

Low Income Oversight Board

Item #6 – Energy Division Update

Item #7 – Guidance Summary

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California Public
Utilities Commission

ESA/CARE/FERA Program updates

- Recent meetings

- November 14 – Clean Energy Programs Workshop
- November 18 – Concurrent Application System (CAS) Phase II Workshop
- December 3 – LIOB and Technical Advisory Committee subcommittee meeting

- Upcoming meetings

- January 2025 ESA Working Group

SB 1208 Report update

LIOB SB 1208 Report: ED Updates & Activities

Recommendation	Updates & Activities
Marketing & Outreach	
Marketing and outreach strategies to increase awareness and participation in low-income utility assistance programs within specific customer segments	ESA, CARE, & FERA co-marketing and coordination with other low-income programs included in ED staff guidance for the next application proceeding
Lifeline marketing, outreach, and enrollment practices	Updates on Lifeline activities can be shared at next meeting
Program Coordination	
Coordinated enrollment strategies between energy, water, and telecommunications programs through joint applications and intake systems, data sharing, and categorical enrollment	CAS Phase II recommendations will be presented to the Commission in 2025: <ul style="list-style-type: none">• Recommendation to expand CAS to other energy, water, and telecommunications programs and increase data sharing for categorical enrollment

LIOB SB 1208 Report: ED Updates & Activities

Recommendation	Updates & Activities
<i>Streamlined Enrollment and Data Sharing</i>	
Facilitate cross-system sharing of energy, water, and telecommunications data to streamline enrollment, improve program marketing & outreach, and program evaluation	CAS Phase II recommendations will be presented to the Commission in 2025: <ul style="list-style-type: none">• Recommendation for a comprehensive program marketing contract and increase data sharing to facilitate enrollment
Evaluate feasibility of expanding CAS to the full suite of low-income utility assistance programs under the CPUC's regulatory authority	<ul style="list-style-type: none">• Recommendation to expand CAS to energy, water, and telecommunications programs from CPUC and other state agencies
Leverage UAS recommendations to guide implementation of single-application system and advance functionality to expedite eligibility verification	<ul style="list-style-type: none">• Recommendation to expand CAS to include income verification functionality <p>CAS Phase I design was informed by UAS recommendations. Expected to launch in 2026</p>

LIOB SB 1208 Report: ED Updates & Activities

Recommendation	Updates & Activities
<i>Streamlined Enrollment and Data Sharing</i>	
<p>Establish categorical eligibility across all programs under the purview of SB 1208, in accordance with applicable federal rules and guidelines</p>	<p>CARE categorical eligibility advice letter rejected</p> <p>ED guidance for next applications includes approach to maintaining the list of categorical programs for ESA, CARE, and FERA</p> <p>Enrollment in CARE and/or FERA currently used as categorical eligibility for other CPUC programs: SGIP, DAC-GT, DAC-SASH, AMP, CAP</p>
<p>Establish data sharing agreement with CA Department of Social Services to leverage non-personal identifiable information to analyze enrollment rates and identify underserved geographic areas</p>	<p>Improvements to data sharing, co-marketing, and program coordination opportunities included in ED staff guidance for the next ESA, CARE, FERA application proceeding</p>

LIOB SB 1208 Report: ED Updates & Activities

Recommendation	Updates & Activities
<i>Program Evaluation and Monitoring</i>	
<p>Establish universal program evaluation using consistent metrics and data collection to measure customer participation rates in energy, water, and telephone low-income programs and effectiveness of co-marketing and co-enrollment strategies</p>	<p>CAS Phase II recommendations will be presented to the Commission in 2025:</p> <ul style="list-style-type: none">• Recommendation for a comprehensive marketing contract would track effectiveness of co-marketing and co-enrollment <p>ED staff guidance for the next application proceeding includes consideration of new metrics to compare CARE/FERA program performance with other income-qualified programs, and new metrics to evaluate ESA ME&O and program effectiveness</p>

