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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Tomas Berenguel (known as Tom Berenguel)

Complainant,

vs.

San Diego Gas and Electric Company (U902E)

Defendant.

Case (C.) _____

Complaint

COMPLAINANT	DEFENDANT (Include Utility "U-Number," if known)
Tomas Berenguel (self-represented) 27 Saint Mays Rd Ladera Ranch, CA 92694 949-295-4008 tomberenguel@gmail.com	San Diego Gas and Electric Company (U902E) Attn: Greg Anderson, Regulatory Tariff Manager 8330 Century Park Court CP32F San Diego, CA 92123 T: 858-654-1717 E-mail 1: ganderson@sdge.com E-mail 2: SDGETariffs@sdge.com

(Internal Use Only)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMPLAINT

Additional complainant(s) (Provide name, address, phone number and email address for each complainant)

Name of Complainant	
Address	
Daytime Phone Number	
Email Address	

☉ One/sole complainant is representative listed in Box C-1

☐ Additional complainants listed in attachment

Additional Defendant(s) (Provide name, address, phone number and email address for each defendant)

Name of Defendant	
Address	
Daytime Phone Number	
Email Address	

Name of Defendant	
Address	
Daytime Phone Number	
Email Address	

Name of Defendant	
Address	
Daytime Phone Number	
Email Address	

Have you tried to resolve this matter informally with the Commission's Consumer Affairs staff?
☉ YES ☐ NO

Has staff responded to your complaint?
☉ YES ☐ NO

Did you appeal to the Consumer Affairs Manager?
☐ YES ☉ NO

Do you have money on deposit with the Commission?
☐ YES ☉ NO
Amount $_____

Is your service now disconnected?
☐ YES ☉ NO

Explain fully and clearly the details of your complaint. (Attach additional pages if necessary and any supporting documentation)

See attached Formal Complaint and 55 Exhibits, incorporated here. The complaint occupies packet pages 1-35; the exhibits follow. Section I states the completed informal process, Section III the chronology, and Section IV the grounds. Prior CAB File No. 734479 is not the new formal proceeding number.

This complaint challenges SDG&E's removal of CARE and refusal to re-enroll my household, including its notice and cure-period compliance, claimed in-home audit, unfinished separate MFES/ESA assessment, and resulting account charges. Account No. 99103634. It does not challenge the reasonableness of a rate.

Scoping Memo Information (Rule 4.2[a])

(1) The proposed category for the Complaint is (check one):
☉ adjudicatory (most complaints are adjudicatory unless they challenge the reasonableness of rates)
☐ ratesetting (check this box if your complaint challenges the reasonableness of rates pursuant to Rule 4.1(b))

(2) Are hearings needed (are there facts in dispute)? ☉ YES ☐ NO

(3) ☉ Regular Complaint ☐ Expedited Complaint (Rule 4.6)

(4) The issues to be considered are
(Example: The utility should refund the overbilled amount of $78.00):

See attached complaint Section V, including all ten issues in V.D and the records identified in V.G. Issues include notice and the 90-day cure period; intervening usage; assessment and access; the basis and standard for removal and non-re-enrollment; the appeal process; and reinstatement, account correction and reparations. A hearing is requested unless SDG&E stipulates to the material facts and requested account relief.

(5) The proposed schedule for resolving the complaint within 12 months (if categorized as adjudicatory) or 18 months (if categorized as ratesetting) is as follows:

Prehearing Conference: Approximately 30 to 40 days from the date of filing of the Complaint.
Hearing: Approximately 50 to 70 days from the date of filing of the Complaint.

Prehearing Conference (Example: 6/1/09): _____
Hearing (Example: 7/1/09): _____

Explain here if you propose a schedule different from the above guidelines.

I agree with the proposed schedule as written. My only request is that any hearing be held in Orange County or by remote appearance because my limited financial resources make travel to San Francisco a hardship. See attached complaint Section V.

Wherefore, complainant(s) request(s) an order: State clearly the exact relief desired. (Attach additional pages if necessary)

See attached Section VI, items 1-6, incorporated in full: CARE reinstatement and interim restoration; removal or suspension of the 24-month bar; account recalculation and refunds/credits with authorized interest; completion of the separate MFES/ESA assessment; appropriate appeal/re-enrollment determination; and prospective compliance. Section V.G requests discovery before adjudication.

OPTIONAL (OPT OUT OF ELECTRONIC SERVICE): I/we would like to receive the answer and other filings of the defendant(s) and information and notices from the Commission by mail (paper only). My/our mailing address(es) is/are:

Dated Ladera Ranch (City), California, this 9 (date) day of September (month), 2026 (year)

Signature of each complainant

(MUST ALSO SIGN VERIFICATION AND PRIVACY NOTICE)

REPRESENTATIVE'S INFORMATION:
Provide name, address, telephone number, e-mail address (if consents to notifications by e-mail), and signature of representative, if any.

Name of Representative: Not applicable - self-represented; see cover page.

Address: _____

Telephone Number: _____

E-mail: _____

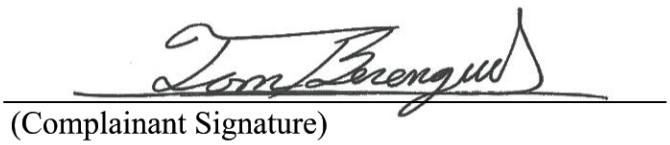
Signature: _____

VERIFICATION
(For Individual or Partnerships)

I am (one of) the complainant(s) in the above-entitled matter; the statements in the foregoing document are true of my knowledge, except as to matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 9/9/2026 (date), at Ladera Ranch (City), California



(Complainant Signature)

VERIFICATION
(For a Corporation)

I am an officer of the complaining corporation herein, and am authorized to make this verification on its behalf. The statements in the foregoing document are true of my own knowledge, except as to the matters which are therein stated on information and belief, and as to those matters, I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____ (date), at _____ (City), California

_____ Signature of Officer

_____ Title

NUMBER OF COPIES NEEDED FOR FILING:
If you are filing your formal complaint on paper, then submit one (1) original, six (6) copies, plus one (1) copy for each named defendant. For example, if your formal complaint has one (1) defendant, then you must submit a total of eight (8) copies.

If you are filing your formal complaint electronically (visit http://www.cpuc.ca.gov/PUC/efiling for additional details), then you are not required to mail paper copies.

Mail paper copies to:
California Public Utilities Commission
Attn: Docket Office
505 Van Ness Avenue, Room 2001
San Francisco, CA 94102

PRIVACY NOTICE

This message is to inform you that the Docket Office of the California Public Utilities Commission ("CPUC") intends to file the above-referenced Formal Complaint electronically instead of in paper form as it was submitted.

Please Note: Whether or not your Formal Complaint is filed in paper form or electronically, Formal Complaints filed with the CPUC become a **public record** and may be posted on the CPUC's website. Therefore, any information you provide in the Formal Complaint, including, but not limited to, your name, address, city, state, zip code, telephone number, E-mail address and the facts of your case may be available online for later public viewing.

Having been so advised, the Undersigned hereby consents to the filing of the referenced complaint.

Signature

9/9/2026

Date

Tomas Berenguel

Print your name

September 6, 2026

Tom Berenguel
27 Saint Mays Rd
Ladera Ranch, CA 92694
949-295-4008

California Public Utilities Commission
Docket Office
505 Van Ness Avenue
San Francisco, CA 94102

Complainant: Tom Berenguel
Defendant: San Diego Gas & Electric Company (U902E)
Prior CAB File: 734479
Utility Account: SDG&E Account No. 99103634

RE: **Formal Complaint Regarding Improper CARE Removal**

I. Prerequisites Satisfied

I completed the CPUC informal utility complaint process, timely completed the informal appeal process, and received notice that I may proceed by Formal Complaint.

- On June 14, 2026, I submitted the complete informal utility complaint packet to CAB.
- On June 16, 2026, CAB acknowledged the complaint and assigned CPUC File No. 734479.
- On June 24, 2026, CAB closed the complaint and provided informal-appeal instructions.
- On July 9, 2026 at **3:05 p.m.**, I filed the informal appeal by email.
- On July 9, 2026 at **3:58 p.m.**, CAB emailed its denial and identified a Formal Complaint as the next available process.

The complete informal complaint packet, CAB closure and appeal instructions, informal appeal, and CAB informal-appeal denial are included in the record. See **Exhibits 39 through 43**.

This complaint is organized as follows:

- **Section II - Exhibit List:** pages 3-8.
- **Section III - Chronological Factual Narrative:** pages 9-14.
- **Section IV - Complaint and Grounds:** pages 15-31.
- **Section V - Scoping Memo Information:** pages 32-34.
- **Section VI - Requested Relief:** page 35.

II. Exhibit List

CARE Enrollment and Prior Review

Exhibit 1: Initial CARE approval dated August 21, 2014

Exhibit 2: September 14, 2019 CARE high-usage appeal email

Exhibit 3: October 2, 2019 favorable CARE appeal result following an actual in-home review

Exhibit 4: July 24, 2021 letter to SDG&E restating the prior in-home audit history, conservation measures, and recurring summer HVAC problem

Exhibit 5: September 8, 2022 SDG&E high-usage alert regarding the 600% baseline level and possible CARE removal

Exhibit 6: July 28, 2026 Gmail search screenshot locating the September 8, 2022 high-usage alert

Exhibit 7: April 7, 2023 CARE recertification correspondence

Exhibit 8: 2023 CARE verification form

Exhibit 9: 2025 CARE verification form containing the ESA participation agreement

Exhibit 10: May 27 through June 23, 2025 CARE/FERA verification correspondence, including acknowledgment of CalFresh and Medi-Cal proof and final approval

Billing and Conservation Record Before Removal

Exhibit 11: SDG&E bill for August 7 through September 5, 2025, showing CARE active and usage at approximately 1,041% of baseline

Exhibit 12: September 2025 whole-home energy-monitor monthly AC-cycling view

Exhibit 13: September 19 through September 25, 2025 whole-home energy-monitor AC-cycling view

Exhibit 14: SDG&E bill for September 6 through October 6, 2025, showing CARE active and usage at approximately 1,017% of baseline

Exhibit 15: SDG&E bill for October 7 through November 5, 2025, showing CARE active and usage at approximately 798% of baseline

Exhibit 16: SDG&E bill for November 6 through December 5, 2025, showing CARE active and usage at approximately 634% of baseline

Exhibit 17: SDG&E bill for December 6, 2025 through January 7, 2026, showing CARE active and usage at approximately 523% of baseline

Exhibit 18: SDG&E bill for January 8 through February 5, 2026, showing CARE active and usage at approximately 523% of baseline

Exhibit 19: SDG&E bill for February 6 through March 9, 2026, showing CARE active and usage at approximately 548% of baseline

Removal, Appeal, and Claimed Audit

Exhibit 20: SDG&E bill for March 10 through April 7, 2026, showing usage at approximately 659% of baseline with the CARE discount applied

Exhibit 21: April 9, 2026 CARE removal notice and required appeal form

Exhibit 22: April 15, 2026 CARE appeal email offering unrestricted access to the property

Exhibit 23: April 16, 2026 SDG&E CARE appeal response and scheduling correspondence

Exhibit 24: April 23, 2026 OhmConnect demand-response performance record

MFES/ESA Process and Post-Removal Record

Exhibit 25: May 7, 2026 MFES voicemail screenshot showing first program contact after CARE removal

Exhibit 26: MFES correspondence requesting proof of property ownership

Exhibit 27: SDG&E bill for April 8 through May 7, 2026, showing usage at approximately 502% of baseline and CARE ended

Exhibit 28: May 14, 2026 SDG&E CARE appeal-denial letter relying on an alleged energy audit performed in the home

Exhibit 29: May 19 through May 20, 2026 MFES property-owner correspondence

Exhibit 30: June 1, 2026 registered MFES follow-up transmitting proof of ownership

Exhibit 31: Signed ESA Multifamily Energy Savings Program authorization packet

Exhibit 32: Property-owner authorization and supporting property documentation

Exhibit 33: June 6, 2026 registered request to SDG&E for the records, standards, definitions, and factual basis supporting the May 14 denial, with its June 6 delivery receipt

Exhibit 34: June 8, 2026 delivery-and-opening receipt for the records request to SDG&E

Exhibit 35: SDG&E bill for May 8 through June 8, 2026, showing usage at approximately 493% of baseline and no CARE discount

Exhibit 36: SDG&E bill for June 9 through July 8, 2026, showing usage at approximately 601% of baseline and no CARE discount

Exhibit 37: June 13, 2026 whole-home energy-monitor AC-cycling day view

Exhibit 38: June 13, 2026 whole-home energy-monitor AC-cycling hour view

CAB Record and Continuing Billing Harm

Exhibit 39: Complete June 14, 2026 informal utility complaint packet

Exhibit 40: June 24, 2026 CAB closure letter for CPUC File No. 734479

Exhibit 41: June 24, 2026 CAB informal-appeal instructions

Exhibit 42: July 9, 2026 filing email showing 3:05 p.m., with the informal appeal letter dated July 8, 2026

Exhibit 43: July 9, 2026 CAB email showing 3:58 p.m., with the informal-appeal denial letter

Exhibit 44: SDG&E bill for July 9 through August 6, 2026, showing 2,227 kWh of usage, a 261 kWh baseline allowance, $1,028.80 in current charges, and no CARE discount

Account-Level Usage and Billing Records

Exhibit 45: SDG&E monthly usage export covering July 2024 through July 2025

Exhibit 46: SDG&E monthly usage export covering June 2025 through July 2026

Exhibit 47: SDG&E account billing-history report covering June 2024 through July 2026

Exhibit 48: My Energy Center usage-history screenshot, displayed period July 1, 2025 through July 31, 2026

Exhibit 49: My Energy Center usage-history screenshot, displayed period July 28, 2024 through July 31, 2025

Governing Authorities and Program Materials

Exhibit 50: Public Utilities Code section 739.1(j) high-usage CARE provisions

Exhibit 51: Public Utilities Code section 739.1(f) and (j) in the complete governing article

Exhibit 52: SDG&E Schedule E-CARE, including Special Condition 9 on Cal. P.U.C. Sheet 26576-E, effective September 1, 2015

Exhibit 53: Statewide Energy Savings Assistance Program Policy and Procedures Manual, version 1.5

Exhibit 54: CPUC Decision 12-08-044, including Ordering Paragraphs 101(a), 101(b), and 101(e)

Exhibit 55: CPUC High Energy Use CARE Fact Sheet

III. Chronological Factual Narrative

A. 2014 - Initial CARE Enrollment

- On August 21, 2014, SDG&E approved my household for CARE. See **Exhibit 1**.

B. 2019 - Prior High-Usage Removal, Actual In-Home Review, and Reinstatement

- On September 14, 2019, I appealed a prior CARE high-usage decision and requested a Customer Energy Specialist appointment. My contemporaneous appeal states that SDG&E had issued a September 6 removal notice based on usage above 600% of baseline and a 24-month ineligibility consequence. See **Exhibit 2**.
- SDG&E then conducted an actual in-home review. The auditor entered my home, walked through the rooms, and measured loads while major appliances were turned on and off.
- On October 2, 2019, SDG&E determined that my household usage was necessary, basic, and legitimate, and CARE continued. See **Exhibit 3**.

C. July 24, 2021 - Prior Audit History and Recurring HVAC Problem Restated to SDG&E

- On July 24, 2021, I wrote SDG&E after receiving another CARE baseline-usage reevaluation letter. I identified the 2019 removal and successful appeal, described the actual in-home audit, documented the whole-house fan and other conservation measures, and again explained that the single AC unit serving both floors caused the recurring summer usage problem. See **Exhibit 4**.

D. September 8, 2022 - SDG&E High-Usage Alert

- On September 8, 2022, SDG&E emailed an alert stating that usage was approaching 600% of baseline, warning that continuous high use could result in removal of the CARE discount, and identifying proof and ESA-participation steps that could be required. See **Exhibit 5**.
- A Gmail search screenshot locates that alert in the account record. It is included for provenance and is not offered as the operative notice for the 2026 removal. See **Exhibit 6**.

E. 2023 and 2025 - CARE Verification and ESA Agreement

- In 2023, SDG&E again processed CARE recertification and verification materials. See **Exhibits 7 and 8**.
- In 2025, I supplied CARE verification materials based on categorical eligibility through CalFresh and Medi-Cal and agreed in writing to ESA participation. See **Exhibits 9 and 10**.
- On May 27, 2025, SDG&E acknowledged receiving the verification application and proof of CalFresh and Medi-Cal.
- On June 23, 2025, SDG&E first stated that it was unable to locate an application on file. I returned the requested form that morning, and SDG&E confirmed shortly afterward that the application had been processed and approved. See **Exhibit 10**.

F. September 2025 - Whole-Home Energy-Monitor Records

- Whole-home energy-monitor records document AC cycling during September 2025. See **Exhibits 12 and 13**.

G. April 9, 2026 - A New Above-600% Cycle and Immediate CARE Removal

- On April 9, SDG&E issued the bill reporting the March 10 through April 7 billing cycle, following three consecutive below-600% cycles. See **Exhibit 20**.
- On April 9, SDG&E issued a notice stating that I had complied with some requirements but that my usage had continued above 600%, removed the monthly CARE discount, imposed a 24-month ineligibility consequence, and required an appeal involving unrestricted access to the property. See **Exhibit 21**.
- The bill identifying the new above-600% cycle and the letter imposing removal were therefore issued on the same day.
- The notice stated that I had been "recently" notified but did not identify the earlier notice, triggering billing cycle, or 90-day cure period.

H. April 15-16, 2026 - Timely Appeal and Express Offer of Access

- On April 15, I appealed and expressly offered access to the property. See **Exhibit 22**.
- On April 16, SDG&E responded and arranged the Customer Energy Specialist visit. See **Exhibit 23**.

I. April 23, 2026 - Doorway Visit Without Entry or an In-Home Assessment

- I cooperated and secured my dogs so the representative could enter.
- While I was still securing the dogs, the representative stated that he did not think entry was necessary. He did not enter the home.
- The interaction remained at the doorway. The representative briefly reviewed limited device-monitoring material but did not inspect devices in place, walk through rooms,

test major appliances, inspect the HVAC system, or perform a room-by-room assessment. See the April 23 video linked directly in Section IV.D.

- The demand-response record exported that day separately documents participation in all 33 recorded events, with actual usage below forecast in 28 of the 32 events containing both forecast and actual values. See **Exhibit 24**.

J. May 7-14, 2026 - MFES Began After Removal and SDG&E Denied Re-enrollment

- On May 7, MFES first contacted me on SDG&E's behalf regarding participation in the Multifamily Energy Savings Program. See **Exhibit 25**.
- MFES then requested property-ownership documentation needed to proceed. See **Exhibit 26**.
- On May 14, SDG&E denied my CARE appeal. It stated that an "energy audit performed in your home" had determined that my usage exceeded what was necessary, basic, or legitimate, and refused re-enrollment for two years. See **Exhibit 28**.
- The May 14 statement cannot be reconciled with the April 23 recording, which shows that the representative never entered the home. See the April 23 video linked directly in Section IV.D.

K. May 19 Through June 9, 2026 - Continued Cooperation With the MFES/ESA Process

- On May 19 and May 20, MFES and the property owner exchanged the requested ownership information and authorization requirements. See **Exhibit 29**.
- On June 1, after the authorization had still not been supplied, I sent a registered follow-up transmitting proof of ownership and requesting confirmation. See **Exhibit 30**.

- The property owner signed the required authorization on June 5, and the program representative signed the related packet on June 9. See **Exhibits 31 and 32**.

L. June 6-13, 2026 - Records Request, No Substantive Response, and Energy-Monitor Records

- On June 6, I sent SDG&E a registered request for the records, standards, definitions, and factual basis supporting the May 14 denial. See **Exhibit 33**.
- The registered receipt shows that SDG&E received and opened the request on June 8. See **Exhibit 34**.
- SDG&E provided no substantive response before this formal complaint.
- Whole-home energy-monitor views from June 13 document the AC system's repeated cycling. See **Exhibits 37 and 38**.

M. June 14 Through July 9, 2026 - CAB Complaint and Informal Appeal

- On June 14, I submitted the complete informal utility complaint packet to CAB. See **Exhibit 39**.
- On June 16, CAB acknowledged the complaint and assigned CPUC File No. 734479.
- On June 24, CAB closed CPUC File No. 734479 and supplied informal-appeal instructions. See **Exhibits 40 and 41**.
- I filed the informal appeal by email on July 9, 2026 at **3:05 p.m.** See **Exhibit 42**.
- At **3:58 p.m.** that same day, 53 minutes after I filed the informal appeal, CAB emailed its denial and directed me to convert the Informal Complaint to a Formal Complaint. See **Exhibit 43**.

N. Account-Level Records

- SDG&E's monthly usage exports, billing-history report, and My Energy Center screenshots provide the longer account-level usage and billing record. See **Exhibits 45 through 49**.

O. Governing Authorities and Program Materials

- Public Utilities Code section 739.1 contains the categorical-eligibility and high-usage CARE provisions applicable to this dispute. See **Exhibits 50 and 51**.
- SDG&E Schedule E-CARE contains the utility's applicable CARE tariff requirements. See **Exhibit 52**.
- The Statewide ESA Policy and Procedures Manual contains the assessment and energy-education requirements relevant to the separate MFES/ESA process. See **Exhibit 53**.
- Decision 12-08-044 contains the governing 90-day cure, appeal, re-enrollment, and access provisions. See **Exhibit 54**.
- The CPUC High Energy Use CARE Fact Sheet describes the high-usage notice, cure, and removal sequence for consumers. See **Exhibit 55**.

IV. Complaint and Grounds

SDG&E removed my CARE discount and imposed a 24-month ineligibility consequence without establishing the failure required by the Commission's 90-day cure rule. The contemporaneous billing record does not support SDG&E's statement that usage had "continued" above 600% of baseline. SDG&E then refused to re-enroll me based on an "energy audit performed in your home," although its representative never entered my home. The separate MFES/ESA residential assessment process did not begin until after removal and remained underway after SDG&E denied re-enrollment.

A. Applicable Law Governing High-Usage CARE Removal

The governing decision, statute, tariff, and CPUC guidance establish the requirements that apply before a high-usage CARE customer may be removed. Decision 12-08-044 adopted the statewide high-usage CARE procedure applicable to SDG&E. Ordering Paragraph 101(a) provides:

> *"600% or more above baseline users: California Alternate Rates for Energy electric customers with electric usage above 600% of baseline in any monthly billing cycle shall have 90 days to drop usage below 600% baseline in any monthly billing cycle or be de-enrolled and barred from the program for 24 months. In addition, to continue to stay in the program these customers must undergo Post Enrollment Verification and apply for the Energy Savings Assistance Program within 45 days of notice, and, if not previously enrolled in the program, apply for the Energy Savings Assistance Program within 45 days of notice. To the extent possible, all notifications must be accessible to customers with disabilities and to customers without English language proficiency, and must include information on the Medical Baseline program and the Utilities' appeal process."*

See **Exhibit 54**.

The CPUC High Energy Use CARE Fact Sheet states:

"If you use over 600% of your Baseline Allocation in ANY month, you will get another letter informing you that you have 90 days to lower your usage."

See **Exhibit 55**.

Public Utilities Code section 739.1(j)(2) addresses removal following completion of the energy assessment if usage continues above 600% and removal is consistent with Commission procedures. Its 45-day deadline concerns agreement to participate in ESAP, not completion of the assessment. The separate assessment condition is addressed below. SDG&E Schedule E-CARE Special Condition 9 requires participants above 400% of baseline to provide qualifying-income proof, agree to ESA participation, and keep usage below 600% to remain enrolled. That tariff provision must be read together with the Commission's 90-day cure procedure. See **Exhibits 50 through 52**.

Ordering Paragraph 101(a) grants a 90-day opportunity to reduce usage, and the Fact Sheet describes a letter informing the customer of that opportunity. Neither expressly defines the precise first day of the period. My application of these authorities is that the opportunity must be prospective: a cycle completed before a cure period begins cannot establish compliance within that period, and a later cycle cannot establish that an earlier period failed. To evaluate SDG&E's compliance with the cure-period rule, the following facts must be established:

1. A billing cycle above 600% of baseline.
2. The notice informing me of the opportunity to cure and the high-usage cycle on which SDG&E relied.
3. The beginning and ending dates of the 90-day opportunity actually afforded.
4. No billing cycle below 600% of baseline within those 90 days.

B. SDG&E did not provide or establish failure of the required 90-day cure period.

On April 9, 2026, SDG&E issued a letter removing my CARE discount and imposing a 24-month ineligibility consequence. On that same day, SDG&E issued the bill first reporting the March 10 through April 7 cycle at approximately 659% of baseline. See **Exhibits 20 and 21**.

SDG&E's April 9 removal notice states that I had complied with some requirements but that my electricity use was "still" above 600%. It says I had been "recently" notified, yet it does not identify the prior notice, the triggering billing cycle, or the beginning and ending dates of any 90-day cure period. See **Exhibit 21**.

SDG&E's account to CAB conflicts with that letter's reference to an earlier notice. CAB's June 24 closure records that "SDG&E states that you were first notified of high usage on April 9, 2026." See **Exhibit 40**. If April 9 was the first notice, removal that same day afforded no prospective 90-day opportunity. If SDG&E relies on an earlier notice, it must reconcile that position with the first-notice date it reported to CAB and identify the earlier notice and resulting cure period.

Applying the four-part inquiry above, the record presents two apparent explanations for the April 9 removal: reliance on an older high-usage period or reliance on the newly reported March-April cycle.

First, if SDG&E relies on an older notice concerning the above-600% cycles in 2025, it must identify the exact notice and resulting cure period. A period that included the completed December 6, 2025 through January 7, 2026 cycle would include a below-600% month. An earlier period might have expired while usage remained above 600%; the bills alone do not exclude that possibility. But SDG&E continued applying CARE through three consecutive below-600% cycles at approximately **523%**, **523%**, and **548%**, and removed CARE only after the later March 10 through April 7 cycle rose to

approximately 659%. See **Exhibits 17 through 21**. SDG&E must explain the delay, the intervening compliant cycles, and why the April 9 letter called the older notice recent. I do not contend that continued discounts alone extinguished an earlier notice; I contend that SDG&E has not reconciled an older failed-cure theory with its own letters and billing conduct.

Second, if SDG&E relies on the March 10 through April 7, 2026 cycle at approximately 659%, the bill first reporting that cycle and the letter removing CARE were issued on the same day, April 9. See **Exhibits 20 and 21**. That cycle could trigger a new 90-day cure period; it could not establish failure of a cure period before the period began. The next two completed billing cycles were approximately **502%** and **493%** of baseline. See **Exhibits 27 and 35**.

On SDG&E's reported April 9 first-notice chronology, the removal denied the prospective cure opportunity. On an older-notice theory, the present record does not establish the second, third, or fourth parts of the inquiry: the operative notice, the 90-day opportunity afforded, or the absence of a below-600% billing cycle within it. SDG&E should therefore be required to identify and produce the exact notice on which it relies, the billing cycle that triggered it, the date and method of transmission, the 90-day period it claims followed, and every usage calculation used to conclude that I failed to cure.

C. SDG&E's bills contradict the assertion that high usage "continued" above 600%.

To make the cure-period analysis above easier to review, I compiled the pertinent figures from eleven SDG&E bills into the chronological display below.

CAB's June 24 closure states that, "[b]ecause the high usage continued," a second notice was sent on May 14 informing me that CARE had been removed. See **Exhibit 40**. That account is contradicted by SDG&E's billing record and letters.

Each SDG&E bill prints the baseline allowance and total usage. Six hundred percent of baseline is the printed baseline figure multiplied by six. The relevant billing record is:

August 7, 2025 - September 5, 2025

- Baseline: 270 kWh
- 600% line: 1,620 kWh
- Usage: 2,811 kWh
- Approximately 1,041% of baseline
- CARE status: Active
- **Exhibit 11**

September 6, 2025 - October 6, 2025

- Baseline: 279 kWh
- 600% line: 1,674 kWh
- Usage: 2,837 kWh
- Approximately 1,017% of baseline
- CARE status: Active
- **Exhibit 14**

October 7, 2025 - November 5, 2025

- Baseline: 271 kWh
- 600% line: 1,626 kWh
- Usage: 2,163 kWh
- Approximately 798% of baseline
- CARE status: Active
- **Exhibit 15**

November 6, 2025 - December 5, 2025

- Baseline: 276 kWh
- 600% line: 1,656 kWh
- Usage: 1,749 kWh
- Approximately 634% of baseline
- CARE status: Active
- **Exhibit 16**

December 6, 2025 - January 7, 2026

- Baseline: 304 kWh
- 600% line: 1,824 kWh
- Usage: 1,591 kWh
- Approximately **523% of baseline**
- CARE status: Active
- **Exhibit 17**

January 8, 2026 - February 5, 2026

- Baseline: 267 kWh
- 600% line: 1,602 kWh
- Usage: 1,396 kWh
- Approximately **523% of baseline**
- CARE status: Active
- **Exhibit 18**

February 6, 2026 - March 9, 2026

- Baseline: 294 kWh
- 600% line: 1,764 kWh
- Usage: 1,611 kWh
- Approximately **548% of baseline**
- CARE status: Active
- **Exhibit 19**

March 10, 2026 - April 7, 2026

- Baseline: 267 kWh
- 600% line: 1,602 kWh
- Usage: 1,760 kWh
- Approximately 659% of baseline
- CARE status: Active
- **Exhibit 20**

April 8, 2026 - May 7, 2026

- Baseline: 276 kWh
- 600% line: 1,656 kWh
- Usage: 1,386 kWh
- Approximately **502% of baseline**
- CARE status: Ended
- **Exhibit 27**

May 8, 2026 - June 8, 2026

- Baseline: 293 kWh
- 600% line: 1,758 kWh
- Usage: 1,445 kWh
- Approximately **493% of baseline**
- CARE status: None
- **Exhibit 35**

June 9, 2026 - July 8, 2026

- Baseline: 270 kWh
- 600% line: 1,620 kWh
- Usage: 1,622 kWh
- Approximately 601% of baseline
- CARE status: None
- **Exhibit 36**

Viewed together, these billing periods show three consecutive below-600% cycles immediately before the March 10 through April 7 cycle rose to approximately 659%. The only completed billing cycle between the April 9 removal and May 14 denial, covering April 8 through May 7, returned to approximately **502%**, below the 600% threshold. SDG&E issued that bill on May 11, three days before the May 14 denial. See **Exhibits 17 through 20, 27, and 28**. The following cycle was approximately **493%**. See **Exhibit 35**.

This pattern contradicts CAB's characterization that high usage "continued" as the reason for the May 14 notice: the completed cycle immediately preceding that notice was below 600%, as were the three cycles preceding the March-April increase. If SDG&E used a different time period, it should be required to identify that period and explain how its use complies with Ordering Paragraph 101(a).

CAB's description also conflicts with SDG&E's own letters. The April 9 letter states that the discount was removed then; the May 14 letter states that the discount "was removed" and denies re-enrollment after the appeal. See **Exhibits 21 and 28**. SDG&E should identify the operative removal date and the distinct function it assigns to each notice.

D. The claimed "energy audit performed in your home" did not occur.

SDG&E's May 14 denial states: "An energy audit performed in your home determined your household energy use exceeds what is necessary, basic or legitimate for the CARE Program." It then states that, as a result, SDG&E cannot re-enroll me. See **Exhibit 28**.

CAB's June 24 closure records SDG&E's representation that a Customer Energy Specialist "conducted an in-home visit" to review my consumption and discuss conservation options. See **Exhibit 40**. That representation was material to CAB's no-violation determination. It was also false: the representative never entered the home.

The April 23 recording shows otherwise. I cooperated, granted access, and secured my dogs so the representative could enter. While I was doing so, the representative stated that he did not think entry was necessary. He remained at the doorway and never entered the home. The recording is linked directly below.

April 23 video/audio:
https://www.dropbox.com/scl/fi/vghmerbcixom1p891p971/Energy-Audit-4_23_26.mp4?rlkey=qfdoxdfeo76x8wtpve2edvdmf&dl=0

The representative briefly reviewed limited material presented at the doorway. He did not inspect the devices in place, walk through the rooms, test major appliances, inspect the HVAC system, or perform a room-by-room assessment. The material fact is his conduct: access was available, but no in-home audit occurred.

The May 14 denial is a bare assertion resting on that false premise. It identifies no audit report, standard, measurements, observations, supporting records, or decisionmaker. It does not explain how an audit performed inside the home could have occurred without anyone entering it.

SDG&E should be required to identify who made the adverse determination, what standard that person applied, and what evidence supported the conclusion. It should also produce every field report, note, checklist, measurement, observation, photograph, appliance record, HVAC record, and other document it contends resulted from the April 23 visit.

E. SDG&E reached the opposite result in 2019 after an actual in-home review and has not identified what changed.

The 2019 and 2026 sequences began with the same high-usage issue and threatened 24-month consequence. In 2019, SDG&E's auditor entered my home, walked through the rooms, and measured loads while major appliances were turned on and off. SDG&E then determined that the usage was necessary, basic, and legitimate, and CARE continued. See **Exhibits 2 and 3**.

I reminded SDG&E of that history in 2021 and again described the recurring physical problem: a single central AC system serving both floors of a two-story home despite continuing conservation measures. See **Exhibit 4**.

My April 15, 2026 appeal again told SDG&E, before the visit and denial, that the prior information and conservation installations still applied. I specifically identified four QuietCool whole-house fans, LED lighting on automatic shutoff schedules, the Fusion Energi charger set to shut off during peak hours, the Sense monitoring system, and smart monitoring plugs on large appliances, concluding: "All the same." I also provided

recent AC runtime figures of approximately 1.6 hours per day in February, 0.74 hour per day in January, and 0.68 hour per day in December. See **Exhibit 22**.

SDG&E's own account-level usage records show a recurring seasonal pattern. Usage rose to 2,304 and 2,359 kWh in August and September 2024, declined through the cooler months, then rose to 2,811 and 2,837 kWh in September and October 2025 before declining again. This history is not offered as an excuse for, permission to, or defense against exceeding 600% of baseline. It is offered only to show that the summer usage pattern was longstanding rather than a new household condition. See **Exhibits 45 through 49**.

The household's principal electrical conditions remained materially similar between the 2019 and 2026 reviews: the same single central AC served both floors, the same QuietCool whole-house fan system remained in place, the number and type of computers and household electronics remained substantially the same, and no new major electrical load had been added. By 2026, the washing machine, dryer, main kitchen refrigerator, microwave, and stove had been replaced with newer models.

The 2019 result does not permanently bind SDG&E. It does establish that SDG&E knows what an actual in-home review on this account looks like. In 2026, SDG&E reached the opposite result despite materially similar principal equipment and newer major appliances, but without entering the home or gathering comparable interior evidence. SDG&E should state the definition, criteria, and methodology it applied to determine whether usage was necessary, basic, and legitimate in 2019 and 2026; what material condition changed; who made the 2026 determination; and how the opposite result was reached without a comparable review.

F. SDG&E removed CARE before the separate MFES/ESA residential assessment process began.

The April 23 Customer Energy Specialist appeal visit and the later MFES/ESA residential assessment were separate processes. SDG&E removed CARE on April 9. On May 7, 28 days after removal, MFES contacted me on SDG&E's behalf regarding participation in the Multifamily Energy Savings Program based on CARE eligibility. The communication does not state why SDG&E initiated the referral, and I do not speculate about its reason. See **Exhibits 21 and 25**.

After MFES contacted me, I cooperated with its requests and worked to obtain the required property-owner information. The owner signed the authorization on June 5, and the program representative signed the related packet on June 9. See **Exhibits 26 and 29 through 32**.

Public Utilities Code section 739.1(j)(2) requires ESAP participation, including a residential energy assessment, to provide information and assistance in reducing usage. It addresses removal following completion of the assessment if usage continues above 600% and removal is consistent with Commission procedures. See **Exhibits 50 and 51**.

The Statewide ESA Policy and Procedures Manual, sections 4.3 through 4.5, addresses collection of appliance and HVAC information and home square footage, energy education concerning heating, cooling, and appliances, and a structure assessment using approved forms or tools. The manual permits customer-provided data and self-assessment and provides for online energy education; it does not require every component to occur during a contractor's interior visit. See **Exhibit 53**. These provisions govern the separate ESA process, not an assertion that the April 23 appeal visit was an ESA assessment.

I completed and returned every requested participation and authorization document, the property owner signed the authorization, and the program representative countersigned it. Even though every requested authorization step was completed, no MFES/ESA residential energy assessment has been performed as of September 6, 2026. SDG&E should produce the MFES/ESA case status, appointment history, assessment records, and program communications and complete the residential assessment properly.

Ordering Paragraph 101(e) does not supply an alternative basis for removal. It addresses failure to keep an ESA appointment, provide access to the metered property, or permit a required inspection. SDG&E removed CARE before MFES made first contact, and the record shows cooperation after contact. See **Exhibits 25, 26, and 29 through 32**. If SDG&E relies on Ordering Paragraph 101(e), it should identify the specific appointment, access request, or inspection it claims I failed to honor.

G. My CARE eligibility and agreement to participate in ESA were already established.

My household qualifies categorically through CalFresh and Medi-Cal. Public Utilities Code section 739.1(f)(1) and SDG&E's CARE materials recognize qualifying public-assistance participation as an alternative to household-income documentation. See **Exhibits 9, 10, and 51**.

SDG&E has repeatedly processed or verified my CARE eligibility. In 2025, it acknowledged receiving proof of CalFresh and Medi-Cal, processed the verification form, approved it, and received my written agreement to ESA participation. See **Exhibits 9 and 10**. If SDG&E contends that Post-Enrollment Verification, ESA agreement, or another requirement remained incomplete on April 9, it should identify the precise deficiency, the notice requesting correction, and the opportunity it provided to cure.

H. The record documents sustained conservation conduct and the need for an actual assessment.

OhmConnect is a demand-response service through which participating households are asked to reduce electricity use during designated events. Its performance record compares forecast and actual usage for those events. The April 23 OhmConnect export records participation in all 33 demand-response events shown in the file. Of the 32 events containing both forecast and actual usage, actual usage was below forecast in 28, with aggregate actual usage approximately 40.1% below forecast. See **Exhibit 24**.

The whole-home energy-monitor views document recurring multi-kilowatt AC cycling during September 2025 and June 2026. See **Exhibits 12, 13, 37, and 38**. The demand-response record documents conservation participation; it does not establish that every household use was necessary, basic, and legitimate. The monitoring evidence is not offered to prove that AC is the sole cause of household usage. Together, these records support the need for an actual assessment of the home's equipment and conditions, rather than a conclusion drawn from total consumption alone.

I. The SDG&E and CAB appeal processes did not effectively resolve the dispute.

Ordering Paragraph 101(b) establishes an expedited utility appeal through which a customer may demonstrate necessary, basic, and legitimate household usage. When the utility process does not effectively resolve the appeal, the customer may seek assistance from the Commission's Energy Division Director, who makes that determination. See **Exhibit 54**.

SDG&E required unrestricted access as part of my appeal. I granted it, but its representative declined to enter. SDG&E then denied re-enrollment based on an in-home audit that did not occur and did not substantively respond to my registered request for its records and factual basis. See **Exhibits 22, 28, 33, and 34** and the April 23 video linked directly in Section IV.D.

The April 15 appeal had already identified the four QuietCool fans, scheduled LED lighting, peak-hour charger shutoff, Sense monitoring and appliance-monitoring plugs, and recent monthly AC runtimes. It stated that these conservation installations remained in use. SDG&E's May 14 denial did not address that information or explain why it failed to justify the household usage. See **Exhibits 22 and 28**.

CAB's July 9 denial first stated that an appeal must show a factual mistake, a legal mistake, or a mistake caused by failure to consider evidence, and that correcting the error would have resulted in a favorable disposition. It then denied my appeal because it "did not provide new evidence, or [I] disagreed with the utility's response and CAB's position." See **Exhibit 43**. My appeal did more than express disagreement. It identified specific errors and explained how the evidence already submitted contradicted the conclusions on which CAB relied. See **Exhibit 42**.

