COM/MBK/vj4 04/07/2026

FILED
04/07/26
03:45 PM
A2601003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Pacific Gas and Electric Company's (U-39 M) Application for Approval of its 2028-2033 Income-Qualified Programs	Application 26-01-003
And Related Matters.	Application 26-01-005 Application 26-01-010 Application 26-01-011

ASSIGNED COMMISSIONER'S SCOPING MEMO AND RULING

This Scoping Memo and Ruling (Scoping Memo) sets forth the issues, need for hearing, schedule, category, and other matters necessary to scope this proceeding pursuant to Public Utilities Code Section 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure (Rules).

1. Procedural and Factual Background

On January 9, 2026, Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (SCE) filed their respective applications requesting approval and funding for their Income-Qualified Programs (IQPs) portfolios for 2028-2033. Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) filed their respective applications on January 16, 2026. An Administrative Law Judge (ALJ) Ruling on February 10, 2026 consolidated the applications of PG&E, SCE, SoCalGas and SDG&E (together jointly, the Utilities), and set a date of March 12, 2026 for the prehearing conference (PHC).

Responses were filed on February 17, 2026 by San Diego Community Power and Clean Energy Alliance, and Protests were filed on February 17, 2026 by The Utility Reform Network, on February 18, 2026 by the Public Advocates Office, and on February 20, 2026 by the Center for Accessible Technology.

These applications are intended to fund and implement changes and improvements for program years 2028-2033 for the IQPs, which include the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Energy Savings Assistance (ESA) programs. The ESA program provides no-cost home weatherization services, energy efficiency measures, and energy education to help eligible income-qualified households conserve energy, reduce energy costs, and improve their health, comfort, and safety. The program also provides information on other available assistance programs as well as education to promote energy-efficient practices in income-qualified communities. Households with total annual incomes at or below 250 percent of federal poverty guidelines (FPG) qualify for the ESA program. The CARE program is an income-qualified energy rate assistance program that provides a discount on energy rates to qualifying income-qualified households with incomes at or below 200 percent of the FPG. For families whose household incomes slightly exceed the CARE allowances, the FERA program is available to provide discounts on their electric bill.

An ALJ ruling was issued on March 10, 2026, presenting a draft scope and schedule for discussion at the PHC. The PHC was held on March 12, 2026.

2. Issues

Having reviewed the applications, protests, and parties' comments, as well as the discussion at the PHC, the following issues are scoped into the proceeding:

1. CARE Program

   a. Whether the proposed CARE program budgets, enrollment goals, design and implementation, and associated performance standards are reasonable and should be adopted; and
   b. Whether the funding level for the Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program is reasonable and appropriate, and whether the program's evaluator selection and procurement oversight process be modified?
2. FERA Program
   a. Whether the proposed FERA program budgets, enrollment goals, design and implementation, and associated performance standards are reasonable and should be adopted; and
   b. Whether the FERA program reporting requirements and evaluation criteria should be altered as proposed by Energy Division's staff proposal?
3. ESA Program
   a. Whether the proposed ESA program budgets, goals, program design including solicitation and contracting, implementation, and associated performance standards are reasonable and should be adopted;
   b. Whether modifications should be made to the ESA program related to workforce development, health, comfort, and safety measures, focus on prioritized and targeted populations, and referral, leveraging, and coordination efforts;
   c. Whether the proposed programs and performance metrics adequately support and balance tradeoffs between competing policy objectives, including expanding access to cooling and electrification measures, maximizing bill savings for participants, and minimizing non-cost-effective spending, and rate and bill impacts on non-participants;
      i. What types of policy or programmatic changes should be considered to better support these objectives?
   d. Whether the proposed multifamily program designs and modifications are reasonable and should be

