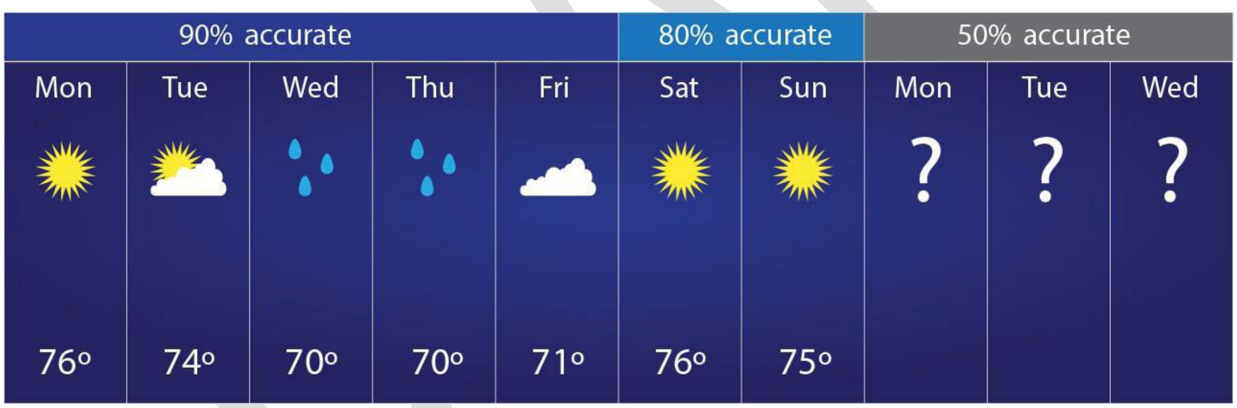
An article in the Washington Post dated February 19, 2021 and entitled, *Meteorologist for Texas grid operator warned of the winter storm's severity: NOAA highlighted the threat beginning Feb. 5, with forecasts taking on greater urgency over time*, noted that this extreme climate event was predicted by the National Oceanic and Atmospheric Administration (NOAA) far in advance of 72 hours. The article cited in part that:

As early as Feb. 5, ***10 days*** *before the Arctic air moved into the South, the National Oceanic and Atmospheric Administration (NOAA) highlighted the risk of unusually cold weather and winter storms across the central and southern United States.*

Maps produced by NOAA's Climate Prediction Center showed an 80 percent chance of below-average temperatures from Feb. 11 to 15, from Texas north to the Dakotas, with slightly lower chances of unusual cold stretching from coast to coast.

While the article goes on to mention that this level of accuracy in a ten-day forecast is unusual, a seven-day forecast has the same level of accuracy at 80%. As illustrated in the image below, a joint NOAA and NASA administered website built for educators called "SciJinks – It's all about the weather," cites that seven-day forecasts are accurate about 80% of the time.



The website's question and answer subpage on the topic states the following:

How Reliable are the Weather Forecasts?

A seven-day forecast can accurately predict the weather about 80 percent of the time and a five-day forecast can accurately predict the weather approximately 90 percent of the time. However, a 10-day—or longer—forecast is only right about half the time.[1]

The NOAA weather forecast on February 5th did not call for an extreme climate event 72 hours into the future, but did cite one as early as the 11th, six days later. With the risk of extreme climate events increasing, along with the increasing accuracy of long-term forecasts, the LIOB believes households should be protected from disconnections during these scenarios to the greatest extent possible as part of the transition off of emergency customer protections and thereafter.

