COM/CJS/jt2 **ALTERNATE PROPOSED DECISION**

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12/17/15 Item 49a

Decision **ALTERNATE PROPOSED DECISION OF COMMISSIONER SANDOVAL (Mailed 11/17/2015)**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.	Application 14-11-007 (Filed November 18, 2014)
And Related Matters.	Application 14-11-009 Application 14-11-010 Application 14-11-011

INTERIM DECISION ON THE COMMUNITY HELP AND AWARENESS OF NATURAL GAS AND ELECTRICITY SERVICES PILOT PROGRAM, THE ONGOING PROGRAM, AND RELATED FUNDING

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INTERIM DECISION ON THE COMMUNITY HELP AND AWARENESS OF NATURAL GAS AND ELECTRICITY SERVICES PILOT PROGRAM, THE ONGOING PROGRAM, AND RELATED FUNDING

Summary

This decision approves the establishment of the Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) as an ongoing statewide program, effective January 1, 2016. The ongoing CHANGES program will provide outreach, education, and bill issue assistance on natural gas and electricity bills and services to limited English proficient consumers in the language of their choice through a statewide network of community based organizations. CHANGES will be managed by the California Public Utilities Commission's Consumer Service and Information Division, with technical assistance and input from Energy Division.

CHANGES is currently funded from California Alternate Rates for Energy (CARE) Program contributions by customers of the large Investor-Owned Utilities (IOUs): Pacific Gas & Electric, San Diego Gas & Electric, Southern California Gas Company, and Southern California Electric Company and thus provides services in those areas. The program may be expanded to the Small Multi-Jurisdictional Utilities (SMJU) through that proceeding or another mechanism.

CHANGES will be funded at an amount not to exceed $1.75 million a year, ideally directly from the Commission's reimbursable budget because the reimbursable budget will provide greater latitude to address a range of energy assistance needs experienced by California's low income population, the

Low English Proficiency (LEP) population, and population with disabilities.[1] The CHANGES program helps the LEP population across the state, and low income customers, receive bill issue assistance. Funding as part of the Commission's reimbursable budget would ensure greater staff oversight and accountability of the program, would allow CHANGES to address a wider range of issues faced by consumers, and integrate consumer assistance into recommendations for Commission regulatory action on a range of issues including, but not limited to CARE.

Until a long-term CPUC funding source can be established through budgetary and/or legislative channels, the ongoing CHANGES program will be funded as a reimbursement from the CARE Program, through the end of the current 2015-2017 program cycle, and may be renewed by the Commission, as needed, into the next CARE cycle. The interim continued funding of the CHANGES program through the CARE budget is consistent with California Public Utilities Code, Section 739.4, which allows expenditure of CARE funds to protect low-income and senior households from unwarranted disconnection of necessary electric and gas services.

We reach this decision to establish an ongoing program based on the success of the current CHANGES Pilot which, during its four-year trial, has provided the Commission with data that demonstrates the need for and usefulness of the program.

For the Commission to ensure systematic tracking and monitoring of this expanded program, CSID will work with Energy Division and CPUC's Internal

[1] Because the program will be managed by a contractor, the actual amount may be lower, depending on what is proposed in the awarded bid.

Audit Unit to develop granular CHANGES program issue tracking categories. The categories will permit auditing, action, and complaint resolution, as well as the identification of trends that could require regulatory or procedural action. For example, client assistant note categories should not just state that CHANGES helped to resolve a "billing dispute," but provide some information about the nature of the dispute, e.g. bill difficult to comprehend, bill inaccurate, etc. We direct CSID to consult with Internal Audit Unit and Energy Division and work collaboratively to develop trend analysis categories to facilitate the program's expansion authorized in this decision. The Internal Audit Unit's work will support the CPUC 's request to bring CHANGES information into the decisionmaking process and the program onto the Commission's reimbursable budget.[2]

To ensure continued usefulness of the CHANGES Program, and because it has been three years since the last independent evaluation of the Pilot, we direct that an independent, third-party evaluation study of the ongoing CHANGES program be conducted. The study should be produced by the end of the next CARE program cycle.

The evaluation will be overseen by the Consumer Service and Information Division (CSID), with the cooperation of and in collaboration with the Commission's Energy Division. It will be used to analyze the program, inform decision-makers and program implementers of program value and highlight potential areas for adjustment in program operation or design, including the success of CHANGES in identifying and analyzing issues or trends faced by

[2] We involve the Internal Audit Unit to ensure proper coordination and implementation, as exercised under California Public Utilities Code Section 701.

CHANGES customers to suggest opportunities for areas of improvement in our regulatory programs, or best practices for regulated utilities. CSID should consult with Energy Division on any RFP, contractor selection and scope of work designation. The CPUC's Internal Audit Unit should provide assistance, as needed. We direct the Auditor to consult with CSID on the CHANGES evaluation to facilitate the program's expansion authorized in this decision. The Auditor's work will support the CPUC's request to bring CHANGES on the Commission's reimbursible budget. The evaluation of CHANGES should inform the Commission whether in the areas served by SMJUs, CARE funding from the SMJU CARE budget should be provided to support CHANGES activities in those areas if funding for CHANGES has not been provided through the CPUC Reimbursable "On Budget" account in those areas.

When the CPUC seeks to shift funding for CHANGES to the CPUC reimbursable budget, the Executive Director should seek authorization and funding for CHANGES to serve in areas served by all Electric and Gas IOUs in California, including the SMJUs.

Because the state contracting process can take several months to secure a contractor, we permit the CHANGES Pilot to continue in 2016, on a month to month basis at the current funding level of $61,200 a month until the ongoing contract is in place.

1. Background

On November 19, 2010, the Commission issued Resolution (Res.) CSID-004 and approved a one-year Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) Pilot. The CHANGES Pilot is modeled after the Commission's Telecommunications Education and Assistance in Multiple-languages (TEAM) program, which was established to assist

California's significant limited English proficient (LEP) population in understanding and resolving telecommunications issues. LEP consumers who benefited from the TEAM program also requested assistance with energy services. In response to this demand, the CHANGES Pilot was created.

Similar to the TEAM program, the CHANGES Pilot has provided energy-related (natural gas and electricity) outreach, education, and resolution of disputes and needs to LEP consumers in the language of their choice through a statewide network of community-based organizations (CBOs). These services have been provided by the same contractor and CBOs involved in the TEAM program, as ordered in Res. CSID-004. The Commission also directed its Consumer Service and Information Division (CSID) to evaluate the effectiveness of the CHANGES Pilot and recommend to the Commission if it should become an ongoing program.

The Commission ordered in Res. CSID-004 that the one year CHANGES Pilot be funded at $500,000 through the 2009-2011 CARE budget, consistent with California Public Utilities Code Section 739.4, which allows expenditure of CARE funds to protect low-income and senior households from unwarranted disconnection of necessary electric and gas services. That Resolution authorized CHANGES to provide services to the low income and LEP communities throughout the territories served by the large Investor-Owned Utilities (IOUs) funded by CARE contributions by customers of the large IOUs CSID-004.

Payment to the contractor has been provided by the four major energy investor-owned utilities (IOUs) from the CARE budget.[3] The funding breakdown is the same structure as outlined in Decision (D.) 02-09-021, which set a framework for the balancing account method of recording and recovery of CARE-related outreach expenses. Specifically, PG&E contributes 30%, SDG&E 15%, SCE 30%, and SCG contributes 25%.

On November 10, 2011, through Res. CSID-005, the Commission approved the CSID's and the Energy Division's proposal for an independent evaluation of the Pilot. The evaluation, CHANGES Pilot Evaluation Report (or Level 4 Evaluation), was completed in August 2012 by Level 4 Ventures Inc. and subsequently admitted into the CARE proceeding (Application (A.) 11-05-017).

In Res. CSID-005, the Commission determined that the Pilot should continue until the Commission made a final determination on whether it should become a standing program. Meanwhile, Res. CSID-005 increased the funding up to an amount not to exceed $60,000 a month ($720,000 a year) through CARE funding. The funding was increased because the demand for CHANGES services (education and needs and dispute resolution) exceeded what could be provided with the initial budget. Even with the increased funding, the CBO network, as a whole, can barely accommodate the consumers who seek their assistance.[4] CSID advises that a CBO in SDG&E territory had to stop outreach that would inform

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[3] The four major IOUs are Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas and Electric Company (SDG&E), and Southern California Gas Company (SCG).