The selective consideration of evidence is apparent in the conclusions CAB retained without addressing the contradictory record: the assertion that high usage continued despite the approximately 502% billing cycle, the claimed in-home audit despite the representative's non-entry, the claimed conservation review, and the unfinished ESA assessment process. My appeal explained why correcting these errors would undermine the stated grounds for removal or refusal to re-enroll and warrant a different disposition. CAB's denial did not address those explanations or state why the supporting evidence failed to establish the errors identified. Its use of "or" also left unclear which stated reason it applied. CAB issued the denial at **3:58 p.m.**, 53 minutes after I filed the appeal at **3:05 p.m.** See **Exhibits 42 and 43**.

CAB expressly attributed the April 9 first-notice date and claimed in-home visit to SDG&E. Its closure also characterized usage as continuing and the May 14 notice as announcing removal. These representations and characterizations were not reconciled with SDG&E's letters, bills, the April 23 recording, or the contrary evidence identified in my appeal.

Ordering Paragraph 101(b) provides the utility appeal and Energy Division review process. Public Utilities Code section 1702 separately authorizes a formal complaint concerning a utility's alleged violations. I invoke that formal process here and request adjudication of the alleged violations and my entitlement to reinstatement. If an Energy Division determination under Ordering Paragraph 101(b) is needed, I request that it be coordinated with this proceeding without delaying adjudication of the separate removal violations.

J. Removal caused immediate and continuing billing harm.

The April 9 bill, the last bill with CARE applied, included a $317.02 CARE discount and additional CARE baseline adjustment credits. See **Exhibit 20**. After removal, the May, June, and July bills charged a combined $2,197.64 without CARE. See **Exhibits 27, 35, and 36**.

The July 9 through August 6 cycle then produced $1,028.80 in current charges without CARE. See **Exhibit 44**. Account-level exports and billing records document the longer usage and billing history. See **Exhibits 45 through 49**.

These amounts are total billed charges, not a calculation of the CARE overcharge. I seek the difference between the charges actually imposed and the charges that should have applied with CARE, including applicable baseline adjustments. Public Utilities Code section 734 authorizes reparations, with interest from collection, upon the required finding concerning unlawful charges. The account should be recalculated from the first service day for which CARE was improperly withheld,

including the April 8 through May 7 cycle, and payments already made should be refunded or credited to the extent of the resulting overpayment.

Summary of Alleged Violations

The acts alleged violate or are inconsistent with Decision 12-08-044, Ordering Paragraphs 101(a) and 101(b); Public Utilities Code section 739.1(j)(2); SDG&E Schedule E-CARE Special Condition 9; and the Commission's high-usage CARE and ESA procedures. See **Exhibits 50 through 55**.

V. Scoping Memo Information

A. Proposed Category

This complaint should be categorized as adjudicatory. It concerns SDG&E's application of CARE program requirements, its tariff, and Commission procedures to an individual account. It does not challenge the reasonableness of a rate.

B. Need for Hearing

A hearing is needed unless SDG&E stipulates to the material facts and requested account relief. Material disputes include the operative notice and cure period, the meaning and factual basis of the assertion that usage "continued" above 600%, whether an in-home audit occurred, the status of the separate MFES/ESA assessment, and the evidence supporting the 2026 reversal of the 2019 result.

C. Proposed Procedure

I request the Regular Complaint procedure. This case involves contested facts, utility records, program records, and the need for testimony concerning SDG&E's CARE removal and refusal to re-enroll me.

D. Issues To Be Considered

1. Whether SDG&E provided the 90-day cure period required by Ordering Paragraph 101(a).
2. Which billing cycle and notice SDG&E claims triggered removal, and how it treated the intervening below-600% cycles.
3. Whether SDG&E and CAB accurately stated that usage "continued" above 600%.

4. Whether removal was consistent with Public Utilities Code section 739.1(j)(2) and SDG&E Schedule E-CARE Special Condition 9.
5. Whether SDG&E may rely on an "energy audit performed in your home" when its representative never entered after access was granted.
6. What standard SDG&E applied, who made the adverse determination, and what evidence supported it.
7. Whether SDG&E completed the separate MFES/ESA residential assessment process or identified any customer failure under Ordering Paragraph 101(e).
8. What material circumstances or evidence justified departing from SDG&E's 2019 result after an actual in-home review.
9. Whether SDG&E's appeal process failed to resolve the appeal effectively, whether the contrary evidence identified in the CAB appeal defeats the stated grounds for removal or non-re-enrollment, and whether a determination under Ordering Paragraph 101(b) is needed.
10. The operative removal date and the account correction, reparations, CARE credits, and other prospective relief due.

E. Proposed Schedule

I request prompt handling because the loss of CARE continues to increase my household's bills. Under Rule 7.2(a), the prehearing conference is to be held between 45 and 60 days after initiation or as soon as practicable after assignment. I request the earliest practicable conference within that framework, prompt exchange of the necessary records, and a hearing as soon as practicable thereafter, subject to the assigned Administrative Law Judge's scheduling order.

F. Requested Hearing Location and Manner of Appearance

I request that any prehearing conference and hearing be held in Orange County. Travel to San Francisco would impose distance and expense that I cannot afford. If an Orange County location is not administratively possible, I request permission to appear

remotely by telephone, video, or another electronic means from my home computer. I request that no appearance in this matter be set in San Francisco.

G. Records Needed During the Proceeding

I request a schedule permitting discovery of the records below under Rule 10.1 and, if necessary, resolution of disputed production through Rule 11.3. These records are needed before adjudication, not merely after a final decision:

1. The triggering billing cycle and every notice, cure period, usage calculation, and related record on which removal rests.
2. The September 6, 2019 notice quoted in my contemporaneous appeal; the notice described as "recent" in the April 9, 2026 letter; and every other high-usage notice SDG&E contends it sent between January 2024 and April 2026, with transmission date, method, address, triggering cycle, and resulting cure period.
3. Every requirement SDG&E contends remained unmet when it stated that I had complied with only some requirements, including any appointment, access, or inspection failure on which it relies.
4. All records supporting the alleged April 23 in-home audit; the identity of the adverse decisionmaker; the standards, definitions, and methodology applied in 2019 and 2026; the asserted changed conditions; and the evidence supporting an in-home determination without entry.
5. The MFES/ESA case status, appointment history, assessment records, and program communications.
6. SDG&E's communications to CAB supporting the first-notice date, in-home-visit description, removal chronology, and continued-high-usage characterization.

VI. Requested Relief

I request the following findings and orders, including interim relief where stated:

1. Find that the challenged removal and refusal to re-enroll did not comply with the applicable requirements established in this proceeding, and order SDG&E to reinstate CARE. Pending final determination, suspend the removal and restore the discount as interim relief.
2. Remove the resulting 24-month ineligibility consequence, or suspend it pending decision, and require SDG&E to identify the operative removal date and the date from which it has calculated that period.
3. Order SDG&E to recalculate the account from the first service day for which CARE was improperly withheld, including the April 8 through May 7, 2026 cycle, through reinstatement. Apply all CARE discounts and associated baseline credits due; correct unpaid charges; and refund or credit resulting overpayments, with interest from collection as authorized by Public Utilities Code section 734. Require an itemized accounting of the correction.
4. Order SDG&E to complete the separate MFES/ESA residential energy-assessment process consistently with applicable requirements, recognizing that the requested participation and authorization documents have been completed.
5. Find that SDG&E's appeal process did not effectively resolve my appeal within the meaning of Ordering Paragraph 101(b), determine whether my household usage is necessary, basic, and legitimate on the evidence presented, and order appropriate re-enrollment relief. If a determination by the Energy Division Director under that paragraph is required, coordinate that process without delaying adjudication of the independent removal violations alleged here.
6. Order SDG&E to cease relying on the challenged removal and denial as a basis for withholding CARE absent compliance with applicable law, tariff, and Commission procedures and a substantiated determination based on the actual household record.

Exhibit 1

Gmail Tom Berenguel <tomberenguel@gmail.com>

CARE Approved

1 message

billdiscount@sdge.com <billdiscount@sdge.com> Thu, Aug 21, 2014 at 11:09 AM
To: tomberenguel@gmail.com

8/21/2014

Thank you, your application for enrollment in SDG&E's California Alternate Rates for Energy (CARE) Program has been accepted. The CARE Program will provide you with a 20% discount on your monthly SDG&E® bill, as well as a reduced rate on your electricity. The discount will be reflected on your next bill and will be listed as the line item "Residential CARE Discount" under your electric and gas usage charges.

Although we're not asking for proof of your eligibility at this time, you may be asked to provide this information in the future. If your monthly electric usage exceeds a certain amount, additional program rules will apply and we will contact you with more information. You will also be asked to renew your eligibility from time to time. If at any time during your participation in the program you are no longer eligible to participate, you are required to notify SDG&E.

You may also be eligible or interested in the following;

SDG&E's Energy Savings Assistance Program: Improve the comfort of your home and lower your SDG&E bill. See if you qualify for free energy-efficient appliances and minor home repairs. For more information or to schedule a qualification appointment call 1-866-597-0597.

SDG&E's Medical Baseline Allowance Program: If you or someone in your household has a medical need that requires extra energy usage, we can provide you with additional gas and electricity at the lowest rates. More information contact SDG&E at 1-800-411-SDGE.

SDG&E's My Account: Manage your SDG&E account, how and when you want. It's secure, it's free, and it saves you time. Connect at sdge.com/myaccount

Low Income Home Energy Assistance Program (LIHEAP): For those who qualify, emergency bill assistance and weatherization services are available. Call the California Department of Community Services and Development at 1-866-675-6623.

California Lifeline: Telephone carriers provide discounted telephone access to customers meeting similar income guidelines as CARE. This may not apply to wireless service, for more information please contact your local telephone service provider.

If you have any questions regarding your enrollment, please contact SDG&E's CARE team at **1-800-560-5551**. You may also send an email anytime to billdiscount@sdge.com.

Sincerely,
San Diego Gas & Electric
Customer Assistance Programs

CARE L350

Exhibit 2

Care Program Appeal

1 message

Tom <tomberenguel@gmail.com> Sat, Sep 14, 2019 at 1:15 PM
To: Bill Discount <billdiscount@sdge.com>

I received a letter dated September 6, 2019, that stated that I have been removed from the CARE Program because I have recently gone over "600% of your monthly baseline allowance", and that I am not eligible for the CARE program for at least 24 months.

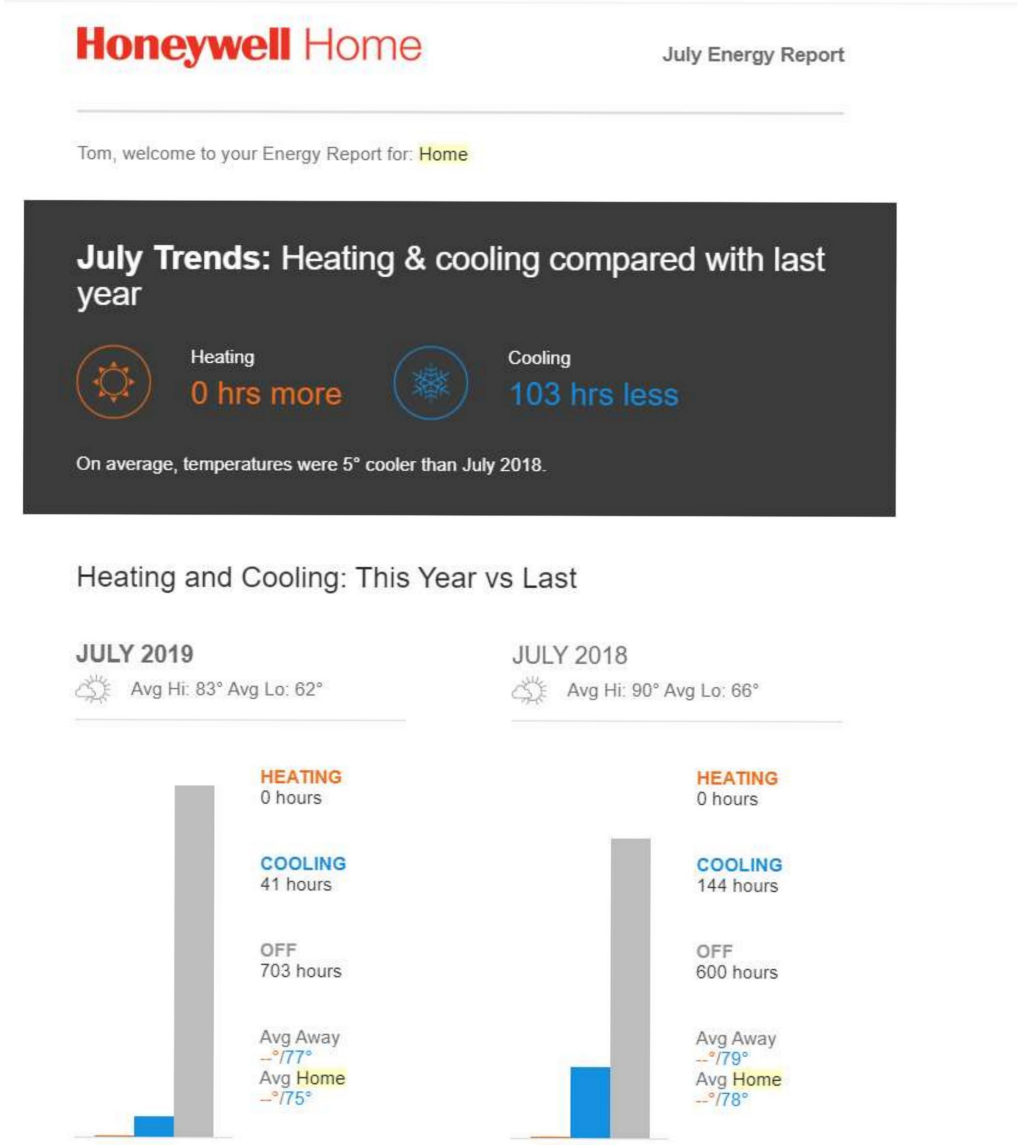
The letter also states that "If the energy use at this level is necessary for your household, you may appeal by requesting an appointment with a Customer Energy Specialist." Hence this email.

My home, to my knowledge, does not have anything out of the ordinary with regards to energy use. In fact, my family went above and beyond to make this home as energy-efficient as possible.

Every single light bulb in my home are LED, and all of those lights except the bathroom lights are either smart lights or controlled by a smart switch, allowing for schedules (such as all lights to be turned off late at night in case they were left on).

One of the biggest problems with these condos is that they have one AC unit for both the upstairs and downstairs. This is extremely inefficient and makes it difficult to cool the upstairs efficiently. As a result, two things were done to alleviate this. First, all the vents were retrofitted with Keen smart vents (https://keenhome.io/). This allows all the downstairs vents to be mostly closed when I am trying to cool down the upstairs. Secondly, a full Quietcool whole house fan system was installed using their top of the line model, the Stealth Pro (https://quietcoolsystems.com/products/stealth/). The master bedroom has an STL PRO 2.5x model with two speeds (2018 - 2541 CFM airflow and energy efficiency of 82.3 - 157 Watts). Both of the other bedrooms each have an STL PRO 1.5x model with one speed (1479 CFM airflow and energy efficiency of 66.7 Watts). At the top of the stairs is an STL PRO 4.8x model with three speeds (2361 - 4280 CFM airflow and energy efficiency of 73.9 - 408 Watts). Lastly, the attic has a Smart Fan (https://quietcoolsystems.com/products/smart-attic-fan/).

The Quietcool system allows me to reduce my AC use drastically. Whenever it is cooler outside than it is in my home I just open my windows and turn on the Quietcool system. I have noticed that the ***only*** times I get messages from SDGE stating that I have gone over the limit is during summer when it gets ridiculously hot and I have to run the AC. However, I do not set the temperature to unreasonable levels by any means. In the following pictures, you can see the average temperature of my home, as well as the difference that the Quietcool system makes as compared to last year before it was installed:



The Quietcool system allowed me to reduce my cooling by 103 hours as compared to last year in July. My total cooling was only 41 hours and my average temperature was 75 while at home and 77 while away. Keep in mind that setting the AC to 75 ***DOES NOT*** translate to 75 in the upstairs of my home.

Honeywell Home

June Energy Report

Tom, welcome to your Energy Report for: Home

June Trends: Heating & cooling compared with last year

Heating
1 hrs more

Cooling
23 hrs less

On average, temperatures were 5° cooler than June 2018.

Heating and Cooling: This Year vs Last

JUNE 2019

Avg Hi: 75° Avg Lo: 59°

HEATING
1 hours

COOLING
8 hours

OFF
711 hours

Avg Away
--°/75°
Avg Home
--°/73°

JUNE 2018

Avg Hi: 92° Avg Lo: 52°

HEATING
0 hours

COOLING
31 hours

OFF
689 hours

Avg Away
--°/80°
Avg Home
--°/77°

Honeywell Home

May Energy Report

Tom, welcome to your Energy Report for: Home

May Trends: Heating & cooling compared with last year

Heating
3 hrs more

Cooling
13 hrs less

On average, temperatures were 2° cooler than May 2018.

Heating and Cooling: This Year vs Last

MAY 2019

Avg Hi: 68° Avg Lo: 53°

HEATING
4 hours

COOLING
0 hours

OFF
740 hours

Avg Away
72°/--°
Avg Home
74°/--°

MAY 2018

Avg Hi: 71° Avg Lo: 53°

HEATING
1 hours

COOLING
13 hours

OFF
730 hours

Avg Away
76°/78°
Avg Home
77°/76°

Honeywell Home

April Energy Report

Tom, welcome to your Energy Report for: Home

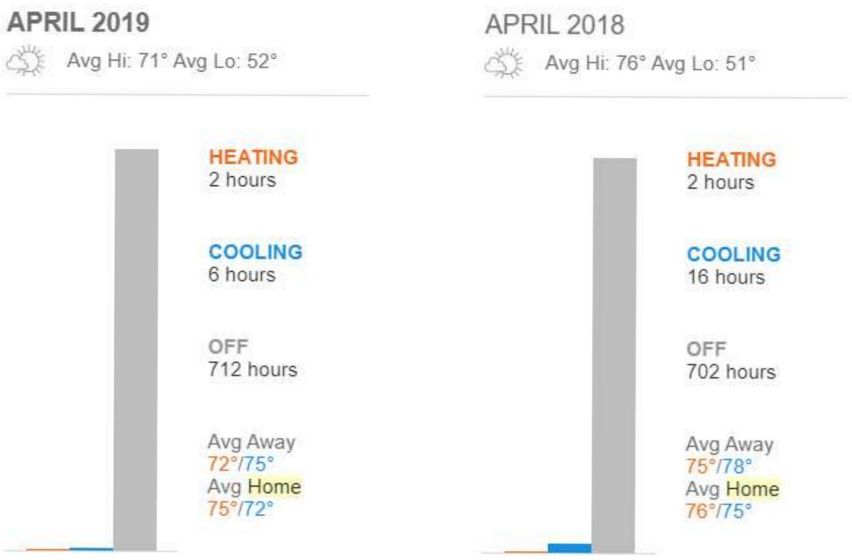
April Trends: Heating & cooling compared with last year

Heating
0 hrs more

Cooling
10 hrs less

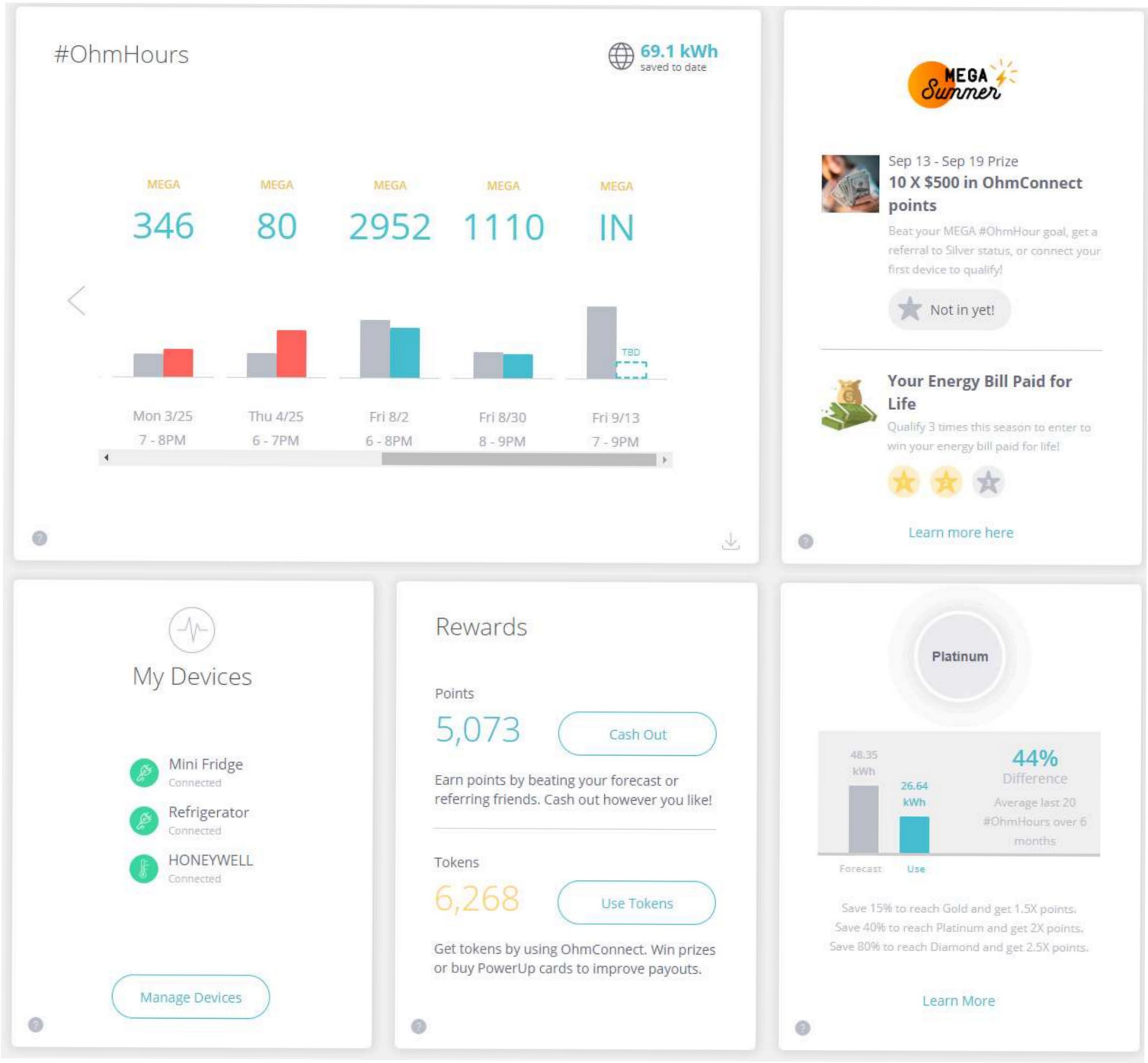
On average, temperatures were 2° cooler than April 2018.

Heating and Cooling: This Year vs Last



You can see that the Quietcool system has allowed me to drastically reduce AC usage, and that my average home temperatures are not excessive or unreasonable. I do not have the August comparison as of yet, however, the temperatures were so hot that I was not able to use the Quietcool system as much during that month and the beginning of this month. It was just the last week or so that I have been able to use the Queitcool system again regulargly.

I also participate in the Ohmhours to reduce electrical usage:



You can see that I have saved 69.1 kWh to date. My refrigerator, mini-fridge and my thermostat are connected so that they can be automatically turned off. My refrigerator and mini-fridge turn off every night at 3 am until 5 am.

So yes, it is obvious my home requires the amount of energy being used as there is nothing out of the ordinary in my usage of electrical devices or appliances. My family has agreed to install a https://sense.com/ to better monitor my electrical usage. Unfortunately I do not have the funds necessary to buy a new AC unit that is more energy efficient.

Feel free to visit my home and see for yourself. Thank you for your time.

Tom Berenguel
949.295.4008

Care Program Appeal.pdf
159K

Exhibit 3

SDGE

A Sempra Energy utility™

10/2/2019

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

Re SDGE Account: E: 99103634

Dear TOM BERENGUEL:

Recently you appealed our decision to remove the CARE Program monthly discount from your SDG&E® account.

The energy audit performed in your home determined your household energy use is considered necessary, basic and legitimate. As a result, your enrollment in the CARE Program remains and you will continue to receive the monthly discount.

If you have any questions, please call us at 800-560-5551.

Sincerely,

SDG&E Customer Assistance Programs – CARE

#367 -8/2014

Exhibit 4

Gmail Tom Berenguel <tomberenguel@gmail.com>

27 St Mays Road - 99103634

1 message

Tom <tomberenguel@gmail.com> Sat, Jul 24, 2021 at 5:51 PM
To: Bill Discount <billdiscount@sdge.com>

Hi there,

I received a letter stating that my eligibility for the CARE discount must be reevaluated once again due to exceeding the monthly baseline allowance. While I understand that this is an automated process to an extent, I am hoping that there is something that can be done to avoid this recurring pattern.

This is not the first time that this has happened over the past several years. I have had to provide this paperwork in 2015/2016, then in 2019 I was removed from the CARE program all of a sudden and had to appeal in October of 2019 (letter attached), and now here we are again.

When the energy audit was done of the property they noted that every single light has been changed to LEDs. All the appliances are energy efficient.

More importantly, the property has been equipped with a whole house fan system (https://quietcoolsystems.com/) that consists of the following:

Two 1.5x

QC STL PRO-1.5X

See associated patents.

CFM	1,479
HVI 916 CFM	1,040
Watts	66.7
Amps	0.9
Volts	120V

One 2.5x

QC STL PRO-2.5X

See associated patents.

CFM	Hi: 2,541 / Low: 2,018
HVI 916 CFM	Hi: 1,920 / Low: 1,510
Watts	Hi: 157 / Low: 82.3
Amps	Hi: 2.12 / Low: 1.12
Volts	120V

One 4.8x

QC STL PRO-4.8X

See associated patents.

CFM	Hi: 4,280 / Med: 3,500 / Low: 2,361
HVI 916 CFM	Hi: 3,130 / Med: 2,560 / Low: 1,670
Watts	Hi: 408 / Med: 225 / Low: 73.9
Amps	Hi: 5.16 / Med: 3.00 / Low: 1.07
Volts	120V

And one smart attic fan (to push air out of the attic)

AFG SMT ES-3.0

*Patent Pending

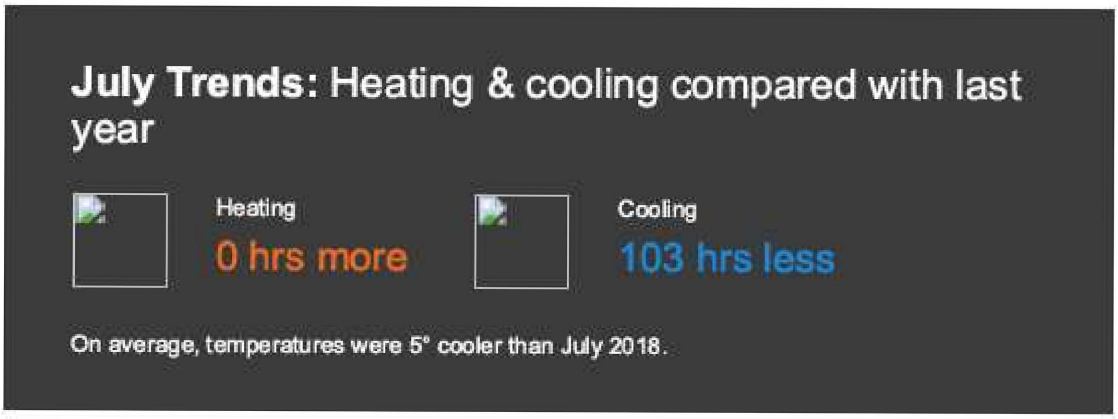
CFM	Hi: 2801 / Med: 2041 / Low: 1337
Watts	Hi: 148 / Med: 67 / Low: 22
Fire Shut-Off	182 °F

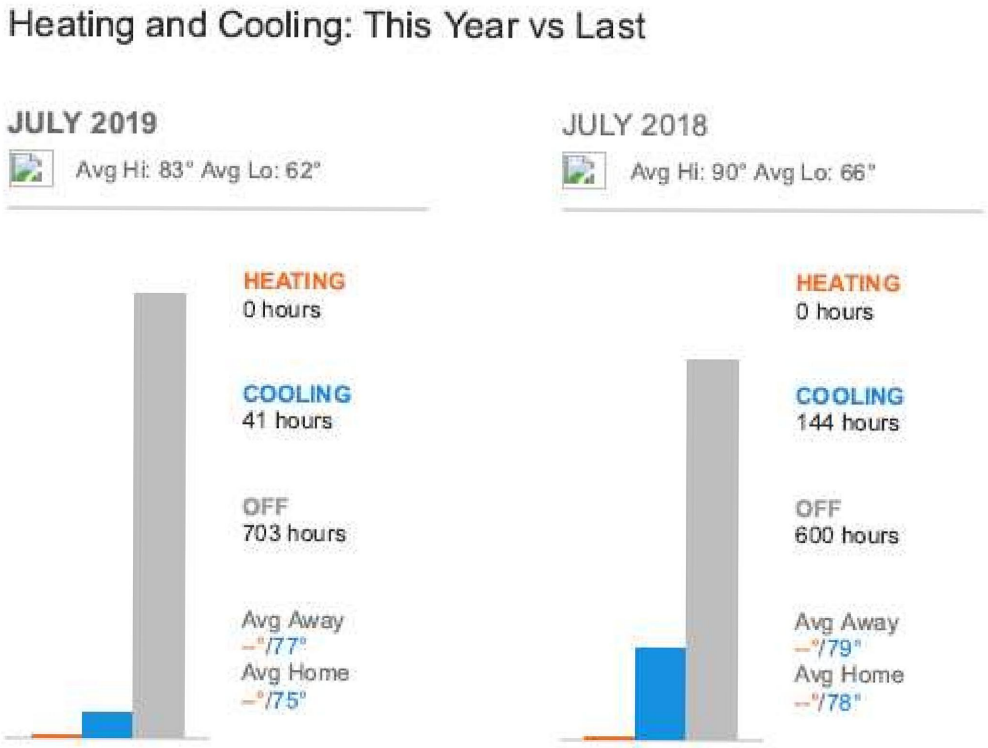
The whole system running at full blast only uses 846.4 watts while creating 12,580 CFMs.

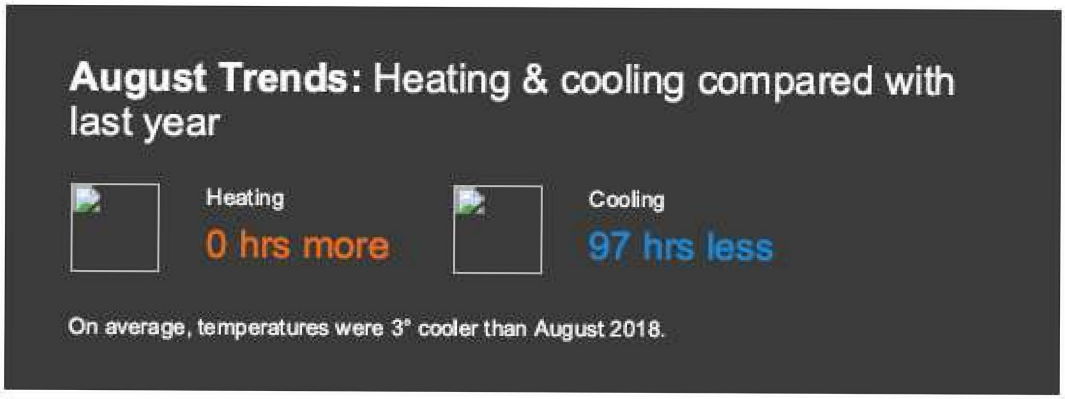
This has allowed me to not need to use the AC much at all for most of the year. I have attached my Honeywell reports from December 2020 up through June 2021.

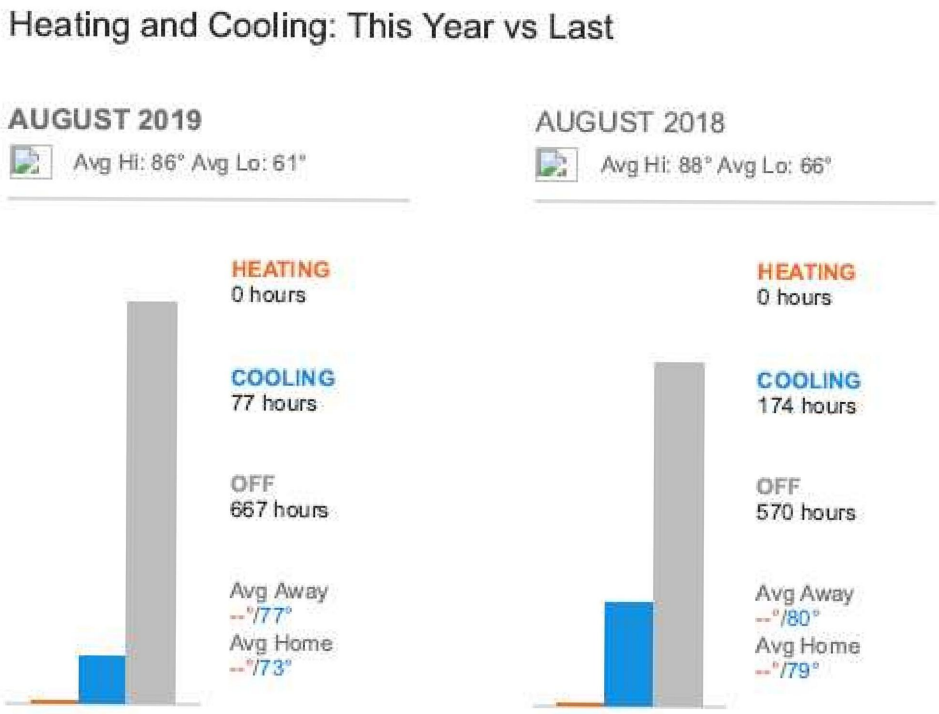
In December, unsurprisingly, I did not use the AC at all. In April, only for 9 hours. Even in June, when the average Hi Temp was almost 80 degrees, only 33 hours.

Now compare to July and August of 2019, when the QuietCool system was first installed (also attached).



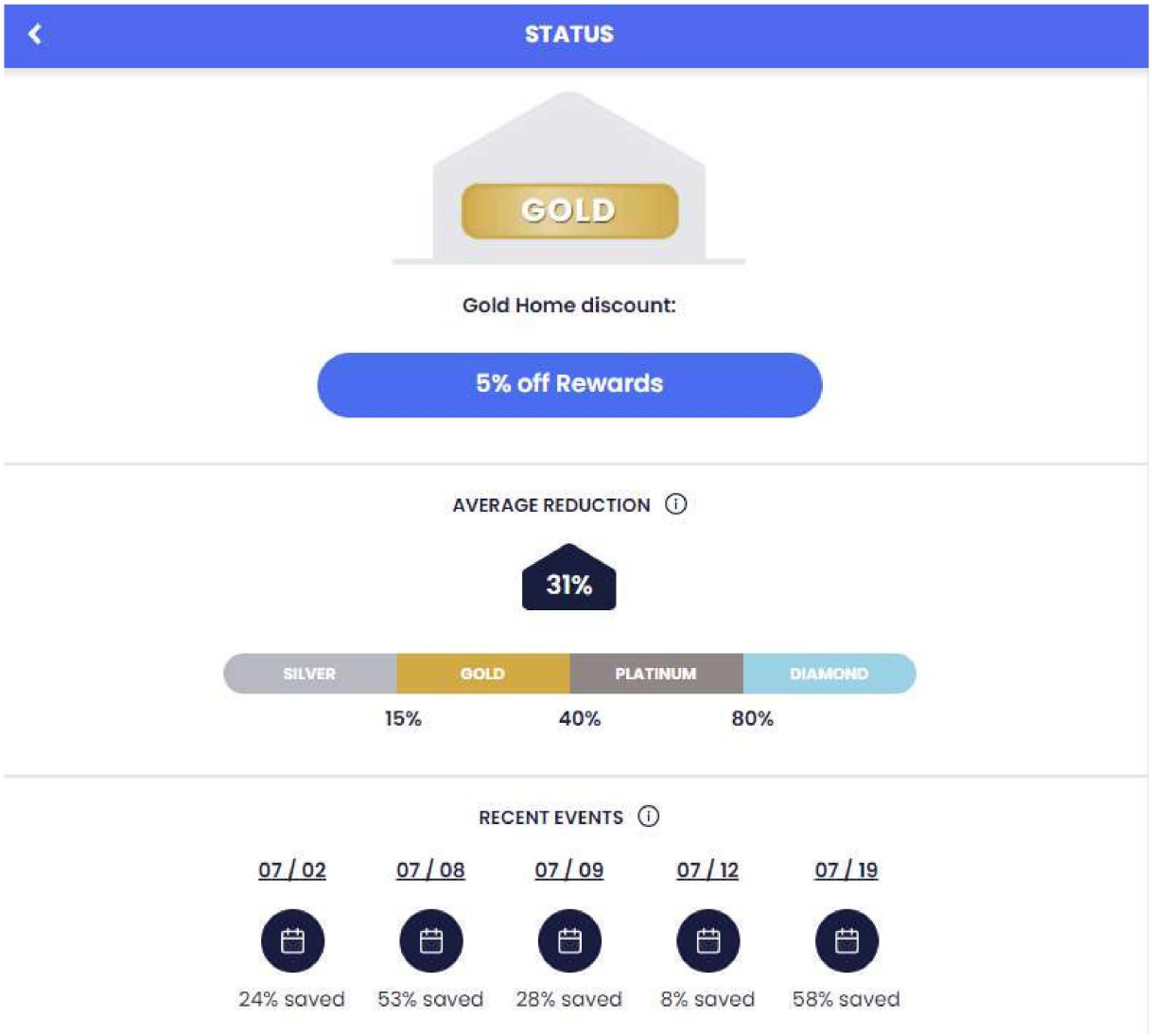




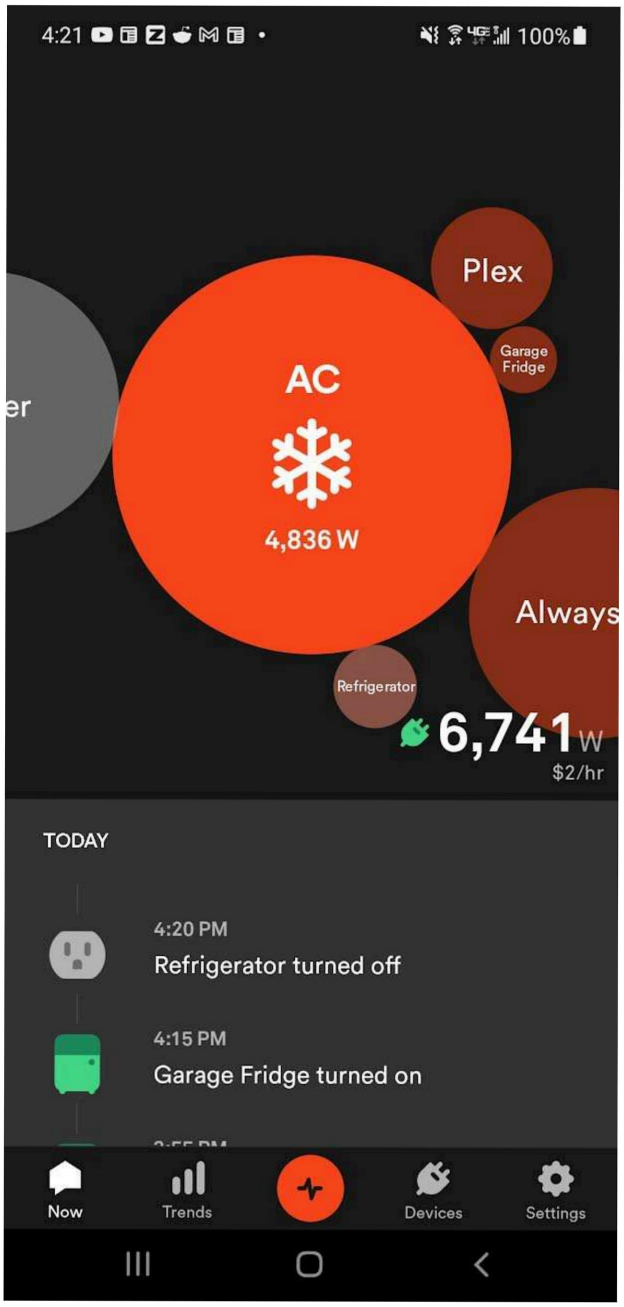


103 hours less in July 2019 and 97 hours less in August of 2019 compared to the prior year before the Quiet Cool System was installed. While I cannot use the Quiet Cool system during the day, once it finally cools down outside, even if it is late in the evening, I can stop using AC.