<u>LIOB Recommendations</u>

a. The LIOB recommends that all transition plans include a 7-day or 168 hour-look-ahead period, where if temperatures are forecasted to be above 100 degrees or below 32 degrees, the household shall not be disconnected. The LIOB requests this to be in effect through December 31, 2021.
b. The LIOB also requests the Commission to pursue all other appropriate procedural avenues to make this best practice a permanent policy thereafter.
c. While not within the scope of the Resolution, the LIOB asks the Commission to work with the utilities to develop an "emergency restoration policy," that would temporarily restore service to any household already disconnected when an extreme climate event is predicted in the immediate future.
**These recommendations above are made with the assumption that restoring and/or maintaining power would not conflict with a Public Safety Power Shutoff scenario.*

2. <u>Increase CARE Subsidies for the Most Vulnerable to 50% as Part of AMP</u>

The Board understands from its briefings that some households may not be able to pay their bill even with enrollment into Arrearage Management Plan (AMP) and CARE. Section 739.1(c)(1) of the California Public Utilities Code, which relates to the CARE program states, "The average effective CARE discount shall not be less than 30 percent or more than 35 percent of the revenues that would have been produced for the same billed usage by non-CARE customers." Based on the advertisements from a sampling of the IOU websites, there appears to be diversity by utility in how this is implemented. PG&E advertises discounts starting at 20%, SCE advertises discounts at "about 30%," while SDG&E states CARE offers "30% or more off your bill." SoCal Gas offers a discount of 20%. Section 739.1 of the California Public Utilities Code also states that, "The commission shall ensure that the level of discount for low-income electric and gas customers correctly reflects the level of need." Understanding the revenue model for the CARE program, the LIOB believes that in extreme cases of need where the tools provided in the draft transition plans would likely not prevent a disconnection, the Commission should utilize the administrative avenue it determines most appropriate to ensure utilities may grant up to a 50% discount for households at the highest risk of disconnection.

<u>LIOB Recommendations</u>

a) The LIOB recommends that the Commission instruct utilities to include CARE discounts of up to 50% for households at the highest risk of disconnection as part of their transition plans or other appropriate process. This recommendation is only for households believed to be at high risk of a future disconnection absent of this measure.

3. <u>CARE Data Sharing for Water Utilities</u>

The Board understands from the Draft Advice Letters, the aforementioned Committee Meeting briefing and meetings with Class A and Class B water utilities, that receiving CARE data on a regular quarterly basis would enable better planning, outreach and the overall reduction for the potential of disconnections for their low- income customers. It is additionally understood following discussions with Commission staff and IOUs that there is an active proceeding (R1706024) that could create this policy. The Board additionally understands that provided confidentiality concerns are worked through in good faith by all parties, there is also nothing preventing the implementation of CARE data sharing as specified to protect low-income households as a *best practice* as part of the utility transition plans.

<u>LIOB Recommendations</u>

a) The LIOB recommends that the Commission instruct electricity and gas utilities to share their CARE data with Class A and Class B Water Utilities at intervals of no less than a quarterly basis as part of their transition plans.
b) The Board further encourages the Commission to pursue all avenues to make this practice a permanent policy to ensure low-income households have access to all programs that may reduce their utility costs. This includes allowing utilities the resources to build the necessary systems for implementation and management.

4. <u>Marketing and Outreach</u>

Draft IOU transition plans describe various marketing, education, and outreach strategies and approaches designed to promote customer awareness of assistance programs to help manage their utility bills, changes to programs that they are currently enrolled in, and provide forewarning of plans to end the disconnection moratorium and other emergency protections. While the LIOB applauds the detailed and comprehensive nature of the marketing, education, and outreach proposed by IOUs, the Board identifies the need for plans to outline specific marketing plans and budgets for targeting customer segments considered hard-to-reach, underserved, and those residing in areas designated as low-income or disadvantaged communities. Furthermore, the Board holds the view that IOU marketing, education, and outreach plans should reflect deliberate attempts to leverage community-based organizations and human services agencies located within these areas to promote direct messaging campaigns and extend enrollment opportunities in IOU programs under capitation and other agreements or partnerships with IOUs.

These collective resources and strategies will help to ensure community-based organizations serve an instrumental role in serving as both a trusted messenger and provider of energy assistance to community members experiencing financial challenges with managing their home energy expenses during the COVID-19 pandemic. With IOU arrearages exceeding $1.25B, and more than 3.3 million IOU customers' bills behind in payment, the Board views it essential that Marketing and Outreach budgets be scaled appropriately to ensure timely and effective communication to all customers on the availability of energy assistance programs to help manage the financial burden of home energy and utility plans for ending emergency protections. To strengthen marketing, education and outreach plans with a focus on the hardest to reach populations, the Board recommends these actions outlined below.