[4] Resolution CSID – 004 ordered that CHANGES must use the same CBOs that are in the current TEAM program. As a result, some of them are in locations where electricity is not provided by the IOUs but by a municipal utility.

consumers of the availability of services. Although that CBO has funds for outreach, its budget was not sufficient to assist the increased demand which would likely result from outreach.

D.12-08-044 continued the Pilot and its funding through December 2014, as the Commission anticipated further evaluation of the Pilot during Phase II of the CARE consolidated proceeding to determine the Pilot's future.

In D.12-12-011, the Commission directed the CSID to work with the Energy Division, the IOUs, and the CHANGES contractor to develop additional Pilot data tracking and reporting requirements and to include the resulting data in the IOUs' monthly CARE reports, which the IOUs filed in this proceeding. These reports will be reviewed as part of the 2015-2017 program cycle applications for the CARE Program. The Commission again extended the duration of the Pilot to ensure services would continue while the Pilot was being further evaluated.

In D.14-08-030, the final decision on the CARE program years 2012-2014, the Commission authorized continued bridge funding for the CHANGES Pilot at a level of $61,200 a month ($734,400 a year) until December 31, 2015, so that the Commission could have sufficient time to determine the Pilot's outcome. The $1,200 monthly increase reflects a 2% increase of cost of living.

On December 18, 2014, the CSID completed the CHANGES Evaluation Report (CSID CHANGES Evaluation Report or Report), which was admitted into the record on January 6, 2015. Parties were given opportunity to comment on the Report. Comments were received from the four IOUs (PG&E, SCE, SCG, and SDG&E), as well as The Utility Reform Network (TURN), Greenlining and the Center for Accessible Technology (CforAT). TURN, Greenlining, SCG, and SDG&E filed reply comments.

2. Issues Before the Commission

The issues this decision will address are (1) whether the Commission should establish an ongoing statewide CHANGES program and if so, (2) how the program should be managed, (3) funded and (4) its funding level.

3. Discussion

3.1. Establishment of an Ongoing Statewide CHANGES Program

3.1.1. The Federal and State Laws

In Lau v. Nichols,[5] the Supreme Court held that the failure of a school system to provide English language instruction to students of foreign ancestry who did not speak English violated Section 601 of the Civil Rights Act of 1964, which bans discrimination based "on the ground of race, color, or national origin" in "any program or activity receiving Federal financial assistance."

On August 11, 2000, the President signed Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," which requires federal agencies to examine the services they provide, identify any need for services to people with LEP, and develop a system to provide those services to the LEP population.

Similar to the federal government, the California Legislature recognized the need to provide state agency services in multiple languages. The Dymally-Alatorre Bilingual Services Act requires every state agency that furnishes information or renders services to a substantial number of individuals who do not speak English to provide certain bilingual services. These services

[5] 414 U.S. 563, 563 (1974).

ensure that non-English-speaking individuals are not excluded from receiving services because of a language barrier.

The California Welfare and Institutions Code, Section 15600, provides that the state shall foster and promote community services for the economic, social, and personal well-being of its citizens.

The California Public Utilities Code, Article 7, supports the use of community service organizations and community based organizations in assisting low income consumers to benefit from assistance programs.

3.1.2. The 2012 Level 4 Evaluation

Filed in A.11-05-017, the 2012 Level 4 Evaluation[6] indicates that the Pilot has efficiently provided education and bill issue assistance to its targeted clients. The Evaluation also examined the need for the Pilot based on the Federal Department of Justice's guidance document which has been applied to assist in structuring programs aimed at the LEP population. Utilizing its four-point assessment,[7] the Level 4 Evaluation concluded that, "a program such as CHANGES that targets the needs of the LEP population in California with respect to utility bills and programs is necessary."[8] The 2012 Level 4 Evaluation also

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[6] The Level 4 Evaluation can be found at http://www.cpuc.ca.gov/NR/rdonlyres/EA977B31-D324-4BD9-88C0-E9225B19D038/0/EvaluationChangesPilotProgramLevel4.pdf.

[7] The four points are: (1) Number or proportion of LEP persons eligible to be served; (2) frequency with which LEP individuals come in contact with the program; (3) Nature and importance of the service provided to people's lives, and (4) Resources available and costs.

[8] Level 4 Evaluation at 19.

recommended that to be consistent with IOU outreach budgets, the CHANGES budget be increased to approximately $1.3 million per year.[9]

Based on its review of the 2012 Level 4 Evaluation, the Commission found that "the CHANGES CBOs provide a variety of much needed services to support the California's LEP community," and further stated that "such a holistic program with broad focus, if effectively implemented, should be commended."[10] Independent studies such as the Level 4 Evaluation are essential to assessing the effectiveness of implementation and to providing decision-makers with information and recommendations necessary to make program adjustments such as the budget changes being adopted here. However, the Level 4 Evaluation, the most recent third-party evaluation of CHANGES, is now three years old. Many program improvements have been implemented since this report was issued, and LEP customer needs may have changed since that time. We therefore direct that an independent, third-party evaluation be produced to inform decision-makers and program implementers of program costs and benefits and potential areas for improvement. The first one should be produced before June 30, 2017, to inform the next CARE program cycle.

The evaluation will be overseen by the Consumer Service and Information Division (CSID), with the cooperation of and in collaboration with the Energy Division. The evaluation process will be used to inform decision-makers and program implementers of program value and potential areas for improvement, including the success of CHANGES in identifying and analyzing issues or trends faced by CHANGES customers to suggest opportunities for areas of

[9] Level 4 Evaluation at 19.

[10] D.12-12-011 at 12-13.

improvement in our regulatory programs, or best practices for regulated utilities. CSID should consult with Energy Division on any RFP, contractor selection and scope of work designation. The CPUC's Internal Audit Unit should provide assistance, as needed. CHANGES should also inform the Commission whether in the areas served by Small Multi-Jurisdictional Utilities (SMJUs), CARE funding from the SMJU CARE budget should be provided to support CHANGES activities in those areas if funding for CHANGES has not been provided through the CPUC Reimbursable "On Budget" account in those areas.

3.1.3. The CHANGES Pilot Program Annual Report

The CSID produced the 2013 CHANGES Pilot Program Annual Report (2013 Annual Report).[11] The information for 2014 CHANGES Pilot Program is contained in the 2014 CHANGES Pilot Evaluation.

As shown in the 2013 Annual Report,[12] outreach, education, and bill issue assistance was provided in 27 languages as follows:

- CHANGES contacted 1,773,186 people through outreach, informing them of the existence of CHANGES services.
- CHANGES caseworkers educated 14,293 consumers.
- CHANGES assisted 1,295 consumer cases to resolve bill issues.

As reflected in the 2013 Annual Report, the CSID examined the website of all the other state utility commissions to review their bilingual services. The CSID also directly communicated with the staffs of other state utility commissions that

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[11] Appended to D.14-08-030.

[12] http://www.cpuc.ca.gov/NR/rdonlyres/A67AE1DF-3A95-4264-A529-10AE4E1ED34B/0/CHANGES_2013_Annual_Rprt.pdf.

had these services, but did not find any program similar to TEAM and CHANGES.

Since January 2013, CSID has reviewed every needs and dispute resolution provided under the CHANGES Pilot and determined that consumers, on average, receive more assistance than they initially requested. Of the 2,768 cases noted in calendar years 2013 and 2014, consumers received a total of 5,723 services, an average of 2.07 services per case. The needs and dispute services provided in 2013 and 2014 are listed in Table A:

	2013	**2014**
1. HEAP/LIHEAP Application Assistance	594	827
2. Energy Assistance Fund Application	75	46
3. ESAP Application Assistance	175	85
4. Gas Assistance Fund Application Assistance	158	106
5. N2N Application Assistance	42	81
6. Medical Baseline Application Assistance	37	70
7. Educated on avoiding disconnection	164	65
8. Educated on how to read the bill	171	154
9. Educated on CARE/FERA	84	83
10. Educated on Medical Baseline	69	9
11. Educated on Energy Efficiency/ Conservation	358	303
12. Educated on all energy assistance programs	354	189
13. Request Meter Service or Testing	42	23
14. Bill Adjustment	8	7
15. Scheduled Customer Service Visit	15	8

16. Scheduled Energy Audit	58	2
17. Set Up/Change Payment Extension	36	63
18. Set Up/Change Payment Plan	117	132
19. Stop Disconnection	97	176
20. Verified Bill	79	38
21. Waive/Decrease Deposit	2	35
22. Restore Service	11	31
23. Sign up for 3rd Party Notification	32	16
24. Enrolled in Demand Response Programs	3	0
25. Set Up Account	16	76
26. Changes to Account	96	157
27. REACH Application Assistance	6	7
28. Add or Modify Level Pay Plan	3	5
29. Core Transport Agents (CTAs)*	-	26
30. CARE High Use Customers*	-	-
31. Safety*	-	1
Total Services	2,902	2,821
* Services 29 through 31 were added to the database in late 2014		

Furthermore, the participating CBOs have educated more than 66,000 consumers on various topics. A list of the education topics for calendar years 2013 and 2014 are illustrated in Table B:

	2013	**2014**
Assistance Programs	4,013	7,497
Explained Bills	3,820	5,052
Conservation	2,895	4,646

Safety	1,542	2,616
Avoid Disconnection	1,233	1,566
Payment Plans	790	817
Core Transport Agents (CTAs)*	-	1,283
CARE and High Energy Use*	-	1,405
Total per Year	**14,293**	**24,882**
* Both components were added late in 2014		

Moreover, the CHANGES Pilot since its inception has provided direct assistance in 47 languages. (See Table C.)