I participate in Ohmconect (https://www.ohmconnect.com/) to reduce electricity use:



This property even has a Sense (https://sense.com/) installed to help monitor energy use. And the problem is easily identified:



The AC uses almost 5,000 watts. So every summer we will have this issue when I am unable to use the Quiet Cool System and am forced to use the AC. This is why I had to make an appeal in 2019. This is why I am being asked to apply for the CARE program again now. And this will continue to happen every summer.

These condos were poorly designed with only one AC unit for both upstairs and downstairs. Thus in order to cool the upstairs, the downstairs must be set much lower...a completely inefficient and wasteful system. Every vent in the condo has one of these: https://keenhome.io/products/smart-vent. While I cannot shut *all* the vents downstairs, because that would create too much pressure and damage the AC, I can close some of them partially.

Bottom line, I need to replace the AC with a variable speed unit and install a real zoning system: https://zoningsupply.com/; or at the least just install the zoning system with a bypass. The Energy Saving Assistance program has nothing to offer me, as this property has far more energy-efficient upgrades than most (and they have been here before). Do you have someone that can assist with the AC unit and a zoning system? I doubt it, but if there was any assistance and a payment plan my family, who assists me already, would be inclined to green-light the upgrade as it will save money in the long run.

As it is, what option do I have during the warmer months than to run the AC? The other option would be to swelter in the heat and humidity, and that humidity would lead to more problems both in the property and to my health (read: mold).

Beyond that, there is nothing out of the ordinary here, as the auditor in 2019 documented. TVs, computers/electronics, etc. The things you would normally find in a home.

I do apologize for the long email, I just wanted to emphasize the lengths I have gone to at this property, with my family's assistance. The incredible inefficiency of the one AC unit for both floors of this condo is undeniable. Imagine the overall savings in electricity if all the condos/homes that were designed like this were upgraded with just a zoning system with a bypass. The investment in that alone would be relatively minor compared to the long-term savings to the homeowners and in the amount of electricity saved.

I will get you the forms that are required in the next week or so. I do still have Cal-Optima if that is relevant.

Thank you for your time and have a great one.

---

10 attachments

CARE Appeal 10_2_2019.pdf
40K

Honeywell 1_2021 Report.pdf
50K

Honeywell 4_2021 Report.pdf
49K

Honeywell 3_2021 Report.pdf
48K

Honeywell 5_2021 Report.pdf
48K

Honeywell 2_2021 Report.pdf
48K

Honeywell 6_2021 Report.pdf
50K

Honeywell 12_2020 Report.pdf
49K

Honeywell 8_2019 Report.pdf
53K

Honeywell 7_2019 Report.pdf
52K

Exhibit 5

Gmail Tom Berenguel <tomberenguel@gmail.com>

To maintain your bill discount, reduce energy use ASAP

1 message

SDGE <notices@sdge.com> Thu, Sep 8, 2022 at 7:17 AM
Reply-To: notices@sdge.com
To: TOMBERENGUEL@gmail.com

Account Ending: 3634
27 SAINT MAYS RD

Hi TOM.

To maintain your bill discount, reduce energy use ASAP.

Your energy use is approaching a level that may affect your monthly CARE discount: 600% of your baseline allowance for electricity. It's important to reduce your energy use as soon as possible.

- Try these helpful tips.
- Track your results with "My Energy" tools in My Account.
- See if you qualify for free energy-efficient home improvements and appliances through our Energy Savings Assistance program.

Continuous high use may result in removal of the CARE discount

Remember, anytime electricity use exceeds 400% or 600% of your baseline allowance, you may be required to complete two steps in order to keep the CARE discount:

1. Provide updated proof of total household income.
2. Participate in the Energy Savings Assistance program.

Contact us

If you have any questions, email us at ***billdiscount@sdge.com*** or call 1-800-560-5551 from 7 a.m. to 4 p.m., Monday through Friday. If you use a TDD/TTY device, call 1-877-889-7343.

Sincerely,
SDG&E Customer Assistance Team

This program is funded by California utility customers and administered by San Diego Gas & Electric® under the auspices of the California Public Utilities Commission.

This SDG&E account notification for TOM BERENGUEL has been sent to TOMBERENGUEL@GMAIL.COM. To update your email preferences, click here.

SDG&E® values your privacy; view our privacy practices.

0361HUA-E_CARE

Manage your preferences | Privacy

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Exhibit 6

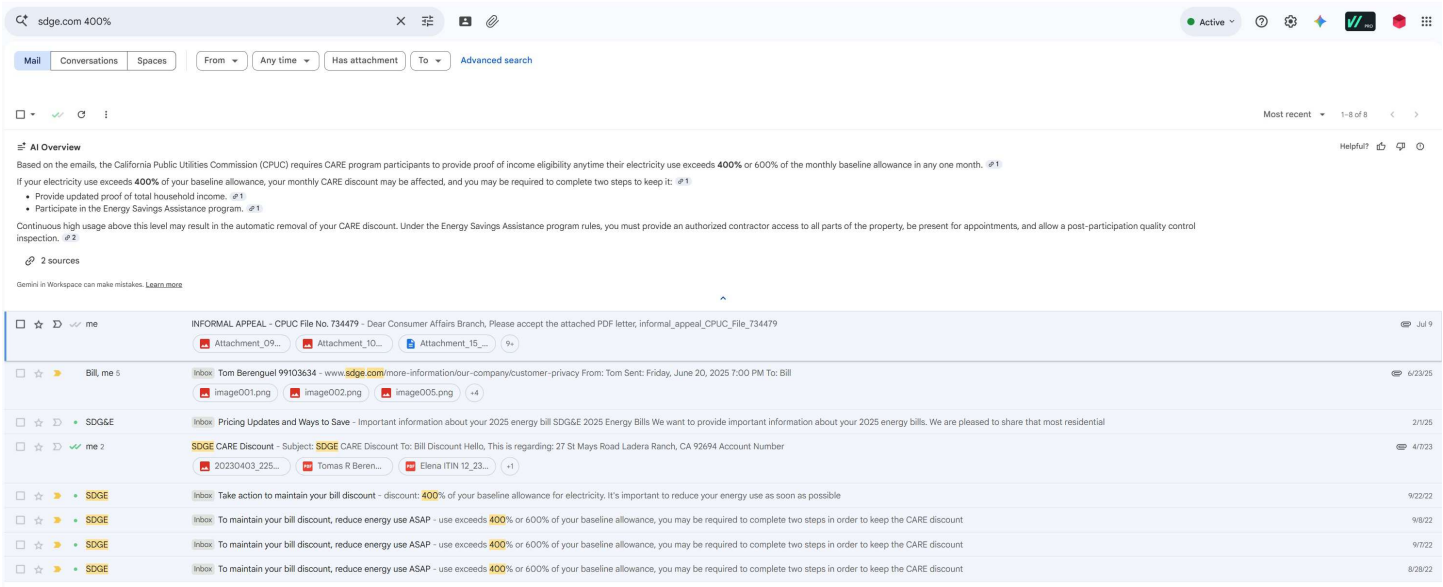
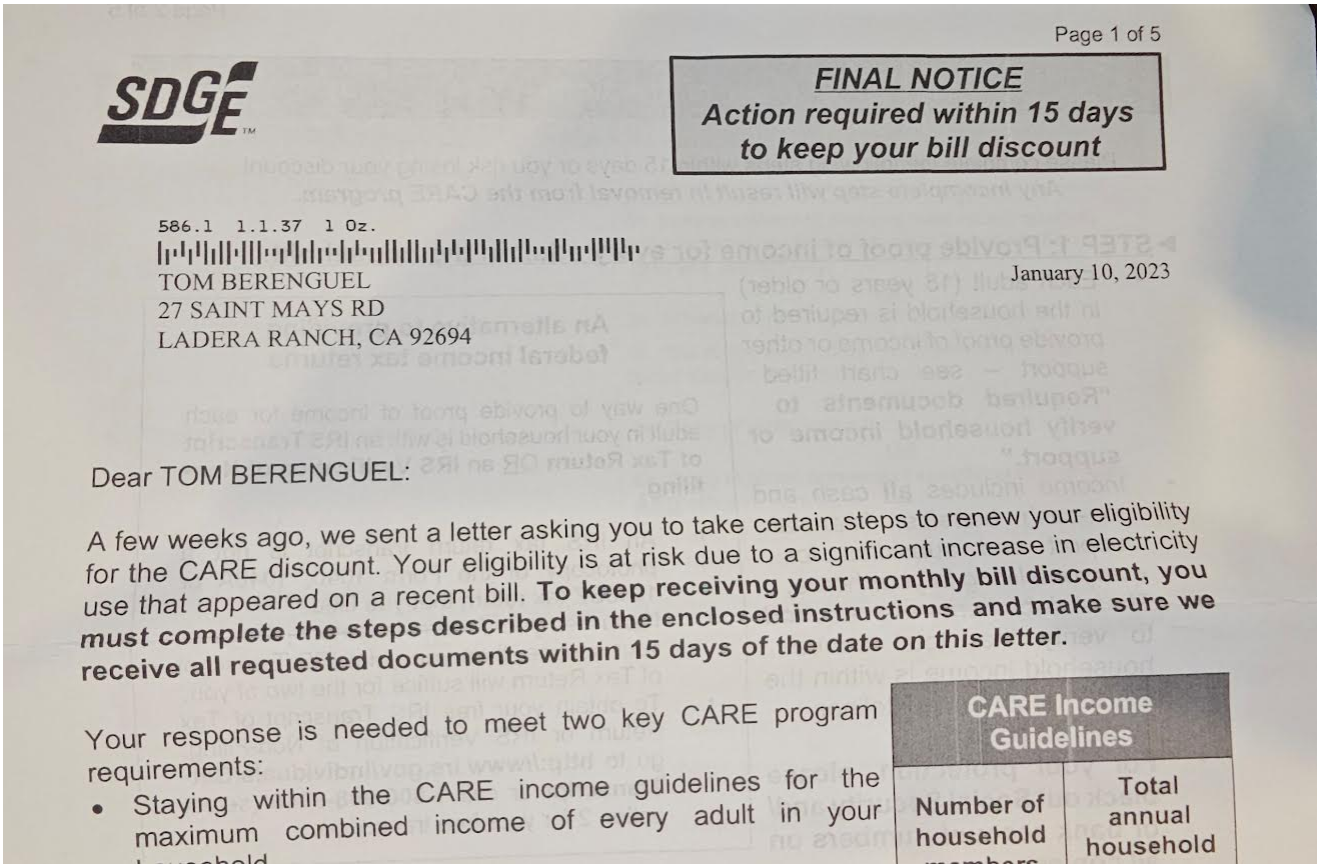

sdge.com 400%
Active
Mail
Conversations
Spaces
From
Any time
Has attachment
To
Advanced search
Most recent
1–8 of 8
AI Overview
Helpful?
Based on the emails, the California Public Utilities Commission (CPUC) requires CARE program participants to provide proof of income eligibility anytime their electricity use exceeds 400% or 600% of the monthly baseline allowance in any one month.
If your electricity use exceeds 400% of your baseline allowance, your monthly CARE discount may be affected, and you may be required to complete two steps to keep it:
Provide updated proof of total household income.
Participate in the Energy Savings Assistance program.
Continuous high usage above this level may result in the automatic removal of your CARE discount. Under the Energy Savings Assistance program rules, you must provide an authorized contractor access to all parts of the property, be present for appointments, and allow a post-participation quality control inspection.
2 sources
Gemini in Workspace can make mistakes. Learn more
me
INFORMAL APPEAL - CPUC File No. 734479 - Dear Consumer Affairs Branch, Please accept the attached PDF letter, informal_appeal_CPUC_File_734479
Attachment_09...
Attachment_10...
Attachment_15_...
9+
Jul 9
Bill, me 5
Inbox Tom Berenguel 99103634 - www.sdge.com/more-information/our-company/customer-privacy From: Tom Sent: Friday, June 20, 2025 7:00 PM To: Bill
image001.png
image002.png
image005.png
+4
6/23/25
SDG&E
Inbox Pricing Updates and Ways to Save - Important information about your 2025 energy bill SDG&E 2025 Energy Bills We want to provide important information about your 2025 energy bills. We are pleased to share that most residential
2/1/25
me 2
SDGE CARE Discount - Subject: SDGE CARE Discount To: Bill Discount Hello, This is regarding: 27 St Mays Road Ladera Ranch, CA 92694 Account Number
20230403_225...
Tomas R Beren...
Elena ITIN 12_23...
+1
4/7/23
SDGE
Inbox Take action to maintain your bill discount - discount: 400% of your baseline allowance for electricity. It's important to reduce your energy use as soon as possible
9/22/22
SDGE
Inbox To maintain your bill discount, reduce energy use ASAP - use exceeds 400% or 600% of your baseline allowance, you may be required to complete two steps in order to keep the CARE discount
9/8/22
SDGE
Inbox To maintain your bill discount, reduce energy use ASAP - use exceeds 400% or 600% of your baseline allowance, you may be required to complete two steps in order to keep the CARE discount
9/7/22
SDGE
Inbox To maintain your bill discount, reduce energy use ASAP - use exceeds 400% or 600% of your baseline allowance, you may be required to complete two steps in order to keep the CARE discount
8/28/22

Exhibit 7

SDGE CARE Discount

Tom <tomberenguel@gmail.com> Fri, Apr 7, 2023 at 2:00 PM
To: Bill Discount <billdiscount@sdge.com>

Here is my original email dated 1/24/2023, within the timeframe given in the letter dated 1/10/2023



Page 1 of 5

SDGE

FINAL NOTICE
Action required within 15 days to keep your bill discount

586.1 1.1.37 1 Oz.

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

January 10, 2023

Dear TOM BERENGUEL:

A few weeks ago, we sent a letter asking you to take certain steps to renew your eligibility for the CARE discount. Your eligibility is at risk due to a significant increase in electricity use that appeared on a recent bill. **To keep receiving your monthly bill discount, you must complete the steps described in the enclosed instructions and make sure we receive all requested documents within 15 days of the date on this letter.**

Your response is needed to meet two key CARE program requirements:

- Staying within the CARE income guidelines for the maximum combined income of every adult in your

CARE Income Guidelines

Number of household	Total annual household

---------- Forwarded message ---------
From: **Tom** <tomberenguel@gmail.com>
Date: Tue, Jan 24, 2023 at 10:45 PM
Subject: SDGE CARE Discount
To: Bill Discount <BillDiscount@sdge.com>

Hello,

This is regarding:

27 St Mays Road
Ladera Ranch, CA 92694

Account Number # 000099103634

As happens *every year during the summer*, I must send in the information regarding the CARE discount. As I have stated, these condos were built very inefficiently with only one AC unit for the downstairs and upstairs. Cooling down the house results in the downstairs being 5 degrees or colder than the upstairs. This, and this alone, is the reason for this happening every summer.

This house is installed with four (4) whole-house fans (https://quietcoolsystems.com/) producing 9,256 CFM that is used in lieu of AC units most of the year.

Every bulb in the house is LED and Smart controlled, and the house has a Sense Unit (https://sense.com/) to monitor electricity usage.

Attached is my tax return (which was filed late), along with my wife's ITIN number which we received after filing for taxes.

My wife has no income at the moment and we are in the process of the U.S. Citizen Petition for a Spouse through immigration.

Whether she is counted as a member of my household or not makes no difference in regard to the total household income guidelines for the CARE discount.

If there are any questions please let me know.

---

3 attachments

Tomas R Berenguel 2021 Federal Tax Return.pdf
886K

Elena ITIN 12_23_2022.pdf
3277K

CARE Income Validation Form.pdf
602K

Exhibit 8

Reference Account(s): 0000 9910 3634 – 02/06/23

Income Validation Form

First and last name of each household member, including yourself*	Adult (age 18+)	Child (under 18)	Receive income or other support: Income or support	Receive income or other support: No income
Tomas Berenguel	A ☑	C ☐	I ☑	N ☐
Elena Berenguel	A ☑	C ☐	I ☐	N ☑
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐
	A ☐	C ☐	I ☐	N ☐

Total number of people living in your household:
Adults (ages 18+) 2 **+ Children (under 18)** 0 = 02

**List additional people on a separate piece of paper.*

Estimated total annual income $ 24,300

☑ **Yes, I agree to participate in the Energy Savings Assistance (ESA) program.** I understand that I must fulfill all ESA program requirements as a condition of participation, including providing access to all parts of the metered property, being present for all scheduled appointments and allowing a post-participation quality control inspection. *(If my home has previously participated in the ESA program, this step will be eliminated.)*

☐ **No, I do not agree to participate in the Energy Savings Assistance program.** I understand this means I will be removed from the CARE program and will stop receiving my discount immediately.

☐ **Please remove me from the CARE program.**
If you no longer qualify or wish to participate in the program, please check this box, sign and date this form, and return in the envelope provided or send an email to ***billdiscount@sdge.com***.

Declaration *(please read and sign below)*
The information I have provided is true and correct. I agree to provide proof of income. I agree to inform SDG&E if I no longer qualify to receive the discount. If I continue to receive the discount without qualifying for it, I may be required to pay back the discount I received. I understand that SDG&E can share my information with other utilities or their agents to enroll me in their assistance programs.

Signature: [signature] **Date:** 1/15/23

Email address: Tomberenguel@gmail.com **Phone:** (949) 295-4008

Document ID: 1000315707

0342

Exhibit 9

Reference Account(s): 0000 9910 3634 – 05/07/25

Income Validation Form

First and last name of each household member, including yourself*	Adult (age 18+)	Child (under 18)	Receive income or other support: Income or support	Receive income or other support: No income
Tomas Berenguel	A [X]	C [ ]	I [X]	N [ ]
Elena Berenguel	A [X]	C [ ]	I [ ]	N [X]
	A [ ]	C [ ]	I [ ]	N [ ]
	A [ ]	C [ ]	I [ ]	N [ ]
	A [ ]	C [ ]	I [ ]	N [ ]
	A [ ]	C [ ]	I [ ]	N [ ]
	A [ ]	C [ ]	I [ ]	N [ ]
	A [ ]	C [ ]	I [ ]	N [ ]

Total number of people living in your household:

Adults (ages 18+) [2] **+ Children (under 18)** [0] = [2]

**List additional people on a separate piece of paper.*

Estimated total annual income $ 25,200

☒ **Yes, I agree to participate in the Energy Savings Assistance (ESA) program.** I understand that I must fulfill all ESA program requirements as a condition of participation, including providing access to all parts of the metered property, being present for all scheduled appointments and allowing a post-participation quality control inspection. *(If my home has previously participated in the ESA program, this step will be eliminated.)*

☐ **No, I do not agree to participate in the Energy Savings Assistance program.** I understand this means I will be removed from the CARE program and will stop receiving my discount immediately.

☐ **Please remove me from the CARE program.**
If you no longer qualify or wish to participate in the program, please check this box, sign and date this form, and return in the envelope provided or send an email to ***billdiscount@sdge.com***.

Declaration *(please read and sign below)*
The information I have provided is true and correct. I agree to provide proof of income. I agree to inform SDG&E if I no longer qualify to receive the discount. If I continue to receive the discount without qualifying for it, I may be required to pay back the discount I received. I understand that SDG&E can share my information with other utilities or their agents to enroll me in their assistance programs.

Signature: Tom Berenguel **Date:** 6/23/2025

Email address: tomberenguel@gmail.com **Phone:** (949)295-4008

Document ID: 1000912859

Exhibit 10

Gmail Tom Berenguel <tomberenguel@gmail.com>

Tom Berenguel 99103634

5 messages

Bill Discount <BillDiscount@sdge.com> Tue, May 27, 2025 at 10:58 AM
To: Tom <tomberenguel@gmail.com>, Bill Discount <BillDiscount@sdge.com>

Good morning,

We have received your CARE Verification application. We will process your application in the order it was received. You will receive a notification if more information is required. Proof of CalFresh and MediCal was provided. Thank you.

Best Regards,

SDG&E CARE/FERA Program

Ph: 1-800-560-5551

Fax: 858-636-5749

SDG&E cares about your privacy. For more information regarding SDG&E's privacy policy or privacy notice, please visit https://www.sdge.com/more-information/our-company/customer-privacy

---

From: Tom <tomberenguel@gmail.com>
Sent: Monday, May 26, 2025 5:21 PM
To: Bill Discount <BillDiscount@sdge.com>
Subject: [EXTERNAL] 27 ST Mays Road - Account #99103634

Hello,

In my account I saw this:

I didn't receive any notice requesting such documentation. Based on the past and the following:

I am attaching what should be more than enough proof of CalFresh and Medi-Cal.

Please confirm receipt and let me know if there are any questions. Thank you for your assistance.

Virus-free.www.avast.com [avast.com]
[avast.com]

Tom Berenguel.pdf
82K

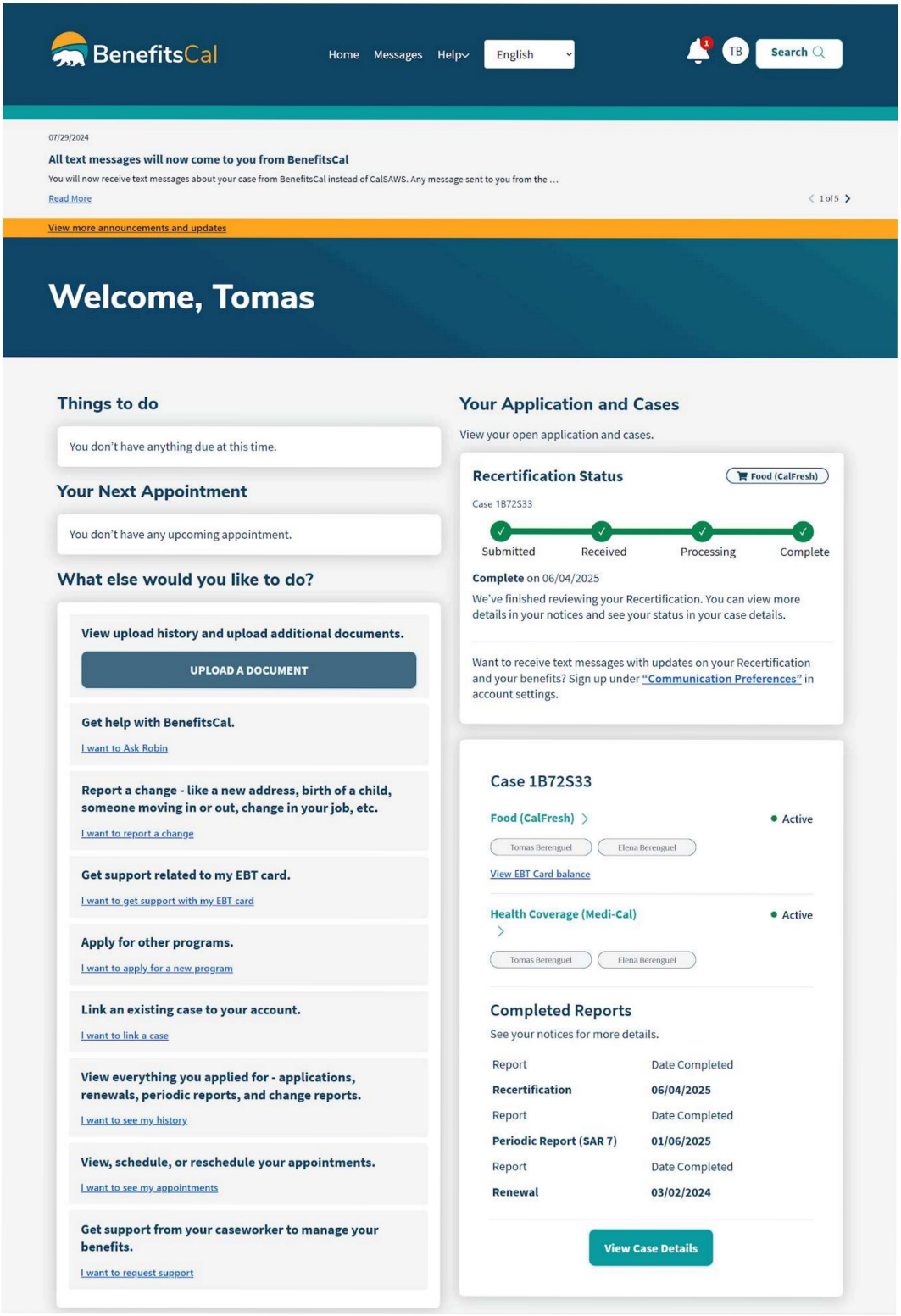
Tom <tomberenguel@gmail.com> Fri, Jun 20, 2025 at 7:00 PM
To: Bill Discount <BillDiscount@sdge.com>

Hello,

Your last response stated:

> We have received your CARE Verification application. We will process your application in the order it was received. You will receive a notification if more information is required. Proof of CalFresh and MediCal was provided. Thank you.

I haven't heard back since then, though I have received a letter requesting information yet again. However, the proof of CalFresh and MediCal already provides the necessary information. Additionally, I was recertified for CalFresh:



If you require any paperwork regarding this let me know. Please don't mail me responses, as email is far more efficient.

Let me know the status of this, thank you.

[Quoted text hidden]

Bill Discount <BillDiscount@sdge.com> Mon, Jun 23, 2025 at 9:11 AM

To: Tom <tomberenguel@gmail.com>, Bill Discount <BillDiscount@sdge.com>

Good morning,

We are unable to locate an application on file. Please complete the CARE Verification form attached, the form is on page 5 of the packet. Please return to this email so we can expedite your application to be processed. Thank you.

Best Regards,

SDG&E CARE/FERA Program

Ph: 1-800-560-5551

Fax: 858-636-5749

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---

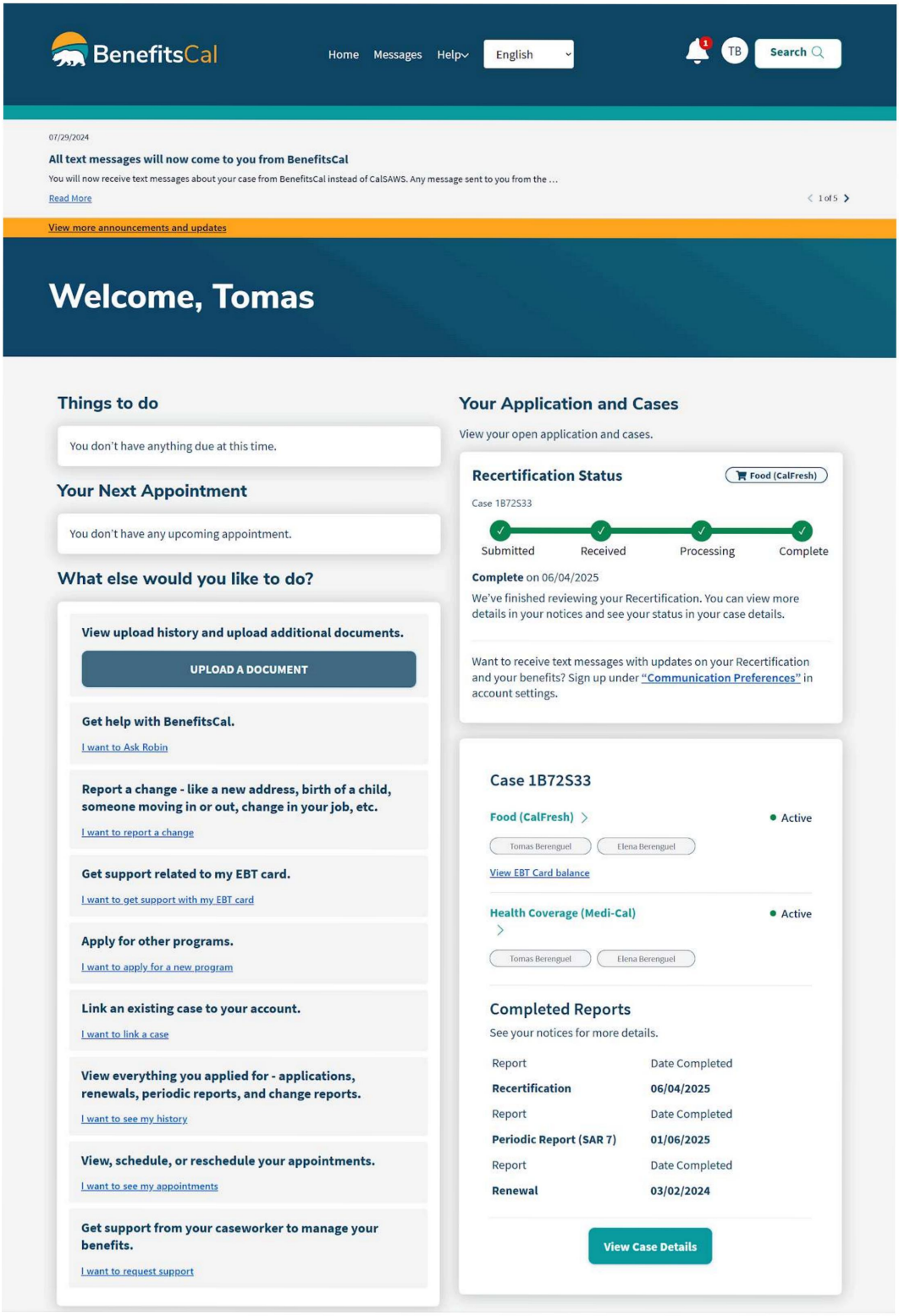
From: Tom <tomberenguel@gmail.com>
Sent: Friday, June 20, 2025 7:00 PM
To: Bill Discount <BillDiscount@sdge.com>
Subject: [EXTERNAL] Re: Tom Berenguel 99103634

Hello,

Your last response stated:

> We have received your CARE Verification application. We will process your application in the order it was received. You will receive a notification if more information is required. Proof of CalFresh and MediCal was provided. Thank you.

I haven't heard back since then, though I have received a letter requesting information yet again. However, the proof of CalFresh and MediCal already provides the necessary information. Additionally, I was recertified for CalFresh:



[Quoted text hidden]
[Quoted text hidden]

Tom Berenguel.pdf
82K

Tom <tomberenguel@gmail.com> Mon, Jun 23, 2025 at 9:40 AM
To: Bill Discount <BillDiscount@sdge.com>

Hello,

I cannot find where on the form to check the programs I participate in

Who Qualifies?

To receive the CARE discount, you must already participate in certain public assistance programs or meet the income guidelines. If you do not qualify for the CARE program, we will automatically check to see if you qualify for FERA, which provides an 18% monthly discount on electric use for families of three or more.

Public Assistance Programs:

- Bureau of Indian Affairs General Assistance
- CalFresh (Food Stamps) / SNAP
- CalWORKs (TANF) or Tribal TANF
- Head Start Income Eligible (Tribal Only)
- Low-Income Home Energy Assistance Program (LIHEAP)
- Medicaid/Medi-Cal for Families A & B
- National School Lunch Program (NSLP)
- Supplemental Security Income (SSI)
- Women, Infants and Children (WIC)

Income Guidelines

If you do not participate in the public assistance programs listed above, then qualification is based on your household size and total current household income* (total income of all persons living in your house, condo, apartment or mobile home).

CARE Program Income Guidelines (Effective June 1, 2025 to May 31, 2026)

Number in Household	CARE Program
1-2	$42,300

I only see Income Guidelines; however, income guidelines are for when you do not participate in the listed public assistance programs. If my income was $42,300 or more, I would not have CalFresh. I provided the proof of my participation in the program already.

Is this the correct form? I filled out page 5 and attached it. If something else is required please let me know. Thank you.

[Quoted text hidden]

Page 5.pdf
367K

Bill Discount <BillDiscount@sdge.com> Mon, Jun 23, 2025 at 9:57 AM
To: Tom <tomberenguel@gmail.com>, Bill Discount <BillDiscount@sdge.com>

Good morning,

Your application has been processed and approved. Thank you.

Best Regards,

SDG&E CARE/FERA Program

Ph: 1-800-560-5551

Fax: 858-636-5749

SDG&E cares about your privacy. For more information regarding SDG&E's privacy policy or privacy notice, please visit https://www.sdge.com/more-information/our-company/customer-privacy

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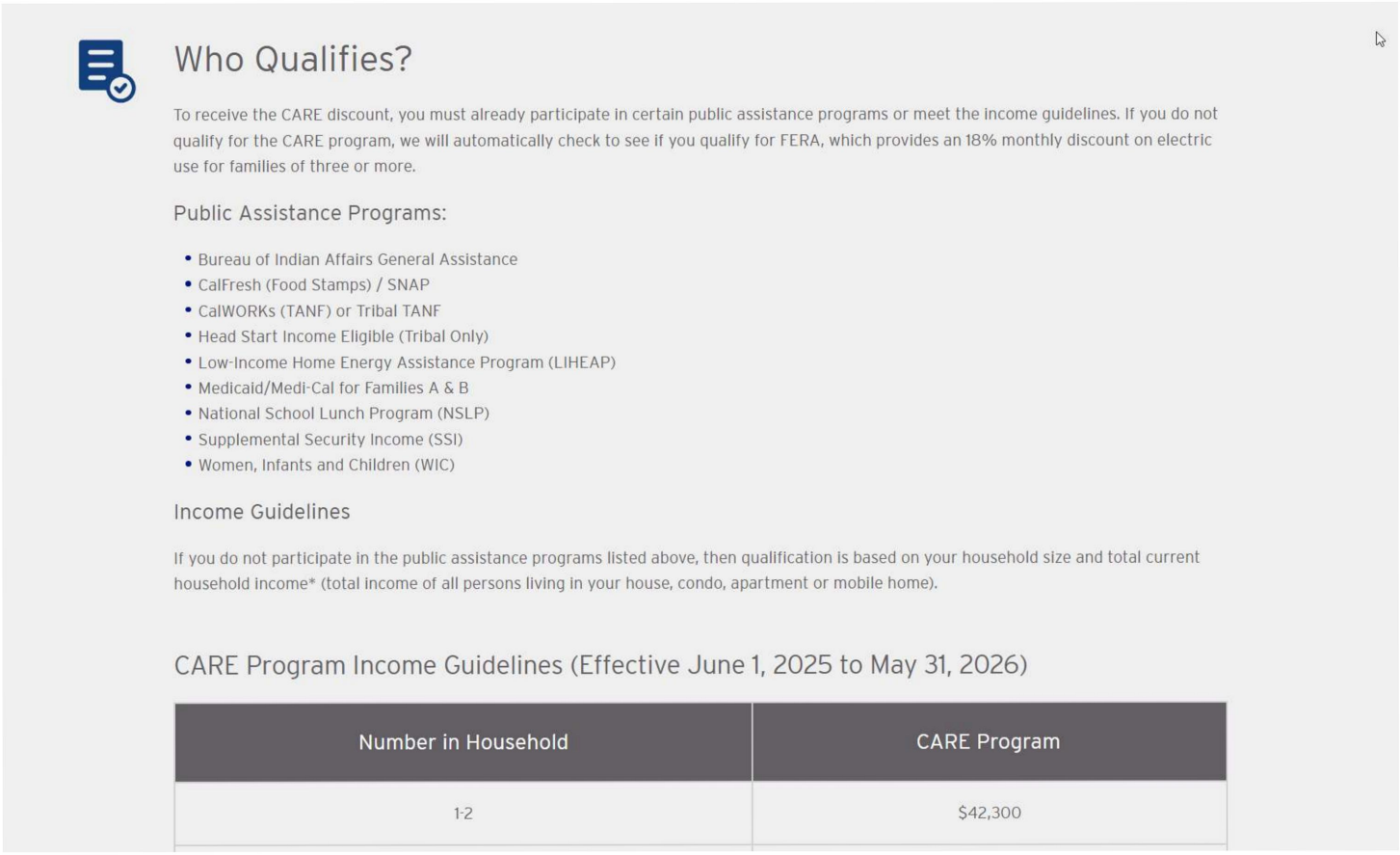
From: Tom <tomberenguel@gmail.com>
Sent: Monday, June 23, 2025 9:40 AM
To: Bill Discount <BillDiscount@sdge.com>
Subject: [EXTERNAL] Re: Tom Berenguel 99103634

Hello,

I cannot find where on the form to check the programs I participate in



Who Qualifies?

To receive the CARE discount, you must already participate in certain public assistance programs or meet the income guidelines. If you do not qualify for the CARE program, we will automatically check to see if you qualify for FERA, which provides an 18% monthly discount on electric use for families of three or more.

Public Assistance Programs:

- Bureau of Indian Affairs General Assistance
- CalFresh (Food Stamps) / SNAP
- CalWORKs (TANF) or Tribal TANF
- Head Start Income Eligible (Tribal Only)
- Low-Income Home Energy Assistance Program (LIHEAP)
- Medicaid/Medi-Cal for Families A & B
- National School Lunch Program (NSLP)
- Supplemental Security Income (SSI)
- Women, Infants and Children (WIC)

Income Guidelines

If you do not participate in the public assistance programs listed above, then qualification is based on your household size and total current household income* (total income of all persons living in your house, condo, apartment or mobile home).

CARE Program Income Guidelines (Effective June 1, 2025 to May 31, 2026)

Number in Household	CARE Program
1-2	$42,300

[Quoted text hidden]
[Quoted text hidden]

Exhibit 11

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Sep 9, 2025
sdge.com

Know when to conserve energy. Sign up to receive Flex Alerts at FlexAlert.org.

Moving? It's easy to start, transfer or stop your SDG&E service online or in the app. Learn more at sdge.com/move.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Base Services Charge (BSC): This fall, per California Assembly Bill 205, your bill will show electric delivery charges in a new way. The BSC will capture some of the fixed costs for the electric grid, including transformers and meters, which help ensure safe and reliable electric delivery to your home. SDG&E® will not earn more profit because of this change. For more information, visit sdge.com/BaseServicesCharge.