established, including transition to a local administration model;
   e. Whether the ESA fund shifting, expense cap, unspent and uncommitted funds, and/or carryover rules should be standardized and/or modified?
4. Other CARE/ESA/FERA Issues
   a. Whether the Utilities' proposals related to upfront eligibility, enrollment processes, recertification, and post-enrollment verification, including modifications to existing post-enrollment verification limits and selection processes, are reasonable and should be adopted, in light of applicable statutory requirements and Commission policy;
      i. What modifications should be made to the proposals, including those needed to minimize attrition and barriers to eligible participants?
      ii. Consider impacts on program integrity[1], administrative costs, and rates for participants and non-participants.
   b. Whether proposed budgets and activities for IQP evaluations, studies, pilots, working groups, and reporting are reasonable and should be adopted;
   c. Whether the Utilities should be required to submit a summary of proposed actions based on findings and recommendations from the Low Income Needs Assessment Study for improvements to the IQPs, and how such actions should be implemented;
   d. Whether the proposed cost recovery methods for IQP programs for 2028 and beyond are reasonable and should be adopted;
   e. Whether the proposed programs take into consideration the Commission's Environmental and Social Justice

[1] "Program integrity" refers to measures designed to ensure that only eligible customers are enrolled and remain enrolled, including enrollment, recertification, and verification processes.

Action Plan, Executive Order N-5-24 and other affordability concerns;

f. Whether any compliance items may be sunsetted or modified, including cost-effectiveness reporting;
g. Whether an IQP Working Group should be established, replacing the ESA Working Group, including the convening of regular public meetings in addition to an annual report meeting;
h. Whether budgets should be approved through 2031 or 2033;
i. Whether modifications should be made for any mid-cycle review process, including whether the Utilities should be granted flexibility to make program adjustments (including fund shifting and measure modifications) via advice letters and regulatory reports;
j. Whether the process for updating CARE, FERA, and ESA income eligibility levels, as required by Resolution E-3524, should be modified to allow the utilities to use the annually updated Federal Poverty Guidelines published by the U.S. Department of Health and Human Services to update and implement the annual income eligibility guidelines for the CARE, FERA, and ESA programs, rather than relying on a separate Commission letter, while maintaining the June 1 tariff effective date; and
k. What processes and schedule should be laid out for the next IQP application cycle?

5. Concurrent Application System Phase I
   a. Whether the Concurrent Application System (CAS) Phase I proposed budget and plan for ongoing implementation (operations and maintenance, performance tracking, and marketing, education, and outreach) are just and reasonable and should be adopted;
   b. Whether enhancements should be made to the CAS Phase I platform to help reduce administrative burden, improve program coordination and cross program enrollment, and reduce overall marketing, education, and outreach enrollment expenditures;

      i. The CAS Working Group's Phase II Recommendations Report (attached) may be considered, but any enhancements to Phase I must be at a reasonable cost and based on existing cost recovery for CAS; and
   c. How the CAS Phase I platform should be managed during ongoing operations and maintenance, including decision-making authority for prioritization of fixes and any identified enhancements?
6. Data Sharing
   a. Whether the Utilities should increase data sharing with categorical programs and other utility income-qualified programs, and for what purposes or outcomes should this data be used (income verification, lead generation, automatic enrollment, general targeting of eligible households);
   b. Whether a third-party income verification service that includes data sharing with categorical programs should be available to ESA, CARE, and FERA customers, either through an enhancement to CAS or through individual Utility contracts, with consideration of administrative costs; and
   c. What policy framework should the Commission adopt to modernize categorical eligibility for CARE, FERA, and ESA, including the criteria and process for evaluating public assistance programs and updating the categorical eligibility program list on an ongoing basis?
7. Definitional Issues
   a. Legal Interpretation of "substantially the same" as used in Public Utilities Code Section 739.1(f)(1), for purposes of determining which programs can be used for categorical eligibility, including whether statute requires the income thresholds of categorical eligibility programs to perfectly align with the income threshold of the income-qualified program;
   b. Definition of "income" as used in Public Utilities Code Section 739.1(a) and 739.12(a) for purposes of

determining eligibility for the CARE and FERA programs; and

c. Definition of "household" sizes as used in Public Utilities Code Section 739.1(a) and 739.12(a) for purposes of determining eligibility for IQPs.

This Scoping Memo includes a number of attachments to aid parties in developing testimony and comment. In responding to Scoping Memo Issue 1b, regarding the CHANGES program, please refer to Attachment 1, the 2022-2024 Evaluation of the CHANGES Program. In responding to Scoping Memo Issue 2a and 2b, please consider and provide comments on Attachment 2, an Energy Division (ED) Staff Proposal on implementation of SB 1130 and enrollment of FERA-eligible customers. In responding to Scoping Memo Issue 5b, please refer to Attachment 3, the Concurrent Application System: Recommendations for Phase II, prepared by the Concurrent Application System Working Group. Please also refer to the attached Low-Income Oversight Board comments on issues to consider in this proceeding (Attachment 4).