Amharic	French	Polish
Arabic	German	Punjabi
Armenian	Hindi	Romanian
Assyrian	Hmong	Russian
Bangala	Ilokano	Somali
Bengali	Indonesian	Spanish
Burmese	Japanese	Swahili
Cantonese	Karen	Tagalog
Cebuano	Khmer	Thai
Chaldean	Korean	Turkish
Croatian	Laotian	Twi
Dari	Mandarin	Ukrainian
English	Mien	Urdu
English (Native American)	Nepali	Vietnamese
Farsi	Pashto	Visayan
Fijian	Persian	

We recognize the value of the metrics reported above in increasing program transparency and accountability, and therefore direct the CSID to produce a 2015 Annual Report by September 1, 2016, with the assistance of Energy Division and the Commission's Internal Audit Unit.

CSID will consult with Energy Division and the CPUC's Internal Audit Unit to develop granular CHANGES program bill issue tracking categories to be implemented in 2016 by the new CHANGES contractor and CBOs. The categories will permit auditing, action, resolution of individual complaints, and facilitate identification of trends that could require analysis in a CPUC proceeding or other action, or provide the basis for best practices by regulated utilities.

3.1.4. The CSID 2014 CHANGES Pilot Evaluation

The CSID CHANGES Pilot Evaluation[13] (2014 CHANGES Pilot Evaluation) was produced on December 18, 2014. It is based on documents on the record in the CARE proceeding (A.11-05-017) for program years 2012–2014, including IOU monthly reports, the Level 4 Report, and the 2013 Annual Report. It provides a detailed analysis of the need for the Pilot, its impact, its performance monitoring, and its social return on investment. This evaluation indicates that more than 20% (about 6.8 million) of Californians are LEP who speak more than 70 languages.[14] Furthermore, the CHANGES Pilot has effectively assisted the LEP population. Specifically, during the evaluation period, the Pilot has:

- Provided assistance to LEP clients in 40 different languages.

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[13] This Evaluation can be found at http://www.cpuc.ca.gov/NR/rdonlyres/41741990-D467-43BB-88E3-D5B515C48CEC/0/CSID_Evaluation_of_CHANGES_20141218.pdf.

[14] The CSID 2014 CHANGES Pilot Evaluation at 11 (citing U.S. Census 2010 American Community Survey).

- Helped 2,000 LEP clients resolve bill disputes and apply for low-income financial assistance programs to help pay their bills.
- Provided assistance in filing about 1,700 applications for financial assistance programs such as HEAP/LIHEAP, Medical Baseline, ESAP, and other utility specific low income programs.
- Helped more than 1,885 clients receive and maintain energy access by assisting them with establishing new service, advocating on their behalf to avoid disconnection, and helping to restore service after a disconnection. Thirteen percent of these clients avoided disconnection through assistance with setting up payment extensions or payment plans.
- Reached potentially 2.3 million consumers through outreach.
- Educated 23,025 LEP consumers about energy services and bills in order to help them lower their energy usage, avoid disconnections, and understand payment arrangements.
- Assisted consumers to keep their bills in good standing. A recent sampling of CHANGES clients shows that 67% of them have energy utility accounts in good standing.
- Assisted more than 6,000 households to secure a service or dispute a bill, including helping them to restore or maintain energy service by securing financial assistance, adjusting bills, lowering or waiving deposits, setting up or renegotiating payment arrangements, or assisting consumers to apply for low-income programs.

Additionally, the 2014 CHANGES Pilot Evaluation found that the Pilot is not a duplication of the services provided through the IOUs or by the Commission's Consumer Affairs Branch (CAB). The Pilot features several unique aspects. For example, caseworkers at the CBOs will visit consumers' homes to either help them interact with other energy agents (i.e., the Energy Savings Assistance Program agents) or take them to a financial assistance agency. The current CBO network has the resources to provide face-to-face services to LEP consumers in more than 40 languages (see Table C).

Comments on the 2014 CHANGES Pilot Evaluation were received from all four IOUs, The Utility Reform Network (TURN), Greenlining and the Center for Accessible Technology (CforAT). TURN, Greenlining, SCG, and SDG&E filed reply comments.

In opening comments, TURN, Greenlining, and CforAT support converting the CHANGES Pilot into a statewide program. TURN bases its support on its review of the 2014 CHANGES Pilot Evaluation and its independent familiarity with the services provided by the CHANGES CBOs.

Greenlining recommends that the Commission determine whether CARE's funds for marketing, education, and outreach services (ME&O) should be invested in CHANGES activities to meet the 2014 CHANGES Pilot Evaluation's proposed budget and to spend ME&O funds more effectively. Greenlining also recommends that CHANGES be used to inform consumers of the impact of Assembly Bill (AB) 327.

CforAT seeks clarification that consumers who do not speak English as their first language because of a disability[15] are among the populations that will be served by CHANGES.

In opening comments, all IOUs support providing services to LEP consumers. For example, PG&E states, "That CHANGES should continue as a critical ongoing program does not appear to be in serious dispute." However, all IOUs question whether CHANGES should be funded through CARE. All IOUs recommend more evaluation before the Commission determines whether to convert the Pilot into an ongoing program. PG&E, SCE, and SCG recommend

[15] People who use sign language to communicate because of a disability do not consider English as their first language.

continuing the program during the proposed extended evaluation period. SDG&E does not comment on continuance of the program.

SCE supports continuation of the program through 2017. SCE notes that CHANGES's advocacy to secure needs and resolve disputes may be the most attractive feature of the Pilot.

SCG recommends continuation of the CHANGES Pilot but indicates that the evaluation does not support the recommended funding increase at this point.

SDG&E notes that, "Assessment of the CHANGES Program is difficult since success criteria was never established…the utilities, CSID, and the CHANGES contractor were unable to come to mutually agreeable success criteria, as noted in the compliance filing submitted to the Commission on June 24, 2013."

In reply comments, TURN states that the IOUs ignore the 2014 CHANGES Pilot Evaluation's conclusion that the CHANGES Pilot is also needed to fulfill the Commission's own consumer protection responsibilities, and that the IOUs do not understand that they cannot perform the functions that CHANGES does. Greenlining responds to SDG&E's comment that Pilot success criteria have not been established and suggests that the CSID, the IOUs, and the Contractor continue to develop these criteria.

3.1.5. Future Evaluation of the CHANGES Program

Independent studies such as the Level 4 Evaluation are essential to assessing the effectiveness of implementation and to providing decision-makers with information and recommendations necessary to make program adjustments such as the budget changes being adopted here. The Level 4 Evaluation, the most recent third-party evaluation of CHANGES, is now three years old. Many program improvements have been implemented since this report was issued, and LEP customer needs may have changed since that time.

Funding for CHANGES came from the Large IOU CARE Program during the 2013-2015 period, and the CHANGES program will continue to be funded by the Large IOU CARE Program until alternative arrangements are made. Therefore, we direct that up to 4% of the combined 2013, 2014, and 2015 authorized pilot budgets be set aside for an independent, third-party evaluation. This percentage range is consistent with other Commission-mandated third-party evaluation activities, such as evaluation, measurement, and verification of energy efficiency program effectiveness. We also authorize the assigned administrative law judge to modify this percentage by ruling on good cause shown by CSID, in the event that a suitable contractor cannot be found for that amount to perform a scope of work consistent with the requirements of this decision.