Account Summary

Previous Balance	$3,649.53
Payment Received	-.00
Past Due Balance	3,649.53
Current Charges	+ 874.43
Total Amount Due	**$4,523.96**

Summary of Current Charges

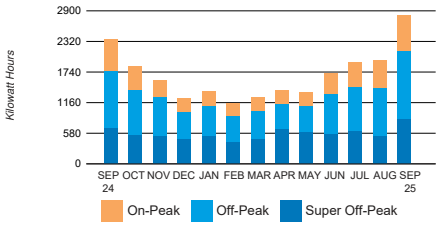
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Aug 7, 2025 - Sep 5, 2025	2,811 kWh	888.18
Policy Adjustment - CARE Credit			-13.75
Total Charges this Month			**$874.43**

(Continued on next page)

DATE DUE	Sep 28, 2025
AMOUNT DUE	$4,523.96

Electric Usage History *(Total kWh used)*



2,811 kWh used

93.7	Daily avg kWh
67.7	Daily avg kWh last month
23.1% ↑	Change in daily avg kWh from last year
38.4% ↑	Change in daily avg kWh from last month
9.1	Max monthly demand
9.3	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Sep 28, 2025
AMOUNT DUE	$4,523.96

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 900000099103634000036495300000452396

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 270 kWh
Billing Period: 8/7/25 - 9/5/25 **Total Days:** 30
Meter Number: 06373130 *(Next scheduled read date Oct 6, 2025)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 2,811 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Electricity Delivery *(Details below)*	2,811 kWh	

SUMMER USAGE	On-Peak	Off-Peak	Super Off-Peak		
kWh used	673	1,287	851		
Rate/kWh	$.29479	$.29479	$.29479		
Charge	$198.39	+ $379.39	+ $250.87	=	828.65

Electricity Generation *(Details below)*	2,811 kWh	

SUMMER USAGE	On-Peak	Off-Peak	Super Off-Peak		
kWh used	673	1,287	851		
Rate/kWh	$.43635	$.19639	$.07035		
Charge	$293.66	+ $252.75	+ $59.87	=	606.28

CARE Baseline Adjustment Credit	351 kWh x -$.11017	-38.67
Residential CARE Discount		-511.17
Total Electric Charges		***$885.09***

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	2,811 kWh x $.000300	.84
State Regulatory Fee	2,811 kWh x $.000800	2.25
Total Taxes & Fees on Electric Charges		***$3.09***
Total Electric Service		***$888.18***

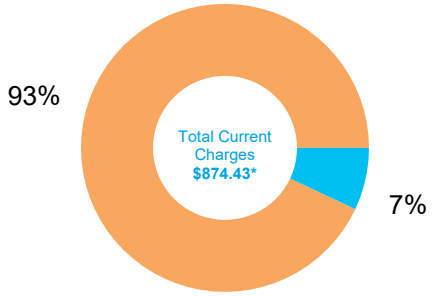
SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

OTHER CHARGES & CREDITS

	Amount($)
Policy Adjustment - CARE Credit	-13.75
Total Other Charges & Credits	***-$13.75***
Total Current Charges	***$874.43***

Breakdown of Current Charges



**Credits are not shown on the chart*

The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$606.28
Transmission	$210.91
Distribution	$38.88
Nuclear Decommissioning	$.03
Competition Transition Charge	$.84
Local Generation Charge	$21.31
Reliability Services	$.03
Total Rate Adj. Comp.	-$52.25

Other Charges & Credits (Electric)

Public Purpose Programs	$59.06
Other	$3.09

Other Account Charges & Credits

Other	-$13.75
Total Current Charges	**$874.43**

$5.90 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

9.1 kW on September 5, 2025 from 9:00pm to 10:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Summer	kWh
On-Peak	673
Off-Peak	1,287
Super Off-Peak	851
Total	2,811

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Date Due" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

$ 9.00 Collection field visit
$15.00 Maximum service disconnection charge
$ 5.85 Minimum reconnection charge per meter
$23.40 Maximum reconnection charge per meter
$23.40 Restore service at pole

Residential customers who are unable to pay their SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, need to call SDG&E before the expiration of this notice. Employees, including multi-lingual staff, are available to assist with payment arrangements. If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov,prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. **A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or email: info@sdge.com.**

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

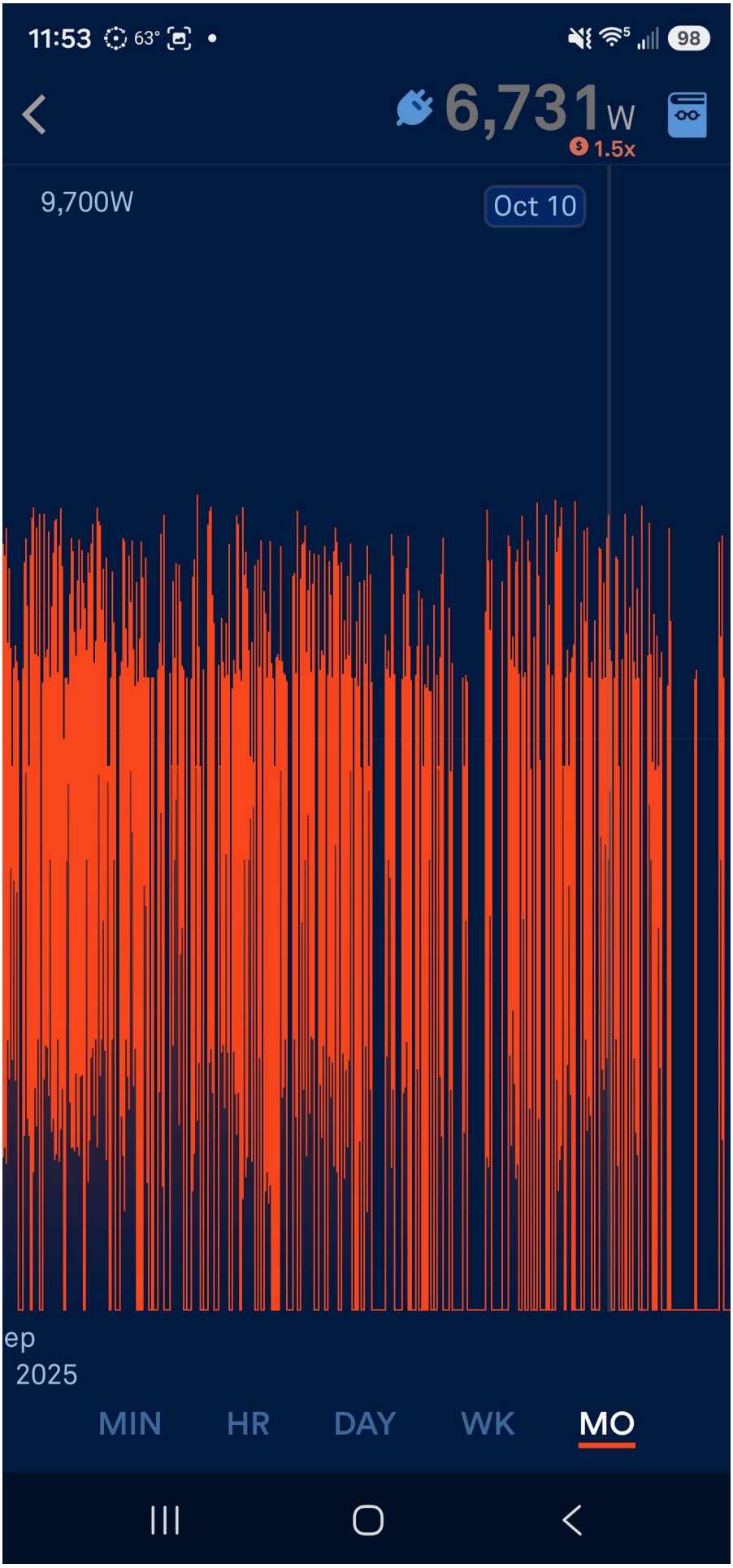
Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at *sdge.com*.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 12


11:53
63°
98
6,731 W
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9,700W
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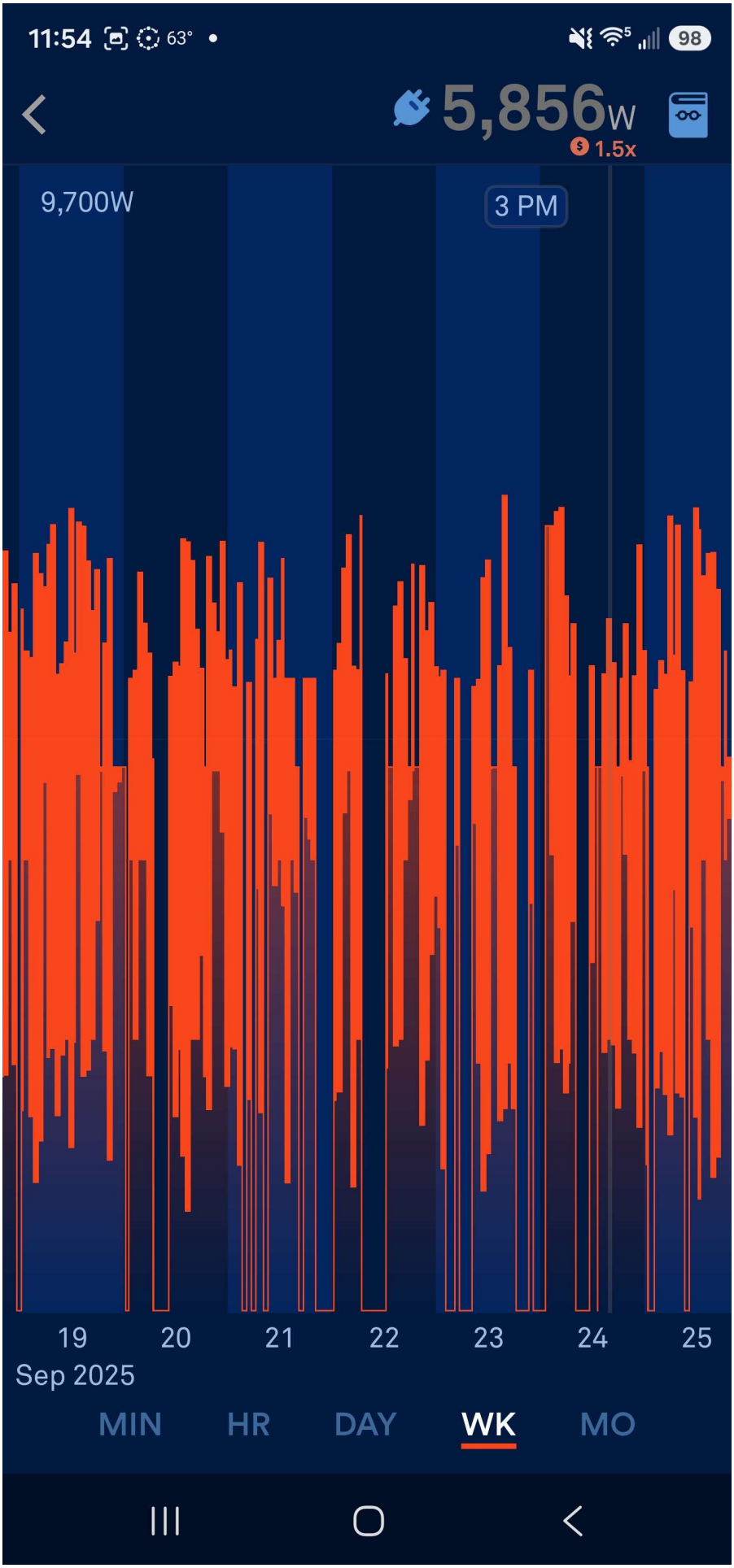
Exhibit 13


11:54
63°
98
5,856W
1.5x
9,700W
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25
Sep 2025
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HR
DAY
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MO

Exhibit 14

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Oct 8, 2025
sdge.com

Stay informed! Sign up for outage alerts at sdge.com/notifications & update your contact info at sdge.com/update.

When it comes to pricing plans, you have options. Go to MyEnergyCenter.com; select Billing > Pricing Plans.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Bill Credit Alert: California is fighting climate change and so can you! Your bill includes an electric Climate Credit from the State's Cap-and-Trade Program, which is designed to cut carbon pollution while helping utility customers during the transition to a more sustainable future. Learn more at cpuc.ca.gov/climatecredit.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Base Services Charge (BSC): Per California Assembly Bill 205, your bill now shows electric delivery charges in a new way. The BSC captures some of the fixed costs for the electric grid, including customer service, transformers and meters, which help ensure safe and reliable electric delivery to your home. SDG&E® will not earn more profit because of this change. For more information, visit sdge.com/BaseServicesCharge.

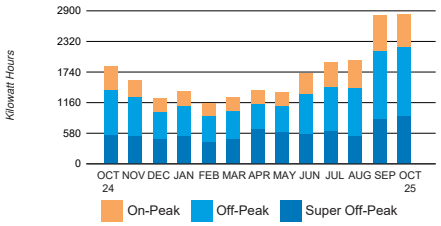
Account Summary

Previous Balance	$4,523.96
Payment Received	-.00
Past Due Balance	4,523.96
Current Charges	+ 789.94
Total Amount Due	**$5,313.90**

(Continued on next page)

DATE DUE	Oct 27, 2025
AMOUNT DUE	$5,313.90

Electric Usage History *(Total kWh used)*



2,837 kWh used

91.5	Daily avg kWh
93.7	Daily avg kWh last month
43.8% ↑	Change in daily avg kWh from last year
2.3% ↓	Change in daily avg kWh from last month
10.0	Max monthly demand
10.0	Max annual demand
31	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Oct 27, 2025
AMOUNT DUE	$5,313.90

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 20000009910363400004523960000531390

Summary of Current Charges

(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Sep 6, 2025 - Oct 6, 2025	2,837 kWh	871.32
California Climate Credit			-81.38
Total Charges this Month			**$789.94**

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

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To make a payment using credit or debit card, call **1-800-411-7343**

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Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

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In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 279 kWh
Billing Period: 9/6/25 - 10/6/25 **Total Days:** 31
Meter Number: 06373130 *(Next scheduled read date Nov 5, 2025)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 2,837 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19712 x 6 days	1.18

Electricity Delivery *(Details below)* 2,385 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	542		1,092		751		
Rate/kWh	$.29479		$.29479		$.29479		
25 Days Charge	$159.78	+	$321.91	+	$221.39	=	703.08

Electricity Delivery *(Details below)* 452 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	90		212		150		
Rate/kWh	$.23033		$.23033		$.23033		
6 Days Charge	$20.73	+	$48.83	+	$34.55	=	104.11

Rate Change This Billing Period:
There was a rate change on day 26 of your Billing Period. Therefore, your charges for the first 25 days were at Rate 1, and the remaining 6 days were at Rate 2.

Electricity Generation *(Details below)* 2,837 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	632		1,304		901		
Rate/kWh	$.43635		$.19639		$.07035		
Charge	$275.77	+	$256.09	+	$63.39	=	595.25

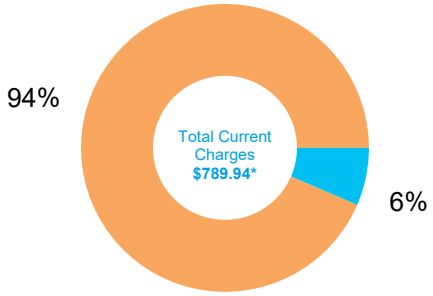
CARE Baseline Adjustment Credit	305 kWh x -$.11017	-33.60
CARE Baseline Adjustment Credit	58 kWh x -$.09690	-5.62
Residential CARE Discount		-496.20
Total Electric Charges		***$868.20***

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	2,837 kWh x $.000300	.85
State Regulatory Fee	2,837 kWh x $.000800	2.27
Total Taxes & Fees on Electric Charges		***$3.12***

(Continued on next page)

Breakdown of Current Charges



**Credits are not shown on the chart*

The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$595.25
Transmission	$212.86
Distribution	$44.18
Nuclear Decommissioning	$.03
Competition Transition Charge	$.85
Local Generation Charge	$18.61
Reliability Services	$.03
Total Rate Adj. Comp.	-$56.88

Other Charges & Credits (Electric)

Public Purpose Programs	$53.27
Other	$3.12

Other Account Charges & Credits

California Climate Credit	-$81.38
Total Current Charges	**$789.94**

$5.96 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

Total Electric Service	***$871.32***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

OTHER CHARGES & CREDITS	Amount($)
California Climate Credit	-81.38
Total Other Charges & Credits	***-$81.38***
Total Current Charges	***$789.94***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

10.0 kW on September 16, 2025 from 3:00pm to 4:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Summer	kWh
On-Peak	632
Off-Peak	1,304
Super Off-Peak	901
Total	2,837

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
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Off-Peak	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight
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Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

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$ 9.00 Collection field visit
$15.00 Maximum service disconnection charge
$ 5.85 Minimum reconnection charge per meter
$23.40 Maximum reconnection charge per meter
$23.40 Restore service at pole

Residential customers who are unable to pay their SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, need to call SDG&E before the expiration of this notice. Employees, including multi-lingual staff, are available to assist with payment arrangements. If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov,prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. **A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or email: info@sdge.com.**

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California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
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Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

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Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 15

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Nov 7, 2025
sdge.com

Check out MyEnergyCenter.com where you can pay your energy bill, schedule services, check power outages and more.

This winter, make your bills more predictable with the Level Pay Program. Learn more at sdge.com/LPP.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Base Services Charge (BSC): Per California Assembly Bill 205, your bill now shows electric delivery charges in a new way. The BSC captures some of the fixed costs for the electric grid, including customer service, transformers and meters, which help ensure safe and reliable electric delivery to your home. SDG&E® will not earn more profit because of this change. For more information, visit sdge.com/BaseServicesCharge.

Account Summary

Previous Balance	$5,313.90
Payment Received	-.00
Past Due Balance	5,313.90
Current Charges	+ 609.05
Total Amount Due	**$5,922.95**

Summary of Current Charges

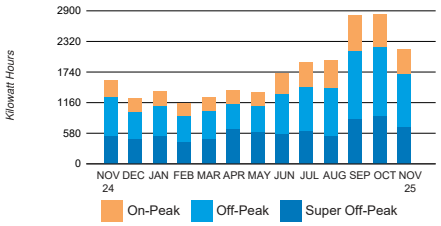
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Oct 7, 2025 - Nov 5, 2025	2,163 kWh	609.05
Total Charges this Month			**$609.05**

(Continued on next page)

DATE DUE	Nov 26, 2025
AMOUNT DUE	$5,922.95

Electric Usage History *(Total kWh used)*



2,163	kWh used
72.1	Daily avg kWh
91.5	Daily avg kWh last month
45.7% ↑	Change in daily avg kWh from last year
21.2% ↓	Change in daily avg kWh from last month
8.4	Max monthly demand
10.0	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Nov 26, 2025
AMOUNT DUE	$5,922.95

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 700000099103634000053139000005922955

Seasonal Rate Change This Billing Period:
Seasonal rates changed from Summer to Winter.

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 271 kWh
Billing Period: 10/7/25 - 11/5/25 **Total Days:** 30
Meter Number: 06373130 *(Next scheduled read date Dec 5, 2025)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 2,163 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19712 x 30 days	5.91

Electricity Delivery *(Details below)* 1,820 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	400		856		564		
Rate/kWh	$.23033		$.23033		$.23033		
25 Days Charge	$92.13	+	$197.16	+	$129.91	=	419.20

Electricity Delivery *(Details below)* 343 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	66		158		119		
Rate/kWh	$.36856		$.36856		$.36856		
5 Days Charge	$24.32	+	$58.23	+	$43.86	=	126.41

Rate Change This Billing Period:
There was a rate change on day 26 of your Billing Period. Therefore, your charges for the first 25 days were at Rate 1, and the remaining 5 days were at Rate 2.

Electricity Generation *(Details below)* 1,820 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	400		856		564		
Rate/kWh	$.43635		$.19639		$.07035		
25 Days Charge	$174.54	+	$168.11	+	$39.68	=	382.33

Electricity Generation *(Details below)* 343 kWh

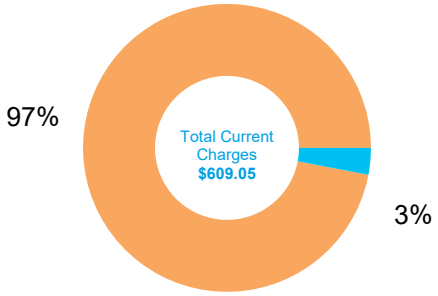
WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	66		158		119		
Rate/kWh	$.14748		$.08277		$.06399		
5 Days Charge	$9.73	+	$13.08	+	$7.61	=	30.42

Summer Baseline Adjustment Credit	296 kWh x -$.09690	-28.68
Winter Baseline Adjustment Credit	56 kWh x -$.09690	-5.43
Residential CARE Discount		-323.49

Total Electric Charges ***$606.67***

(Continued on next page)

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$412.75
Transmission	$162.29
Distribution	$29.20
Nuclear Decommissioning	$.02
Competition Transition Charge	$.64
Local Generation Charge	$2.65
Reliability Services	$.02
Total Rate Adj. Comp.	-$16.05

Other Charges & Credits (Electric)

Public Purpose Programs	$15.15
Other	$2.38
Total Current Charges	**$609.05**

$4.54 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	2,163 kWh x $.000300	.65
State Regulatory Fee	2,163 kWh x $.000800	1.73
Total Taxes & Fees on Electric Charges		***$2.38***
Total Electric Service		***$609.05***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges ***$609.05***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

8.4 kW on October 29, 2025 from 2:00pm to 3:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Summer	kWh
On-Peak	400
Off-Peak	856
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Exhibit 16

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Dec 9, 2025
sdge.com

When temperatures go down, energy use and bills can go up. We're here to help. Find winter tips, tools and resources at sdge.com/SimpleSteps.

Bring the sparkle and save energy this season with LED lights. They use less energy and keep the glow going longer.

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Account Summary

Previous Balance	$5,922.95
Payment Received	-.00
Past Due Balance	5,922.95
Current Charges	+ 504.45
Total Amount Due	**$6,427.40**

Summary of Current Charges

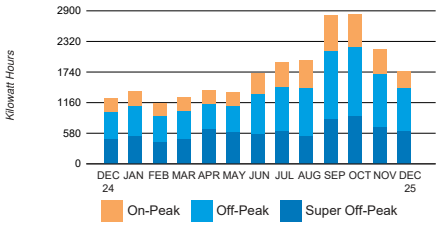
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Nov 6, 2025 - Dec 5, 2025	1,749 kWh	504.45
Total Charges this Month			**$504.45**

(Continued on next page)

DATE DUE Dec 28, 2025
AMOUNT DUE $6,427.40

Electric Usage History *(Total kWh used)*



1,749 kWh used

58.3	Daily avg kWh
72.1	Daily avg kWh last month
40.5% ↑	Change in daily avg kWh from last year
19.1% ↓	Change in daily avg kWh from last month
8.9	Max monthly demand
10.0	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE Dec 28, 2025
AMOUNT DUE $6,427.40

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 900000099103634000059229500000642740

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 276 kWh
Billing Period: 11/6/25 - 12/5/25 **Total Days:** 30
Meter Number: 06373130 *(Next scheduled read date Jan 7, 2026)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 1,749 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19712 x 30 days	5.91

Electricity Delivery *(Details below)* 1,749 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	327		798		624		
Rate/kWh	$.36856		$.36856		$.36856		
Charge	$120.52	+	$294.11	+	$229.98	=	644.61

Electricity Generation *(Details below)* 1,749 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	327		798		624		
Rate/kWh	$.14748		$.08277		$.06399		
Charge	$48.23	+	$66.05	+	$39.93	=	154.21

CARE Baseline Adjustment Credit	359 kWh x -$.09690	-34.79
Residential CARE Discount		-267.41
Total Electric Charges		***$502.53***

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	1,749 kWh x $.000300	.52
State Regulatory Fee	1,749 kWh x $.000800	1.40
Total Taxes & Fees on Electric Charges		***$1.92***

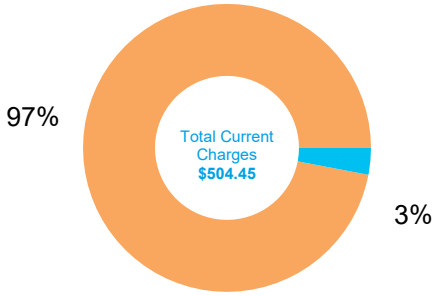
Total Electric Service ***$504.45***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges ***$504.45***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$154.21
Transmission	$131.22
Distribution	$18.25
Nuclear Decommissioning	$.02
Competition Transition Charge	$.52
Local Generation Charge	$2.65
Reliability Services	$.02
Total Rate Adj. Comp.	$183.24

Other Charges & Credits (Electric)

Public Purpose Programs	$12.40
Other	$1.92
Total Current Charges	**$504.45**

$3.67 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

8.9 kW on November 15, 2025 from 12:00am to 1:00am

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	327
Off-Peak	798
Super Off-Peak	624
Total	1,749

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Date Due" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

$ 9.00 Collection field visit
$15.00 Maximum service disconnection charge
$ 5.85 Minimum reconnection charge per meter
$23.40 Maximum reconnection charge per meter
$23.40 Restore service at pole

Residential customers who are unable to pay their SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, need to call SDG&E before the expiration of this notice. Employees, including multi-lingual staff, are available to assist with payment arrangements. If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov,prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. **A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or email: info@sdge.com.**

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at *sdge.com*.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 17

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Jan 9, 2026
sdge.com

Make budgeting easier with our Level Pay Plan. Get predictable energy bills by enrolling at sdge.com/LPP.

Stay informed! Sign up for SDGE alerts and update your contact info at sdge.com/alert.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Account Summary

Previous Balance	$6,427.40
Payment Received	-.00
Past Due Balance	6,427.40
Current Charges	+ 466.82
Total Amount Due	**$6,894.22**

Summary of Current Charges

(See page 2 for details)

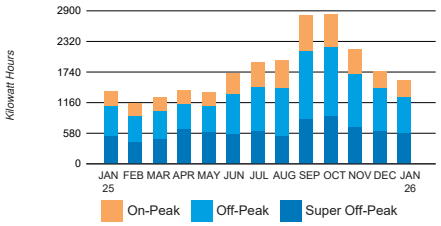
	Billing Period	Usage	Amount($)
Electric	Dec 6, 2025 - Jan 7, 2026	1,591 kWh	466.82
Total Charges this Month			**$466.82**

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

DATE DUE	Jan 28, 2026
AMOUNT DUE	$6,894.22

Electric Usage History *(Total kWh used)*



1,591	kWh used
48.2	Daily avg kWh
58.3	Daily avg kWh last month
15.4% ↑	Change in daily avg kWh from last year
17.3% ↓	Change in daily avg kWh from last month
6.8	Max monthly demand
10.0	Max annual demand
33	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Jan 28, 2026
AMOUNT DUE	$6,894.22

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 300000099103634000064274000000689422

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 304 kWh

Billing Period: 12/6/25 - 1/7/26 **Total Days:** 33

Meter Number: 06373130 *(Next scheduled read date Feb 5, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,591 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19712 x 26 days	5.13
Base Services Charge: CARE	$.19713 x 7 days	1.38

Electricity Delivery *(Details below)* 1,280 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	265		561		454		
Rate/kWh	$.36856		$.36856		$.36856		
26 Days Charge	$97.67	+	$206.76	+	$167.33	=	471.76

Electricity Delivery *(Details below)* 311 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	71		119		121		
Rate/kWh	$.34101		$.34101		$.34101		
7 Days Charge	$24.21	+	$40.58	+	$41.26	=	106.05

Rate Change This Billing Period:
There was a rate change on day 27 of your Billing Period. Therefore, your charges for the first 26 days were at Rate 1, and the remaining 7 days were at Rate 2.

(Continued on next page)

Important Phone Numbers

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1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

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In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges - Continued

Electricity Generation *(Details below)* 1,280 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	265		561		454		
Rate/kWh	$.14748		$.08277		$.06399		
26 Days Charge	$39.08	+	$46.43	+	$29.05	=	114.56

Electricity Generation *(Details below)* 311 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	71		119		121		
Rate/kWh	$.27508		$.19327		$.10241		
7 Days Charge	$19.53	+	$23.00	+	$12.39	=	54.92

CARE Baseline Adjustment Credit	318 kWh x -$.09690	-30.81
CARE Baseline Adjustment Credit	77 kWh x -$.10905	-8.40
Residential CARE Discount		-249.58
Total Electric Charges		***$465.01***

TAXES & FEES ON ELECTRIC CHARGES

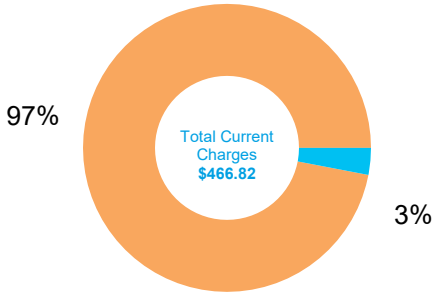
		Amount($)
State Surcharge Tax	1,591 kWh x $.000300	.48
State Regulatory Fee		1.33
Total Taxes & Fees on Electric Charges		***$1.81***
Total Electric Service		***$466.82***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges ***$466.82***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$169.48
Transmission	$127.34
Distribution	$7.73
Nuclear Decommissioning	$.01
Competition Transition Charge	$.37
Local Generation Charge	$3.22
Reliability Services	$.03
Total Rate Adj. Comp.	$142.94

Other Charges & Credits (Electric)

Public Purpose Programs	$13.89
Other	$1.81
Total Current Charges	**$466.82**

$18.17 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

6.8 kW on December 10, 2025 from 12:00pm to 1:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	336
Off-Peak	680
Super Off-Peak	575
Total	1,591

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
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Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

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Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

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Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Date Due" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

$ 9.00 Collection field visit
$15.00 Maximum service disconnection charge
$ 5.85 Minimum reconnection charge per meter
$23.40 Maximum reconnection charge per meter
$23.40 Restore service at pole

Residential customers who are unable to pay their SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, need to call SDG&E before the expiration of this notice. Employees, including multi-lingual staff, are available to assist with payment arrangements. If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov,prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. **A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or email: info@sdge.com.**

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at *sdge.com*.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 18

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Feb 9, 2026
sdge.com

Beware of scams! We never ask for banking info via phone, email or text. We won't demand immediate payment or threaten power shut-off. Learn more at sdge.com/avoid-scams.

When it comes to SDG&E pricing plans, you have options. Go to MyEnergyCenter.com; select Billing > Pricing Plans.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

You are currently receiving the CARE discount

Account Summary

Previous Balance	$6,894.22
Payment Received	-.00
Past Due Balance	6,894.22
Current Charges	+ 450.21
Total Amount Due	**$7,344.43**

Summary of Current Charges

(See page 2 for details)

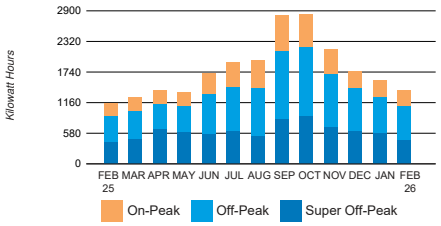
	Billing Period	Usage	Amount($)
Electric	Jan 8, 2026 - Feb 5, 2026	1,396 kWh	450.21
Total Charges this Month			**$450.21**

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

DATE DUE	Feb 28, 2026
AMOUNT DUE	$7,344.43

Electric Usage History *(Total kWh used)*



1,396	kWh used
48.1	Daily avg kWh
48.2	Daily avg kWh last month
22.6% ↑	Change in daily avg kWh from last year
0.2% ↓	Change in daily avg kWh from last month
7.9	Max monthly demand
10.0	Max annual demand
29	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Feb 28, 2026
AMOUNT DUE	$7,344.43

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 300000099103634000068942200000734443

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 267 kWh

Billing Period: 1/8/26 - 2/5/26 **Total Days:** 29

Meter Number: 06373130 *(Next scheduled read date Mar 9, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,396 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19713 x 29 days	5.72

Electricity Delivery *(Details below)* 1,396 kWh

WINTER USAGE	On-Peak	Off-Peak	Super Off-Peak	
kWh used	304	654	438	
Rate/kWh	$.34101	$.34101	$.34101	
Charge	$103.67 +	$223.02 +	$149.36	= 476.05

Electricity Generation *(Details below)* 1,396 kWh

WINTER USAGE	On-Peak	Off-Peak	Super Off-Peak	
kWh used	304	654	438	
Rate/kWh	$.27508	$.19327	$.10241	
Charge	$83.62 +	$126.40 +	$44.86	= 254.88

CARE Baseline Adjustment Credit	347 kWh x -$.10905	-37.84
Residential CARE Discount		-250.42

Total Electric Charges ***$448.39***

(Continued on next page)

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

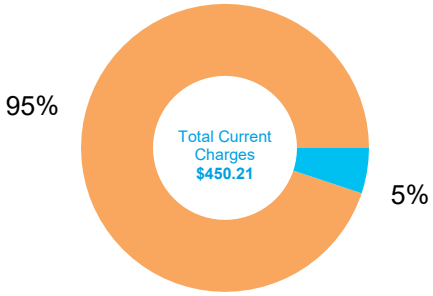
		Amount($)
State Surcharge Tax	1,396 kWh x $.000300	.42
State Regulatory Fee	1,396 kWh x $.001000	1.40
Total Taxes & Fees on Electric Charges		***$1.82***
Total Electric Service		***$450.21***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges ***$450.21***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$254.88
Transmission	$140.53
Distribution	-$35.45
Competition Transition Charge	-$.10
Local Generation Charge	$3.78
Reliability Services	$.07
Total Rate Adj. Comp.	$63.52

Other Charges & Credits (Electric)

Public Purpose Programs	$21.16
Other	$1.82
Total Current Charges	**$450.21**

$69.48 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

7.9 kW on February 3, 2026 from 4:00pm to 5:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	304
Off-Peak	654
Super Off-Peak	438
Total	1,396

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

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If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

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Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at *sdge.com*.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 19

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Mar 11, 2026
sdge.com

Check out MyEnergyCenter.com to pay your bill, view your energy use, request services and more.

Make budgeting easier with our Level Pay Plan. Get predictable energy bills by enrolling at sdge.com/LPP.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Account Summary

Previous Balance	$7,344.43
Payment Received	-.00
Past Due Balance	7,344.43
Current Charges	+ 516.11
Total Amount Due	**$7,860.54**

Summary of Current Charges

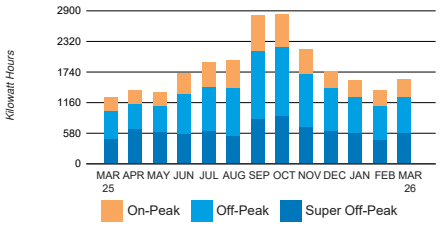
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Feb 6, 2026 - Mar 9, 2026	1,611 kWh	516.11
Total Charges this Month			**$516.11**

(Continued on next page)

DATE DUE	Mar 30, 2026
AMOUNT DUE	$7,860.54

Electric Usage History *(Total kWh used)*



1,611	kWh used
50.3	Daily avg kWh
48.1	Daily avg kWh last month
19.0% ↑	Change in daily avg kWh from last year
4.6% ↑	Change in daily avg kWh from last month
7.7	Max monthly demand
10.0	Max annual demand
32	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Mar 30, 2026
AMOUNT DUE	$7,860.54

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

CY 04

0 2 600000099103634000073444300000786054

Time of Use Change This Bill Period:
Time-of-use periods changed for March and April of 2026. See Time-of-use chart for details.

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

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To make a payment using credit or debit card, call **1-800-411-7343**

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Need help paying your bill?
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Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 294 kWh

Billing Period: 2/6/26 - 3/9/26 **Total Days:** 32

Meter Number: 06373130 *(Next scheduled read date Apr 7, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,611 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19713 x 32 days	6.31

Electricity Delivery *(Details below)* 1,611 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	357		669		585		
Rate/kWh	$.34101		$.34101		$.34101		
Charge	$121.74	+	$228.14	+	$199.49	=	549.37

Time of Use Change This Bill Period:
There was a time of use change on day 24 of your Billing Period. Therefore, your consumption for the first 23 days were aggregated on TOU 1, and the remaining 9 days were aggregated on TOU 2. See time-of-use chart for detail.

Electricity Generation *(Details below)* 1,611 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	357		669		585		
Rate/kWh	$.27508		$.19327		$.10241		
Charge	$98.20	+	$129.30	+	$59.91	=	287.41

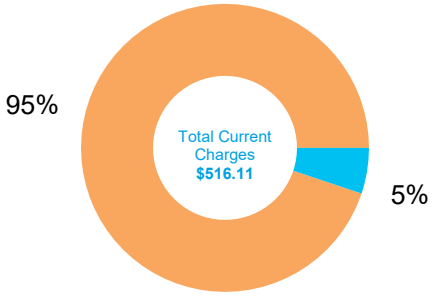
CARE Baseline Adjustment Credit	383 kWh x -$.10905	-41.77
Residential CARE Discount		-287.30
Total Electric Charges		***$514.02***

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	1,611 kWh x $.000300	.48
State Regulatory Fee	1,611 kWh x $.001000	1.61
Total Taxes & Fees on Electric Charges		***$2.09***

(Continued on next page)

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$287.41
Transmission	$162.18
Distribution	-$39.32
Competition Transition Charge	-$.12
Local Generation Charge	$4.17
Reliability Services	$.08
Total Rate Adj. Comp.	$75.21

Other Charges & Credits (Electric)

Public Purpose Programs	$24.41
Other	$2.09
Total Current Charges	**$516.11**

$80.18 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

Total Electric Service	***$516.11***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges	***$516.11***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

7.7 kW on February 28, 2026 from 2:00pm to 3:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	357
Off-Peak	669
Super Off-Peak	585
Total	1,611

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	6:00 a.m. - 4:00 p.m.; 9:00 p.m. - midnight	6:00 a.m. - 4:00 p.m. Excluding 10:00 a.m. - 2:00 p.m. in March and April; 9:00 p.m. - midnight
Super Off-Peak	Midnight - 6:00 a.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m. in March and April

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m. - 9:00 p.m.	4:00 p.m. - 9:00 p.m.
Off-Peak	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight	2:00 p.m. - 4:00 p.m. 9:00 p.m. - midnight
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Date Due" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

$ 9.00 Collection field visit
$15.00 Maximum service disconnection charge
$ 5.85 Minimum reconnection charge per meter
$23.40 Maximum reconnection charge per meter
$23.40 Restore service at pole

Residential customers who are unable to pay their SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, need to call SDG&E before the expiration of this notice. Employees, including multi-lingual staff, are available to assist with payment arrangements. If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission, State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov,prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. **A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or email: info@sdge.com.**

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at *sdge.com*.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 20

SDGE™

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Apr 9, 2026
sdge.com

GoGreen Financing helps you make energy-smart home improvements with simple, affordable financing. Visit GoGreenFinancing.com/sdge to learn more.

Confirm your contact info is up to date at sdge.com/alert so we can reach you in an emergency.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

CARE You are currently receiving the CARE discount

Account Summary

Previous Balance	$7,860.54
AMP Arrearage	-$7,860.54
Payment Received	-.00
Current Charges	+ 568.51
Total Amount Due	**$568.51**

Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	+ .00	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	+ .00	Forgiveness Remaining	$7,860.54
Arrearage Remaining	**$7,860.54**	Periodic Forgiveness Amount	**$655.05**

Summary of Current Charges

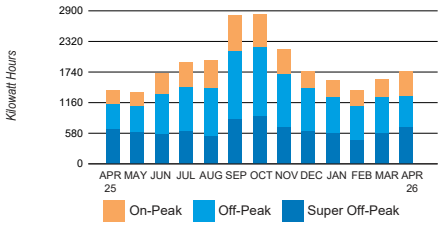
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Mar 10, 2026 - Apr 7, 2026	1,760 kWh	568.51
Total Charges this Month			**$568.51**

(Continued on next page)

DATE DUE Apr 28, 2026
AMOUNT DUE $568.51

Electric Usage History *(Total kWh used)*



1,760 kWh used

60.7	Daily avg kWh
50.3	Daily avg kWh last month
34.5% ↑	Change in daily avg kWh from last year
20.6% ↑	Change in daily avg kWh from last month
8.1	Max monthly demand
10.0	Max annual demand
29	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

SDGE™

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE Apr 28, 2026
AMOUNT DUE $568.51

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

CY 04

0 2 300000099103634000000000000000056851

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 267 kWh
Billing Period: 3/10/26 - 4/7/26 **Total Days:** 29
Meter Number: 06373130 *(Next scheduled read date May 7, 2026)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 1,760 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge: CARE	$.19713 x 29 days	5.72

Electricity Delivery *(Details below)* 1,383 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	375		459		549		
Rate/kWh	$.34101		$.34101		$.34101		
22 Days Charge	$127.88	+	$156.52	+	$187.21	=	471.61

Electricity Delivery *(Details below)* 377 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	101		124		152		
Rate/kWh	$.34061		$.34061		$.34061		
7 Days Charge	$34.40	+	$42.24	+	$51.77	=	128.41

Rate Change This Billing Period:
There was a rate change on day 23 of your Billing Period. Therefore, your charges for the first 22 days were at Rate 1, and the remaining 7 days were at Rate 2.