SB 1208 & Concurrent Application System

Phase I

- Joint IOU Advice Letter filed November 4 seeking Commission approval for proposed contract and budget for Phase I implementation
- Expected to launch mid-2026

Phase II

- CAS Working Group developing recommendations for Phase II expansion
- [Public Workshop](#) held November 18 on draft recommendations
- Leverages recommendations from LIOB's SB 1208 Legislative Report

ED Staff ESA/CARE/FERA Guidance summary

ESA/CARE/FERA Guidance summary

- Background

- 2021-26 ESA Mid-Cycle Report submitted to CPUC in December 2023
- Staff reviewed, and discussed any potential changes with the IOUs and stakeholders during 2024
- Q3 and Q4 – Frequent discussions on Guidance process for next program cycle within Energy Division and with IOUs
- October 31 – Staff Guidance submitted to IOUs and service list

ESA program design, \$2.2B from 2021-26:

- **Main ESA**
 - All single family (up to 4 units) and mobile homes
 - **\$1.7B** in funds over program cycle
- **Multifamily Whole Building**
 - 5 or more connected units
 - Designed to address gap in program delivery
 - **\$350M** in funds over program cycle
- **Deeper Energy Savings pilots**
 - **\$100M** in funds over program cycle
- **Electrification pilots (SCE only)**
 - **\$50M** in funds over program cycle

Overview of current ESA Main challenges

- Program transition – shift from homes treated to energy savings goals
- Push for customer-centric design with deeper savings per household
- Contractors not able to ramp up based on volume of households
- Funds must be spent in each program / calendar year

ESA Main in 2023



Energy savings

35 MWh

8 MW

2.3 M therms

(~65% of target)



Expenses

\$228M

(budget of \$292M, 78%)



Homes treated

135k

(target of 176k, 77%)



Average 1st year bill savings per household

From \$21 (SDG&E)

Up to \$116 (PG&E)

ESA Main through October 2024



Energy savings

42 MWh

13 MW

2.1 M therms

(~80% of target)



Homes treated

120k

(target of 194k, ~75%)



Expenses

\$202M

(budget of \$294M, ~85%)