We direct CSID to consult with Energy Division on an RFP, contractor selection and scope of work designation. The evaluation will focus on two aspects: (1) the benefits and cost-effectiveness of services delivered to customers, including comparisons to similar initiatives nationwide, and (2) the extent to which customer-related information developed through the program is used effectively to inform CPUC programs and proceedings (including identifying related barriers or impediments within the CPUC or its formal processes), and to identify best practices regulated utilities could adopt to avoid or address the problems CHANGES customers face. The CPUC's Internal Audit Unit should assist CSID in the evaluation process as needed.

The evaluation of CHANGES should also inform the Commission whether in the areas served by SMJUs, CARE funding from the SMJU CARE budget should be provided to support CHANGES activities in those areas if funding for CHANGES has not been provided "On Budget" from the Commission's

reimbursable budget in those areas. This evaluation should begin in 2016 and be completed by June 30, 2017.

We further direct the completion of additional evaluations once every three years thereafter, to ensure that decision-makers, program administrators, industry divisions within the CPUC, regulated utilities, and the public have access to up-to-date program performance data and recommendations.

3.1.6. Testimony and Comments Regarding CHANGES and Similar Service in Other Proceedings

Testimony and comments in the Commission's Consumer Protection Initiative (CPI) and the LEP proceedings (R.00-02-004 and R.07-01-021 respectively) state that LEP consumers tend to shy away from government agencies and large corporations. Instead, they prefer to seek assistance from entities they trust, specifically CBOs that have previously helped them with a variety of issues. In the CPI decision, the Commission notes that, "We believe that we can improve our complaint resolution efforts by working more with CBOs which possess unique insights into problems faced by specific communities. CBOs have earned the trust of their constituencies, and show a passion for helping consumers."[16] In response, the Commission ordered the CSID to "…design a program that integrates CBOs into the Commission's outreach, education, and complaint resolution processes…"[17] That was the beginning of the TEAM program, upon which CHANGES is based.

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[16] D.06-03-013 at 101.

[17] D.07-07-043, Ordering Paragraph 13 at 133.

The CHANGES Pilot was also discussed in R.10-02-005, which was initiated to address the Commission's concerns about the current economic crisis in California and an increase in residential utility service disconnections due to nonpayment. In D.12-03-054, the Commission directed steps to take to reduce the number of disconnections and stated, "It is clear from the comments of both the utilities and the consumer representatives that the CHANGES program is a promising supplement to the utility language practices at issue here, but is not, at least at this time, a substitute for them."[18]

3.1.7. The IOU's CARE Monthly Reports

As previously discussed, D.12-12-011 noted that "the CHANGES CBOs provide a variety of much needed services to support the California's LEP community and do so by providing a wide range of programs and services to serve that community [...]. That said, such a holistic program with broad focus, if effectively implemented, should be commended. The challenge is deciding how to fund such a broadly focused program..."[19] Therefore, the Commission determined that it needed more data to decide whether CARE program funds should be used to fund an ongoing program.

The monthly reports the IOUs filed in the previous and current CARE proceedings, A.11-05-017 and A.14-11-007 respectively, provide data related to the needs and dispute resolutions[20] (referred generically as bill issue assistance)

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[18] D.12-03-054 at 26.

[19] D.12-12-011 at 12.

[20] In the Pilot, there are two types of bill issues —needs (when a consumer needs assistance receiving a service, e.g., securing payment arrangements) and disputes (when a consumer wants to dispute a service or a bill, e.g., when an IOU declines payment arrangement agreeable to the consumer). Throughout the Pilot there were more needs resolutions than dispute solutions,

Footnote continued on next page

and education workshops, which demonstrate LEP consumers' demand for the CHANGES Pilot.

3.1.8. Public Comments Made at the Commission's All Issues Public Participation Hearing

On April 30, 2014, recipients of the CHANGES Pilot services attended the All Issues Public Participation Hearing (PPH) in Los Angeles and described their positive experiences with the Pilot. All five of the Commissioners were present. One CBO caseworker read a statement of a Spanish-speaking CHANGES consumer. When the consumer contacted the caseworker, she expressed concern that her "bill was high" and she "didn't know how to pay it."[21] Then she mentioned that she "was having headaches and had a funny smell in her house."[22] The caseworker "went with her to her house, smelled gas, [and] called emergency."[23] The gas leak was "so bad that the woman was immediately hospitalized for gas poisoning."[24] As stated in the case notes in the CHANGES database, the consumer did not contact PG&E because she was afraid that she would be charged to repair the furnace. Later, the caseworker helped the client enroll in the Energy Savings Assistance (ESA) Program. The ESA contractor agreed to replace the furnace for free but refused to do it right away. Since this

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which reinforces the testimony previously received that LEP clients tend to shy away from large corporations, even when they are simply requesting assistance.

[21] California Public Utilities Commission Jurisdiction Open Issue General Topic, April 30, 2014, Reporter's Transcript at 13.

[22] Id.

[23] Id.

[24] Id.

happened in winter, the caseworker worked with the utility to ensure that the furnace was replaced promptly.

3.2. Management of the Ongoing Statewide CHANGES Program

We have concluded that the CSID should continue to administer the CHANGES ongoing statewide program, since its current duties, and its staffs' knowledge, skills, and abilities align with the CHANGES program.[25]

In reply comments to the 2014 CHANGES Pilot Evaluation, SCG that the Pilot should not be funded through ME&O funds. SDG&E notes that the Commission has stated, through a Joint Administrative Law Judge's (ALJ's) Ruling on May 7, 2014, that the Residential Rates Order Instituting Rulemaking (R.) 12-06-013 will examine issues surrounding AB 327, including outreach and education issues.

The Commission agrees with CforAT that consumers who do not speak English as their first language because of a disability (e.g., people who use sign language) should be served by CHANGES. Since we cannot guarantee a CBO's participation in the program, we advise the CSID to make every reasonable effort to include, track and report that assistance in the statewide program.

In response to the IOUs' comments about the 2014 Evaluation's portrayal of the service the IOUs provide LEP consumers, we note that such information was taken from the IOUs' responses to a CSID data request, comments of consumers and the CBOs made at the All Issues Public Participation Hearing on April 30, 2014, and the Level 4 Evaluation Report. Staffs of the IOUs and the CAB collectively are fluent in six languages. However, when another language is used,

[25] *See* the CSID 2014 CHANGES Pilot Evaluation at 25-31.

both the IOUs and the CAB use an over-the-phone, word for word, interpretation service. This is challenging to LEP consumers because they may not know the right questions to ask. In contrast, the CHANGES CBOs provide face-to-face services in more than 40 languages, therefore building a more personal relationship with LEP consumers.[26]

Regarding SDG&E's and Greenlining's comments on the development of criteria for success, we agree that such criteria should be further developed to aid in transparent and data-driving decision-making on the program in the future. The new evaluation process to be instituted in 2016 should address these concerns.

We have determined that the ongoing statewide CHANGES program should be similar to the Pilot with a few modifications. Similar to the Pilot, the ongoing program will be a grassroots program, managed by the CSID, with technical assistance and input from Energy Division, which provides information and assistance with energy services and bills issues in the language of the consumer's choice, through a statewide network of CBOs. Although CHANGES is a program primarily for LEP consumers, an English-speaking person will not be denied information or assistance if he or she seeks help from a participating CBO. Building on the Pilot, the ongoing program will contain four components:

1. Outreach – The CBOs will inform consumers in their community of the existence of the program and location of the neighborhood CBO where services are provided.
2. Education – Consumers will receive information about utility service, safety, bills, avoidance of disconnection, consumer programs, and other residential energy related issues.

[26] The CSID 2014 CHANGES Pilot Evaluation at 14.

3. Bill Issue Assistance – Consumers will receive assistance resolving disputes or in securing something they need, such as help filling out Home Energy Assistance Program (HEAP) applications, or negotiating payment arrangements.
4. Trend Analysis - CHANGES CBOs and the Contractor shall identify trends CHANGES customers face to provide recommendations to the Commission regarding the issues that CPUC proceedings, resolutions, and actions should address, and recommend best practices utilities may adopt to forestall and systematically address the types of problems CHANGES customers face. This analysis should feed into the CHANGES evaluation and be supported by the CHANGES complaint, assistance, and activity tracking.