Electricity Generation *(Details below)* 1,383 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	375		459		549		
Rate/kWh	$.27508		$.19327		$.10241		
22 Days Charge	$103.16	+	$88.71	+	$56.22	=	248.09

Electricity Generation *(Details below)* 377 kWh

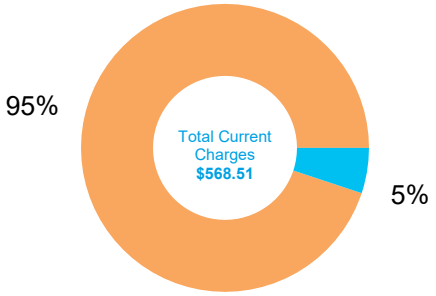
WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	101		124		152		
Rate/kWh	$.27475		$.19304		$.10228		
7 Days Charge	$27.75	+	$23.94	+	$15.55	=	67.24

CARE Baseline Adjustment Credit	273 kWh x -$.10905	-29.77
CARE Baseline Adjustment Credit	74 kWh x -$.10892	-8.06
CARE Discount		-317.02

Total Electric Charges ***$566.22***

(Continued on next page)

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$315.33
Transmission	$177.18
Distribution	-$44.77
Competition Transition Charge	-$.14
Local Generation Charge	$3.78
Reliability Services	$.10
Total Rate Adj. Comp.	$88.08

Other Charges & Credits (Electric)

Public Purpose Programs	$26.66
Other	$2.29
Total Current Charges	**$568.51**

$87.63 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	1,760 kWh x $.000300	.53
State Regulatory Fee	1,760 kWh x $.001000	1.76
Total Taxes & Fees on Electric Charges		***$2.29***
Total Electric Service		***$568.51***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

Total Current Charges ***$568.51***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

8.1 kW on March 23, 2026 from 3:00pm to 4:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	476
Off-Peak	583
Super Off-Peak	701
Total	1,760

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.

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Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Electronic Check Processing - When you pay your bill by check, you authorize us to electronically process your payment. If your check is processed electronically, your checking account may be debited on the same day we receive the check.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at ***sdge.com***.

Pay Before Date / Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Due Date" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

If you are unable to pay your SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, you need to call SDG&E before the expiration of this notice. Employees, including multilingual staff, are available to assist with payment arrangements

If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission (CPUC), State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov, prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or e-mail: info@sdge.com.

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California Relay Service Phone Numbers:

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Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 21

San Diego Gas & Electric
PO Box 129831
San Diego, CA 92112-9831

065491.1 1.1.112 1 0z.

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

April 9, 2026

Account Number: 0000 9910 3634

Dear TOM BERENGUEL:

Recently, you were notified that to stay enrolled in the California Alternate Rates for Energy (CARE) Program, the California Public Utilities Commission requires that you keep your monthly electric use below 600% of the baseline. While you complied with some of the requirements, your electric use is still above 600% of your monthly baseline allowance. As a result, the monthly discount has been removed from your account and you'll not be eligible to enroll in the CARE Program for at least 24 months.

If energy use at this level is necessary for your household, you may appeal by requesting an appointment with a Customer Energy Specialist. To do so, please fill out the information below and return it in the postage-paid envelope. You may also return the form via fax, 858-636-5749 or email at ***billdiscount@sdge.com***

If you choose to appeal, you'll be contacted within 15 days of receipt of the completed form to schedule an appointment. If you have any questions, please call 1-800-560-5551 or email ***billdiscount@sdge.com***

Sincerely,

SDG&E Customer Assistance Team

(Cut along the dotted line)

TOM BERENGUEL
SDGE Account: 0000 9910 3634

- I am appealing the decision and request an appointment with a Customer Energy Specialist.
- I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

Briefly explain reason(s) for the appeal:	See Email 4/15/26

Circle the day of the week and indicate the time available:

1st Choice	(M)	T	W	TH	F	Arrival Time	9:00AM	11:00AM	(1:00PM)
2nd Choice	M	(T)	W	TH	F	Arrival Time	9:00AM	11:00AM	(1:00PM)

Best contact phone #: 949 295 4008

Exhibit 22

Gmail Tom Berenguel <tomberenguel@gmail.com>

CARE Program Appeal - SDGE Account 0000 9910 3634

1 message

Tom <tomberenguel@gmail.com> Wed, Apr 15, 2026 at 4:39 AM
To: Bill Discount <billdiscount@sdge.com>

This is an appeal to the letter dated April 9, 2026, stating that my monthly discount has been removed from my account and that I will not be eligible to enroll in the CARE program for 24 months. It has been a couple of years since we did this...

First time was on 9/14/2019

I was reevaluated on 8/28/2021 and 4/7/2023 for the baseline allowance.

The information from those appeals still applies insofar as all the installations I have to try to reduce electrical use. The full quietcool whole house fans (4 total) are still in use, all LED lighting with automatic shut off schedules, the Fusion Energi (which has a very small battery with a 20-mile range; gas after that) charger shuts off during peak hours, the sense electrical monitoring system, smart energy monitoring plugs on all large appliances, etc. All the same.

My AC/Heating usage for the last three months:

1.6 hours of A/C on average per day in February

About .74 hour of A/C on average in January.

For Home compared with last year

32 hrs less

21 hrs more

Heating & Cooling Comparison

On average, temperatures were 5 degrees warmer than January 2025.

January 2026	January 2025
Outdoor Avg Hi: 71° Lo: 52°	Outdoor Avg Hi: 66° Lo: 47°
Total Runtime	Total Runtime
32 hrs	**43** hrs
9 hrs	41 hrs
23 hrs	2 hrs
Equipment Off: 712 hrs	Equipment Off: 701 hrs
74° / 73° avg indoor temp	71° / 70° avg indoor temp

And about .68 hours per day on average of A/C in December

For Home compared with last year

10 hrs less

18 hrs more

Heating & Cooling Comparison

On average, temperatures were 3 degrees warmer than December 2024.

December 2025	December 2024
Outdoor Avg Hi: 70° Lo: 52°	Outdoor Avg Hi: 67° Lo: 48°
Total Runtime	Total Runtime
35 hrs	**27** hrs
14 hrs	24 hrs
21 hrs	3 hrs
Equipment Off: 709 hrs	Equipment Off: 717 hrs
74° / 71° avg indoor temp	72° / 70° avg indoor temp

Nothing out of this world by any means.

As the letter shows:

I am appealing the decision and request an appointment with a Customer Energy Specialist
I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

I am flexible; any day is fine, preferably 1 PM, though I can make 11 AM work as well. I just need a heads-up, and I will happily show him throughout the house. Not the first time I have done this, and I will be happy to do it again now and any other time in the future.

949-295-4008

If I don't recognize the number, I usually do not answer, so leave a message; however, even better would be to send a text.

Thank you.

Exhibit 23

Gmail Tom Berenguel <tomberenguel@gmail.com>

Tom Berenguel 000099103634

3 messages

Bill Discount <BillDiscount@sdge.com> Thu, Apr 16, 2026 at 8:54 AM
To: Tom <tomberenguel@gmail.com>, Bill Discount <BillDiscount@sdge.com>

Good morning,

Please provide the HEU Appeal letter with your selected appointments and contact information. Thank you.

Best Regards,

SDG&E CARE/FERA Program

Ph: 1-800-560-5551

Fax: 858-636-5749

SDG&E cares about your privacy. For more information regarding SDG&E's privacy policy or privacy notice, please visit https://www.sdge.com/more-information/our-company/customer-privacy

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From: Tom <tomberenguel@gmail.com>
Sent: Wednesday, April 15, 2026 4:40 AM
To: Bill Discount <BillDiscount@sdge.com>
Subject: [EXTERNAL] CARE Program Appeal - SDGE Account 0000 9910 3634

This is an appeal to the letter dated April 9, 2026, stating that my monthly discount has been removed from my account and that I will not be eligible to enroll in the CARE program for 24 months. It has been a couple of years since we did this...

First time was on 9/14/2019

I was reevaluated on 8/28/2021 and 4/7/2023 for the baseline allowance.

The information from those appeals still applies insofar as all the installations I have to try to reduce electrical use. The full quietcool whole house fans (4 total) are still in use, all LED lighting with automatic shut off schedules, the Fusion Energi (which has a very small battery with a 20-mile range; gas after that) charger shuts off during peak hours, the sense electrical monitoring system, smart energy monitoring plugs on all large appliances, etc. All the same.

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1.6 hours of A/C on average per day in February

About .74 hour of A/C on average in January.

For Home compared with last year

32 hrs less

21 hrs more

Heating & Cooling Comparison

On average, temperatures were 5 degrees warmer than January 2025.

January 2026	January 2025
Outdoor Avg Hi: 71° Lo: 52°	Outdoor Avg Hi: 66° Lo: 47°
Total Runtime	Total Runtime
32 hrs	**43** hrs
9 hrs	41 hrs
23 hrs	2 hrs
Equipment Off: 712 hrs	Equipment Off: 701 hrs
74° / 73° avg indoor temp	71° / 70° avg indoor temp

And about .68 hours per day on average of A/C in December

For Home compared with last year

10 hrs less

18 hrs more

Heating & Cooling Comparison

On average, temperatures were 3 degrees warmer than December 2024.

December 2025	December 2024
Outdoor Avg Hi: 70° Lo: 52°	Outdoor Avg Hi: 67° Lo: 48°
Total Runtime	Total Runtime
35 hrs	**27** hrs
14 hrs	24 hrs
21 hrs	3 hrs
Equipment Off: 709 hrs	Equipment Off: 717 hrs
74° / 71° avg indoor temp	72° / 70° avg indoor temp

Nothing out of this world by any means.

As the letter shows:

I am appealing the decision and request an appointment with a Customer Energy Specialist

I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

I am flexible; any day is fine, preferably 1 PM, though I can make 11 AM work as well. I just need a heads-up, and I will happily show him throughout the house. Not the first time I have done this, and I will be happy to do it again now and any other time in the future.

949-295-4008

If I don't recognize the number, I usually do not answer, so leave a message; however, even better would be to send a text.

Thank you.

Tom <tomberenguel@gmail.com> Fri, Apr 17, 2026 at 8:55 PM
To: Bill Discount <BillDiscount@sdge.com>

Attached.

[Quoted text hidden]

SDGE_Appeal_4-19-2026.pdf
570K

Tom <tomberenguel@gmail.com> Thu, Apr 23, 2026 at 3:08 PM
To: Bill Discount <BillDiscount@sdge.com>

Dear CARE Program Review Team,

I'm following up on the recent CARE program usage review and the visit from the Customer Energy Specialist, who will be providing you with his report. I would also like to provide additional information regarding my household electricity use, the conservation measures I have implemented, and the reasons my usage should be considered necessary for my household circumstances.

I qualify for CARE through participation in public assistance programs, including Medi-Cal / CalOptima and CalFresh. I appreciate the assistance the program provides and have consistently worked to reduce electricity use wherever reasonably possible.

As documented in previous correspondence on this account (including 09/14/2019, 07/24/2021, and 04/15/2026), I have consistently explained that my higher electricity usage is primarily driven by the home's cooling needs and the limitations of the existing HVAC system, not by any sudden change in household behavior.

The residence is a two-story condo with a single central AC system serving both floors. Because of that layout, the upstairs consistently remains significantly hotter than downstairs, often by approximately 6–8 degrees. In practical terms, a downstairs temperature that may be comfortable can still leave the upstairs uncomfortably warm. As a result, cooling the upstairs often requires lowering the downstairs temperature more than necessary, which increases AC runtime and electricity use.

The current AC system is older and significantly less efficient than newer systems. Based on direct monitoring, it is by far the largest electrical load in the home, drawing several thousand watts while operating. During warmer months, this single system is the primary cause of increased usage.

As I have outlined in prior submissions (including 09/14/2019, 07/24/2021, and 04/15/2026), I have made extensive efforts over many years to reduce electricity consumption, including the following:

- Installed a full QuietCool whole-house fan system using the QuietCool Stealth Pro line to reduce AC runtime whenever outside temperatures allow.
    - Master bedroom: STL PRO 2.5X (two speeds), 2,018–2,541 CFM airflow, 157 watts.
    - Two additional bedrooms: Two STL PRO 1.5X units, each with 1,479 CFM airflow.
    - Top of stairs: STL PRO 4.8X (three speeds), 2,361–4,280 CFM airflow, 408 watts.
    - Attic: QuietCool Smart Attic Fan.
    - Total documented system performance: approximately 12,580 CFM while using approximately 846.4 watts at full operation vs the 4,500 - 5000 watt AC unit.
    - Installed specifically to reduce dependence on central AC whenever outdoor temperatures permit.
- Replaced or upgraded nearly all major household appliances with newer models, with most appliances being less than two years old.
- Converted all household lighting to LED.
- Implemented a Habitat home automation system with Z-Wave controls for nearly all lights and many household devices.
- Automatic shutoff schedules turn off unnecessary lighting overnight and again at sunrise if anything was left on.
- Exterior lighting is motion-activated and turns off automatically after a period of inactivity.
- Electric vehicle charging is disabled during peak utility hours.
- Personal household computers automatically enter sleep mode after a period of inactivity.
- I use whole-home and plug-level monitoring systems to track energy use and reduce waste.
- Since approximately 05/24/2021, I have actively participated in OhmConnect demand-response events. My records show cumulative documented reductions of approximately 668 kWh saved through these utility load-reduction events (see attached spreadsheet).
- I continue implementing additional automation-based conservation measures wherever practical.

This is also not a new issue. My account has undergone multiple CARE verifications and approvals over many years. The email record reflects the following specific examples:

- 08/21/2014 – CARE Approved.
- 09/14/2019 – CARE Program Appeal submitted after baseline overage notice.
- 08/28/2021 – Application processed and approved following reevaluation / HEU review.
- 04/10/2023 – Application processed and approved following verification request.

- 06/23/2025 – Application processed and approved following verification request.
- 04/2026 – Current review and appeal process.

Similar concerns have repeatedly arisen during warmer periods when cooling demand increases. Each time, I have responded, provided the requested documentation, and cooperated fully. Many of the conservation measures and home limitations described in this letter are not new claims but have been addressed in prior communications and documentation (including 09/14/2019, 07/24/2021, and 04/15/2026).

This history shows that the current situation is not a sudden, unexplained change in usage, but a recurring seasonal issue primarily tied to the home's cooling demand and the limitations of its HVAC configuration.

I respectfully ask that the full circumstances be considered during this review: the home’s two-story single-zone cooling limitations, the age and inefficiency of the HVAC system, the extensive conservation measures already taken, and my continued efforts to reduce usage wherever possible.

Thank you for your time and consideration.

Sincerely,

Tom Berenguel

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ohmconnect-points-performance-2026-04-23.xlsx
27K

Exhibit 24

Exhibit 24 - Workbook Record

ohmconnect-points-2026-04-23

Column group 1 of 2; transaction ID repeated for matching rows. All workbook rows retained.

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
143342432	162889	2026-02-21	Rewards for OhmHour Performance	1	3382	1582	0
143132371	162848	2026-02-04	Rewards for OhmHour Performance	1	1008	408	0
142543202	162455	2026-01-05	Rewards for OhmHour Performance	1	349	-171	0
142154738	162208	2025-12-20	Rewards for OhmHour Performance	1	1042	522	0
141880380	162030	2025-12-11	Rewards for OhmHour Performance	1	1380	780	0
141583786	161777	2025-11-28	Rewards for OhmHour Performance	1	1206	606	0
140973306	161604	2025-11-18	Rewards for OhmHour Performance	1	600	0	0
140930064	161386	2025-11-12	Rewards for OhmHour Performance	1	1906	1306	0
140550824	161198	2025-11-04	Rewards for OhmHour Performance	1	843	283	0
140550822	161077	2025-11-04	Rewards for OhmHour Performance	1	1887	1287	0
139857864	160931	2025-10-22	Rewards for OhmHour Performance	1	1594	1034	0
139633040	160750	2025-10-12	Rewards for OhmHour Performance	1	5817	4017	0
139126177	160454	2025-09-28	Rewards for OhmHour Performance	1	8409	6849	0
138823174	160271	2025-09-18	Rewards for OhmHour Performance	1	3272	2712	0
138556433	160045	2025-09-10	Rewards for OhmHour Performance	1	11126	9326	0
138124769	159758	2025-08-27	Rewards for OhmHour Performance	1	6981	5181	0
137869946	159702	2025-08-23	Rewards for OhmHour Performance	1	3569	2969	0
137542646	159514	2025-08-14	Rewards for OhmHour Performance	1	2076	1516	0
136808942	159163	2025-08-01	Rewards for OhmHour Performance	1	7565	5885	0
136619720	159003	2025-07-28	Rewards for OhmHour Performance	1	4192	3592	0
136333113	158766	2025-07-23	Rewards for OhmHour Performance	1	1524	964	0
136030059	158554	2025-07-17	Rewards for OhmHour Performance	1	944	384	0
135905822	157854	2025-07-16	Rewards for OhmHour Performance	1	4931	3131	0
135764885	158426	2025-07-13	Rewards for OhmHour Performance	1	1470	910	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
135547175	158385	2025-07-12	Rewards for OhmHour Performance	1	370	-190	0
135218905	158102	2025-07-04	Rewards for OhmHour Performance	1	1451	891	0
134569079	157609	2025-06-20	Rewards for OhmHour Performance	1	3688	2008	0
134278422	157389	2025-06-12	Rewards for OhmHour Performance	1	-91	-651	0
134018315	157282	2025-06-08	Rewards for OhmHour Performance	1	937	377	0
133732619	157093	2025-06-01	Rewards for OhmHour Performance	1	1093	533	0
133440544	156930	2025-05-23	Rewards for OhmHour Performance	1	964	404	0
133035262	156667	2025-05-11	Rewards for OhmHour Performance	1	452	-68	0
132724401	156466	2025-05-02	Rewards for OhmHour Performance	1	595	75	0
132565109		2025-04-30	Rewards for OhmHour Performance	0	855	0	0
132113448		2025-04-13	Rewards for OhmHour Performance	0	742	0	0
131736830		2025-04-02	Rewards for OhmHour Performance	0	1464	0	0
131307404		2025-03-24	Rewards for OhmHour Performance	0	1800	0	0
131115721		2025-03-16	Rewards for OhmHour Performance	0	1359	0	0
130832059		2025-03-08	Rewards for OhmHour Performance	0	1021	0	0
130602534		2025-03-04	Rewards for OhmHour Performance	0	899	0	0
130398029		2025-02-27	Rewards for OhmHour Performance	0	597	0	0
129723299		2025-02-05	Rewards for OhmHour Performance	0	639	0	0
129432537		2025-01-25	Rewards for OhmHour Performance	0	541	0	0
128579384		2024-12-22	Rewards for OhmHour Performance	0	927	0	0
128503992		2024-12-20	Rewards for OhmHour Performance	0	754	0	0
128312349		2024-12-18	Rewards for OhmHour Performance	0	1075	0	0
127958121		2024-12-12	Rewards for OhmHour Performance	0	706	0	0
127869417		2024-12-08	Rewards for OhmHour Performance	0	970	0	0
127390795		2024-11-28	Rewards for OhmHour Performance	0	325	0	0
127206679		2024-11-25	Rewards for OhmHour Performance	0	1232	0	0
126920079		2024-11-22	Rewards for OhmHour Performance	0	1146	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
126439938		2024-11-16	Rewards for OhmHour Performance	0	799	0	0
126102319		2024-11-08	Rewards for OhmHour Performance	0	953	0	0
125567178		2024-10-25	Rewards for OhmHour Performance	0	4624	0	0
124922944		2024-10-09	Rewards for OhmHour Performance	0	293	0	0
124562312		2024-10-05	Rewards for OhmHour Performance	0	708	0	0
124100898		2024-09-30	Rewards for OhmHour Performance	0	1482	0	0
124100876		2024-09-30	Rewards for OhmHour Performance	0	1424	0	0
124100860		2024-09-30	Rewards for OhmHour Performance	0	1879	0	0
123095735		2024-09-15	Rewards for OhmHour Performance	0	1859	0	0
122801031		2024-09-11	Rewards for OhmHour Performance	0	1720	0	0
122601500		2024-09-10	Rewards for OhmHour Performance	0	-1120	0	0
122511205		2024-09-08	Rewards for OhmHour Performance	0	-701	0	0
122021203		2024-09-05	Rewards for OhmHour Performance	0	2561	0	0
122021201		2024-09-05	Rewards for OhmHour Performance	0	1368	0	0
121320760		2024-08-26	Rewards for OhmHour Performance	0	2106	0	0
121043727		2024-08-22	Rewards for OhmHour Performance	0	2314	0	0
120682473		2024-08-16	Rewards for OhmHour Performance	0	2567	0	0
120403699		2024-08-08	Rewards for OhmHour Performance	0	2013	0	0
120192518		2024-08-07	Rewards for OhmHour Performance	0	1743	0	0
119987004		2024-08-04	Rewards for OhmHour Performance	0	1833	0	0
119783502		2024-08-03	Rewards for OhmHour Performance	0	1144	0	0
119619924		2024-08-02	Rewards for OhmHour Performance	0	1028	0	0
119369520		2024-08-01	Rewards for OhmHour Performance	0	-1120	0	0
119109088		2024-07-25	Rewards for OhmHour Performance	0	1960	0	0
118814639		2024-07-22	Rewards for OhmHour Performance	0	390	0	0
118719869		2024-07-21	Rewards for OhmHour Performance	0	1319	0	0
118296222		2024-07-13	Rewards for OhmHour Performance	0	1804	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
118085478		2024-07-12	Rewards for OhmHour Performance	0	1424	0	0
117811309		2024-07-11	Rewards for OhmHour Performance	0	365	0	0
117659606		2024-07-10	Rewards for OhmHour Performance	0	1564	0	0
117192026		2024-07-05	Rewards for OhmHour Performance	0	1068	0	0
116961392		2024-07-03	Rewards for OhmHour Performance	0	1522	0	0
116286120		2024-06-25	Rewards for OhmHour Performance	0	381	0	0
116238840		2024-06-24	Rewards for OhmHour Performance	0	520	0	0
116211958		2024-06-24	Rewards for OhmHour Performance	0	524	0	0
115272371		2024-06-20	Rewards for OhmHour Performance	0	441	0	0
114604058		2024-06-16	Rewards for OhmHour Performance	0	766	0	0
114404669		2024-06-13	Rewards for OhmHour Performance	0	1128	0	0
114091957		2024-06-09	Rewards for OhmHour Performance	0	658	0	0
113779954		2024-06-05	Rewards for OhmHour Performance	0	1084	0	0
113779952		2024-06-05	Rewards for OhmHour Performance	0	1026	0	0
113305629		2024-05-23	Rewards for OhmHour Performance	0	856	0	0
112374560		2024-04-24	Rewards for OhmHour Performance	0	994	0	0
112054158		2024-04-14	Rewards for OhmHour Performance	0	212	0	0
112010780		2024-04-13	Rewards for OhmHour Performance	0	934	0	0
111611841		2024-04-05	Rewards for OhmHour Performance	0	1065	0	0
111437660		2024-04-03	Rewards for OhmHour Performance	0	738	0	0
111041394		2024-03-21	Rewards for OhmHour Performance	0	1204	0	0
110482981		2024-03-11	Rewards for OhmHour Performance	0	1148	0	0
109747623		2024-02-18	Rewards for OhmHour Performance	0	1253	0	0
109616237		2024-02-15	Rewards for OhmHour Performance	0	1261	0	0
108874922		2024-01-25	Rewards for OhmHour Performance	0	364	0	0
108691593		2024-01-17	Rewards for OhmHour Performance	0	120	0	0
108275447		2024-01-12	Rewards for OhmHour Performance	0	484	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
108239787		2024-01-10	Rewards for OhmHour Performance	0	751	0	0
107512297		2023-12-22	Rewards for OhmHour Performance	0	651	0	0
107005307		2023-12-14	Rewards for OhmHour Performance	0	740	0	0
106964636		2023-12-13	Rewards for OhmHour Performance	0	795	0	0
106096715		2023-11-21	Rewards for OhmHour Performance	0	600	0	0
106031724		2023-11-17	Rewards for OhmHour Performance	0	1530	0	0
105663219		2023-11-09	Rewards for OhmHour Performance	0	2117	0	0
104904080		2023-10-22	Rewards for OhmHour Performance	0	1280	0	0
104609056		2023-10-20	Rewards for OhmHour Performance	0	1354	0	0
104583198		2023-10-20	Rewards for OhmHour Performance	0	501	0	0
104442120		2023-10-19	Rewards for OhmHour Performance	0	2367	0	0
104355117		2023-10-18	Rewards for OhmHour Performance	0	1169	0	0
104333798		2023-10-18	Rewards for OhmHour Performance	0	756	0	0
104144171		2023-10-16	Rewards for OhmHour Performance	0	802	0	0
103784709		2023-10-14	Rewards for OhmHour Performance	0	446	0	0
103784708		2023-10-14	Rewards for OhmHour Performance	0	730	0	0
103784706		2023-10-14	Rewards for OhmHour Performance	0	4306	0	0
103784705		2023-10-14	Rewards for OhmHour Performance	0	4546	0	0
103784703		2023-10-14	Rewards for OhmHour Performance	0	6052	0	0
103784702		2023-10-14	Rewards for OhmHour Performance	0	9192	0	0
103784701		2023-10-14	Rewards for OhmHour Performance	0	648	0	0
103784698		2023-10-14	Rewards for OhmHour Performance	0	6146	0	0
103784697		2023-10-14	Rewards for OhmHour Performance	0	-60	0	0
103784696		2023-10-14	Rewards for OhmHour Performance	0	5510	0	0
103784691		2023-10-14	Rewards for OhmHour Performance	0	1350	0	0
103784689		2023-10-14	Rewards for OhmHour Performance	0	6945	0	0
103784688		2023-10-14	Rewards for OhmHour Performance	0	1503	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
103784687		2023-10-14	Rewards for OhmHour Performance	0	1680	0	0
103784685		2023-10-14	Rewards for OhmHour Performance	0	1180	0	0
103784684		2023-10-14	Rewards for OhmHour Performance	0	5876	0	0
103784683		2023-10-14	Rewards for OhmHour Performance	0	3769	0	0
103784682		2023-10-14	Rewards for OhmHour Performance	0	6995	0	0
103784680		2023-10-14	Rewards for OhmHour Performance	0	35856	0	0
103501538		2023-10-09	Rewards for OhmHour Performance	0	1019	0	0
93399774		2023-08-02	Rewards for OhmHour Performance	0	2294	0	0
93064620		2023-07-31	Rewards for OhmHour Performance	0	6977	0	0
92533120		2023-07-28	Rewards for OhmHour Performance	0	4468	0	0
92219260		2023-07-27	Rewards for OhmHour Performance	0	2099	0	0
92057418		2023-07-26	Rewards for OhmHour Performance	0	1279	0	0
91847769		2023-07-25	Rewards for OhmHour Performance	0	2940	0	0
91847621		2023-07-25	Rewards for OhmHour Performance	0	2870	0	0
91748613		2023-07-24	Rewards for OhmHour Performance	0	-100	0	0
91471298		2023-07-24	Rewards for OhmHour Performance	0	442	0	0
91470947		2023-07-24	Rewards for OhmHour Performance	0	2276	0	0
91470140		2023-07-24	Rewards for OhmHour Performance	0	1293	0	0
91469892		2023-07-24	Rewards for OhmHour Performance	0	612	0	0
91469666		2023-07-24	Rewards for OhmHour Performance	0	165	0	0
89073528		2023-07-01	Rewards for OhmHour Performance	0	650	0	0
88813718		2023-06-22	Rewards for OhmHour Performance	0	907	0	0
88086088		2023-06-11	Rewards for OhmHour Performance	0	903	0	0
87971451		2023-06-04	Rewards for OhmHour Performance	0	654	0	0
87867090		2023-06-01	Rewards for OhmHour Performance	0	1192	0	0
87135214		2023-05-22	Rewards for OhmHour Performance	0	174	0	0
87083845		2023-05-21	Rewards for OhmHour Performance	0	294	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
86808402		2023-05-20	Rewards for OhmHour Performance	0	250	0	0
85670100		2023-05-03	Rewards for OhmHour Performance	0	905	0	0
85536259		2023-04-30	Rewards for OhmHour Performance	0	2102	0	0
85536208		2023-04-30	Rewards for OhmHour Performance	0	2433	0	0
85274244		2023-04-29	Rewards for OhmHour Performance	0	793	0	0
85226187		2023-04-28	Rewards for OhmHour Performance	0	520	0	0
84941721		2023-04-26	Rewards for OhmHour Performance	0	520	0	0
84017596		2023-04-06	Rewards for OhmHour Performance	0	560	0	0
83785450		2023-04-02	Rewards for OhmHour Performance	0	1282	0	0
82935855		2023-03-24	Rewards for OhmHour Performance	0	703	0	0
82386366		2023-03-18	Rewards for OhmHour Performance	0	1160	0	0
82207713		2023-03-16	Rewards for OhmHour Performance	0	442	0	0
81615310		2023-03-09	Rewards for OhmHour Performance	0	409	0	0
80911457		2023-02-22	Rewards for OhmHour Performance	0	984	0	0
80854391		2023-02-19	Rewards for OhmHour Performance	0	989	0	0
80531985		2023-02-11	Rewards for OhmHour Performance	0	180	0	0
80296880		2023-02-05	Rewards for OhmHour Performance	0	24	0	0
79846798		2023-01-30	Rewards for OhmHour Performance	0	1452	0	0
78969413		2023-01-07	Rewards for OhmHour Performance	0	1238	0	0
78384795		2022-12-24	Rewards for OhmHour Performance	0	1428	0	0
78205802		2022-12-23	Rewards for OhmHour Performance	0	1073	0	0
77725050		2022-12-16	Rewards for OhmHour Performance	0	936	0	0
77651440		2022-12-15	Rewards for OhmHour Performance	0	1493	0	0
77185635		2022-12-11	Rewards for OhmHour Performance	0	1089	0	0
76704296		2022-12-04	Rewards for OhmHour Performance	0	902	0	0
76529316		2022-12-03	Rewards for OhmHour Performance	0	1042	0	0
76001412		2022-11-19	Rewards for OhmHour Performance	0	-252	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
75361111		2022-11-11	Rewards for OhmHour Performance	0	1216	0	0
74679722		2022-11-06	Rewards for OhmHour Performance	0	836	0	0
73940796		2022-10-21	Rewards for OhmHour Performance	0	538	0	0
73462311		2022-10-16	Rewards for OhmHour Performance	0	3341	0	0
72801420		2022-10-10	Rewards for OhmHour Performance	0	780	0	0
72092692		2022-09-29	Rewards for OhmHour Performance	0	1958	0	0
71432973		2022-09-25	Rewards for OhmHour Performance	0	2411	0	0
70844101		2022-09-22	Rewards for OhmHour Performance	0	2871	0	0
70206978		2022-09-18	Rewards for OhmHour Performance	0	1780	0	0
69696712		2022-09-16	Rewards for OhmHour Performance	0	3733	0	0
68373154		2022-09-10	Rewards for OhmHour Performance	0	1082	0	0
67875336		2022-09-09	Rewards for OhmHour Performance	0	29884	0	0
67875331		2022-09-09	Rewards for OhmHour Performance	0	522	0	0
67189764		2022-09-08	Rewards for OhmHour Performance	0	247	0	0
67189760		2022-09-08	Rewards for OhmHour Performance	0	4144	0	0
67189754		2022-09-08	Rewards for OhmHour Performance	0	-140	0	0
66556413		2022-09-07	Rewards for OhmHour Performance	0	6445	0	0
65980454		2022-09-06	Rewards for OhmHour Performance	0	9608	0	0
65605679		2022-09-05	Rewards for OhmHour Performance	0	3430	0	0
65176954		2022-09-03	Rewards for OhmHour Performance	0	5455	0	0
65176950		2022-09-03	Rewards for OhmHour Performance	0	915	0	0
65176948		2022-09-03	Rewards for OhmHour Performance	0	960	0	0
64888842		2022-09-02	Rewards for OhmHour Performance	0	4204	0	0
64557687		2022-09-01	Rewards for OhmHour Performance	0	371	0	0
64342340		2022-08-31	Rewards for OhmHour Performance	0	1724	0	0
63772015		2022-08-28	Rewards for OhmHour Performance	0	4980	0	0
63400044		2022-08-25	Rewards for OhmHour Performance	0	9868	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
62919592		2022-08-20	Rewards for OhmHour Performance	0	5503	0	0
62549427		2022-08-18	Rewards for OhmHour Performance	0	1697	0	0
61951861		2022-08-15	Rewards for OhmHour Performance	0	-270	0	0
61889818		2022-08-14	Rewards for OhmHour Performance	0	2790	0	0
61631592		2022-08-12	Rewards for OhmHour Performance	0	691	0	0
61631582		2022-08-12	Rewards for OhmHour Performance	0	617	0	0
61631571		2022-08-12	Rewards for OhmHour Performance	0	4172	0	0
60838597		2022-08-05	Rewards for OhmHour Performance	0	961	0	0
60417127		2022-07-30	Rewards for OhmHour Performance	0	777	0	0
60126297		2022-07-27	Rewards for OhmHour Performance	0	702	0	0
59828728		2022-07-24	Rewards for OhmHour Performance	0	787	0	0
59656695		2022-07-23	Rewards for OhmHour Performance	0	1772	0	0
58986225		2022-07-17	Rewards for OhmHour Performance	0	1845	0	0
58694877		2022-07-13	Rewards for OhmHour Performance	0	1542	0	0
58414817		2022-07-07	Rewards for OhmHour Performance	0	432	0	0
58087386		2022-06-28	Rewards for OhmHour Performance	0	408	0	0
57001539		2022-06-12	Rewards for OhmHour Performance	0	940	0	0
56685352		2022-06-09	Rewards for OhmHour Performance	0	271	0	0
56231872		2022-05-29	Rewards for OhmHour Performance	0	875	0	0
56175325		2022-05-28	Rewards for OhmHour Performance	0	696	0	0
55733521		2022-05-22	Rewards for OhmHour Performance	0	564	0	0
55219579		2022-05-15	Rewards for OhmHour Performance	0	921	0	0
54967407		2022-05-06	Rewards for OhmHour Performance	0	671	0	0
54575783		2022-05-01	Rewards for OhmHour Performance	0	870	0	0
54072694		2022-04-22	Rewards for OhmHour Performance	0	243	0	0
53924999		2022-04-20	Rewards for OhmHour Performance	0	1353	0	0
53648740		2022-04-15	Rewards for OhmHour Performance	0	333	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
53485664		2022-04-10	Rewards for OhmHour Performance	0	211	0	0
53415378		2022-04-09	Rewards for OhmHour Performance	0	930	0	0
53120809		2022-04-07	Rewards for OhmHour Performance	0	464	0	0
52879585		2022-04-03	Rewards for OhmHour Performance	0	1299	0	0
52687619		2022-03-29	Rewards for OhmHour Performance	0	165	0	0
52604343		2022-03-26	Rewards for OhmHour Performance	0	574	0	0
52509330		2022-03-24	Rewards for OhmHour Performance	0	929	0	0
52252025		2022-03-20	Rewards for OhmHour Performance	0	1124	0	0
51667247		2022-03-13	Rewards for OhmHour Performance	0	843	0	0
51611049		2022-03-12	Rewards for OhmHour Performance	0	302	0	0
51392928		2022-03-03	Rewards for OhmHour Performance	0	1165	0	0
51019579		2022-02-20	Rewards for OhmHour Performance	0	607	0	0
50633891		2022-02-06	Rewards for OhmHour Performance	0	1096	0	0
50479416		2022-02-04	Rewards for OhmHour Performance	0	713	0	0
50043267		2022-01-27	Rewards for OhmHour Performance	0	702	0	0
49765665		2022-01-13	Rewards for OhmHour Performance	0	932	0	0
49403871		2021-12-31	Rewards for OhmHour Performance	0	775	0	0
49151966		2021-12-29	Rewards for OhmHour Performance	0	1412	0	0
48599302		2021-12-22	Rewards for OhmHour Performance	0	1582	0	0
48209280		2021-12-15	Rewards for OhmHour Performance	0	1082	0	0
47738011		2021-12-06	Rewards for OhmHour Performance	0	222	0	0
47737996		2021-12-06	Rewards for OhmHour Performance	0	207	0	0
47279501		2021-11-24	Rewards for OhmHour Performance	0	1165	0	0
47025514		2021-11-15	Rewards for OhmHour Performance	0	1328	0	0
46561088		2021-10-31	Rewards for OhmHour Performance	0	1021	0	0
46497212		2021-10-30	Rewards for OhmHour Performance	0	676	0	0
46074052		2021-10-19	Rewards for OhmHour Performance	0	1132	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
45628552		2021-10-06	Rewards for OhmHour Performance	0	1373	0	0
44942795		2021-09-25	Rewards for OhmHour Performance	0	2311	0	0
44787086		2021-09-24	Rewards for OhmHour Performance	0	2011	0	0
44099609		2021-09-12	Rewards for OhmHour Performance	0	565	0	0
44099433		2021-09-12	Rewards for OhmHour Performance	0	1523	0	0
44059798		2021-09-12	Rewards for OhmHour Performance	0	2342	0	0
43844573		2021-09-11	Rewards for OhmHour Performance	0	13452	0	0
42989060		2021-09-01	Rewards for OhmHour Performance	0	10292	0	0
42686907		2021-08-28	Rewards for OhmHour Performance	0	3979	0	0
42125073		2021-08-19	Rewards for OhmHour Performance	0	6198	0	0
41592550		2021-08-14	Rewards for OhmHour Performance	0	24368	0	0
41547244		2021-08-13	Rewards for OhmHour Performance	0	24568	0	0
41045923		2021-08-08	Rewards for OhmHour Performance	0	4617	0	0
40671968		2021-08-05	Rewards for OhmHour Performance	0	2654	0	0
40360710		2021-08-01	Rewards for OhmHour Performance	0	2453	0	0
40223083		2021-07-31	Rewards for OhmHour Performance	0	18984	0	0
40076065		2021-07-30	Rewards for OhmHour Performance	0	29512	0	0
39319097		2021-07-21	Rewards for OhmHour Performance	0	2014	0	0
38879720		2021-07-14	Rewards for OhmHour Performance	0	1969	0	0
38421381		2021-07-12	Rewards for OhmHour Performance	0	872	0	0
38421355		2021-07-12	Rewards for OhmHour Performance	0	685	0	0
38340588		2021-07-10	Rewards for OhmHour Performance	0	1618	0	0
37836240		2021-07-04	Rewards for OhmHour Performance	0	831	0	0
37509077		2021-06-30	Rewards for OhmHour Performance	0	707	0	0
37369866		2021-06-29	Rewards for OhmHour Performance	0	2332	0	0
37097679		2021-06-27	Rewards for OhmHour Performance	0	304	0	0
36551726		2021-06-19	Rewards for OhmHour Performance	0	1900	0	0

Transaction ID	Event ID	Date Points Awarded	Action	Participating	Points	Base Points	Streak Bonus
36361912		2021-06-17	Rewards for OhmHour Performance	0	961	0	0
36361901		2021-06-17	Rewards for OhmHour Performance	0	143	0	0
36186822		2021-06-12	Rewards for OhmHour Performance	0	479	0	0
36186808		2021-06-12	Rewards for OhmHour Performance	0	1016	0	0
36105291		2021-06-11	Rewards for OhmHour Performance	0	1245	0	0
35797448		2021-06-05	Rewards for OhmHour Performance	0	868	0	0
34633076		2021-05-27	Rewards for OhmHour Performance	0	-220	0	0
34255170		2021-05-24	Rewards for OhmHour Performance	0	1429	0	0
					668125		

Exhibit 24 - Workbook Record

ohmconnect-points-2026-04-23

Column group 2 of 2; transaction ID repeated for matching rows. All workbook rows retained.