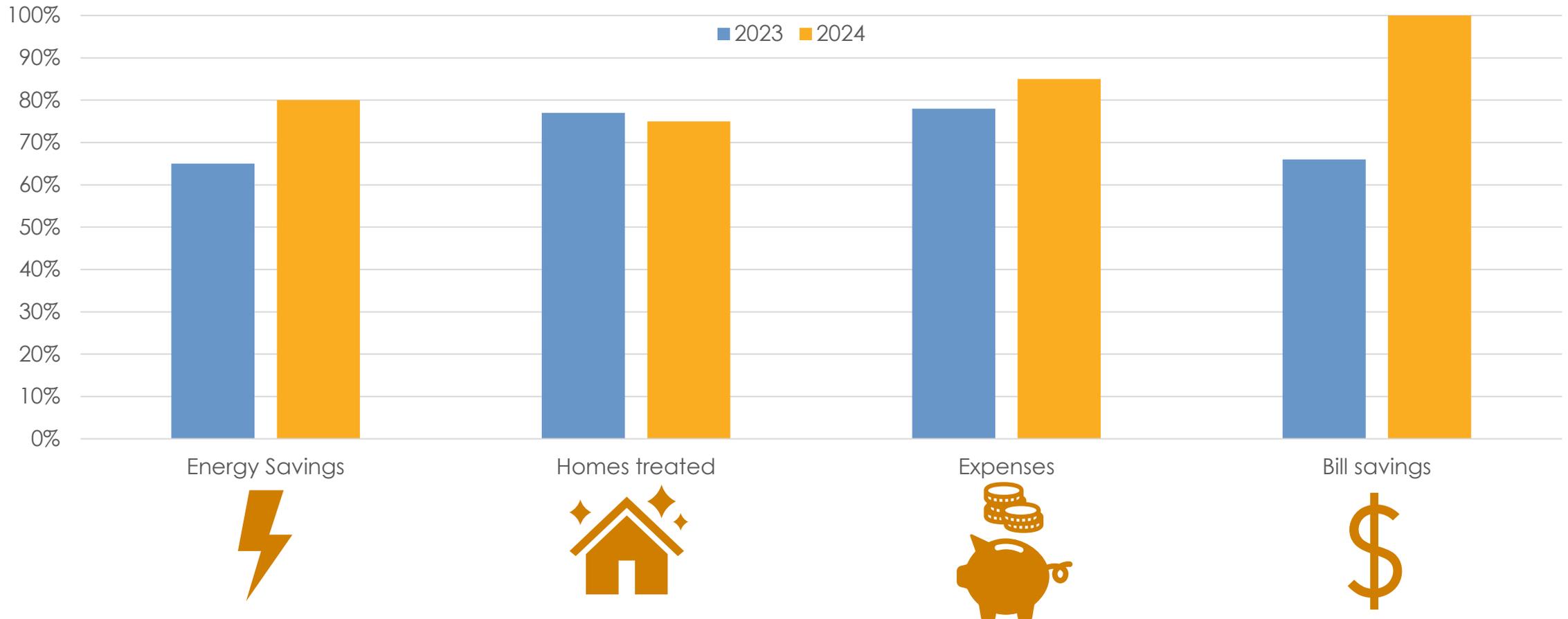


Average 1st year bill savings per household

From \$40 (SDG&E)

Up to \$175 (PG&E)

ESA Main 2023 vs. 2024 estimate



ESA-CARE-FERA guidance outline 1/4:

1. Bridge Period and Program Cycle
 - Bridge Period of 1 year (2027) if needed
 - Program Cycle of 4 years, 2027-30 or 2028-31
2. California Alternate Rates for Energy (CARE)
 - Goals, Budget, Program Delivery, Program Admin, MEO
3. Family Electric Rate Assistance (FERA)
 - Goals, Budget, Program Delivery, Program Admin, MEO
4. ESA Budget and Goals
 - Consider program need, current budgets, and unspent funds

ESA-CARE-FERA guidance outline 2/4:

5. ESA Energy Related Goals

- Energy goals for kWh, kW, therms
- Also consider EE, Weatherization, HCS, Fuel sub

6. Multi-Family Whole Building (MFWB)

- Goals, Budget, Program Structure, Program Delivery

7. ESA Programs and Pilots

- Deeper savings pilots, and Electrification

8. ESA Cost-effectiveness

- ESACET target of 0.7

ESA-CARE-FERA guidance outline 3/4:

9. CARE and FERA

- Customer related metrics
- Coordination with IGFC

10. Concurrent Application System

- Phases 1 and 2

11. Coordination with other programs

- Within and outside of CPUC

12. Studies and Other Reports

- LINA, P&G, NEI, etc.

13. Working Groups and Stakeholder Engagement

- ESA WG

ESA-CARE-FERA guidance outline 4/4:

14. ESA Customer Segmentation and Program Delivery

- Prioritize hot climates, Tribal, DACs, other?

15. ESA MEO Approaches and Budgets

- How to reach the prioritized segments?

16. ESA Solicitations and Contracting Structure and Best Practices

- Open and competitive solicitations, contractor payments, admin structure

17. Workforce Education and Training (WE&T)

- Programs and budgets

Next steps

- ED Staff in discussions with IOUs regarding applications timeline
- Staff's original recommendation was July 2025 for a combined Bridge/Full Program Cycle application
 - IOUs are considering whether to submit Bridge funding application by June 2025, followed by
 - Full Program Cycle application by December 2025
- This could result in:
 - Bridge Funding for 2027
 - Program Cycle starting in 2028

Questions and Discussion