Requiring analysis of trends facing CHANGES customers to lead to recommendations about systematic action by the Commission or the utilities is particularly important since the client work CBOs are subcontractors, not Commission employees, so reporting expectations should be explicit so it can be built into the CHANGES contract. The CBOs will be important "feet on the street" to address the issues facing CHANGES customers. Requiring the CBOs and CHANGES contractor to analyze key trends facing clients and report that information to the Commission through the CHANGEs Contractor and CSID enables appropriate regulatory action and business practice responses. This process will ensures that the knowledge and learning gained through the expansion of CHANGEs is fed into the Commission process to enable timely action, rather than waiting until the end of the three-year evaluation cycle.

The ongoing CHANGES program services will continue to be provided by the same contractor and same CBOs as TEAM. The contractor for both programs will be solicited through the state contracting process and through the same solicitation document. This will provide a better service to LEP consumers because the consumer who needs assistance or education about Commission

regulated telecommunications services may also need information or assistance regarding Commission regulated energy services. In addition, running both programs using a common contractor can provide for a frugal and prudent expenditure of public funds. Both the TEAM and CHANGES programs can benefit by combining necessary functions, for example, utilizing the same database or using the same techniques and resources to provide training or performance evaluations. To the extent necessary to help IOU Energy customers resolve issues, CSID and the CHANGES Contractor may make adjustments in the TEAM/CHANGES coordination to accomplish that objective. However, one program shall not subsidize the other and clear accounting matrixes shall be developed to properly track expenditures.

The modifications from the CHANGES Pilot to the statewide program include the following:

1. The Commission's CSID, as part of its management of the program, will coordinate or consult with the Energy Division about energy services, programs, collateral material, performance metrics, and any joint meetings with the IOUs, if needed. The CSID or the CHANGES contractor will also coordinate with Energy Upgrade California[27] and the Community Language Efficiency Outreach (CLEO) program[28] and California Alternate Rates for Energy (CARE) and Energy Savings Assistance Program (ESA) to reduce redundancies, share best practices, leverage resources and messages, and lower service costs, where and when possible.

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[27] http://www.energyupgradeca.org/.

[28] http://eestats.cpuc.ca.gov/EEGA2010Files/SCG/PIP/2013/Clean/7%20-%20SCG%203P%20CLEO%20PIP%201_14_13.pdf.

2. Once funding source change, the monthly meetings ordered in D.12-12-011 are no longer required. The CSID and the Energy Division will determine the necessity and format of any future meetings with the contractor, and the IOUs.

3. When funding source changes, all payments to the contractor will be directly from the Commission's reimbursable budget. While awaiting approval for the program to be funded "on budget," the contractor will be paid through a reimbursable contract through CARE funds utilizing the same breakdown between the IOUs as designated for the Pilot.

4. CSID will use the State contracting process to secure a prime contractor to oversee the statewide network of CBOs, in consultation with Energy Division. The Commission, will evaluate the bidder's expertise with energy issues, its relationships with CBOs, its ability to select a suitable statewide network of CBOs, and its demonstration that a significant portion of the funding will be designated for CBOs' direct provision of services to LEP consumers. Neither CSID nor the Commission will ~~not~~ select or manage the CBOs. The CBOs will be selected by the Contractor and will be subcontracted to the contractor. The CSID may review the CBO selection methodology with the contractor to ensure that services can be provided in languages and locations most in demand by LEP customers, and ~~it~~ may discuss the CBOs' performance during ~~its~~ regular meetings with the contractor.

   To encourage creativity, we will not specify how the contractor shall conduct outreach, education, and bill issue assistance.[29] Instead, bidders shall provide a detailed proposal on how the program will be implemented and how the CBO network will be designed and monitored. The program will also be evaluated by an independent evaluator, as previously discussed. To comply with state requirements to encourage fair and open competition,

[29] However, we do require some measure of coordination and sharing of best practices with Energy Upgrade California and CLEO and California Alternate Rates for Energy (CARE) and Energy Savings Assistance Program (ESA), as previously discussed.

the solicitation document will contain details about the bid, how bids will be evaluated and the solicitation process. It will be posted and processed through the California Department of General Services (DGS) "Bid Sync" program. Once an ongoing funding source out of the Commission's reimbursable budget is authorized, the IOUs' role will change. They will no longer be required to include CHANGES activities in their CARE monthly reports when the funding no longer comes from the CARE program.

5. The CHANGEs Contractor shall coordinate with the CBOs and CSID to analyze trends identified through CHANGES work to provide recommendations to CSID and the Commission regarding the issues that CPUC proceedings, resolutions, and actions should address, as well as to identify best practices that utilities may adopt to forestall and systematically address the types of problems CHANGES customers face. This analysis should feed into the CHANGES evaluation and be supported by the CHANGES complaint, assistance, and activity tracking.

6. The CHANGES Contractor shall report to the CPUC LIOB two times per year about the CHANGES program, highlighting issues and trends identified in CHANGES consumer assistance work. The CHANGES Contractor shall report annually to the Commission at a CPUC Commission Voting Meeting. CSID and CHANGES reporting to LIOB twice yearly and annually to the CPUC at a voting meeting will enhance CHANGES accountability, input into the CPUC decision-making process, increase timely reporting on CHANGES trends since the evaluation will take place at the end of the three year cycle. It will enhance the ability of Commissioners, Commission staff, LIOB Board Members, utilities, and the public to learn about CHANGES trends and to discuss them in public settings at the LIOB meetings and a Commission Voting meeting, overcoming the information sharing constraints attendant to Bagley-Keene limits on dialogue between Commissioners about individual briefings. CHANGES reporting in public LIOB and Commission Voting meetings will enable lessons learned by serving customers of one utility to be promptly implemented by another utility,

leading to adoption of best practices that can prevent problems and create efficient and effective service.

The CSID, with assistance from Internal Audit Unit as needed and input from the Energy Division, will develop other reporting requirements for the ongoing program, to be applied when long-term funding is established through the Commission's budget. IOUs' activity should also involve, at a minimum, the following:

A. The IOUs are directed to advise the CSID staff designee of the IOUs' liaison for the CHANGES program, the IOUs are directed to work with the CBOs (and if necessary the contractor and the CSID's staff designees) to resolve consumers' bill issues, when contacted by the CBOs.

B. The CHANGES CBOs will act as agents of the Commission to assist consumers to informally resolve bill issues. In doing so, the CBOs may determine how to communicate with the IOUs. If a CBO communicates with an IOU while a consumer is present, the consumer must verbally notify the IOU that the CBO has authorization to conduct business on his or her behalf. If the CBO communicates with the IOU not in the consumer's presence, the CBO must obtain a signed authorization from the consumer. This is the practice used in the Pilot, and it should continue be used in the ongoing program. No changes to this practice shall be made without the CSID's prior consent.

C. The IOUs are directed to communicate to the CSID CHANGES designee regarding any new requirements or changes in utility residential programs, rate or rate structures, proactively. While the CHANGES program remains funded out of the CARE budget, the IOUs will continue to report on their CHANGES activities to CSID, in reports available to the Commission about their CARE activities. The IOUs shall also report on CHANGES activities and trends in issues raised by consumers in their reports to the CPUC Low Income Oversight Board on CARE/ESA programs at least two times per year.

3.3. Funding of the Ongoing Statewide CHANGES Program

The Commission's executive management shall seek authorization to fund the ongoing statewide CHANGES program in an amount not to exceed $1.75 million annually, directly from the Commission's reimbursable budget. The Commission's reimbursable budget is the best funding source for the ongoing CHANGES program because the reimbursable budget will provide greater latitude to address a range of energy assistance needs experienced by California's low income population, the Low English Proficiency (LEP) population, and population with disabilities. The CHANGES program helps the LEP population across the state receive bill issue, and helps low income customers and customers with disabilities.

The interim continued funding of the CHANGES program as a reimbursement from the CARE budget is consistent with California Public Utilities Code Section 739.4, which permits expenditure of CARE funds to educate and assist consumers to help them avoid service disconnection. Funding CHANGES through a Commission reimbursable account would allow CHANGES to address a wider range of issues consumers face, and integrate consumer assistance into recommendations for Commission regulatory action on a range of issues including, but not limited to CARE.