<u>LIOB Recommendations</u>

a. The Board recommends the Commission to direct IOUs transition plans to require separate and distinct marketing, education, and outreach plans for targeting hard-to-reach customers, including those residing on tribal lands and within communities designated as low-income, disadvantaged, and/or underserved. Plans should disclose geographical detail to identify the areas the specific targeted outreach and marketing plans will encompass.

b. The Board recommends the Commission extend flexibility for IOUs to increase marketing, education, and outreach budgets *by 50% for the transition period,* to ensure marketing and outreach plans are adequately scaled and incorporate the needed enhancements to effectively serve hard-to-reach customers and underserved communities. In extending this flexibility, the Commission shall require IOUs to identify financial and contractual resources extended to human services agencies and community-based organizations specifically targeting and serving hard-to-reach customers and underserved communities.

c. The Board recommends the Commission direct IOUs to develop reporting mechanisms to track expenditures and outcome results from partnerships with community-based organizations and human services agencies specifically targeting hard-to-reach customers and underserved communities.

5. Define and Measure Success

The Draft Advice Letters' transition plans each outline approaches to minimize disconnections and impacts of transitioning off of Emergency Customer Protections. As part of each utility's respective "progress tracking and reporting plan," as cited in the Resolution, the LIOB believes it is important to *define success* and measure the effectiveness of each program action or measure towards the goals stated in that definition.
This will enable the Commission and Board the ability to monitor the outcomes of these measures, recommend changes and utilize the data presented to better plan for future emergencies.

LIOB Recommendations

a) The LIOB recommends the Commission direct utilities to provide no less than quarterly reports to the LIOB that at a minimum provide the following information as part of their transition plans:

- What number and percentage of disconnections were households enrolled in AMP?
- What number and percentage of disconnections were households enrolled in CARE where applicable?
- What number and percentage of disconnections were households enrolled in CARE and AMP?
- What number and percentage of disconnections were households that received assistance from the LIHEAP program?
- What percentage and number of households enrolled in AMP were referred to the following programs:
    - ESA
    - LIWP
    - LIHEAP
    - Other Programs
- What were the median and average lengths of disconnections?
- What were the median and average arrearage amount and time past due from a disconnection?

b) The LIOB further recommends the Commission to direct all utilities to include their definition of success in their transition plans so this can be measured with the data presented in answering the above. If possible the Board requests utilities coordinate their definition of success to ensure uniformity in outcome evaluation.

6. Aliso Canyon Best Practices

The negative impacts of the Pandemic to personal finances and employment continue to disproportionately affect California's low-income communities. Next to the cost of housing, utilities are one of the largest costs to the household. The LIOB recognizes this fiscal burden as a significant factor contributing to the enormous utility arrearages that currently exist, as outlined by the staff report during the February 11, 2021 Commission meeting. In addition to the tools listed in the Draft Advice Letters, the LIOB believes that reducing the monthly cost (energy burden) in these homes is an additional critical step for these populations to engage in a successful transition. A reduced monthly cost will also increase the likelihood of a successful Arrearage Management Plan, which requires that the low-income customer keep current with their ongoing utility bills.

There is precedent for an emergency action by the CPUC regarding ESA program measures and program management. The Aliso Canyon Emergency Decision 16-04-040 suspended the three measure minimum rule and go-back vs. new touch eligibility policies. These and other barriers create complexities of shifting program budgets, targets and objectives that generate a lack of a consistent ESA program response to low- income ratepayers. Other program cost-effectiveness guidelines (barriers) exist that should be revised to assist our low-income customers with the priority of reducing energy burden and therefore enabling these low-income households to stay current with their AMP and their current bill.

LIOB Recommendations

a) The LIOB recommends that the Commission direct the IOUs to enhance Energy Savings Assistance (ESA) with emergency energy cost reductions measures that ensure a minimum of 10% savings to low-income ratepayer bills as part of their transition plans or other appropriate process.