3. Definitional Issues

In previous IQP application proceedings,[2] the Commission has considered how to determine which of the public assistance programs have income eligibility requirements that are "substantially the same" as the CARE program and therefore should be approved as qualifying public assistance program(s) in the CARE categorical eligibility program, consistent with Public Utilities Code Section 739.1(f)(1). In the same proceeding, parties were also asked how the Commission should determine the definition of "income" for purposes of determining CARE and ESA program eligibility, and to determine whether non-

[2] *See* A.11-05-017, 2/25/2014 ASSIGNED COMMISSIONER'S RULING CONCERNING CATEGORICAL ELIGIBILITY AND ENROLLMENT AND DEFINITION OF INCOME.

cash benefits such as housing subsidies should be included as part of income calculation in determining income eligibility. The Commission only reached an ultimate adjudication on the latter issue.

As noted in the above scope, there is also an outstanding question of interpretation related to how "household" sizes should be determined for eligibility purposes for IQP programs. For example, there is a lack of specifics for how shared custody, multigenerational households, and military absences should be addressed in determining household size.

Parties are therefore asked to submit briefing on these issues 7(a), 7(b), and 7(c), prior to the submission of intervenor testimony, so that the Assigned Commissioner or Administrative Law Judge may issue a ruling providing further guidance to the parties on how the IQP proposals should be designed to account for any potential changes the Commission may implement in the final decision in this proceeding related to these issues. Opening Briefs on these limited definitional issues shall be due on May 15, 2026, and Reply Briefs shall be due on June 5, 2026.

4. Need for Evidentiary Hearing

The application stated that evidentiary hearings would not be required. At the PHC, other parties expressed that evidentiary hearings were likely to be needed. Parties at the PHC expressed that evidentiary hearings of a week in length should be scheduled. Therefore, potential evidentiary hearings are preliminarily scheduled for November 16-20, 2026 in the event evidentiary hearings are necessary and appropriate. The deadline to file a motion to request evidentiary hearings is set forth in the below schedule. Further participation instructions will be issued as the date approaches.

5. Schedule

The Utilities' applications proposed a schedule that would have the record close in late 2026. Given the additional time needed to address the categorical eligibility questions prior to the submission of testimony, extra time has been built into the proceeding to address these issues. The following schedule is adopted here and may be modified by the assigned Commissioner and/or ALJ as required to promote the efficient and fair resolution of this proceeding:

EVENT	DATE
Prehearing Conference	March 12, 2026
Scoping Memorandum and Ruling	April 2026
Opening Briefs due on Definitional Questions	May 8, 2026
Reply Briefs due on Definitional Questions	June 5, 2026
Ruling on Definitional Questions	June 2026
Investor-Owned Utility Supplemental Testimony	July 10, 2026
Intervenor Testimony	September 11, 2026
Rebuttal Testimony	October 16, 2026
Deadline to File Motion for Evidentiary Hearings	November 6, 2026
Evidentiary Hearings, if needed	November 16-20, 2026
Opening Briefs Due	December 18, 2026
Reply Briefs Due	January 22, 2027
Proposed Decision	Q2 2027

The organization of prepared testimony, comments, and briefs must correlate to the issues identified in this Scoping Memo or other rulings directly seeking specific input from parties to this proceeding.

The briefing schedule may be altered as needed by the ALJ or the Assigned Commissioner. Under this schedule, the record will stand submitted upon the filing of final reply briefs, unless the ALJ requires further evidence or argument. Based on this schedule, the proceeding will be resolved within 18 months as required by Commission Rule of Practice and Procedure 2.1.

6. Utilities Supplemental Testimony

Upon review of the Applications, certain information is requested from the Utilities to ensure that the record is sufficiently developed to address the issues posed in this Scoping Memo. The Utilities are directed to serve by July 10, 2026 as Supplemental Testimony responses to the questions in Attachment 5.