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
143342432	0	0	0	2026-02-19	5:00PM	6.3865	4.805	
143132371	0	0	0	2026-02-02	5:00PM	2.103	1.695	
142543202	0	0	0	2025-12-30	5:00PM	1.824	1.995	
142154738	0	0	0	2025-12-18	5:00PM	2.1525	1.63	
141880380	0	0	0	2025-12-09	5:00PM	2.1705	1.39	
141583786	0	0	0	2025-11-26	5:00PM	2.2465	1.64	
140973306	0	0	0	2025-11-18	5:00PM	2.5735	None	
140930064	0	0	0	2025-11-10	5:00PM	3.30611	2	
140550824	0	0	0	2025-10-30	6:00PM	2.28833	2.005	
140550822	0	0	0	2025-10-27	5:00PM	3.337	2.05	
139857864	0	0	0	2025-10-20	6:00PM	2.614	1.58	
139633040	0	0	0	2025-10-10	5:00PM	10.202	6.185	
139126177	0	0	0	2025-09-26	5:00PM	14.004	7.155	
138823174	0	0	0	2025-09-16	6:00PM	4.352	1.64	
138556433	0	0	0	2025-09-08	5:00PM	14.486	5.16	
138124769	0	0	0	2025-08-25	5:00PM	10.671	5.49	
137869946	0	0	0	2025-08-21	5:00PM	4.419	1.45	
137542646	0	0	0	2025-08-12	7:00PM	3.0755	1.56	
136808942	0	0	0	2025-07-30	6:00PM	10.415	4.53	
136619720	0	0	0	2025-07-25	5:00PM	5.442	1.85	
136333113	0	0	0	2025-07-21	7:00PM	2.949	1.985	
136030059	0	0	0	2025-07-14	6:00PM	2.179	1.795	
135905822	0	0	0	2025-06-25	5:00PM	9.151	6.02	
135764885	0	0	0	2025-07-11	7:00PM	2.445	1.535	

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
135547175	0	0	0	2025-07-10	7:00PM	2.445	2.635	
135218905	0	0	0	2025-07-02	7:00PM	2.506	1.615	
134569079	0	0	0	2025-06-18	5:00PM	7.4325	5.425	
134278422	0	0	0	2025-06-10	7:00PM	1.794	2.445	
134018315	0	0	0	2025-06-06	7:00PM	2.002	1.625	
133732619	0	0	0	2025-05-30	8:00PM	2.073	1.54	
133440544	0	0	0	2025-05-21	8:00PM	1.9535	1.55	
133035262	0	0	0	2025-05-09	8:00PM	1.6715	1.74	
132724401	0	0	0	2025-04-29	7:00PM	1.5395	1.465	
132565109	0	0	0					
132113448	0	0	0					
131736830	0	0	0					
131307404	0	0	0					
131115721	0	0	0					
130832059	0	0	0					
130602534	0	0	0					
130398029	0	0	0					
129723299	0	0	0					
129432537	0	0	0					
128579384	0	0	0					
128503992	0	0	0					
128312349	0	0	0					
127958121	0	0	0					
127869417	0	0	0					
127390795	0	0	0					
127206679	0	0	0					
126920079	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
126439938	0	0	0					
126102319	0	0	0					
125567178	0	0	0					
124922944	0	0	0					
124562312	0	0	0					
124100898	0	0	0					
124100876	0	0	0					
124100860	0	0	0					
123095735	0	0	0					
122801031	0	0	0					
122601500	0	0	0					
122511205	0	0	0					
122021203	0	0	0					
122021201	0	0	0					
121320760	0	0	0					
121043727	0	0	0					
120682473	0	0	0					
120403699	0	0	0					
120192518	0	0	0					
119987004	0	0	0					
119783502	0	0	0					
119619924	0	0	0					
119369520	0	0	0					
119109088	0	0	0					
118814639	0	0	0					
118719869	0	0	0					
118296222	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
118085478	0	0	0					
117811309	0	0	0					
117659606	0	0	0					
117192026	0	0	0					
116961392	0	0	0					
116286120	0	0	0					
116238840	0	0	0					
116211958	0	0	0					
115272371	0	0	0					
114604058	0	0	0					
114404669	0	0	0					
114091957	0	0	0					
113779954	0	0	0					
113779952	0	0	0					
113305629	0	0	0					
112374560	0	0	0					
112054158	0	0	0					
112010780	0	0	0					
111611841	0	0	0					
111437660	0	0	0					
111041394	0	0	0					
110482981	0	0	0					
109747623	0	0	0					
109616237	0	0	0					
108874922	0	0	0					
108691593	0	0	0					
108275447	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
108239787	0	0	0					
107512297	0	0	0					
107005307	0	0	0					
106964636	0	0	0					
106096715	0	0	0					
106031724	0	0	0					
105663219	0	0	0					
104904080	0	0	0					
104609056	0	0	0					
104583198	0	0	0					
104442120	0	0	0					
104355117	0	0	0					
104333798	0	0	0					
104144171	0	0	0					
103784709	0	0	0					
103784708	0	0	0					
103784706	0	0	0					
103784705	0	0	0					
103784703	0	0	0					
103784702	0	0	0					
103784701	0	0	0					
103784698	0	0	0					
103784697	0	0	0					
103784696	0	0	0					
103784691	0	0	0					
103784689	0	0	0					
103784688	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
103784687	0	0	0					
103784685	0	0	0					
103784684	0	0	0					
103784683	0	0	0					
103784682	0	0	0					
103784680	0	0	0					
103501538	0	0	0					
93399774	0	0	0					
93064620	0	0	0					
92533120	0	0	0					
92219260	0	0	0					
92057418	0	0	0					
91847769	0	0	0					
91847621	0	0	0					
91748613	0	0	0					
91471298	0	0	0					
91470947	0	0	0					
91470140	0	0	0					
91469892	0	0	0					
91469666	0	0	0					
89073528	0	0	0					
88813718	0	0	0					
88086088	0	0	0					
87971451	0	0	0					
87867090	0	0	0					
87135214	0	0	0					
87083845	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
86808402	0	0	0					
85670100	0	0	0					
85536259	0	0	0					
85536208	0	0	0					
85274244	0	0	0					
85226187	0	0	0					
84941721	0	0	0					
84017596	0	0	0					
83785450	0	0	0					
82935855	0	0	0					
82386366	0	0	0					
82207713	0	0	0					
81615310	0	0	0					
80911457	0	0	0					
80854391	0	0	0					
80531985	0	0	0					
80296880	0	0	0					
79846798	0	0	0					
78969413	0	0	0					
78384795	0	0	0					
78205802	0	0	0					
77725050	0	0	0					
77651440	0	0	0					
77185635	0	0	0					
76704296	0	0	0					
76529316	0	0	0					
76001412	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
75361111	0	0	0					
74679722	0	0	0					
73940796	0	0	0					
73462311	0	0	0					
72801420	0	0	0					
72092692	0	0	0					
71432973	0	0	0					
70844101	0	0	0					
70206978	0	0	0					
69696712	0	0	0					
68373154	0	0	0					
67875336	0	0	0					
67875331	0	0	0					
67189764	0	0	0					
67189760	0	0	0					
67189754	0	0	0					
66556413	0	0	0					
65980454	0	0	0					
65605679	0	0	0					
65176954	0	0	0					
65176950	0	0	0					
65176948	0	0	0					
64888842	0	0	0					
64557687	0	0	0					
64342340	0	0	0					
63772015	0	0	0					
63400044	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
62919592	0	0	0					
62549427	0	0	0					
61951861	0	0	0					
61889818	0	0	0					
61631592	0	0	0					
61631582	0	0	0					
61631571	0	0	0					
60838597	0	0	0					
60417127	0	0	0					
60126297	0	0	0					
59828728	0	0	0					
59656695	0	0	0					
58986225	0	0	0					
58694877	0	0	0					
58414817	0	0	0					
58087386	0	0	0					
57001539	0	0	0					
56685352	0	0	0					
56231872	0	0	0					
56175325	0	0	0					
55733521	0	0	0					
55219579	0	0	0					
54967407	0	0	0					
54575783	0	0	0					
54072694	0	0	0					
53924999	0	0	0					
53648740	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
53485664	0	0	0					
53415378	0	0	0					
53120809	0	0	0					
52879585	0	0	0					
52687619	0	0	0					
52604343	0	0	0					
52509330	0	0	0					
52252025	0	0	0					
51667247	0	0	0					
51611049	0	0	0					
51392928	0	0	0					
51019579	0	0	0					
50633891	0	0	0					
50479416	0	0	0					
50043267	0	0	0					
49765665	0	0	0					
49403871	0	0	0					
49151966	0	0	0					
48599302	0	0	0					
48209280	0	0	0					
47738011	0	0	0					
47737996	0	0	0					
47279501	0	0	0					
47025514	0	0	0					
46561088	0	0	0					
46497212	0	0	0					
46074052	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
45628552	0	0	0					
44942795	0	0	0					
44787086	0	0	0					
44099609	0	0	0					
44099433	0	0	0					
44059798	0	0	0					
43844573	0	0	0					
42989060	0	0	0					
42686907	0	0	0					
42125073	0	0	0					
41592550	0	0	0					
41547244	0	0	0					
41045923	0	0	0					
40671968	0	0	0					
40360710	0	0	0					
40223083	0	0	0					
40076065	0	0	0					
39319097	0	0	0					
38879720	0	0	0					
38421381	0	0	0					
38421355	0	0	0					
38340588	0	0	0					
37836240	0	0	0					
37509077	0	0	0					
37369866	0	0	0					
37097679	0	0	0					
36551726	0	0	0					

Transaction ID	Status level bonus	Rewards for Buddy	Mega Rewards	Event Date	Event Start Time	Forecast	Actual Usage	Referral
36361912	0	0	0					
36361901	0	0	0					
36186822	0	0	0					
36186808	0	0	0					
36105291	0	0	0					
35797448	0	0	0					
34633076	0	0	0					
34255170	0	0	0					

Exhibit 25

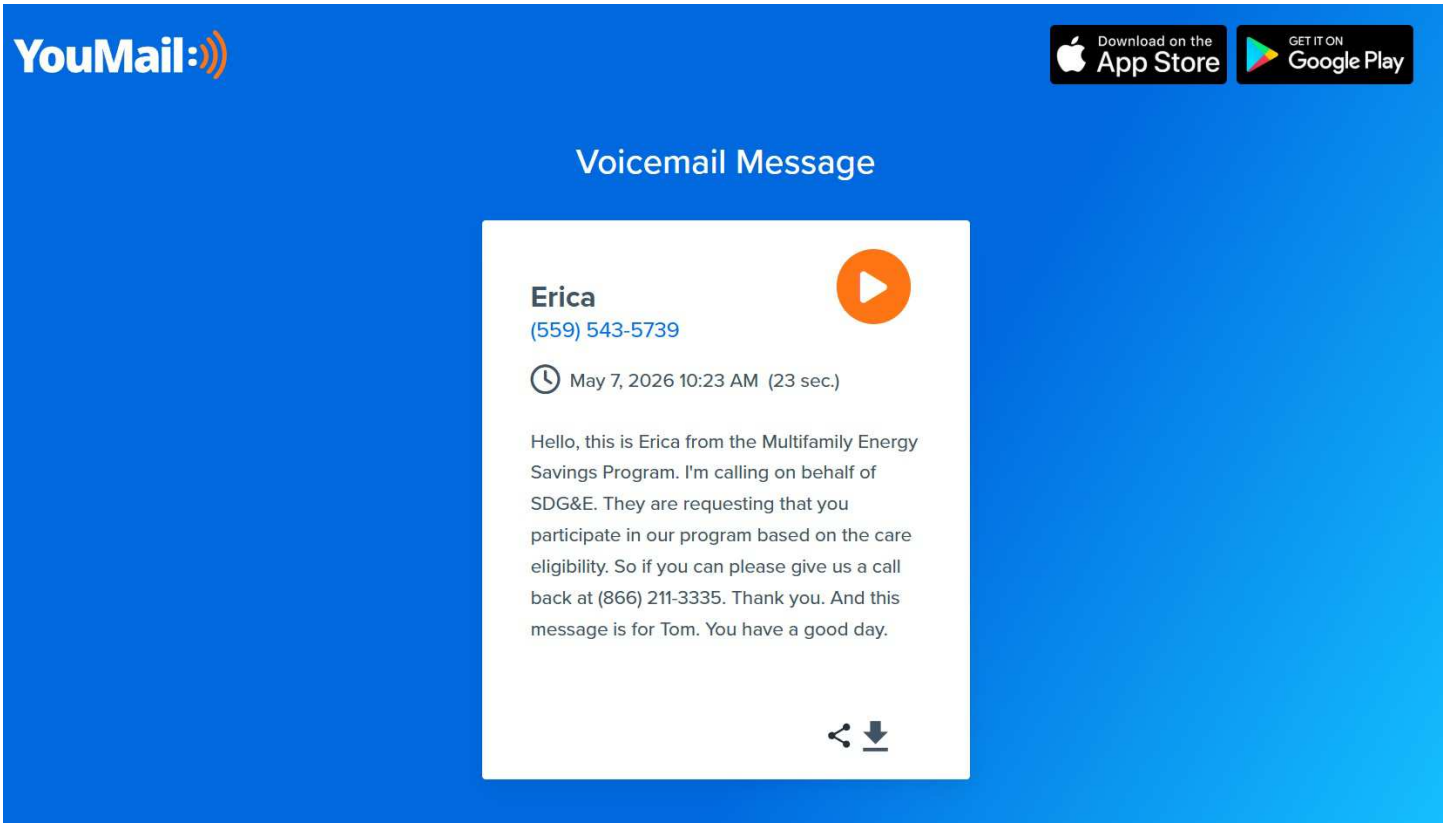

YouMail:
Download on the App Store
GET IT ON Google Play
Voicemail Message
Erica
(559) 543-5739
May 7, 2026 10:23 AM (23 sec.)
Hello, this is Erica from the Multifamily Energy Savings Program. I'm calling on behalf of SDG&E. They are requesting that you participate in our program based on the care eligibility. So if you can please give us a call back at (866) 211-3335. Thank you. And this message is for Tom. You have a good day.

Exhibit 26

Gmail Tom Berenguel <tomberenguel@gmail.com>

Hello

2 messages

SouthernMFES <southernmfes@resource-innovations.com> Fri, May 8, 2026 at 10:36 AM
To: "tomberenguel@gmail.com" <tomberenguel@gmail.com>

Good morning Tom
I spoke to you earlier today In order to send Authorization form I would need you to send over documents with proof of owner on title for the unit please. You may send it here.
Thank You
Kindly Erika

This email message, including all attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information of Resource Innovations, Inc. Any unauthorized use, disclosure, or distribution is prohibited. If this email has reached you in error, please contact the sender by return email and destroy all copies of the original message.

Tom <tomberenguel@gmail.com> Tue, May 12, 2026 at 7:53 AM
To: SouthernMFES <southernmfes@resource-innovations.com>

It is in the name of Dory Berenguel, who will sign on whatever is required. FYI, Dory does not live here.
[Quoted text hidden]

Exhibit 27

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED May 11, 2026
sdge.com

Summer pricing is here and when you use energy matters. Using LESS energy between 4 p.m. to 9 p.m. helps your budget. Get more tips at sdge.com/SimpleSteps.

Upgrade your home and save energy with flexible, low-cost GoGreen Financing options. Learn more at GoGreenFinancing.com/sdge.

Bill Discount: You can save 30% or more on your monthly energy bill. Eligibility is based on participation in certain public assistance programs or current household income and the number of people living in your home. To apply, call 1-877-646-5525 or visit sdge.com/CARE.

Descuento en la factura: Puede ahorrar un 30% o más en su factura mensual de energía. Los requisitos del programa se basan en la participación en ciertos programas de asistencia pública, o el ingreso anual y el número de personas que viven en el hogar. Para aplicar, llame al 1-877-646-5525 o visite sdge.com/CARE.

Account Summary

Previous Balance			$568.51
Payment Received	4/29/26	THANK YOU	- 568.51
Current Charges			+ 704.34
Total Amount Due			**$704.34**

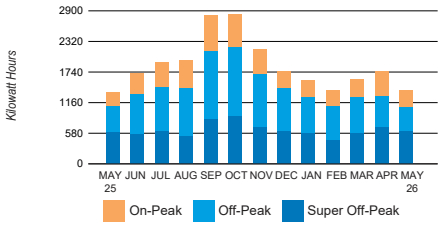
Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	+ .00	Forgiveness Remaining	$7,205.49
Arrearage Remaining	**$7,205.49**	Periodic Forgiveness Amount	**$655.05**

(Continued on next page)

DATE DUE May 30, 2026
AMOUNT DUE $704.34

Electric Usage History *(Total kWh used)*



1,386	kWh used
46.2	Daily avg kWh
60.7	Daily avg kWh last month
2.1% ↑	Change in daily avg kWh from last year
23.9% ↓	Change in daily avg kWh from last month
6.7	Max monthly demand
10.0	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE May 30, 2026
AMOUNT DUE $704.34

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.
$

Write account number on check and make payable to ***San Diego Gas & Electric.***

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

CY 04

0 2 00000009910363400000000000000070434

Summary of Current Charges

(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Apr 8, 2026 - May 7, 2026	1,386 kWh	704.34
Total Charges this Month			**$704.34**

Your CARE discount has ended. If you feel that this is an error, please call 1-800-560-5551.

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 276 kWh

Billing Period: 4/8/26 - 5/7/26 **Total Days:** 30

Meter Number: 06373130 *(Next scheduled read date Jun 8, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,386 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 30 days	23.80

Electricity Delivery *(Details below)* 1,386 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	317		452		617		
Rate/kWh	$.34061		$.34061		$.34061		
Charge	$107.97	+	$153.96	+	$210.16	=	472.09

Wildfire Fund Charge	1,386 kWh x $.00591	8.19

Electricity Generation *(Details below)* 1,386 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	317		452		617		
Rate/kWh	$.27475		$.19304		$.10228		
Charge	$87.10	+	$87.25	+	$63.11	=	237.46

Baseline Adjustment Credit	359 kWh x -$.10892	-39.10
	Total Electric Charges	***$702.44***

TAXES & FEES ON ELECTRIC CHARGES

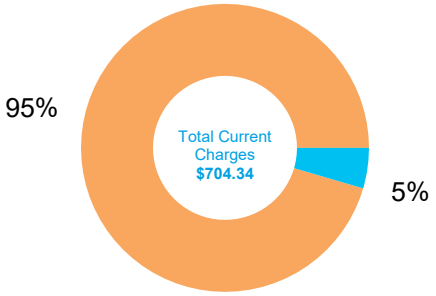
		Amount($)
Franchise Fees on Electric Energy Supplied by Others	8.19 x 1.10%	.09
State Surcharge Tax	1,386 kWh x $.000300	.42
State Regulatory Fee	1,386 kWh x $.001000	1.39
	Total Taxes & Fees on Electric Charges	***$1.90***
	Total Electric Service	***$704.34***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

Total Current Charges ***$704.34***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$237.46
Transmission	$139.52
Distribution	$236.89
Competition Transition Charge	-$.10
Local Generation Charge	$3.91
Reliability Services	$.07
Total Rate Adj. Comp.	$54.62

Other Charges & Credits (Electric)

Public Purpose Programs	$21.88
Wildfire Fund Charge	$8.19
Other	$1.90
Total Current Charges	**$704.34**

$69.12 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

6.7 kW on April 18, 2026 from 4:00pm to 5:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	317
Off-Peak	452
Super Off-Peak	617
Total	1,386

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Electronic Check Processing - When you pay your bill by check, you authorize us to electronically process your payment. If your check is processed electronically, your checking account may be debited on the same day we receive the check.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at ***sdge.com***.

Pay Before Date / Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Due Date" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

If you are unable to pay your SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, you need to call SDG&E before the expiration of this notice. Employees, including multilingual staff, are available to assist with payment arrangements

If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission (CPUC), State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov, prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or e-mail: info@sdge.com.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 28

San Diego Gas & Electric
PO Box 129831
San Diego, CA 92112-9831

066524.1 1.1.208 1 0z.

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

May 14, 2026

Dear TOM BERENGUEL:

We recently received your appeal of our decision to remove you from the California Alternate Rates for Energy (CARE) program. The discount was removed due to energy use that was over 600%, or 6 times, your baseline allowance.

An energy audit performed in your home determined your household energy use exceeds what is necessary, basic or legitimate for the CARE Program. As a result, we cannot re-enroll you in the Program. You may reapply in two years from the removal date.

If you don't agree with this decision, please contact the California Public Utilities Commission (CPUC) for further assistance.

CPUC Contact Information:

- Telephone: 1-800-649-7570 (Monday – Friday 8:30 a.m. – 4:30 p.m.)
- U.S. mail: CPUC Consumer Affairs Branch, 505 Van Ness Ave., San Francisco, CA 94102

If you have questions, please email ***billdiscount@sdge.com*** or call **1-800-560-5551**. If you are speech or hearing impaired, call our TDD/TTY number at 1-877-889-7343.

Sincerely,

SDG&E Customer Assistance Team

0368

Exhibit 29

Gmail Tom Berenguel <tomberenguel@gmail.com>

Fwd: 27 St Mays Rd, Ladera Ranch, CA 92694

2 messages

Dory Berenguel <doryberenguel@gmail.com> Tue, May 19, 2026 at 3:27 PM
To: Tommy Berenguel <tomberenguel@gmail.com>

---------- Forwarded message ---------
From: **SouthernMFES** <southernmfes@resource-innovations.com>
Date: Tue, May 19, 2026 at 1:56 PM
Subject: 27 St Mays Rd, Ladera Ranch, CA 92694
To: doryberenguel@gmail.com <doryberenguel@gmail.com>

Hello,
We will need proof of ownership. if you can go ahead and send documents over via email, we would appreciate it.

Thank you,
SouthernMFES

This email message, including all attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information of Resource Innovations, Inc. Any unauthorized use, disclosure, or distribution is prohibited. If this email has reached you in error, please contact the sender by return email and destroy all copies of the original message.

Dory Berenguel <doryberenguel@gmail.com> Wed, May 20, 2026 at 5:49 PM
To: SouthernMFES <southernmfes@resource-innovations.com>
Cc: Tommy Berenguel <tomberenguel@gmail.com>

Attached is the Orange County Secured Property Tax Bill showing me, Dory Berenguel, as owner/trustee of record for 27 St Mays Rd, Ladera Ranch.

Please send any authorization form to me for signature. If any additional ownership documentation is required, please let me know.

[Quoted text hidden]

St Mays Property Tax.pdf
589K

Exhibit 30

Gmail Tom Berenguel <tomberenguel@gmail.com>

ESA Program

1 message

Tom <tomberenguel@gmail.com> Mon, Jun 1, 2026 at 8:36 PM
To: SouthernMFES <southernmfes@resource-innovations.com.rpost.biz>
Cc: Dory Berenguel <doryberenguel@gmail.com>

Dory previously sent you her secured property tax bill as proof of ownership. I have attached the Grant Deed that shows Dory Berenguel as the owner. We did not receive a response from you to our last email. I request a response confirming receipt and that this satisfies your requirements. Thank you.

27_st_mays_grant_deed.pdf
371K

Exhibit 31

MULTIFAMILY ENERGY SAVINGS

Multifamily Property Owner Authorization (POA) & Affidavit

SECTION 1: PROPERTY OWNER INFORMATION

Legal Property Owner Name: BERENGUEL, DORY ANDREA TR			
Property Name: St. Mays Road			
Property Owner Mailing Address: 20 Clydesdale Dr	City: Mission Viejo	State: CA	ZIP Code: 92694
Onsite Contact Name: Tom Berenguel	Onsite Contact Title: Tenant		
Onsite Contact Phone Number: 949-295-4008	Onsite Contact Email: tomberenguel@gmail.com		

SECTION 2: SITE INFORMATION (COMPLETE ADDITIONAL PROPERTY INFO AS NEEDED)

Property authorized to receive Program Services.

Utility Service (select all that apply): □ PG&E ■ SDG&E □ SCE □ SoCalGas

Property ame: St. Mays Road			
Installation " ddress: 27 St Mays Rd	City: Ladera Ranch	State: CA	aIP Code: 92694
Total of Buildings: 1	Total of Unit(s): 1	Occupancy: 100	List of " uthori ed Unit(s): 27 St Mays Rd

Multifamily Electric Meter Type: ▣ Individual □ Master □ Sub-metered

Multifamily Gas Meter Type: ▣ Individual □ Master □ Sub-metered

SECTION 3: VALIDATION OF PROPERTY

a) Indicate Property Ownership Type:

▣ Privately Owned or Financed* (*Market Rate/**Non-deed** restricted*) □ **Deed Restricted****

*if selected, skip Section 3b and proceed to Section 3c **if selected, proceed to Section 3b

b) Deed Restricted Type (*check all that may apply*):

□ General obligation bonds
□ Low-income tax credits
□ Properties owned by Dept. of Housing & Urban Development (HUD)
□ Owned or controlled housing for federally-recognized tribal members
□ Local state, or federal loans or grants
□ Tax-exempt mortgage revenue bonds
□ Housing legally controlled by government housing authorities, non-profit organizations, or other owners where:
- The property is deed or contract-restricted to house low-income tenants under an agreement with HUD, the California Department of Housing and Community Development (CSD) and/or the State Treasurer's Office restricting rents to affordable levels based on tenant income levels, and
- That are regularly verified by HUD or the specified state agency.

□ Other

c) Enrollment Type: □ Whole Building □ Common Area ▣ In-Unit Only

d) Income Eligibility (% of tenants with income ≤ 250% of Federal Poverty Guidelines):

□ ≤ 64% (ineligible) □ 65%-79%* □ ≥ 80%** ▣ Unable to certify

Property Owner/Authorized Representative must provide tenant income data for program eligibility upon request. See Terms & Conditions. *Minimum eligibility for deed-restricted properties. **Minimum eligibility for market rate/non-deed restricted properties.

▣ Resident Enrollment Only – Income required for unit(s) covered by POA. Property-level qualification not applicable.

SECTION 4: INCOME QUALIFICATION (COMPLETE SUPPLEMENTAL SITE INFO)

Upon request, Property Owners/Representatives must submit resident income information including annual household income and number of occupants for each occupied unit. Information must be from within the last 12 months. Non-deed restricted properties to complete Supplemental Site Information and certify all information provided is true and accurate.

■ Resident Enrollment Only – Income required for unit(s) covered by POA. Property-level qualification not applicable.

SECTION 5: SIGNATURE

I certify I am the legal owner or legal owner's authorized representative of the Property. I certify I have read, understand, and agree to the Terms and Conditions contained on the back of this document. I confirm that the above information is true and correct. I will provide verification of tenant income eligibility and/or ownership upon request and grant access to the property listed in Section 2 of this POA, and on Supplemental Forms (if applicable).

Legal Property Owner or Authorized Representative Printed Name	Legal Property Owner or Authorized Representative Signature	Date
Dory Berenguel	Dory Berenguel	6/5/2026 | 3:42 PM PDT

Title of Authorized Representative	Phone	Email
Owner	949-395-5226	doryberenguel@gmail.com

OFFICE USE ONLY

Tenant Protection Agreement: ☐ Submitted ☐ Received ☐ Pending ☐ Refused N/A

ES Company Name	ES Company Phone Number
RHA	562-273-4993

ES Representative Printed Name	ES Representative Badge Number
Luis Robles	N/A

ES Representative Signature	Date
Luis Robles	6/9/2026 | 4:43 PM PDT

MULTIFAMILY ENERGY SAVINGS PROGRAM – PROPERTY OWNER TERMS AND CONDITIONS

1. I certify that I am the legal owner ("Owner"), or the legal owner's authorized representative, for the property ("Property") listed in Section 2 of this and supplemental form(s), and I hereby expressly grant permission to [PG&E, SoCalGas, SCE, or SDG&E] ("Investor Owned Utilities" or "IOU") and its contractor(s) ("Contractor") to access my Property to provide all feasible Program measures, improvements and services ("Measures") to eligible common areas and/or tenant units, including any repairs offered by the Program, health & safety testing, as determined necessary by IOU and Contractor (the "Work") pursuant to the requirements of the Multifamily Energy Savings (MFES) Program as stated in these terms and conditions and the Program Handbook. If the Property is selected for inspection and audit, I further grant permission to IOU, Contractor, and representatives from the California Public Utilities Commission ("CPUC") to access Property to perform inspections and audits.
2. I understand all In-Unit Measures provided will be at no-cost to me or my tenants.
3. As part of In-Unit Measures, I hereby grant the IOU(s) identified and its Contractor(s) permission to repair, deliver, install and inspect any qualified appliance(s) serviced under the Program.
4. I agree to also receive information pertaining to other utility, county, or state Energy Savings or Energy Efficiency Program(s) that my Property may be eligible for such programs I agree to enroll in, I grant the Program access to the information included in this POA to the IOUs Single Point of Contact (SPOC) service.
5. I acknowledge and agree that the IOU makes no representations or covenants as to the safety, reliability and/or efficiency of the Measures. The IOU makes no warranty regarding the Measures, express or implied, including but not limited to the warranty of merchantability or fitness for any particular purpose, use or application of the Measures. All Work will be performed by licensed, bonded, and insured Contractors. All In-Unit services are performed by Program Contractors. Owners will self-select and hire non-Program contractors to perform common area Work.
6. I acknowledge and agree that IOU shall not be liable for any damages or losses arising out of any act or omission of Contractor or any subcontractor of Contractor relating to the performance of the Work or the Measures, and I hereby release and waive any and all claims against the IOU that may arise in connection with the Work or the Measures. I agree to hold the Contractor, and Contractor's subcontractor, solely responsible for the performance of the Work, the safety, quality and reliability of the Measures, and for any and all claims, losses, liabilities, damages and expenses (including attorneys' fees and costs) that may arise therefrom. Furthermore, I shall defend, indemnify, and hold harmless IOU and its officers and employees against any and all causes of action, liability, losses damages, demands or costs, for injury to or death of any and all persons whatsoever, and for any and all damage to property, in any manner arising from, or in connection with, the performance of the Work or the Measures hereunder, except for those damages caused solely by the negligence or willful misconduct of IOU. I acknowledge and agree that the IOU shall not be liable if the current or future tenant removes any or all of the installed Measures, including appliances, without my prior consent.
7. I acknowledge and agree that the IOU may modify or discontinue the MFES Program at any time at its sole discretion, without prior notice, or by order of the CPUC. The MFES Program is funded by California ratepayers under the auspices of the CPUC and is subject to the availability of funds.
8. For the Contractor to install certain Measures, including but not limited to room air conditioner replacement, evaporative cooler installation, and refrigerator replacement, a properly grounded electrical outlet must exist at the installation location of the Measure(s).
9. I authorize the performance of all-natural gas appliance testing (NGAT) on all applicable natural gas appliances. I understand NGAT will be conducted on all applicable natural gas appliances to detect potential carbon monoxide problems. Should problems be detected, I authorize MFES Program representatives to shut off the appliance(s) and understand that I, as the owner of the Property, will be solely responsible for any gas appliance repairs or replacements necessary to correct the situation.
10. By signing this Authorization, I, the Owner of the Property or its authorized representative, (a) hereby authorize IOU and Contractor(s) to access Property information including, without limitation thereto, the Property address(es) and other information required for Contractor to assess my Property for Program eligibility and all feasible Program measures, improvements, and services ("Measures")to eligible tenants in any authorized units; provided, however that this authorization does not extend to my tenant's utility account information, and (b) have obtained the necessary permission of the tenant to release his or her personal and utility account information to the IOU and Contractor for the same purpose, and I understand that IOU and Contractor will treat my and my tenant's information as confidential. I AUTHORIZE THE IOU TO SHARE MY ACCOUNT INFORMATION WITH OTHER UTILITIES, AGENTS, OR ENTITIES IN ORDER TO ENROLL THE PROPERTY IN OTHER ENERGY EFFICIENCY AND ENERGY SAVINGS ASSISTANCE PROGRAMS AND FACILITATE ASSISTANCE PROGRAM MANAGEMENT PROCESSES.
11. I may cancel my authorization or participation in the MFES Program at any time prior to installation without penalty or obligation, and I understand that canceling my authorization may limit the Work and the Measures provided to a tenant participating in the Program. I understand that NO LIEN WILL BE PLACED AGAINST THIS PROPERTY.
12. I acknowledge that if the Property meets the income guidelines for the MFES Program, then enrollment may be completed without the need for door-to-door tenant income documentation. I understand that income eligibility can be verified by the IOU if the multifamily building(s) is/are located in a PRIZM Code, census tract, or federally recognized tribal reservation, or zone where for deed restricted 65% of households are at or below 250% of Federal Poverty Guidelines (FPG) or for non-deed restricted 80% of households are at or below 250% of Federal Poverty Guidelines (FPG) ; or in a Promise Zone as designated by the federal government; or the building is registered as low-income affordable housing, and with ESA Program qualified income documentation that is on file and less than 12 months old. Whole building enrollment may include common areas (shared areas of the building including central building systems) as well as all building units.
13. I understand the income eligibility requirements for participation in the MFES Program. I will provide to the IOU and Contractor, upon request, all income eligibility documentation for those tenants receiving Program measures to the extent necessary to confirm such eligibility. If a tenant serviced by the IOU or its Contractor does not meet MFES Program requirements, I may be required to reimburse IOU for all fees related to the Work and the Measures delivered to the tenant, including IOU's cost to purchase any appliances installed, where applicable.
14. In compliance with California Public Utilities Code Section 399.4, and prior to any payment from the IOU, I, the Owner, must certify during project verification the Work is complete and complied with applicable permitting and licensing requirements, and any contractor performing work was a licensed contractor. When the Project involves obtaining a permit for HVAC Projects, proof showing the permit has been closed must also be provided with the Project Certification. If work performed requires an inspection to be conducted by the city, county or state, I will accommodate such an inspection.
15. I agree to respond to surveys or inquiries requested by the IOU or a third party designated by the IOU for the purpose of evaluating the program.

DB

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□ Owned or controlled housing for federally-recognized tribal members
□ Local state, or federal loans or grants
□ Tax-exempt mortgage revenue bonds
□ Housing legally controlled by government housing authorities, non-profit organizations, or other owners where:
- The property is deed or contract-restricted to house low-income tenants under an agreement with HUD, the California Department of Housing and Community Development (CSD) and/or the State Treasurer's Office restricting rents to affordable levels based on tenant income levels, and
- That are regularly verified by HUD or the specified state agency.

□ Other

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Legal Property Owner or Authorized Representative Printed Name	Legal Property Owner or Authorized Representative Signature	Date
Dory Berenguel	Dory Berenguel	6/5/2026 | 3:42 PM PDT

Title of Authorized Representative	Phone	Email
Owner	949-395-5226	doryberenguel@gmail.com

OFFICE USE ONLY

Tenant Protection Agreement: ☐ Submitted ☐ Received ☐ Pending ☐ Refused

ES Company Name	ES Company Phone Number

ES Representative Printed Name	ES Representative Badge Number

ES Representative Signature	Date

MULTIFAMILY ENERGY SAVINGS PROGRAM – PROPERTY OWNER TERMS AND CONDITIONS

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15. I agree to respond to surveys or inquiries requested by the IOU or a third party designated by the IOU for the purpose of evaluating the program.

DB

RECORDING REQUESTED BY
FIRST AMERICAN TITLE COMPANY
SUBDIVISION DEPARTMENT

Order No. 2237916-11
Escrow No. 3862
~~Loan~~ No.

WHEN RECORDED MAIL TO:

Dory Andrea Berenguel
27 St. SMays Road
Ladera Ranch, CA 92694

This Document was electronically recorded by First American Title

Recorded in Official Records, County of Orange
Tom Daly, Clerk-Recorder

22.00
2003000389450 04:30pm 04/08/03

108 32 G02 9
353.65 0.00 0.00 0.00 16.00 0.00 0.00 0.00

DOCUMENTARY TRANSFER TAX $ 353.65

X Computed on the consideration or value of property conveyed; OR

.....Computed on the consideration or value less liens or encumbrances remaining at time of sale.

SPACE ABOVE THIS LINE FOR RECORDER'S USE

The Undersigned

Signature of Declarant or Agent determining tax - Firm Name

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

WL HOMES LLC, a Delaware limited liability company, dba JOHN LAING HOMES

hereby GRANT(S) to Dory Andrea Berenguel, an unmarried woman.

the real property in the unincorporated territory of the County of Orange, State of California, described as

See Exhibit "A" attached hereto

Dated February 5, 2003

WL HOMES LLC, a Delaware limited liability company, dba JOHN LAING HOMES

BY: _____

ITS: V.P.

STATE OF CALIFORNIA)
COUNTY OF ORANGE) }ss

On Feb. 7, 2003 before me, Denice Kay Solum personally appeared M. Browne personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity, and that by his/her signature on the instrument the person(s) or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

(This area for official notarial seal)

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

1002 (1/94)

Shari L. Freidenrich, CPA
Orange County Treasurer-Tax Collector
P.O. BOX 1438 • Santa Ana, CA 92702-1438
County Service Center 601 N. Ross Street, Santa Ana
Office Hours: 8:00 AM-5:00 PM Monday - Friday
Phone Hours: 8:00 AM-5:00 PM (714) 834-3411
octreasurer.com/octaxbill octreasurer.com/octaxparking

2023-24 SECURED PROPERTY TAX BILL

For Fiscal Year Beginning July 1, 2023 and Ending June 30, 2024

#BWNLBHV ••••••••••AUTO••5-DIGIT 92694
#9330 2584 2023 1#

BERENGUEL, DORY ANDREA TR
20 CLYDESDALE DR
MISSION VIEJO, CA 92694-1082

DID YOU KNOW?

Avoid Late Payment Penalties: sign-up to receive a text/email payment reminder at octreasurer.com/octaxreminder

Pay online/view payment status at octreasurer.com/octaxbill. Receive same-day credit and emailed receipt. *No service fee for payments made via eCheck!*

Mailed payments must have a USPS postmark on or before the last timely payment date. Have your envelope hand-stamped as some Post Offices no longer postmark mail. Visit octreasurer.com/postmarks for details.

A GIS map of all County parcels can be found at mello.ocgov.com

PROPERTY LOCATION

27 ST MAYS RD LADERA RANCH

OWNER OF RECORD AS OF 12:01 AM, JANUARY 1, 2023

BERENGUEL, DORY ANDREA TR

ASSESSED VALUES & EXEMPTIONS AS OF JANUARY 1, 2023

DESCRIPTION	FULL VALUE	COMPUTED TAX
LAND	243,880	
IMPROVEMENTS - BUILDING	203,670	
TOTAL VALUES:	447,550	6,571.42
TOTAL NET TAXABLE VALUE:	447,550	6,571.42

CORTAC

PARCEL NO. (APN)	TAX RATE AREA	1st Installment DUE 11/1/23		2nd Installment DUE 2/1/24		TO PAY BOTH INSTALLMENTS BY 12/11/23
933-025-84	82-374	$3,285.71	+	$3,285.71	=	$6,571.42

IMPORTANT INFORMATION

INFORMATION COPY

YOUR MORTGAGE LENDER HAS REQUESTED THIS INFORMATION FOR PAYMENT OF TAXES ON YOUR BEHALF

LOCATED ON AP 759-532-07

VOTER APPROVED TAXES AND SPECIAL ASSESSMENTS

SERVICE AGENCY	RATE	VALUE	TAXES
BASIC LEVY RATE	1.00000	447,550	4,475.50
METRO WATER D-MWDOC	.00350	447,550	15.66
TAX ON LAND ONLY			
SANTA MARG ID4D BOND	.03310	243,880	80.72
SPECIAL ASSESSMENT CHARGES		PHONE NO.	
VECTOR CONTROL CHG		(800)273-5167	0.66
MOSQ,FIRE ANT ASSMT		(800)273-5167	5.13
MWD WATER STDBY CHG		(866)807-6864	10.08
CAPISTRANO USD CFD NO 98-2 LADERA		(949)955-1500	703.26
ORANGE COUNTY CFD 2001-1 LADERA		(949)955-1500	1,280.41
TOTAL CHARGED	1.03660		6,571.42

FOR DETAILS OF TAX TYPES, VISIT OUR WEBPAGE AT OCTREASURER.COM/OCTAXBILL

THERE WILL BE A $26.00 FEE FOR EACH PAYMENT RETURNED UNPAID BY YOUR BANK FOR ANY REASON

Exhibit 33

27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634

1 message

Tom <tomberenguel@gmail.com> Sat, Jun 6, 2026 at 2:42 AM
To: Bill Discount <billdiscount@sdge.com>

I am writing about SDG&E's May 14, 2026, letter denying my CARE appeal and removing my household from the California Alternate Rates for Energy program.

The denial states:

"An energy audit performed in your home determined your household energy use exceeds what is necessary, basic, or legitimate for the CARE Program."

That basis is incorrect. No in-home energy audit occurred on April 23, 2026.

The SDG&E representative visited my property on April 23 but did not enter my home. Because he did not enter, he could not have inspected rooms, appliances, electrical loads, cooling systems, or any other interior conditions. He also could not have measured or tested appliances, documented what was inside the home, or set an in-home usage baseline.