7. Coordination with LIHEAP

The coordination of the low-income programs of the large investor-owned utilities and the federal Low- Income Home Energy Assistance Program (LIHEAP) has long been a goal of the CPUC and CSD and a strategy emphasized in many of the IOU transition plans. It has also been an area of consistent engagement for the LIOB. In order to optimize the best use of limited LIHEAP funding, IOUs should seek to execute more effective targeting of LIHEAP services to low-income utility customers' companies at-risk of service disconnection due to nonpayment, and ensure local administrators of LIHEAP services are better positioned and resourced to facilitate timely enrollment in other complimentary IOU assistance programs using a streamlined intake process. By executing these strategies, IOU transition plans will avail a more complete form of energy assistance delivery for specific at-risk customers during a pivotal time as IOUs seek to transition from the utility disconnection moratorium period. The Board offers the following recommendations for improving IOU coordination with LIHEAP and leveraging partnerships with local LIHEAP administrators to achieve improved service outcome results in further reducing the disconnection of low-income IOU customers.

LIOB Recommendations

a. The Board recommends the Commission direct IOUs to establish data sharing agreements between Local Service Providers (LSPs), CSD, and IOUs to effectively target LIHEAP assistance to at-risk customers (i.e. customers at-risk of losing services due to nonpayment) as part of their transition plans.

b. The Board recommends the Commission direct IOUs to explore opportunities for and fund joint program enrollment pilots with LSPs to facilitate enrollment of at-risk low-income IOU customers in LIHEAP and IOU CARE Medical Baseline, Percentage of Income Payment Plans (PIPP), and the Arrearage Management Program (AMP) using a single streamlined intake process as part of their transition plans. CSD, working together with selected LSPs, would participate in the development and administration of such pilots.

8. Referral to Weatherization and Other Programs as Part of AMP

The Board believes that employment and economic challenges of low-income households mandate that
California's low-income energy assistance programs be functioning at full capacity and effectiveness. While incomplete, end of year 2020 data indicates that there were more households in energy utility arrearages than were households enrolled in the CARE and ESA programs. It is nevertheless reasonable to assume that there are thousands of new households in need due to COVID. These households could significantly benefit from low-income energy assistance programs that include ESA, LIHEAP, SOMAH, and CSD's LIWP low-income solar programs. To best succeed in preventing disconnections and reduce energy burden (promote economic stability for households), it is necessary to explore what changes can be implemented by IOU program administrators. These changes should include realistic eligibility guidelines, enhanced enrollment practices and more effective overall program(s) design and program penetration, but could start with the simple inclusion of a referral from ESA and other weatherization programs as part of the AMP enrollment process.

LIOB Recommendations

a) The LIOB recommends that the Commission direct IOUs to include a referral to ESA, LIWP, and other weatherization programs in the AMP enrollment process, as part of their transition plans.

b) The LIOB recommends that the Commission direct IOUs to work closely with SOMAH, LIWP, CARE and ESA service providers, CBOs and community stakeholders, to construct enrollment best practices with improved outreach, program eligibility and tailored household energy assessments to better target ratepayer investments that enhance energy savings and reduce energy burden.

Additional Recommendations

Extreme Heat Protection and Modernization of Policy

Current CPUC policy prohibits disconnections when temperatures are expected to exceed 100 degrees does not adequately address dangers of extreme heat for people without electricity for cooling. Extreme temperatures that pose a serious threat to health vary due to the significant variation in regional average temperatures, social factors and others outlined in NOAA's NWS Heat Risk Index. The TAC recommends:

1) Prohibit regulated electric utilities from disconnecting customers when the National Weather Service Heat Risk Index for a customer's location is forecast to reach the "Major" (Red/3) Risk Level over the next 72 hours or more. The TAC suggests consulting with the California Department of Public, NWS or other technical experts.
2) Require regulated electric utilities to contact recently disconnected customers, and offer to reconnect their service, without any minimum payment, if they agree to a payment arrangement plan for their back bill, when Major Risk Levels are forecast.