7. Motions for Party Status

This ruling grants party status in this proceeding to the National Diversity Coalition (NDC). Commission Rules of Practice and Procedure, Rule 1.4(b)(1) and (2), require that a person seeking party status fully disclose the person or entities on whose behalf the motion is made, the interest of such persons in the proceeding, and the pertinent factual and legal contentions that the person intends to make. In its Motion, NDC states that it is a community-based organization that works with low-income customers and participates in IQP enrollment activities. NDC states that it will focus on whether the Applications sufficiently address the concerns of low-income and minority communities. The Motion of NDC therefore complies with Rules 1.4(b)(1) and (2). NDC's motion for party status is therefore granted.

8. Alternative Dispute Resolution (ADR) Program and Settlements

The Commission's ADR program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At any party's request, the assigned ALJ can refer all or part of this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.[3]

Any settlement between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules of Practice and Procedure and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law, and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

9. Category of Proceeding and Ex Parte Restrictions

At the PHC, no party disputed categorizing this proceeding as ratesetting. This Scoping Memo confirms the categorization. Accordingly, ex parte communications are restricted and must be reported pursuant to Article 8 of the Rules. Any communications with the ALJ should be limited to procedural communications via e-mail, and sent to the entire service list.

10. Public Outreach

Pursuant to Public Utilities Code Section 1711(a), I hereby report that the Commission sought the participation of those likely to be affected by this matter.

---

[3] *See* Decision 07-05-062, Appendix A, § IV.O.

11. Intervenor Compensation

Pursuant to Public Utilities Code Section 1804(a)(1), a customer who intends to seek an award of compensation is required to file and serve a notice of intent to claim compensation by April 13, 2026.

12. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. Parties may do so by posting such response using the "Add Public Comment" button on the "Public Comment" tab of the online docket card for the proceeding.

13. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission's procedures or has questions about the electronic filing procedures is encouraged to obtain more information at http://consumers.cpuc.ca.gov/pao/ or contact the Commission's Public Advisor at 866-849-8390 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

14. Filing, Service, and Service List

The official service list has been created and is on the Commission's website. Parties should confirm that their information on the service list is correct and serve notice of any errors on the Commission's Process office, the service list, and the ALJ. Persons may become a party pursuant to Rule 1.4.

When serving any document, each party must ensure that it is using the current official service list on the Commission's website.

This proceeding will follow the electronic service protocol set forth in Rule 1.10. All parties to this proceeding shall serve documents and pleadings using e-mail, whenever possible, transmitted no later than 5:00 p.m., on the date scheduled for service to occur. Although Rule 1.10 requires service on the ALJ of both an electronic and a paper copy of filed or served documents, parties are directed to only serve the assigned ALJ electronically in this proceeding.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must not send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

Persons who are not parties but wish to receive electronic service of documents filed in the proceeding may contact the Process Office at process_office@cpuc.ca.gov to request addition to the "Information Only" category of the official service list pursuant to Rule 1.9(f).

The Commission encourages those who seek information-only status on the service list to consider the Commission's subscription service as an alternative. The subscription service sends individual notifications to each subscriber of formal e-filings tendered and accepted by the Commission. Notices sent through subscription service are less likely to be flagged by spam or other filters. Notifications can be for a specific proceeding, a range of documents and daily or weekly digests.

15. Receiving Electronic Service from the Commission

Parties and other persons on the service list are advised that it is the responsibility of each person or entity on the service list for Commission proceedings to ensure their ability to receive emails from the Commission. Please add "@cpuc.ca.gov" to your email safe sender list and update your email screening practices, settings, and filters to ensure receipt of emails from the Commission.

16. Assignment of Proceeding

Matthew Baker is the assigned Commissioner and Garrett Toy is the assigned Administrative Law Judge and presiding officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding as described in Section 2 above is adopted.
2. The schedule of this proceeding is adopted as set forth in Section 5 above and adopted.
3. Evidentiary hearing may be needed and is preliminarily scheduled for November 16-20, 2026.
4. The category of the proceeding is ratesetting.
5. NDC's Motion for Party Status is granted.

This order is effective today.

Dated April 7, 2026, at San Francisco, California.

/s/ MATTHEW BAKER
Matthew Baker
Assigned Commissioner