This was not like the prior SDG&E review in 2019. Then, an auditor entered my home, walked through each room, and measured loads as I turned major appliances on and off. Afterward, SDG&E determined my energy use was "necessary, basic, and legitimate" and continued my CARE enrollment. In contrast, the April 23 visit did not involve entry, and my home's core conditions remain unchanged: a two-story condo with a single central AC system for both floors.

Ring doorbell video and audio from April 23 confirm the interaction. I cooperated and secured my dogs for entry, but the representative declined, stating, "I don't even think we need to go in." He said the visit was for "collecting information." The exchange stayed at the doorway.

Video/audio link to the full energy "audit" is here:
https://www.dropbox.com/scl/fi/vghmerbcixom1p891p971/Energy-Audit-4_23_26.mp4?rlkey=qfdoxdfeo76x8wtpve2edvdmf&dl=0

Because no in-home audit occurred, SDG&E's stated basis for removing my CARE discount is wholly unsupported by fact. The issue is not missing documentation; the issue is that the denial relies on an audit that never happened.

For these reasons, I request that SDG&E reinstate my CARE discount or suspend the removal decision. I also request that SDG&E provide the records and information supporting the denial dated May 14, 2026.

If SDG&E uses a new definition of "in-home audit" compared to 2019, please explain how and when that definition changed. If SDG&E believes an audit can be conducted without entering the home, please explain how SDG&E determines which appliances, systems, or usage exist inside, and how it assesses whether usage is necessary, basic, or legitimate.

Please also provide:

1. The basis for SDG&E's claim that an energy audit was "performed in your home" on April 23, 2026, although the representative did not enter.
2. The written criteria, standards, and definitions SDG&E used to determine what is "necessary, basic, or legitimate" energy usage for CARE purposes.
3. The specific facts, observations, measurements, findings, or changed circumstances SDG&E relied on to determine that my household energy use is no longer necessary, basic, or legitimate, taking into account that SDG&E previously determined following the 2019 in-home review that the usage was necessary, basic, and legitimate, and that the relevant core conditions in the home have not materially changed since that time.
4. If the items above do not fully state the basis for SDG&E's May 14, 2026, denial, please identify any other basis SDG&E relied on and explain how it supports the decision to remove my household from CARE.

Thank you.

Tom Berenguel
27 Saint Mays Rd
Ladera Ranch, CA 92694
949-295-4008

Receipt: 27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634

1 message

Receipt <receipt@r1.rpost.net> Sat, Jun 6, 2026 at 4:42 AM
To: tomberenguel@gmail.com

This receipt contains verifiable proof of your RPost transaction.
The holder of this receipt has proof of delivery, message and attachment content, and official time of sending and receipt. Depending on services selected, the holder also may have proof of encrypted transmission and/or electronic signature.

To authenticate this receipt, forward this email with its attachment to 'verify@r1.rpost.net' or click here

Delivery Status					
Address	**Status**	**Details**	**Delivered** (UTC*)	**Delivered** (local)	**Opened** (local)
Bill Discount <billdiscount@sdge.com>	Delivered to Mail Server	relayed;mxa-000c8601.gslb.pphosted.com (148.163.146.30)	06/06/2026 09:42:16 AM (UTC)	06/06/2026 02:42:16 AM (UTC -07:00)	

*UTC represents Coordinated Universal Time: https://www.rmail.com/resources/coordinated-universal-time/

Message Envelope	
From:	Tom <tomberenguel@gmail.com>
Subject:	27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634
To:	Bill Discount <billdiscount@sdge.com>
Cc:	
Bcc:	
Network ID:	<CALUZsLkSr1s_Kv-kqq=5panE7QiqQJG_b9YorA_Rk7=yJjAvNQ@mail.gmail.com>
Received by RMail System:	06/06/2026 09:42:12 AM (UTC), 06/06/2026 02:42:12 AM (UTC -07:00) (Local)
Client Code:	

Message Statistics	
Tracking Number:	5B7C698A823BBEA88A0419781F6C875DCFACC7AB
Message Size:	13626
Features Used:	

Delivery Audit Trail
6/6/2026 9:42:13 AM starting sdge.com/{default} 6/6/2026 9:42:13 AM connecting from mta21.r1.rpost.net (0.0.0.0) to mxa-000c8601.gslb.pphosted.com (148.163.146.30) 6/6/2026 9:42:13 AM connected from 192.168.10.11:44849 6/6/2026 9:42:13 AM >>> 220 mx0a-000c8601.pphosted.com ESMTP mfa-m0146047 6/6/2026 9:42:13 AM <<< EHLO mta21.r1.rpost.net 6/6/2026 9:42:13 AM >>> 250-mx0a-000c8601.pphosted.com Hello mta21.r1.rpost.net [52.58.131.9], pleased to meet you 6/6/2026 9:42:13 AM >>> 250-ENHANCEDSTATUSCODES 6/6/2026 9:42:13 AM >>> 250-PIPELINING 6/6/2026 9:42:13 AM >>> 250-8BITMIME 6/6/2026 9:42:13 AM >>> 250-SIZE 157286400 6/6/2026 9:42:13 AM >>> 250 STARTTLS 6/6/2026 9:42:13 AM <<< STARTTLS 6/6/2026 9:42:14 AM >>> 220 2.0.0 Ready to start TLS 6/6/2026 9:42:14 AM tls:TLSv1.2 connected with 256-bit ECDHE-RSA-AES256-GCM-SHA384 6/6/2026 9:42:14 AM tls:Cert: /C=US/ST=California/O=Proofpoint, Inc./CN=*.pphosted.com; issuer=/C=GB/O=Sectigo Limited/CN=Sectigo Public Server Authentication CA OV R36; verified=no 6/6/2026 9:42:14 AM <<< EHL

O mta21.r1.rpost.net 6/6/2026 9:42:14 AM >>> 250-mx0a-000c8601.pphosted.com Hello mta21.r1.rpost.net [52.58.131.9], pleased to meet you 6/6/2026 9:42:14 AM >>> 250-ENHANCEDSTATUSCODES 6/6/2026 9:42:14 AM >>> 250-PIPELINING 6/6/2026 9:42:14 AM >>> 250-8BITMIME 6/6/2026 9:42:14 AM >>> 250 SIZE 157286400 6/6/2026 9:42:14 AM <<< MAIL FROM: BODY=8BITMIME 6/6/2026 9:42:15 AM >>> 250 2.1.0 Sender ok 6/6/2026 9:42:15 AM <<< RCPT TO: 6/6/2026 9:42:15 AM >>> 250 2.1.5 Recipient ok 6/6/2026 9:42:15 AM <<< DATA 6/6/2026 9:42:15 AM >>> 354 Enter mail, end with "." on a line by itself 6/6/2026 9:42:15 AM <<< . 6/6/2026 9:42:16 AM >>> 250 2.0.0 4em9mxgg2m-1 Message accepted for delivery 6/6/2026 9:42:16 AM <<< QUIT 6/6/2026 9:42:16 AM >>> 221 2.0.0 mx0a-000c8601.pphosted.com Closing connection 6/6/2026 9:42:16 AM closed mxa-000c8601.gslb.pphosted.com (148.163.146.30) in=635 out=20513 6/6/2026 9:42:16 AM done sdge.com/{default}

From:postmaster@mta21.r1.rpost.net:Hello, this is the mail server on mta21.r1.rpost.net. I am sending you this message to inform you on the delivery status of a message you previously sent. Immediately below you will find a list of the affected recipients; also attached is a Delivery Status Notification (DSN) report in standard format, as well as the headers of the original message. relayed to mailer mxa-000c8601.gslb.pphosted.com (148.163.146.30)

This Registered Receipt™ email is verifiable proof of your Registered Email™ transaction. It contains:

1. An official time stamp.
2. Proof that your message was sent and to whom it was sent.
3. Proof that your message was delivered to its addressees or their authorized electronic agents.
4. Proof of the content of your original message and all of its attachments.

Note: By default, RPost does not retain a copy of your email or this receipt and you should not rely on the information above until the receipt is verified by the RMail system. Keep this email and its attachment in place for your records. General terms and conditions are available at Legal Notice. RMail services are patented, using RPost patented technologies, including US patents 8209389, 8224913, 8468199, 8161104, 8468198, 8504628, 7966372, 6182219, 6571334 and other US and non-US patents listed at RPost Communications.

For more information about RMail® services, visit www.rmail.com.

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2 attachments

DeliveryReceipt.xml
5K

HtmlReceipt.htm
71K

Exhibit 34

Delivered and Opened: 27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634

1 message

Receipt <receipt@r1.rpost.net> Mon, Jun 8, 2026 at 5:14 AM
To: tomberenguel@gmail.com

The following message has been delivered and opened for reading:

Categories	Message Details
Message Subject:	27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634
To:	Bill Discount <billdiscount@sdge.com>
Time Sent:	06/06/2026 09:42:12 AM (UTC), 06/06/2026 02:42:12 AM (UTC -07:00) (Local)
Time Opened:	06/08/2026 12:08:44 PM (UTC), 06/08/2026 05:08:44 AM (UTC -07:00) (Local)
Tracking Number:	5B7C698A823BBEA88A0419781F6C875DCFACC7AB
Network ID:	<CALUZsLkSr1s_Kv-kqq=5panE7QiqQJG_b9YorA_Rk7=yJjAvNQ@mail.gmail.com>
Client Code:	
Features Used:	

Details:

Delivery Audit Trail

[IP Address: 208.127.235.29] [Time Opened: 6/8/2026 12:08:44 PM] [REMOTE_HOST: 192.168.10.253] [HTTP_HOST: socrmail.r1.rpost.net] [SCRIPT_NAME: /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif] HTTP_ACCEPT:*/* HTTP_ACCEPT_ENCODING:gzip, deflate HTTP_HOST:socrmail.r1.rpost.net HTTP_USER_AGENT:Mozilla/4.0 (compatible; ms-office; MSOffice 16) HTTP_X_FORWARDED_FOR:208.127.235.29 HTTP_X_FORWARDED_PROTO:https HTTP_X_FORWARDED_PORT:443 HTTP_X_AMZN_TRACE_ID:Root=1-6a26b0cc-4628c88d56b83c6643639d0a HTTP_UA_CPU:AMD64 Accept: */* Accept-Encoding: gzip, deflate Host: socrmail.r1.rpost.net User-Agent: Mozilla/4.0 (compatible; ms-office; MSOffice 16) X-Forwarded-For: 208.127.235.29 X-Forwarded-Proto: https X-Forwarded-Port: 443 X-Amzn-Trace-Id: Root=1-6a26b0cc-4628c88d56b83c6643639d0a ua-cpu: AMD64 /LM/W3SVC/12/ROOT 256 4096 CN=ADMIN1 CN=ADMIN1 0 CGI/1.1 on 256 4096 CN=ADMIN1 CN=ADMIN1 12 /LM/W3SVC/12 192.168.20.30 /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif 192.168.10.253 192.168.10.253 24216 GET /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif socrmail.r1.rpost.net 443 1 HTTP/1.1 Microsoft-IIS/10.0 /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif */* gzip, deflate socrmail.r1.rpost.net Mozilla/4.0 (compatible; ms-office; MSOffice 16) 208.127.235.29 https 443 Root=1-6a26b0cc-4628c88d56b83c6643639d0a AMD64

To authenticate this receipt, forward a copy with all attachments to 'verify@r1.rpost.net'

For more information about RMail® services, visit www.rmail.com. An RPost® Technology

2 attachments

DeliveryReceipt.xml
3K

HtmlReceipt.htm
33K

Exhibit 35

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Jun 10, 2026
sdge.com

Higher summer temps can mean higher energy use. Find tips and resources to help you save at sdge.com/SimpleSteps

When it comes to pricing plans, you have options. Go to MyEnergyCenter.com; select Billing > Pricing Plans

DATE DUE	Jun 29, 2026
AMOUNT DUE	$721.08

Account Summary

Previous Balance			$704.34
Payment Received	6/1/26	THANK YOU	- 704.34
Current Charges			+ 721.08
Total Amount Due			**$721.08**

Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	- 655.05	Forgiveness Remaining	$6,550.44
Arrearage Remaining	**$6,550.44**	Periodic Forgiveness Amount	**$655.05**

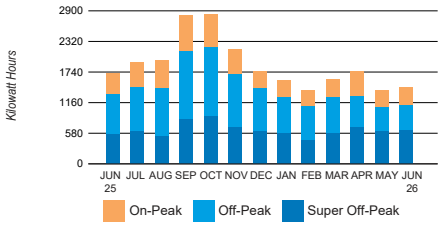
Summary of Current Charges

(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	May 8, 2026 - Jun 8, 2026	1,445 kWh	721.08
Total Charges this Month			**$721.08**

(Continued on next page)

Electric Usage History *(Total kWh used)*



1,445 kWh used

45.2	Daily avg kWh
46.2	Daily avg kWh last month
20.8% ↓	Change in daily avg kWh from last year
2.3% ↓	Change in daily avg kWh from last month
7.3	Max monthly demand
10.0	Max annual demand
32	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Jun 29, 2026
AMOUNT DUE	$721.08

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 8000000991036340000000000000072108

Seasonal Rate Change This Billing Period:
Seasonal rates changed from Winter to Summer.

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 293 kWh
Billing Period: 5/8/26 - 6/8/26 **Total Days:** 32
Meter Number: 06373130 *(Next scheduled read date Jul 8, 2026)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 1,445 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 32 days	25.39

Electricity Delivery *(Details below)* 1,098 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	250		354		494		
Rate/kWh	$.34061		$.34061		$.34061		
24 Days Charge	$85.15	+	$120.58	+	$168.26	=	373.99

Electricity Delivery *(Details below)* 347 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	86		111		150		
Rate/kWh	$.32948		$.32948		$.32948		
8 Days Charge	$28.34	+	$36.57	+	$49.42	=	114.33

Rate Change This Billing Period:
There was a rate change on day 25 of your Billing Period. Therefore, your charges for the first 24 days were at Rate 1, and the remaining 8 days were at Rate 2.

Wildfire Fund Charge	1,445 kWh x $.00591	8.54

Electricity Generation *(Details below)* 1,098 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	250		354		494		
Rate/kWh	$.27475		$.19304		$.10228		
24 Days Charge	$68.69	+	$68.34	+	$50.53	=	187.56

Electricity Generation *(Details below)* 347 kWh

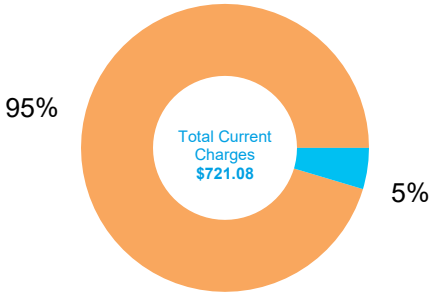
SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	86		111		150		
Rate/kWh	$.34920		$.12853		$.04121		
8 Days Charge	$30.03	+	$14.27	+	$6.18	=	50.48

Winter Baseline Adjustment Credit	289 kWh x -$.10892	-31.48
Summer Baseline Adjustment Credit	91 kWh x -$.10663	-9.70

Total Electric Charges ***$719.11***

(Continued on next page)

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$238.04
Transmission	$142.10
Distribution	$247.44
Competition Transition Charge	-$.10
Local Generation Charge	$4.17
Reliability Services	$.07
Total Rate Adj. Comp.	$56.04

Other Charges & Credits (Electric)

Public Purpose Programs	$22.81
Wildfire Fund Charge	$8.54
Other	$1.97
Total Current Charges	**$721.08**

$72.06 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
Franchise Fees on Electric Energy Supplied by Others	8.54 x 1.10%	.09
State Surcharge Tax	1,445 kWh x $.000300	.43
State Regulatory Fee	1,445 kWh x $.001000	1.45
Total Taxes & Fees on Electric Charges		***$1.97***
Total Electric Service		***$721.08***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

Total Current Charges ***$721.08***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

7.3 kW on May 19, 2026 from 3:00pm to 4:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Winter	kWh
On-Peak	250
Off-Peak	354
Super Off-Peak	494
Total	1,098

Summer	kWh
On-Peak	86
Off-Peak	111
Super Off-Peak	150
Total	347

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Electronic Check Processing - When you pay your bill by check, you authorize us to electronically process your payment. If your check is processed electronically, your checking account may be debited on the same day we receive the check.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at ***sdge.com***.

Pay Before Date / Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Due Date" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

If you are unable to pay your SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, you need to call SDG&E before the expiration of this notice. Employees, including multilingual staff, are available to assist with payment arrangements

If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission (CPUC), State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov, prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or e-mail: info@sdge.com.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 36

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Jul 10, 2026
sdge.com

Super off-peak hours now include 10 a.m. - 2 p.m. weekdays. Learn more at sdge.com/Super-Off-Peak.

To receive alerts in case of wildfires or other emergencies, make sure your contact information is up to date. Sign up at sdge.com/notifications.

Congratulations, due to your timely payment of current charges on your account you have now successfully completed 3 months of your Arrearage Management Payment (AMP) plan.

Account Summary

Previous Balance			$721.08
Payment Received	6/30/26	THANK YOU	- 721.08
Current Charges			+ 772.22
Total Amount Due			**$772.22**

Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	- 1,310.10	Forgiveness Remaining	$5,895.39
Arrearage Remaining	**$5,895.39**	Periodic Forgiveness Amount	**$655.05**

Summary of Current Charges

(See page 2 for details)

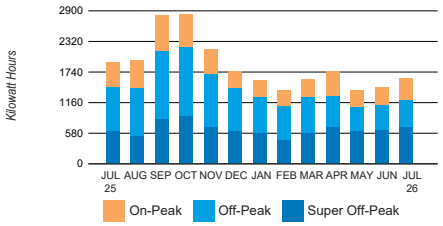
	Billing Period	Usage	Amount($)
Electric	Jun 9, 2026 - Jul 8, 2026	1,622 kWh	772.22
Total Charges this Month			**$772.22**

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

DATE DUE Jul 29, 2026
AMOUNT DUE $772.22

Electric Usage History *(Total kWh used)*



1,622 kWh used

54.1	Daily avg kWh
45.2	Daily avg kWh last month
10.4% ↓	Change in daily avg kWh from last year
19.7% ↑	Change in daily avg kWh from last month
7.5	Max monthly demand
10.0	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE Jul 29, 2026
AMOUNT DUE $772.22

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 20000009910363400000000000000077222

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 270 kWh

Billing Period: 6/9/26 - 7/8/26 **Total Days:** 30

Meter Number: 06373130 *(Next scheduled read date Aug 6, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,622 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 30 days	23.80

Electricity Delivery *(Details below)* 1,622 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	413		522		687		
Rate/kWh	$.32948		$.32948		$.32948		
Charge	$136.08	+	$171.99	+	$226.35	=	534.42

Wildfire Fund Charge	1,622 kWh x $.00591	9.59

Electricity Generation *(Details below)* 1,622 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	413		522		687		
Rate/kWh	$.34920		$.12853		$.04121		
Charge	$144.22	+	$67.09	+	$28.31	=	239.62

Baseline Adjustment Credit	351 kWh x -$.10663	-37.43

Total Electric Charges ***$770.00***

(Continued on next page)

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

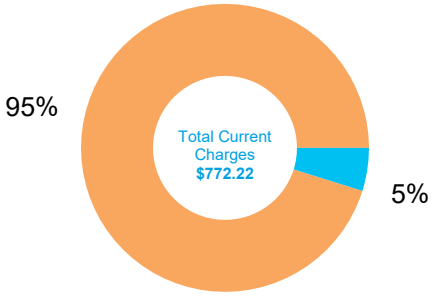
		Amount($)
Franchise Fees on Electric Energy Supplied by Others	9.59 x 1.10%	.11
State Surcharge Tax	1,622 kWh x $.000300	.49
State Regulatory Fee	1,622 kWh x $.001000	1.62
Total Taxes & Fees on Electric Charges		***$2.22***
Total Electric Service		***$772.22***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

Total Current Charges ***$772.22***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$239.62
Transmission	$147.54
Distribution	$273.98
Competition Transition Charge	-$.11
Local Generation Charge	$3.91
Reliability Services	$.08
Total Rate Adj. Comp.	$69.95

Other Charges & Credits (Electric)

Public Purpose Programs	$25.44
Wildfire Fund Charge	$9.59
Other	$2.22
Total Current Charges	**$772.22**

$80.89 of your Electricity Generation Charge is your bundled PCIA charge.

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

7.5 kW on July 4, 2026 from 5:00pm to 6:00pm

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Summer	kWh
On-Peak	413
Off-Peak	522
Super Off-Peak	687
Total	1,622

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Electronic Check Processing - When you pay your bill by check, you authorize us to electronically process your payment. If your check is processed electronically, your checking account may be debited on the same day we receive the check.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at ***sdge.com***.

Pay Before Date / Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Due Date" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

If you are unable to pay your SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, you need to call SDG&E before the expiration of this notice. Employees, including multilingual staff, are available to assist with payment arrangements

If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission (CPUC), State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov, prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or e-mail: info@sdge.com.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 37

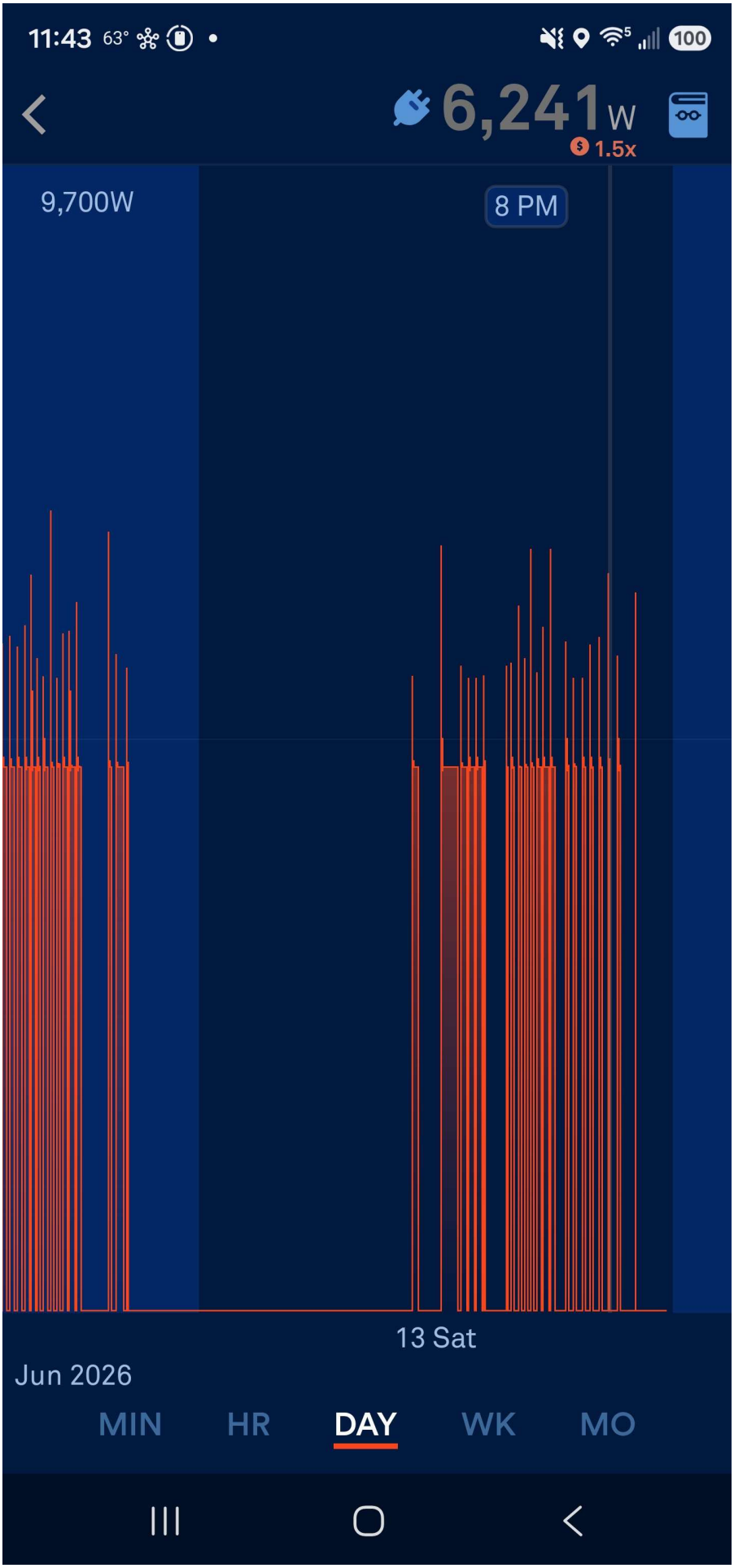

11:43 63°
100
6,241 W
1.5x
9,700W
8 PM
13 Sat
Jun 2026
MIN
HR
DAY
WK
MO

Exhibit 38

11:44
63°
100
4,616W
1.5x
9,700W
4:08 PM
3:30 PM
4:00 PM
Sat, Jun 13, 2026
MIN
HR
DAY
WK
MO

Exhibit 39

June 14, 2026

Tom Berenguel
27 Saint Mays Rd
Ladera Ranch, CA 92694
949-295-4008

CPUC Consumer Affairs Branch
505 Van Ness Ave.
San Francisco, CA 94102

Account: SDG&E Account No. 99103634

RE: **CPUC Informal Utility Complaint**

Complaint Summary

I am filing this informal utility complaint regarding SDG&E's removal of my household from the California Alternate Rates for Energy (CARE) program.

SDG&E's May 14, 2026 denial letter states that my CARE appeal was denied because:

> *"An energy audit performed in your home determined your household energy use exceeds what is necessary, basic or legitimate for the CARE Program."*

That stated basis is factually unsupported. No "in-home" energy audit occurred on April 23, 2026. The SDG&E representative came to my property but did not enter my home. At the beginning of the visit, while I was still securing my dogs so the representative could enter, the representative stated, "I don't even think we need to go in," and then added, "I got most of mine." The interaction remained at the doorway.

Video/audio link:
https://www.dropbox.com/scl/fi/vghmerbcixom1p891p971/Energy-Audit-4_23_26.mp4?rlkey=qfdoxdfeo76x8wtpve2edvdmf&dl=0

Short link: https://bit.ly/4fFUCzF

Unlike the prior in-home energy audit in 2019, where the SDG&E auditor entered the home, walked through the rooms, and had major appliances turned on and off while loads were measured, the April 23, 2026 "in-home" energy audit never entered my home. The 2019 process allowed the auditor to evaluate what was actually inside the home, whether the loads reflected ordinary residential use or unusual high-load conditions, and whether the usage was necessary, basic, and legitimate.

SDG&E's own appeal form required me to acknowledge that the "Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account" and that failure to provide that access "will result in a denial of the appeal." The reason for that access requirement is readily inferred: an energy-use review depends on access to the property being reviewed. Without entering the home, the representative could not conduct a complete review of what was actually inside the home or evaluate the conditions tied to the account.

In 2019, after an actual in-home review, SDG&E determined that the household usage was "necessary, basic and legitimate," and CARE continued. By contrast, the April 23, 2026 visit was not comparable. The representative did not enter the home, did not conduct a room-by-room review, did not test major appliances, did not inspect the HVAC system, could not know what was or was not inside my home, and could not have gathered the data necessary to make a determination about my home's energy consumption that has any explanatory rigor.

After the April 23, 2026 "in-home" energy audit, I was contacted by the Multifamily Energy Savings Program calling on behalf of SDG&E and requesting participation based on CARE eligibility. I did not refuse that process. I participated, I continue to participate, and the MFES/ESA process remained in progress before and after SDG&E issued the May 14 denial. It remains in progress as of this filing, including

completed owner authorization and program representative signature. See **Exhibits 9 through 14**.

While that MFES/ESA process was still in progress, SDG&E nevertheless removed my household from CARE based on the asserted "energy audit performed in your home."

MFES voicemail audio link: https://www.dropbox.com/scl/fi/sevvzpi7tqya7ikwu8wll/voicemail_multifamily_energy_savings_program.mp3?rlkey=nkyw0vtbcq7rerfh0gliqqui0&dl=0

Short link: https://bit.ly/3RZ0c6v

The financial harm is immediate and continuing. SDG&E's May 11, 2026 bill states, "Your CARE discount has ended," shows 1,386 kWh of usage, a 276 kWh baseline allowance, and $704.34 due. SDG&E's June 10, 2026 bill shows a second consecutive post-removal bill, $721.08 due, 1,445 kWh of usage, a 293 kWh baseline allowance, and the account entering the summer pricing period. See **Exhibit 2** and **Exhibit 19**.

The summer exposure is not speculative. SDG&E's September 9, 2025 bill shows what peak-summer billing looks like at this property even with CARE active. That bill showed current charges of $874.43 after CARE-related credits totaling $563.59. Without those CARE-related credits, the bill would have been approximately $1,438.02 for that month. That is the financial exposure now approaching as the account enters the summer pricing period without CARE. See **Exhibit 20**.

The usage pattern behind that exposure is also not new. The same September 9, 2025 bill shows 2,811 kWh of usage against a 270 kWh baseline allowance, or approximately 1,041% of baseline. That high summer usage is driven primarily by the central AC system, which is over 15 years old, serving a two-story condo with uneven

upstairs/downstairs temperatures. This has been a recurring issue for years, including the issue that prompted the 2019 in-home review and later CARE/high-usage reviews. I have repeatedly explained to SDG&E that the central AC system is the problem and that meaningful reduction requires actual assistance with the HVAC system, not a doorway visit that never evaluated it.

I request CPUC review because the removal rests on a false or unsupported factual premise, applies an undefined standard, conflicts with SDG&E's prior handling of the same type of CARE/high-usage issue, and appears inconsistent with the ESAP/residential energy assessment sequence for high-usage CARE customers.

Relief Requested

I request that CPUC require SDG&E to:

1. **Provide immediate account relief, account correction, and noninterference.**

    a. Reinstate my CARE discount or suspend the May 14, 2026 removal decision while this complaint is reviewed and while the MFES/ESA process remains in progress, including suspension or removal of any 24-month ineligibility consequence tied to that denial.
    b. If the removal is found unsupported or improper, correct the account retroactively and apply any CARE credits that should have applied during the removal period.
    c. Ensure that the MFES/ESA process is not delayed, canceled, interfered with, or used against my household because I challenged the CARE removal.

2. **Define the claimed "energy audit performed in your home."**

    a. Explain what SDG&E means by an "energy audit performed in your home."
    b. Explain the purpose of that audit in the CARE high-usage appeal process.

c. Explain why the appeal process requires acknowledgment that the Customer Energy Specialist must be granted unrestricted access to all areas of the property connected to the account if SDG&E contends an in-home audit can be completed without entering the home.
d. Explain whether an "energy audit performed in your home" is intended to evaluate what is actually inside the home, whether the loads reflect ordinary residential use or unusual high-load conditions, and whether the usage is necessary, basic, or legitimate.

3. **Explain whether the definition, purpose, or methodology of an in-home energy audit changed since the 2019 review.**

   a. In 2019, SDG&E's in-home review involved entry into the home, a room-by-room review, and major appliances being turned on and off while loads were measured. If SDG&E contends the April 23, 2026 doorway visit qualifies as the same type of in-home audit, explain how.
   b. If SDG&E contends the definition, purpose, or methodology changed between 2019 and 2026, identify what changed, when it changed, and what policy, rule, procedure, or authority supports that change.

4. **Identify the standard used to determine whether usage is "necessary, basic, or legitimate."**

   a. Explain whether SDG&E's determination that household usage is or is not "necessary, basic, or legitimate" is discretionary or automatic.
   b. If the determination is discretionary, identify the criteria, standards, definitions, guidelines, and facts SDG&E uses to make that determination.
   c. If the determination is automatic once usage exceeds 600% of baseline, explain why the May 14 denial letter states that an energy audit determined the usage was not necessary, basic, or legitimate.

d. Explain what role the in-home energy audit is supposed to play in determining whether usage is necessary, basic, or legitimate.

5. **Identify the factual basis and audit records supporting the May 14, 2026 denial.**

   a. Produce or identify the audit report, notes, checklist, measurements, observations, findings, photographs, representative report, or other records supporting the May 14 denial.
   b. Identify the specific facts, observations, measurements, findings, appliances, systems, rooms, loads, conditions, usage patterns, or changed circumstances SDG&E relied on to determine that my household usage was no longer necessary, basic, or legitimate.
   c. Identify whether any facts supporting the May 14 denial came from an actual inspection inside the home.
   d. Identify any basis SDG&E relied on other than the April 23, 2026 visit.
   e. Taking into account SDG&E's 2019 actual in-home review and resulting finding that the usage was necessary, basic, and legitimate, identify what changed or what additional facts SDG&E relied on in 2026 to reach the opposite result without a comparable in-home review.

6. **Explain compliance with Public Utilities Code section 739.1(j)(2) and the MFES/ESA process.**

   a. SDG&E's May 14 letter states that the CARE discount was removed due to usage over 600%, or six times, the baseline allowance. Explain how removal on May 14 complied with Public Utilities Code section 739.1(j)(2).
   b. Explain how removal on May 14 complied with the ESAP/residential energy assessment sequence for CARE high-usage customers.
   c. Explain how removal on May 14 complied with the 45-day agreement-to-participate language.

d. Explain how removal on May 14 complied with the statutory language addressing removal following completion of the energy assessment if usage continues to exceed 600% of baseline and removal is consistent with CPUC procedures.
e. Explain why CARE was removed before completion of the MFES/ESA residential energy assessment process when I had already been contacted by the Multifamily Energy Savings Program on behalf of SDG&E and was in the process of providing the information needed for participation.
f. If SDG&E contends removal was based on nonparticipation, refusal, missing owner authorization, inability to complete the assessment, or any other participation-related reason, identify the factual basis for that contention.

7. **Identify any reasonableness, cooling, comfort, occupancy, HVAC-layout, or residential-use standard applied to summer cooling in this home.**

a. Identify any standard, guideline, policy, or criterion SDG&E applied to decide when summer cooling is reasonable or unreasonable for CARE purposes.
b. Identify any standard, guideline, policy, or criterion SDG&E applied to determine when indoor temperature, humidity, comfort, occupancy, HVAC layout, or residential use makes cooling necessary, basic, or legitimate.
c. Explain whether SDG&E considers comfort, as distinct from minimum health or safety, when determining whether summer cooling is necessary, basic, or legitimate.
d. Explain whether SDG&E considers it unnecessary, non-basic, or illegitimate to cool an occupied living, sleeping, or work area when that area exceeds 80 degrees. If SDG&E uses a different indoor-temperature threshold, identify that threshold and explain how SDG&E applies it when determining whether summer cooling is necessary, basic, or legitimate.
e. Explain how SDG&E evaluated the effect of one central AC system serving two floors without entering the home.

f. Explain how SDG&E evaluated the reported 6-8 degree upstairs/downstairs temperature difference during hot weather without entering the home.

Chronology

8. On September 14, 2019, I appealed a prior CARE high-usage decision and requested a Customer Energy Specialist appointment. See **Exhibit 6**.
9. Before SDG&E issued its October 2, 2019 appeal-result letter, SDG&E conducted an actual in-home review. The auditor entered my home, walked through rooms, and measured loads while major appliances were turned on and off.
10. On October 2, 2019, after that in-home review, SDG&E determined that my household energy use was "necessary, basic and legitimate," and my CARE enrollment continued. See **Exhibit 7**.
11. On July 24, 2021, I wrote to SDG&E again summarizing the prior in-home audit history and conservation measures. See **Exhibit 8**.
12. On September 9, 2025, SDG&E issued a bill showing CARE active during peak summer usage of 2,811 kWh. That bill shows a 270 kWh baseline allowance and $563.59 in CARE-related credits for that month. See **Exhibit 20**.
13. In April 2026, SDG&E issued a termination/appeal notice requiring a Customer Energy Specialist appointment and unrestricted access to the property. See **Exhibit 3**.
14. On April 15, 2026, I appealed and affirmatively offered access to the property. See **Exhibit 4**.
15. On April 23, 2026, an SDG&E representative visited my property. I cooperated and secured my dogs so the representative could enter. While I was still securing my dogs, the representative stated, "I don't even think we need to go in," and then added, "I got most of mine." The interaction stayed at the doorway. I briefly showed limited plug-monitoring information for a few selected devices, but the representative did not enter the home or conduct an in-home inspection, load test, appliance review, HVAC review, or room-by-room assessment. The video/audio link is provided above in the Complaint Summary.
16. On May 7, 2026, I received a voicemail from Erica from the Multifamily Energy Savings Program, calling on behalf of SDG&E and requesting participation based on CARE eligibility. See **Exhibit 9**. The voicemail audio link is provided above in

the Complaint Summary. I called the callback number that day, but did not get an answer. See **Exhibit 10**.

17. On May 8, 2026, I called the MFES callback number again and the call was answered. SouthernMFES then emailed me the same day, stating, "I spoke to you earlier today," and requested documents showing proof of owner on title so the authorization form could be sent. See **Exhibits 10 and 11**.
18. On May 11, 2026, SDG&E issued the first post-removal bill stating that the CARE discount had ended, showing 1,386 kWh of usage, a 276 kWh baseline allowance, and $704.34 due. See **Exhibit 2**.
19. On May 12, 2026, I responded to SouthernMFES that the property was in Dory Berenguel's name and that Dory would sign whatever was required. See **Exhibit 11**.
20. On May 13, 2026, I called the MFES callback number twice. The first call did not get an answer; the second call went through. See **Exhibit 10**.
21. On May 14, 2026, SDG&E denied my CARE appeal, stating that an "energy audit performed in your home" determined my household energy use exceeded what is necessary, basic, or legitimate for CARE. See **Exhibit 1**.
22. On May 19, 2026, I called MFES again because Dory still had not been sent anything. That call was answered. Later that day, SouthernMFES emailed Dory requesting proof of ownership. On May 20, 2026, Dory responded with the secured property tax bill showing her as owner/trustee of record and asked SouthernMFES to send any authorization form required for signature. See **Exhibits 10 and 12**.
23. On June 1, 2026, after no response to Dory's May 20 email, I sent SouthernMFES an RPost email attaching the grant deed showing Dory Berenguel as the owner. I requested confirmation that the proof of ownership satisfied their requirements. See **Exhibit 13**.
24. On June 4, 2026, I called MFES again because, even after the property tax bill and grant deed had been provided, the authorization form still had not been sent. That call was answered. See **Exhibit 10**.

25. On June 5, 2026, the ESA Southern MFES Property Owner Authorization and Affidavit was signed by the property owner. The same DocuSign packet shows ES representative receipt/signature on June 9, 2026. See **Exhibit 14**.
26. On June 6, 2026, I sent SDG&E a written request for the records, standards, definitions, and factual basis supporting the May 14 denial. The RPost receipt shows SDG&E opened the message on June 8, 2026. I received no response before filing this complaint. See **Exhibits 17 and 18**.
27. On June 10, 2026, SDG&E issued a second post-removal bill showing $721.08 due, 1,445 kWh of usage, a 293 kWh baseline allowance, and the seasonal rate change from Winter to Summer. See **Exhibit 19**.

Issues for CPUC Review

Issue 1 - No In-Home Energy Audit Occurred

SDG&E's May 14, 2026 denial rests on the assertion that an "energy audit performed in your home" determined my household usage exceeded the CARE standard. The April 23 evidence does not support that assertion.

The representative did not enter my home. At the beginning of the visit, while I was still securing my dogs so the representative could enter, the representative stated, "I don't even think we need to go in," and then added, "I got most of mine." The interaction remained at the doorway.

That sequence matters. The representative declined entry before any in-home inspection, load measurement, appliance testing, HVAC inspection, or room-by-room review occurred. SDG&E's own appeal process required acknowledgment that the Customer Energy Specialist must be granted unrestricted access to all areas of the property connected to the account. That access requirement only makes sense if the in-home review is supposed to evaluate the property being reviewed.

Without entry, the representative could not inspect interior rooms, appliances, electrical loads, cooling systems, temperature conditions, or other interior conditions. Without entry, the representative also could not measure appliances, document interior loads, establish an in-home usage baseline, or determine what was actually inside the home.