The CHANGES Pilot budget was historically represented as a CARE pilot budget line item. As the only CARE funded pilot, CHANGES represented 100% of the CARE pilots budget. The CHANGES Program budget, as a percentage of the CARE Outreach budget, will represent 5% of the 2015-authorized amounts.

Until a long-term funding source can be established, the ongoing CHANGES program will continue to be funded, up to $1.75 million annually, as a

reimbursement from the CARE Program, through the current 2015-2017 CARE program cycle. If the Commission's executive management is unable to finalize long-term funding before the end of the current 2015-2017 CARE program cycle, directly from the Commission's budget, funding of the ongoing program may be reauthorized by the Commission, and may be reauthorized from the CARE program or other funding source. The preferred long term funding source should be through the Commission's budget.

We have determined that the appropriate funding level for the ongoing CHANGES program at a statewide level in the areas served by the large IOUs is $1.75 million a year. In addition to using the TEAM funding as a guide, we have considered the recommendation of the Level 4 CHANGES evaluation, and the funding and performance of another outreach program, referred to as Community Language Efficiency Outreach (CLEO). We have added $150,000 into the CHANGES budget to fund the activities involved in tracking, reviewing, and reporting to the Commission and the CPUC's Low-Income Oversight Board (LIOB) on trends that CHANGES customers face to recommend action the CPUC could take or best practice the utilities could adopt to systematically address and forestall these issues. We note that CHANGES mirrors TEAM in that both programs provide outreach, education and consumer advocacy components. When the Commission approved the Consumer Protection Initiative, it requested funding to implement the initiative. As a result, the Legislature approved $1.9 million in funding yearly for outreach and the Commission set aside $1.6 million for the TEAM program. The TEAM program has been funded at that level for more than six years and has been successful in providing information and assistance with Telecommunications matters. With input from the upcoming independent evaluation, CHANGES should similarly be brought onto the

Commission reimbursable budget, once approval is secured from the legislative budgetary process.

We agree with the Level 4 Evaluation regarding reasonableness of an increased budget. We further agree that the program would benefit from centrally developed CHANGES-branded marketing and education collateral such as flyers, branded give-aways, and educational materials, and set aside a budget not to exceed 5% of the yearly authorized budget for statewide marketing and educational materials. The Level 4 Evaluation recommended that the CHANGES budget be set at $1.3 million a year. However the evaluation was completed in August 2012. We have determined that a yearly funding level of $1.75 million a year is more appropriate. This will allow for increases in costs since the Level 4 report was completed, as well as allow flexibility to add services to account for changes in energy services or rates, such as the Commission's decision to change residential service to a Time of Use service by 2017 as a result of AB 327. It will fund tracking, reviewing, and reporting to the Commission and the CPUC's LIOB on trends that CHANGES customers face, and linking CHANGES services to recommend actions the CPUC coukd take or best practices the utilities could adopt systematically address the issues faced by the clients CHANGES serves.

By way of example SCE and SCG have an outreach and training program, called CLEO, which provides energy efficiency information and energy audits in their service territories (about half the state) to Vietnamese, Indian, Chinese, Korean, Hispanic and African American communities. Its pilot was funded at $720,000.[30] It provided information through classroom seminars and energy

[30] CSID Evaluation of CHANGES at 27.

audits. In comparison, CHANGES will provide services statewide. Its current education workshops cover eight different subjects. Considering the proposed increased duties in this program, and proposed increased reach it's reasonable to set the CHANGES budget higher.

We have determined that the $1.75 million in annual funding for the CHANGES program will ensure more services and better coverage throughout the areas of the state served by the large Electric and Gas IOUs. We decline to set a fixed amount of CBOs or set the number of outreach, education or bill issue assistance they will provide. Instead at a minimum we indicate that we expect that the increase funding will provide the following:

1. The funding will enable the addition of more CBOs so that services can be provided statewide.
2. The funding will enable the provision of additional services, including more education workshops and additional topics (such as changes in rate design resulting from AB 327, and information regarding the location and hours of operation of cooling centers, for outages and hot weather events).
3. The funding will permit more bill issue assistance especially during extreme weather conditions in summer and winter.[31]
4. Funding of up to 4% of the pilot's annual budgets for the years 2013, 2014, and 2015 shall be set aside for an evaluation provided by an independent evaluator.
5. The increase will provide ongoing database improvements and maintenance.
6. The increased budget will provide creation and production of program-wide collateral materials such as brochures in multiple

[31] The CAB's caseload data shows that the number of complaints increased 20% during the summer and winter high bill seasons, compared to the rest of the year.

languages, as well as signage. Collateral materials and signage expenses will not exceed 5% of the CHANGES budget.

7. The increased budget will provide a reasonable level of compensation to the contractor and CBOs. When the CHANGES Pilot was created, the Commission initially planned on reaching a decision after a year's evaluation. Due to the initial planned brevity of the Pilot, the contractor and the CBOs agreed to provide services at a discounted rate.
8. The increased budget will enable evaluation of and reporting on trends faced by CHANGES customers to recommend and enable regulatory action or best business practices to systematically address the issues CHANGES customers face, and will help prepare for the evaluation of the CHANGES program.

The CHANGES program is not a duplication of, nor a replacement for, the services provided through the IOUs, the Commission, or the CARE capitation.[32] CHANGES Program should continue to assist low income and LEP community members across the State of California, in areas served by large electric and gas IOUs.[33]

3.4. Continuance of the Current CHANGES Pilot Program

The CHANGES Pilot is currently scheduled to cease providing services on December 31, 2015. is anticipated that the process for choosing a new contractor

[32] The CSID CHANGES Pilot Evaluations at 20-25 (comparing CHANGES with IOUs' programs and CAB). Except for TEAM, the only other similar program acknowledged by the Commission is the former Communities for Telecom Rights (CTR). CTR was the precursor to TEAM and was funded through a series of grants in advance. The grant funding method is not used for TEAM or CHANGES. Instead, the Commission will pay TEAM and CHANGES monthly, after services have been provided and after the contractor submits an invoice and supporting documents acceptable to the Commission. Additionally, the funding level for CHANGES will not exceed $1.6 million annually throughout the areas served by the large Electric and Gas IOUs. The actual budget may be less, depending upon what is proposed in the bid of the successful bidder.

[33] The CSID 2014 CHANGES Pilot Evaluations at 29-30.

for the program could take several months. The California Department of General Services is the controlling agency for the State's contracting process. Its State contracting manual indicates that, "The bidding process often takes three to eight months from the time the advertisement is placed until the award is made. Resolution of protests may add a delay of one to three months."[34] Therefore, to avoid a disruption of this essential service, we will continue the CHANGES Pilot on a month to month basis at the current funding level of $61, 200 a month, until an ongoing program with a Contractor chosen through the bid selection process and a CBO selection process can commence. We direct CSID and the Commission's Contracts Office, to proceed through the contracting process with all reasonable haste. In addition, the contractor and its lead staff for the CHANGES Pilot may need time to finalize its accounting, compensate the CBOs for their services and close out the pilot program. Therefore, we permit contractor services related to the close of the CHANGES Pilot, and CBO compensation for services prior to cessation of pilot program services to consumers, to continue for sixty days after provision of services to consumers ceases under the CHANGES pilot. Payment for those services will be at the same level as the Pilot's current budget. We envision a smooth transition from the CHANGES pilot to the ongoing CHANGES program through a new contractor and CBO selection process, without interruption to consumer services.

D.12-12-011 directed the IOUs to include CHANGES Pilot data in their monthly CARE reports and also required the CSID, the Energy Division, the IOUs, and the contractor to meet monthly. CSID and Energy Division should

[34] State Contracting Manual, Volume 1, Section 5.60 A at 63.

meet and confer to determine the future meeting schedule and inform all parties of the future meeting schedule.

The IOUs, CHANGES lead Contractor, and CSID should report to the CPUC Low Income Oversight Board on CHANGES Activities and identify issues or trends raised by CHANGES two times per year, and annually at a Commission Voting Meeting. These public reports will enhance CHANGES accountability as Commissioners and Commission staff learn about CHANGES trends and discuss them in public settings at the LIOB meetings and a Commission Voting meeting, overcoming the information sharing and dialogue challenges attendant to Bagley-Keene limits on dialogue between Commissioners about individual briefings. Reporting at the LIOB will enable regulated utilities to learn about trends and take steps to adopt best practices to forestall and address key trends and issues CHANGES customers face. The CSID with input from theEnergy Division shall develop additional reporting requirements for the ongoing program, to be applied when long-term funding is established through the Commission's budget.

During the interim period, the current monthly meeting is no longer required. Instead, CSID and Energy Division should meet and confer to determine the future meeting schedule and inform all parties of the future meeting schedule.

3.5. Modernizing CPUC Consumer Protection, Engagement, and Enforcement

The work of CHANGES takes place outside of CPUC proceedings, and thus it is all the more important for Commissioners and the public to be regularly informed about the work of CHANGES and key trends CHANGES CBOs are seeing as they work with client. The CHANGES CBOs give the CPUC extra "feet

on the street," and reporting to LIOB and the Commission at a Voting Meeting will identify key issues that could be faced by many CHANGES clients and allow the CPUC to address that issue through its rulemaking and other powers. Regular reporting will also promote utility adoption of best practices to prevent and address problems. Instead of individually solving the same problem for 100 clients or 1000 clients, systematic reporting several times a year can result in a rulemaking or change in business practices that addresses the issue for all of those clients, saving money in implementation of CHANGES, and creating efficiencies for the Commission, regulated utilities, ratepayers, and the public.

Governor Brown's veto message for Assembly Bill 1023 and Senate Bill 660 supported reforms to incorporate public comment into the record, increase public access to information, and facilitate great deliberation among Commissioners.[35] Reporting on the key trends CHANGES clients face will enhance public input into CPUC rulemaking by connecting the complaint process to the deliberative rulemaking process. This three-dimensional customer relationship management process helps analyze the effect of existing CPUC regulations and utility practices, and identifies the need for adjustment to CPUC regulation or business practices. The reporting required herein will facilitate deliberation and swift action to better serve CHANGES clients and the public.

4. Comments on the Alternate Proposed Decision

The alternate proposed decision of the Commissioner in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of

[35] The Commission takes official notice of Governor Brown's veto messages pursuant to Evidence Code §452(h).

Practice and Procedure. Opening comments were filed on December 7, 2015 by PG&E, SCE, ORA, Greenlining and jointly by SDG&E and SCG. Reply comments were filed on December 14, 2014 by PG&E, Greenlining, SDG&E/SoCalGas jointly, ORA, and TURN.[36]

In their comments PG&E and ORA support the APD primarily because of the requirement that there be additional trend analysis of the CHANGES Program. Greenlining also supported the APD citing the increased spending of $150,000 for the trends analysis process. SDG&E/SCG and SCE are neutral in their support for the PD and APD. All commenting Parties also make various recommendations for minor changes/adjustments to the PD and APD.

5. Assignment of Proceeding

Catherine J.K. Sandoval is the assigned Commissioner and W. Anthony Colbert is the assigned ALJ in this proceeding.

Findings of Fact

1. The CHANGES Pilot provides energy-related (electric and natural gas) outreach, education, and resolution of needs and disputes, to California's low income and LEP consumers in their preferred languages through a network of community based organizations in areas served by large Electric and Natural Gas IOUs.

2. The CHANGES Pilot, during its four-year trial, has provided data that demonstrates its usefulness for assisting the low income and LEP population and population with disabilities.

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[36] TURN did not file comments, but did file a reply comment. Both ORA and TURN argue that PG&E's comments re CBOs should be rejected

3. The CHANGES Pilot features unique and successful aspects that are not found in any other Commission or IOU services or programs.

4. Coordination and sharing of best practices with similar programs, such as Energy Upgrade California and the CLEO program and California Alternate Rates for Energy (CARE) and Energy Savings Assistance Program (ESA), could help to reduce redundancies, leverage resources, and lower service costs.

5. The CHANGES program would benefit from centrally developed and CHANGES-branded marketing and education collateral such as flyers, branded give-aways, and educational materials. Other, similar, programs may spend up to 5% of their budget on such collateral.

6. The CSID has been administering the CHANGES Pilot program since its implementation.

7. The CSID's current duties, and its staffs' knowledge, skills, and abilities align with the ongoing statewide CHANGES program.

8. The beneficial connections between the services of the CHANGES Pilot and the needs of the CARE population and LEP and population with disabilities justify the temporary continued use of CARE funding for CHANGES until the establishment of a long-term funding source from the Commission's reimbursable budget.

9. The rate impact of establishing an ongoing CHANGES program on ratepayers is minimal. CHANGES is the only pilot project line item funded out of the CARE budget. The projected annual budget of $1.75 million, which is only 0.0005% of the IOUs' annually combined sales of $31.4 billion.

10. The Commission's reimbursable budget is the best funding source for the ongoing CHANGES program because the low income population and the LEP population have significant overlap.

11. Analysis of the Pilot Program information shows that the LEP population extends farther than the areas served by the existing pilot, and that CHANGES also serves customers with disabilities.

12. The CHANGES program helps the low income population, the LEP population and customers with disabilities across the state in areas served by the large Electric and Natural Gas IOUs receive bill issue.

13. It is useful and required by statute to conduct regular independent evaluations of pilots and ongoing programs.

14. Both reporting metrics and criteria for success are important to enable the Commission to assess the value of the CHANGES program.

15. It is anticipated that the process for choosing a new contractor for the CHANGES program will take several months

16. Because the CHANGES Pilot has proven its usefulness to LEP consumerslow income and LEP population, and customers with disabilities, it is reasonable to continue the Pilot on a month to month basis until the ongoing program can be implemented.

Conclusions of Law

1. The United States Supreme Court in Lau v. Nichols stated that one type of national origin discrimination is discrimination based on a person's inability to speak, read, write, or understand English.

2. Title VI of the 1964 Civil Rights Act states, "no person in the United States shall on the grounds of race, color or national origin be excluded from participation in . . . any program or activity receiving financial assistance."

3. Presidential Executive Order 13166 signed in August 2000 addressed improving access to services for persons with LEP.

4. The California Dymally-Alatorre Bilingual Services Act requires state agencies to provide information in the languages which their clientele communicate.

5. The California Welfare and Institutions Code Section 15600, provides that the state shall foster and promote community services for the economic, social, and personal well-being of its citizens.

6. The California Public Utilities Code, Article 7 supports the use of community service organizations and community based organizations in assisting low income consumers to benefit from assistance programs.

7. An ongoing statewide CHANGES program should be established on January 1, 2016.

8. The CSID, with input and technical Assistance from Energy Division, should continue to administer the CHANGES ongoing statewide program; this program should, where and when possible, coordinate, leverage resources, and share best practices with similar programs, such as Energy Upgrade California and the CLEO program and California Alternate Rates for Energy (CARE) and Energy Savings Assistance Program (ESA).

9. The ongoing statewide CHANGES program should be funded up to $1.75 million annually, ideally directly from the Commission's budget.

10. Until the Commission's executive management and the Legislative authorities bring the funding for the CHANGES program "on budget" the ongoing CHANGES program should continue to be funded through the CARE program through the current 2015-2017 program cycle.

11. The ongoing CHANGES program should be evaluated by a third party on a regular basis.

12. Spending of up to 5% of the CHANGES program budget should be authorized to develop statewide, CHANGES-branded marketing and education collateral such as flyers, branded give-aways, and educational materials.

O R D E R

IT IS ORDERED that:

1. The California Public Utilities Commission establishes a statewide Community Help and Awareness of Natural Gas and Electricity Services, effective January 1, 2016.

2. The ongoing statewide Community Help and Awareness of Natural Gas and Electricity Services program shall be managed by the Commission's Consumer Service and Information Division, with technical assistance and input from the Comission's Energy Division.

3. Daily operations of the Community Help and Awareness of Natural Gas and Electricity Services program will be administered by an outside contractor who will be selected through the state contracting process.

4. The ongoing Community Help and Awareness of Natural Gas and Electricity Services Program shall be funded at a level not to exceed $1.75 million annually from the California Alternate Rates for Energy budget of the large Investor-Owned Utilities in the areas served by those utilities through the end of the program cycle that ends in 2017, and the Commission may consider funding CHANGES through CARE for future CARE cycles if CHANGES is not funded by another source such as the Commission's reimbursable budget.

5. The Commission's executive management shall pursue all possible options to bring the ongoing funding for the statewide Community Help and Awareness of Natural Gas and Electricity Services program "on budget."

6. Until a different budget source is approved for the statewide Community Help and Awareness of Natural Gas and Electricity Services, the ongoing program shall continue to be funded through the large IOU California Alternate Rates for Energy (CARE) program in its current 2015-2017 program cycle. The Commission may reauthorize funding CHANGES through CARE's next budget cycle, or from another funding source if long-term or on-budget financing for CHANGES is not authorized before the end of the 2017 CARE program cycle.

7. The Community Help and Awareness of Natural Gas and Electricity Services Program Pilot will be funded at the current level of $61,200 a month on a month to month basis until the ongoing program can be implemented.

8. While the Community Help and Awareness of Natural Gas and Electricity Services program is funded through the large IOU California Alternate Rates for Energy program, the Commission will pay the contractor directly and will be reimbursed by the four major Investor-Owned Utilities.

9. Pacific Gas and Electric Company shall reimburse the Commission 30% of the total cost for the Community Help and Awareness of Natural Gas and Electricity Services program.

10. Southern California Edison shall reimburse the Commission 30% of the total cost for the Community Help and Awareness of Natural Gas and Electricity Services program.

11. Southern California Gas Company shall reimburse the Commission 25% of the total cost for the Community Help and Awareness of Natural Gas and Electricity Services program.

12. San Diego Gas and Electric Company shall reimburse the Commission 15% of the total cost for the Community Help and Awareness of Natural Gas and Electricity Services program.

13. The Commission's Consumer Service and Information Division may allocate up to 5% of the Community Help and Awareness of Natural Gas and Electricity Services program budget to the development of statewide, program-branded marketing and education collateral such as flyers, branded give-aways, and educational materials.

14. The Consumer Service and Information Division, with input and technical assistance from Energy Division and CPUC Internal Audit Unit, shall produce a 2015 Annual Community Help and Awareness of Natural Gas and Electricity Services Report by September 1, 2016.

15. The reporting, and monitoring-of the ongoing statewide Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program shall be managed by the Commission's Consumer Service and Information Division, with input and technical Assistance from Energy Division. Meetings with the Investor-Owned Utilities, and collateral material, will be scheduled and developed as needed, under the auspices of CSID in collaboration with Energy Division.

16. Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric Company shall not include the Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program activities in their California Alternate Rates for Energy (CARE) program monthly reports once the CHANGES program is no longer funded through the CARE program, but shall report on CHANGES Activities and trends raised in issues faced by CHANGES clients at least two

times per year during reports at the CPUC Low Income Oversight Board meetings.

17. Once Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) is no longer funded through the California Alternate Rates for Energy (CARE) program, Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric Company shall report on the CHANGES program as directed by the Consumer Service and Information Division and the Energy Division.

18. Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric Company shall continue to be involved in the ongoing Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program, at a minimum, in the following ways:

a. The Investor-Owned Utilities (IOUs) are directed to work with the designated community based organizations (and if necessary the prime contractor and the Consumer Service and Information Division's (CSID) staff designee for the CHANGES program) in resolving consumers' energy-related issues.

b. The IOUs are directed to communicate with the CSID and Energy Division regarding any changes in utility residential programs, rate structure, or rate increases prior to their implementation.

19. The Community-Based Organizations (CBOs) will act as agents of the Commission to assist consumers in informally resolving bill issues. In doing so, the CBOs will follow the same practice as developed in the CHANGES Pilot for communicating with the Investor Owned Utilities on consumers' behalf as described in this decision. Any requested changes to this practice must be resolved by consulting with the Consumer Service and Information Division in advance to request CSID authorization for such a change.

20. The Consumer Service and Information Division, in consultation with Energy Division, is directed to determine if meetings with the Investor Owned Utilities and the contractor are necessary and so advise both entities.

21. The Consumer Service and Information Division should organize, lead, and facilitate meetings on a quarterly basis, at a minimum, with the Commission's Energy Division, the Investor Owned Utilities (IOUs), and the Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program prime contractor to discuss changes in the IOUs' program services, new consumer materials, marketing leveraging opportunities, and updates on the statewide CHANGES program activities.

22. The Consumer Service and Information Division (CSID) or the Community Help and Awareness of Natural Gas and Electricity Services contractor shall, where and whenever possible, coordinate with Energy Division, Energy Upgrade California and with the Community Language Efficiency Outreach program, as well with as any other programs the CSID deems relevant, to reduce redundancies, share best practices, leverage resources, and lower service costs.

23. The Consumer Service and Information Division shall initiate the process to post the solicitation to secure a contractor and manage contractor selection process, to manage the day to day operations of the program, through the state contracting process within five days of this decision.

24. The participating community based organizations in the Community Help and Awareness of Natural Gas and Electricity Services program shall assist consumers with limited English proficiency; however, English speakers will not be denied information or assistance if they seek information or assistance from a participating community based organization.

25. The Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) program's participating community based organizations will act as agents of the Commission to advocate and assist consumers in informally resolving energy-related issues. The practice used in the CHANGES Pilot shall continue, as described in the decision. No changes shall be made without the Consumer Service and Information Division's prior consent.

26. The Community Help and Awareness of Natural Gas and Electricity Services Pilot, initially scheduled to cease on December 31, 2015, will continue on a month to month basis, at its current funding level of $61,200 a month until the ongoing Community Help and Awareness of Natural Gas and Electricity Services program contract, including selection of CBOs under the new consultant contract, can commence.

27. The Pilot contractor may continue working to complete its duties related to the Community Help and Awareness of Natural Gas and Electricity Services Pilot program sixty days after services in the Pilot cease. Compensation after the close of services, may include CBO payment for services prior to the close, and the contractor and quality assurance team's work to close out the Pilot. Compensation shall be at the same rate currently budgeted in the Pilot. Service to consumers should not be disrupted during this transition so the Contractor should ensure that CBOs are in place to serve consumers.

28. Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric Company shall include the Community Help and Awareness of Natural Gas and Electricity Services bill issue assistance and education workshop materials and attendance statistics in their monthly California Alternate Rates for Energy reports until long-term funding is established from the Commission's budget.

29. The CHANGES Contractor and CSID shall report to the CPUC Low Income Oversight Board (LIOB) two times per year at LIOB meetings to highlight issues and trends identified through CHANGES. The CHANGES and CSID Contractor shall report at least once annually to the Commission at a Commission Voting Meeting on CHANGES work including issues and trends identified through CHANGES, and make recommendations about potential actions for Commission consideration through proceedings or other means, and about best practices recommended for utility consideration.

30. Pacific Gas and Electric Company, Southern California Edison, Southern California Gas Company, and San Diego Gas and Electric Company, the Consumer Service and Information Division (CSID), and the Pilot contractor are not required to meet monthly to discuss the Pilot's activities. But the CSID, in consultation with Energy Division, can determine when future meetings are necessary. Such meetings are encouraged to occur at least twice annually.

31. For the Commission to ensure systematic tracking and monitoring of this expanded program, CSID will work with Energy Division and CPUC's Internal Audit Unit to develop granular CHANGES program issue tracking categories. The categories will permit auditing, action, and complaint resolution, as well as the identification of trends that could require regulatory or procedural action.

32. Consumer Safety and Information Divison, with the input of Energy Division and assistance from Internal Audit Unit as needed, shall oversee an independent, third-party evaluation study to be produced by June 30, 2017, to inform the next CARE program cycle. An amount equal to up to 4% of the CHANGES pilot's annual budgets for years 2013, 2014, and 2015 is authorized for an evaluation provided by an independent evaluator, that amount may be modified by ruling of the assigned administrative law judge on good cause

shown by CSID. The evaluation will focus on two aspects: (1) the benefits and cost-effectiveness of services delivered to customers, including comparisons to similar initiatives nationwide, and (2) the extent to which customer-related information developed through the program is used effectively to inform CPUC programs and proceedings (including identifying related barriers or impediments within the CPUC or its formal processes and opportunities for regulatory or procedural action), and to provide information to utilities on adopt best practices to avoid or address the problems CHANGES customers face. The evaluation of CHANGES should also consider whether in the areas served by SMJU, CARE funding from the SMJU CARE budget should be provided to support CHANGES activities in those areas if funding for CHANGES has not been provided "On Budget" in those areas.

33. Once the Community Help and Awareness of Natural Gas and Electricity Services program transitions to an on-budget funding source, the evaluation and managerial improvement process described in ordering paragraph 31 will continue in the same manner, with the same staff division of responsibilities on an ongoing basis and with independent evaluations to be performed at least once every three program years.

34. Application 14-11-007 et al. remains open to complete the Decision in the consolidated California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) Program proceedings .

This order is effective today.

Dated _____, at Sacramento, California.