During the doorway conversation, I briefly showed the representative limited plug-monitoring information for a few selected devices, such as refrigerators, a dryer, and an EV charger. That partial doorway information did not convert the visit into an in-home audit or residential energy assessment. The representative did not enter the home, inspect devices in place, document a complete device list, test major appliances,

inspect rooms, inspect the HVAC system, or conduct the type of load-by-load in-home review SDG&E previously performed in 2019.

If SDG&E contends this was still an "energy audit performed in your home," SDG&E should identify what it means by that term, what information the representative already had when he stated "I got most of mine," what information he still needed, and how that information supports the later claim that an in-home audit occurred.

The stated basis for removal is therefore unsupported as written and should not justify CARE removal, suspension of CARE, or any related 24-month ineligibility consequence.

Issue 2 - SDG&E Has Not Explained the Standard or the Alleged Illegitimate Use

SDG&E's May 14 letter did not explain the standard or factual basis used to decide that my household usage was not "necessary, basic, or legitimate."

I understand that a utility denial letter may not normally include every internal standard, guideline, measurement, or reason supporting the decision. But this case is different because SDG&E reached the opposite result from its 2019 in-home review without conducting a comparable review in 2026. In 2019, after an actual in-home review, SDG&E determined that the usage was "necessary, basic and legitimate." In 2026, after a doorway interaction with no entry, no room-by-room review, no appliance testing, and no HVAC inspection, SDG&E claimed the opposite.

That sharp departure is what makes the standard and factual basis material here. SDG&E should identify whether the "necessary, basic, or legitimate" determination is discretionary or automatic. If it is discretionary, SDG&E should identify the criteria, standards, definitions, guidelines, and facts used. If it is automatic once usage exceeds

600% of baseline, SDG&E should explain why the May 14 denial says an energy audit determined the usage was not necessary, basic, or legitimate.

The May 14 letter does not identify:

28. The criteria SDG&E used to define necessary, basic, or legitimate usage.
29. The specific usage, appliance, behavior, load, condition, measurement, or finding SDG&E contends exceeded that standard.
30. How SDG&E made an interior household-usage determination without entering the home.
31. What role the in-home energy audit was supposed to play in determining whether usage was necessary, basic, or legitimate.
32. Whether SDG&E contends that an in-home audit can be performed without entering the home.

This is not merely a documentation gap. SDG&E took adverse program action based on an asserted audit result that conflicts with the actual April 23 interaction and sharply departs from the 2019 in-home finding.

The available evidence points to ordinary residential cooling load, not an identified illegitimate use. The home is a two-story condo served by one central AC system. The upstairs is commonly about 6 to 8 degrees warmer than downstairs.

I am not asking CPUC to decide the exact universal acceptable upper indoor summer temperature. That number does not change the basic problem. Whatever upper summer indoor temperature SDG&E or the applicable program standard considers acceptable, that number has to be applied to the upstairs living space actually being cooled. Because the upstairs is commonly about 6 to 8 degrees warmer than downstairs, the downstairs thermostat must be set several degrees lower to make the upstairs reach that level.

For example, if an upstairs temperature of 82 degrees is considered acceptable, the downstairs may need to be around 76 degrees. If the upstairs target is 78 degrees, the downstairs may need to be around 72 degrees. A lower downstairs thermostat setting is therefore not evidence of illegitimate cooling use. It is the mathematical result of one central AC system serving two uneven floors.

This is precisely the type of condition an actual in-home energy assessment should evaluate. SDG&E could not evaluate it from the doorway. If SDG&E contends that this cooling load is not necessary, basic, or legitimate, SDG&E should identify the temperature, comfort, humidity, occupancy, HVAC-layout, residential-use, or appliance-load standard it applied. SDG&E should also explain whether comfort is considered separately from minimum health or safety when evaluating summer cooling for CARE purposes.

The Sense home energy monitor screenshots show central AC cycling in June 2026 and September 2025. See **Exhibits 21 through 24**. Those screenshots are not offered as a separate billing dispute. They show the load driver SDG&E could not see from the doorway: central AC cycling in summer.

HCD, DOE, and ENERGY STAR source notes are provided as supplemental context for residential cooling, indoor temperature, comfort, humidity, uneven rooms, and HVAC-system evaluation. See **Exhibits 25 through 28**. These sources are included to show that indoor temperature, humidity, uneven room conditions, HVAC condition, insulation, sealing, and system performance are recognized energy-efficiency factors that require an actual in-home assessment.

If SDG&E uses a different indoor-temperature threshold, comfort standard, or residential-use standard, SDG&E should identify it and explain how it applies when determining whether summer cooling is necessary, basic, or legitimate.

Issue 3 - SDG&E's 2019 In-Home Review Reached the Opposite Result

In 2019, SDG&E resolved the same type of CARE/high-usage issue by conducting an actual in-home review. The auditor entered my home, walked room-by-room, and measured loads while I operated major appliances. That process produced a finding that my household usage was "necessary, basic and legitimate," and CARE continued.

In 2026, SDG&E reached the opposite result without a comparable review. The April 23 representative did not enter the home, did not inspect interior conditions, and did not measure loads. SDG&E nevertheless treated that doorway interaction as an "energy audit performed in your home."

The complaint is not that SDG&E was required to repeat every step from 2019 in exactly the same way. The complaint is that SDG&E previously treated an actual in-home review as the basis for determining whether usage was necessary, basic, and legitimate, but in 2026 reached the opposite result without any comparable in-home review.

If SDG&E contends the definition, purpose, or methodology of an in-home energy audit changed between 2019 and 2026, SDG&E should identify what changed, when it changed, and what policy, rule, procedure, or authority supports that change. If SDG&E contends it did not change, SDG&E should explain how the April 23 doorway visit qualifies as the same kind of in-home audit SDG&E performed in 2019.

Taking the 2019 finding into account, SDG&E should identify what changed or what additional facts it relied on in 2026 to reach the opposite result without a comparable in-home review.

Issue 4 - SDG&E Removed CARE While the ESAP/MFES Process Was Still in Progress

Public Utilities Code section 739.1(j) governs CARE high-usage procedures. For usage over 400% of baseline, section 739.1(j)(1) permits the utility to require proof of income eligibility and ESAP participation, which includes a residential energy assessment. For usage over 600% of baseline, section 739.1(j)(2) states that the utility shall require ESAP participation, including a residential energy assessment. It also states that continued CARE participation shall be conditioned on the customer agreeing to participate in ESAP within 45 days of notice. The statute then addresses removal following completion of the energy assessment, if usage continues to exceed 600% of baseline and removal is consistent with CPUC procedures. See **Exhibit 15**.

This sequence matters. I am not denying that summer usage can be high. SDG&E's own September 9, 2025 bill shows 2,811 kWh of usage against a 270 kWh baseline allowance, which is approximately 1,041% of baseline and plainly above the 600% threshold. That is exactly why the ESAP/MFES residential energy assessment process exists. Public Utilities Code section 739.1(j)(2) does not make high usage alone the end of the analysis. It requires ESAP participation, including a residential energy assessment, and permits removal only following completion of the energy assessment if usage continues to exceed 600% of baseline and removal is consistent with CPUC procedures.

I did not refuse to participate. Before the May 14 denial, I was contacted by the Multifamily Energy Savings Program calling on behalf of SDG&E and requesting participation based on CARE eligibility. I returned the call. On May 8, SouthernMFES confirmed by email that it had spoken with me earlier that day and requested proof of ownership so an authorization form could be sent. I responded on May 12 that the property was in Dory Berenguel's name and that Dory would sign whatever was required. See **Exhibits 9 through 11**. The voicemail audio link is provided above in the Complaint Summary.

The MFES/ESA process then continued after the denial. I had to call again on May 19 because Dory had not been sent anything. SouthernMFES then emailed Dory,

and Dory responded on May 20 with the secured property tax bill and asked that any required authorization form be sent for signature. After no response, I sent an RPost email on June 1 attaching the grant deed and requesting confirmation that the ownership proof satisfied their requirements. I called again on June 4 because the authorization form still had not been sent. See **Exhibits 10, 12, and 13**.

On June 5, 2026, the ESA Southern MFES Property Owner Authorization and Affidavit was signed by the property owner. The same DocuSign packet shows ES representative receipt/signature on June 9, 2026. See **Exhibit 14**. The MFES/ESA process was therefore in progress before the denial, continued after the denial, and continues to be in progress as of this filing.

To the extent SDG&E required owner or landlord participation because the residence is rented, that issue was not a basis for removal. Owner authorization was completed, and the MFES/ESA process continues to be in progress. See **Exhibit 14**.

SDG&E therefore removed CARE before that energy-savings assistance process was completed, while simultaneously asserting a completed "in-home audit" as the basis for CARE removal - a basis the April 23 evidence directly contradicts.

If the driver is one central AC system serving two floors, with a significant upstairs/downstairs temperature split, the proper process is to complete the residential energy assessment and evaluate the actual home, not to call a doorway interaction an in-home audit and remove CARE before the assessment process is completed.

Because SDG&E's May 14 letter states that the CARE discount was removed due to usage over 600%, or six times, the baseline allowance, SDG&E should explain how removal on May 14 complied with Public Utilities Code section 739.1(j)(2), including the ESAP/residential energy assessment sequence, the 45-day agreement-to-participate language, and the statutory language addressing removal following completion of the energy assessment.

I am not claiming that MFES/ESA participation alone proves CARE eligibility. I am asking CPUC to review whether SDG&E followed the required high-usage CARE process before removing the discount, and whether SDG&E was permitted to remove CARE before completion of the energy assessment process contemplated by section 739.1(j)(2).

Closing Request

For the reasons above, I request the relief listed in the Relief Requested section at the beginning of this complaint. In summary, I ask CPUC to require SDG&E to address the unsupported in-home audit claim, identify the standards and factual basis for the May 14 denial, explain compliance with the CARE high-usage and ESAP/MFES process, and reinstate or suspend the CARE removal while this complaint is reviewed and the MFES/ESA process remains in progress.

Attachments / Exhibits

This complaint is supported by a combined exhibit packet. Exhibits are labeled by number in the packet. The April 23, 2026 Ring video/audio and the May 7, 2026 MFES voicemail audio are provided by hyperlinks in the complaint body.

- **Exhibit 1** - SDG&E May 14, 2026 CARE Denial Letter
- **Exhibit 2** - May 11, 2026 Bill Showing CARE Ended and $704.34 Due
- **Exhibit 3** - April 2026 SDG&E Termination / Appeal Notice
- **Exhibit 4** - April 15, 2026 CARE Appeal Email Offering Access
- **Exhibit 5** - April 16, 2026 SDG&E CARE Appeal Response / Scheduling Thread
- **Exhibit 6** - September 14, 2019 CARE Appeal Email Requesting Specialist Appointment
- **Exhibit 7** - October 2, 2019 CARE Appeal Result Finding Usage Necessary, Basic, and Legitimate
- **Exhibit 8** - July 24, 2021 Email to SDG&E Summarizing Prior Audit and Conservation Measures
- **Exhibit 9** - May 7, 2026 MFES Voicemail Screenshot
- **Exhibit 10** - MFES Callback Call Log, May 7, 2026 through June 4, 2026
- **Exhibit 11** - MFES/ESA Proof-of-Owner Email Thread, May 8 and May 12, 2026
- **Exhibit 12** - MFES Email to Dory and Owner Response, May 19 and May 20, 2026
- **Exhibit 13** - MFES RPost Grant Deed Follow-up, June 1, 2026
- **Exhibit 14** - ESA Southern MFES Property Owner Authorization and Affidavit
- **Exhibit 15** - Public Utilities Code Section 739.1(j)
- **Exhibit 16** - CARE Proof of CalFresh and Medi-Cal
- **Exhibit 17** - June 6, 2026 RPost Email to SDG&E Requesting Records and Basis for Denial
- **Exhibit 18** - RPost Delivered-and-Opened Receipt for June 6, 2026 SDG&E Records/Basis Request
- **Exhibit 19** - June 10, 2026 Bill Showing Continuing No-CARE Harm and Summer Pricing Period

- **Exhibit 20** - September 9, 2025 Bill Showing CARE Active During Peak Summer Usage
- **Exhibit 21** - Sense AC Cycling Screenshot, June 13, 2026 Day View
- **Exhibit 22** - Sense AC Cycling Screenshot, June 13, 2026 Hour View
- **Exhibit 23** - Sense AC Cycling Screenshot, September 2025 Month View
- **Exhibit 24** - Sense AC Cycling Screenshot, September 19-25, 2025 Week View
- **Exhibit 25** - California HCD AB 209 Indoor Temperature Source Note: https://www.hcd.ca.gov/sites/default/files/docs/policy-and-research/plan-report/ab-209-policy-recommendations.pdf
- **Exhibit 26** - DOE Thermostat Comfort and Humidity Source Note: https://www.energy.gov/energysaver/programmable-thermostats
- **Exhibit 27** - DOE Principles of Heating and Cooling Source Note: https://www.energy.gov/energysaver/principles-heating-and-cooling
- **Exhibit 28** - ENERGY STAR Heating and Cooling Guide Source Note: https://www.energystar.gov/ia/partners/publications/pubdocs/HeatingCoolingGuide%20FINAL_9-4-09.pdf

Exhibit 1

SDGE™

San Diego Gas & Electric
PO Box 129831
San Diego, CA 92112-9831

066524.1 1.1.208 1 0z.

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

May 14, 2026

Dear TOM BERENGUEL:

We recently received your appeal of our decision to remove you from the California Alternate Rates for Energy (CARE) program. The discount was removed due to energy use that was over 600%, or 6 times, your baseline allowance.

An energy audit performed in your home determined your household energy use exceeds what is necessary, basic or legitimate for the CARE Program. As a result, we cannot re-enroll you in the Program. You may reapply in two years from the removal date.

If you don't agree with this decision, please contact the California Public Utilities Commission (CPUC) for further assistance.

CPUC Contact Information:

- Telephone: 1-800-649-7570 (Monday – Friday 8:30 a.m. – 4:30 p.m.)
- U.S. mail: CPUC Consumer Affairs Branch, 505 Van Ness Ave., San Francisco, CA 94102

If you have questions, please email ***billdiscount@sdge.com*** or call **1-800-560-5551**. If you are speech or hearing impaired, call our TDD/TTY number at 1-877-889-7343.

Sincerely,

SDG&E Customer Assistance Team

Exhibit 2

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED May 11, 2026
sdge.com

Summer pricing is here and when you use energy matters. Using LESS energy between 4 p.m. to 9 p.m. helps your budget. Get more tips at sdge.com/SimpleSteps.

Upgrade your home and save energy with flexible, low-cost GoGreen Financing options. Learn more at GoGreenFinancing.com/sdge.

Bill Discount: You can save 30% or more on your monthly energy bill. Eligibility is based on participation in certain public assistance programs or current household income and the number of people living in your home. To apply, call 1-877-646-5525 or visit sdge.com/CARE.

Descuento en la factura: Puede ahorrar un 30% o más en su factura mensual de energía. Los requisitos del programa se basan en la participación en ciertos programas de asistencia pública, o el ingreso anual y el número de personas que viven en el hogar. Para aplicar, llame al 1-877-646-5525 o visite sdge.com/CARE.

Account Summary

Previous Balance			$568.51
Payment Received	4/29/26	THANK YOU	- 568.51
Current Charges			+ 704.34
Total Amount Due			**$704.34**

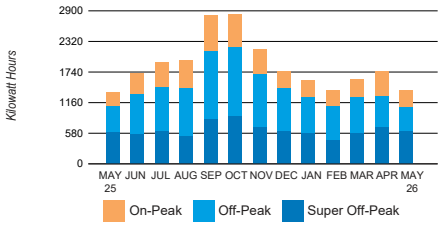
Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	+ .00	Forgiveness Remaining	$7,205.49
Arrearage Remaining	**$7,205.49**	Periodic Forgiveness Amount	**$655.05**

(Continued on next page)

DATE DUE	May 30, 2026
AMOUNT DUE	$704.34

Electric Usage History *(Total kWh used)*



1,386	kWh used
46.2	Daily avg kWh
60.7	Daily avg kWh last month
2.1% ↑	Change in daily avg kWh from last year
23.9% ↓	Change in daily avg kWh from last month
6.7	Max monthly demand
10.0	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	May 30, 2026
AMOUNT DUE	$704.34

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 00000009910363400000000000000070434

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal

Baseline Allowance: 276 kWh

Billing Period: 4/8/26 - 5/7/26 **Total Days:** 30

Meter Number: 06373130 *(Next scheduled read date Jun 8, 2026)* **Cycle:** 04

Meter Constant: 1.000 **Billing Voltage Level:** Secondary

Circuit: 1257 **Block:**29

Total Usage: 1,386 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 30 days	23.80

Electricity Delivery *(Details below)* 1,386 kWh

WINTER USAGE	On-Peak	Off-Peak	Super Off-Peak	
kWh used	317	452	617	
Rate/kWh	$.34061	$.34061	$.34061	
Charge	$107.97	+ $153.96	+ $210.16	= 472.09

Wildfire Fund Charge	1,386 kWh x $.00591	8.19

Electricity Generation *(Details below)* 1,386 kWh

WINTER USAGE	On-Peak	Off-Peak	Super Off-Peak	
kWh used	317	452	617	
Rate/kWh	$.27475	$.19304	$.10228	
Charge	$87.10	+ $87.25	+ $63.11	= 237.46

Baseline Adjustment Credit	359 kWh x -$.10892	-39.10
	Total Electric Charges	***$702.44***

TAXES & FEES ON ELECTRIC CHARGES

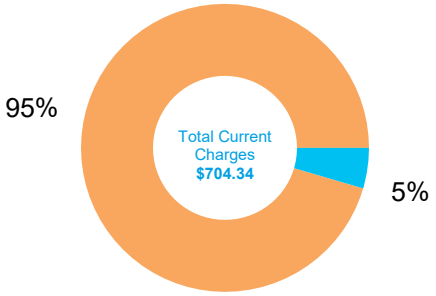
		Amount($)
Franchise Fees on Electric Energy Supplied by Others	8.19 x 1.10%	.09
State Surcharge Tax	1,386 kWh x $.000300	.42
State Regulatory Fee	1,386 kWh x $.001000	1.39
	Total Taxes & Fees on Electric Charges	***$1.90***
	Total Electric Service	***$704.34***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

Total Current Charges	***$704.34***

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$237.46
Transmission	$139.52
Distribution	$236.89
Competition Transition Charge	-$.10
Local Generation Charge	$3.91
Reliability Services	$.07
Total Rate Adj. Comp.	$54.62

Other Charges & Credits (Electric)

Public Purpose Programs	$21.88
Wildfire Fund Charge	$8.19
Other	$1.90
Total Current Charges	**$704.34**

$69.12 of your Electricity Generation Charge is your bundled PCIA charge.

Exhibit 3

SDGE™

San Diego Gas & Electric
PO Box 129831
San Diego, CA 92112-9831

065491.1 1.1.112 1 0z.

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

April 9, 2026

Account Number: 0000 9910 3634

Dear TOM BERENGUEL:

Recently, you were notified that to stay enrolled in the California Alternate Rates for Energy (CARE) Program, the California Public Utilities Commission requires that you keep your monthly electric use below 600% of the baseline. While you complied with some of the requirements, your electric use is still above 600% of your monthly baseline allowance. As a result, the monthly discount has been removed from your account and you'll not be eligible to enroll in the CARE Program for at least 24 months.

If energy use at this level is necessary for your household, you may appeal by requesting an appointment with a Customer Energy Specialist. To do so, please fill out the information below and return it in the postage-paid envelope. You may also return the form via fax, 858-636-5749 or email at ***billdiscount@sdge.com***

If you choose to appeal, you'll be contacted within 15 days of receipt of the completed form to schedule an appointment. If you have any questions, please call 1-800-560-5551 or email ***billdiscount@sdge.com***

Sincerely,

SDG&E Customer Assistance Team

(Cut along the dotted line)

TOM BERENGUEL
SDGE Account: 0000 9910 3634

- I am appealing the decision and request an appointment with a Customer Energy Specialist.
- I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

Briefly explain reason(s) for the appeal:	See Email 4/15/26

Circle the day of the week and indicate the time available:

1st Choice	(M)	T	W	TH	F	Arrival Time	9:00AM	11:00AM	(1:00PM)
2nd Choice	M	(T)	W	TH	F	Arrival Time	9:00AM	11:00AM	(1:00PM)

Best contact phone #: 949 295 4008

Exhibit 4

CARE Program Appeal - SDGE Account 0000 9910 3634

1 message

Tom <tomberenguel@gmail.com> Wed, Apr 15, 2026 at 4:39 AM
To: Bill Discount <billdiscount@sdge.com>

This is an appeal to the letter dated April 9, 2026, stating that my monthly discount has been removed from my account and that I will not be eligible to enroll in the CARE program for 24 months. It has been a couple of years since we did this...

First time was on 9/14/2019

I was reevaluated on 8/28/2021 and 4/7/2023 for the baseline allowance.

The information from those appeals still applies insofar as all the installations I have to try to reduce electrical use. The full quietcool whole house fans (4 total) are still in use, all LED lighting with automatic shut off schedules, the Fusion Energi (which has a very small battery with a 20-mile range; gas after that) charger shuts off during peak hours, the sense electrical monitoring system, smart energy monitoring plugs on all large appliances, etc. All the same.

My AC/Heating usage for the last three months:

1.6 hours of A/C on average per day in February

About .74 hour of A/C on average in January.

For Home compared with last year

32 hrs less

21 hrs more

Heating & Cooling Comparison

On average, temperatures were 5 degrees warmer than January 2025.

January 2026	January 2025
Outdoor Avg Hi: 71° Lo: 52°	Outdoor Avg Hi: 66° Lo: 47°
Total Runtime	Total Runtime
32 hrs	**43** hrs
9 hrs	41 hrs
23 hrs	2 hrs
Equipment Off: 712 hrs	Equipment Off: 701 hrs
74° / 73° avg indoor temp	71° / 70° avg indoor temp

And about .68 hours per day on average of A/C in December

For Home compared with last year

10 hrs less

18 hrs more

Heating & Cooling Comparison

On average, temperatures were 3 degrees warmer than December 2024.

December 2025	December 2024
Outdoor Avg Hi: 70° Lo: 52°	Outdoor Avg Hi: 67° Lo: 48°
Total Runtime	Total Runtime
35 hrs	**27** hrs
14 hrs	24 hrs
21 hrs	3 hrs
Equipment Off: 709 hrs	Equipment Off: 717 hrs
74° / 71° avg indoor temp	72° / 70° avg indoor temp

Nothing out of this world by any means.

As the letter shows:

I am appealing the decision and request an appointment with a Customer Energy Specialist
I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

I am flexible; any day is fine, preferably 1 PM, though I can make 11 AM work as well. I just need a heads-up, and I will happily show him throughout the house. Not the first time I have done this, and I will be happy to do it again now and any other time in the future.

949-295-4008

If I don't recognize the number, I usually do not answer, so leave a message; however, even better would be to send a text.

Thank you.

Exhibit 5

Tom Berenguel 000099103634

3 messages

Bill Discount <BillDiscount@sdge.com> Thu, Apr 16, 2026 at 8:54 AM
To: Tom <tomberenguel@gmail.com>, Bill Discount <BillDiscount@sdge.com>

Good morning,

Please provide the HEU Appeal letter with your selected appointments and contact information. Thank you.

Best Regards,

SDG&E CARE/FERA Program

Ph: 1-800-560-5551

Fax: 858-636-5749

SDG&E cares about your privacy. For more information regarding SDG&E's privacy policy or privacy notice, please visit https://www.sdge.com/more-information/our-company/customer-privacy

---

From: Tom <tomberenguel@gmail.com>
Sent: Wednesday, April 15, 2026 4:40 AM
To: Bill Discount <BillDiscount@sdge.com>
Subject: [EXTERNAL] CARE Program Appeal - SDGE Account 0000 9910 3634

This is an appeal to the letter dated April 9, 2026, stating that my monthly discount has been removed from my account and that I will not be eligible to enroll in the CARE program for 24 months. It has been a couple of years since we did this...

First time was on 9/14/2019

I was reevaluated on 8/28/2021 and 4/7/2023 for the baseline allowance.

The information from those appeals still applies insofar as all the installations I have to try to reduce electrical use. The full quietcool whole house fans (4 total) are still in use, all LED lighting with automatic shut off schedules, the Fusion Energi (which has a very small battery with a 20-mile range; gas after that) charger shuts off during peak hours, the sense electrical monitoring system, smart energy monitoring plugs on all large appliances, etc. All the same.

My AC/Heating usage for the last three months:

1.6 hours of A/C on average per day in February

About .74 hour of A/C on average in January.

For Home compared with last year

32 hrs less

21 hrs more

Heating & Cooling Comparison

On average, temperatures were 5 degrees warmer than January 2025.

January 2026	January 2025
Outdoor Avg Hi: 71° Lo: 52°	Outdoor Avg Hi: 66° Lo: 47°
Total Runtime	Total Runtime
32 hrs	**43** hrs
9 hrs	41 hrs
23 hrs	2 hrs
Equipment Off: 712 hrs	Equipment Off: 701 hrs
74° / 73° avg indoor temp	71° / 70° avg indoor temp

And about .68 hours per day on average of A/C in December

For Home compared with last year

10 hrs less

18 hrs more

Heating & Cooling Comparison

On average, temperatures were 3 degrees warmer than December 2024.

December 2025	December 2024
Outdoor Avg Hi: 70° Lo: 52°	Outdoor Avg Hi: 67° Lo: 48°
Total Runtime	Total Runtime
35 hrs	**27** hrs
14 hrs	24 hrs
21 hrs	3 hrs
Equipment Off: 709 hrs	Equipment Off: 717 hrs
74° / 71° avg indoor temp	72° / 70° avg indoor temp

Nothing out of this world by any means.

As the letter shows:

I am appealing the decision and request an appointment with a Customer Energy Specialist

I understand that the Customer Energy Specialist must be granted unrestricted access to all areas of the property in connection to this account and failure to do so will result on a denial of the appeal.

I am flexible; any day is fine, preferably 1 PM, though I can make 11 AM work as well. I just need a heads-up, and I will happily show him throughout the house. Not the first time I have done this, and I will be happy to do it again now and any other time in the future.

949-295-4008

If I don't recognize the number, I usually do not answer, so leave a message; however, even better would be to send a text.

Thank you.

Tom <tomberenguel@gmail.com> Fri, Apr 17, 2026 at 8:55 PM
To: Bill Discount <BillDiscount@sdge.com>

Attached.

[Quoted text hidden]

SDGE_Appeal_4-19-2026.pdf
570K

Tom <tomberenguel@gmail.com> Thu, Apr 23, 2026 at 3:08 PM
To: Bill Discount <BillDiscount@sdge.com>

Dear CARE Program Review Team,

I'm following up on the recent CARE program usage review and the visit from the Customer Energy Specialist, who will be providing you with his report. I would also like to provide additional information regarding my household electricity use, the conservation measures I have implemented, and the reasons my usage should be considered necessary for my household circumstances.

I qualify for CARE through participation in public assistance programs, including Medi-Cal / CalOptima and CalFresh. I appreciate the assistance the program provides and have consistently worked to reduce electricity use wherever reasonably possible.

As documented in previous correspondence on this account (including 09/14/2019, 07/24/2021, and 04/15/2026), I have consistently explained that my higher electricity usage is primarily driven by the home's cooling needs and the limitations of the existing HVAC system, not by any sudden change in household behavior.

The residence is a two-story condo with a single central AC system serving both floors. Because of that layout, the upstairs consistently remains significantly hotter than downstairs, often by approximately 6–8 degrees. In practical terms, a downstairs temperature that may be comfortable can still leave the upstairs uncomfortably warm. As a result, cooling the upstairs often requires lowering the downstairs temperature more than necessary, which increases AC runtime and electricity use.

The current AC system is older and significantly less efficient than newer systems. Based on direct monitoring, it is by far the largest electrical load in the home, drawing several thousand watts while operating. During warmer months, this single system is the primary cause of increased usage.

As I have outlined in prior submissions (including 09/14/2019, 07/24/2021, and 04/15/2026), I have made extensive efforts over many years to reduce electricity consumption, including the following:

- Installed a full QuietCool whole-house fan system using the QuietCool Stealth Pro line to reduce AC runtime whenever outside temperatures allow.
    - Master bedroom: STL PRO 2.5X (two speeds), 2,018–2,541 CFM airflow, 157 watts.
    - Two additional bedrooms: Two STL PRO 1.5X units, each with 1,479 CFM airflow.
    - Top of stairs: STL PRO 4.8X (three speeds), 2,361–4,280 CFM airflow, 408 watts.
    - Attic: QuietCool Smart Attic Fan.
    - Total documented system performance: approximately 12,580 CFM while using approximately 846.4 watts at full operation vs the 4,500 - 5000 watt AC unit.
    - Installed specifically to reduce dependence on central AC whenever outdoor temperatures permit.
- Replaced or upgraded nearly all major household appliances with newer models, with most appliances being less than two years old.
- Converted all household lighting to LED.
- Implemented a Habitat home automation system with Z-Wave controls for nearly all lights and many household devices.
- Automatic shutoff schedules turn off unnecessary lighting overnight and again at sunrise if anything was left on.
- Exterior lighting is motion-activated and turns off automatically after a period of inactivity.
- Electric vehicle charging is disabled during peak utility hours.
- Personal household computers automatically enter sleep mode after a period of inactivity.
- I use whole-home and plug-level monitoring systems to track energy use and reduce waste.
- Since approximately 05/24/2021, I have actively participated in OhmConnect demand-response events. My records show cumulative documented reductions of approximately 668 kWh saved through these utility load-reduction events (see attached spreadsheet).
- I continue implementing additional automation-based conservation measures wherever practical.

This is also not a new issue. My account has undergone multiple CARE verifications and approvals over many years. The email record reflects the following specific examples:

- 08/21/2014 – CARE Approved.
- 09/14/2019 – CARE Program Appeal submitted after baseline overage notice.
- 08/28/2021 – Application processed and approved following reevaluation / HEU review.
- 04/10/2023 – Application processed and approved following verification request.

- 06/23/2025 – Application processed and approved following verification request.
- 04/2026 – Current review and appeal process.

Similar concerns have repeatedly arisen during warmer periods when cooling demand increases. Each time, I have responded, provided the requested documentation, and cooperated fully. Many of the conservation measures and home limitations described in this letter are not new claims but have been addressed in prior communications and documentation (including 09/14/2019, 07/24/2021, and 04/15/2026).

This history shows that the current situation is not a sudden, unexplained change in usage, but a recurring seasonal issue primarily tied to the home's cooling demand and the limitations of its HVAC configuration.

I respectfully ask that the full circumstances be considered during this review: the home’s two-story single-zone cooling limitations, the age and inefficiency of the HVAC system, the extensive conservation measures already taken, and my continued efforts to reduce usage wherever possible.

Thank you for your time and consideration.

Sincerely,

Tom Berenguel

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ohmconnect-points-performance-2026-04-23.xlsx
27K

Exhibit 6

Care Program Appeal

1 message

Tom <tomberenguel@gmail.com> Sat, Sep 14, 2019 at 1:15 PM
To: Bill Discount <billdiscount@sdge.com>

I received a letter dated September 6, 2019, that stated that I have been removed from the CARE Program because I have recently gone over "600% of your monthly baseline allowance", and that I am not eligible for the CARE program for at least 24 months.

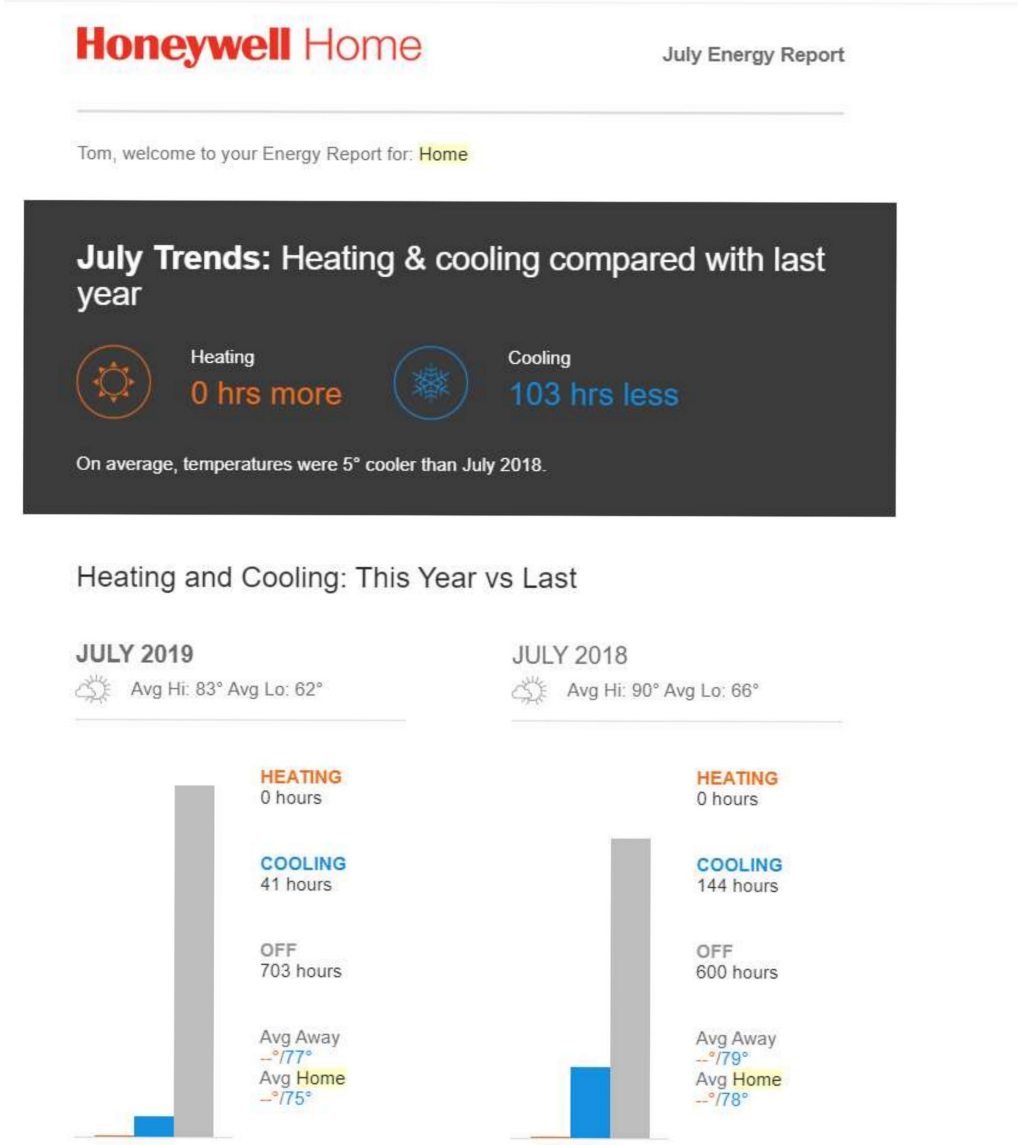
The letter also states that "If the energy use at this level is necessary for your household, you may appeal by requesting an appointment with a Customer Energy Specialist." Hence this email.

My home, to my knowledge, does not have anything out of the ordinary with regards to energy use. In fact, my family went above and beyond to make this home as energy-efficient as possible.

Every single light bulb in my home are LED, and all of those lights except the bathroom lights are either smart lights or controlled by a smart switch, allowing for schedules (such as all lights to be turned off late at night in case they were left on).

One of the biggest problems with these condos is that they have one AC unit for both the upstairs and downstairs. This is extremely inefficient and makes it difficult to cool the upstairs efficiently. As a result, two things were done to alleviate this. First, all the vents were retrofitted with Keen smart vents (https://keenhome.io/). This allows all the downstairs vents to be mostly closed when I am trying to cool down the upstairs. Secondly, a full Quietcool whole house fan system was installed using their top of the line model, the Stealth Pro (https://quietcoolsystems.com/products/stealth/). The master bedroom has an STL PRO 2.5x model with two speeds (2018 - 2541 CFM airflow and energy efficiency of 82.3 - 157 Watts). Both of the other bedrooms each have an STL PRO 1.5x model with one speed (1479 CFM airflow and energy efficiency of 66.7 Watts). At the top of the stairs is an STL PRO 4.8x model with three speeds (2361 - 4280 CFM airflow and energy efficiency of 73.9 - 408 Watts). Lastly, the attic has a Smart Fan (https://quietcoolsystems.com/products/smart-attic-fan/).

The Quietcool system allows me to reduce my AC use drastically. Whenever it is cooler outside than it is in my home I just open my windows and turn on the Quietcool system. I have noticed that the ***only*** times I get messages from SDGE stating that I have gone over the limit is during summer when it gets ridiculously hot and I have to run the AC. However, I do not set the temperature to unreasonable levels by any means. In the following pictures, you can see the average temperature of my home, as well as the difference that the Quietcool system makes as compared to last year before it was installed:



The Quietcool system allowed me to reduce my cooling by 103 hours as compared to last year in July. My total cooling was only 41 hours and my average temperature was 75 while at home and 77 while away. Keep in mind that setting the AC to 75 ***DOES NOT*** translate to 75 in the upstairs of my home.

Honeywell Home

June Energy Report

Tom, welcome to your Energy Report for: Home

June Trends: Heating & cooling compared with last year

Heating
1 hrs more

Cooling
23 hrs less

On average, temperatures were 5° cooler than June 2018.

Heating and Cooling: This Year vs Last

JUNE 2019

Avg Hi: 75° Avg Lo: 59°

HEATING
1 hours

COOLING
8 hours

OFF
711 hours

Avg Away
--°/75°
Avg Home
--°/73°

JUNE 2018

Avg Hi: 92° Avg Lo: 52°

HEATING
0 hours

COOLING
31 hours

OFF
689 hours

Avg Away
--°/80°
Avg Home
--°/77°

Honeywell Home

May Energy Report

Tom, welcome to your Energy Report for: Home

May Trends: Heating & cooling compared with last year

Heating
3 hrs more

Cooling
13 hrs less

On average, temperatures were 2° cooler than May 2018.

Heating and Cooling: This Year vs Last

MAY 2019

Avg Hi: 68° Avg Lo: 53°

HEATING
4 hours

COOLING
0 hours

OFF
740 hours

Avg Away
72°/--°
Avg Home
74°/--°

MAY 2018

Avg Hi: 71° Avg Lo: 53°

HEATING
1 hours

COOLING
13 hours

OFF
730 hours

Avg Away
76°/78°
Avg Home
77°/76°

Honeywell Home

April Energy Report

Tom, welcome to your Energy Report for: Home

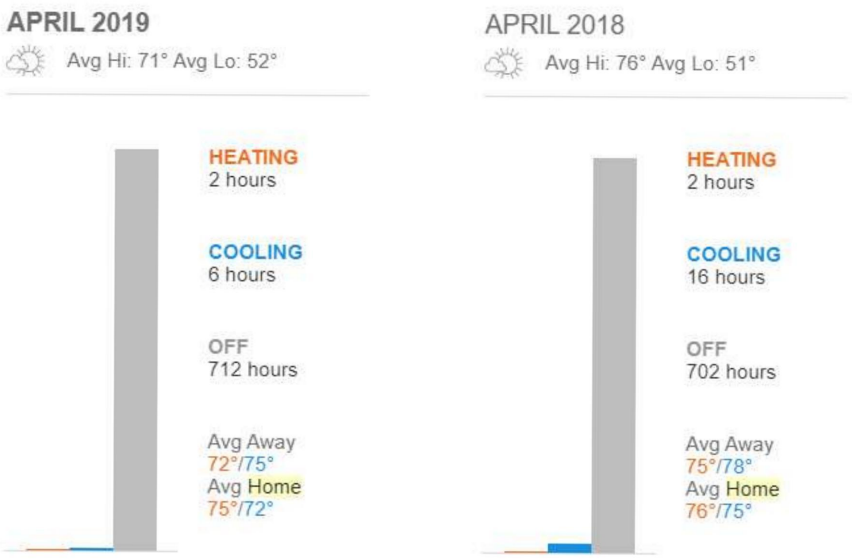
April Trends: Heating & cooling compared with last year

Heating
0 hrs more

Cooling
10 hrs less

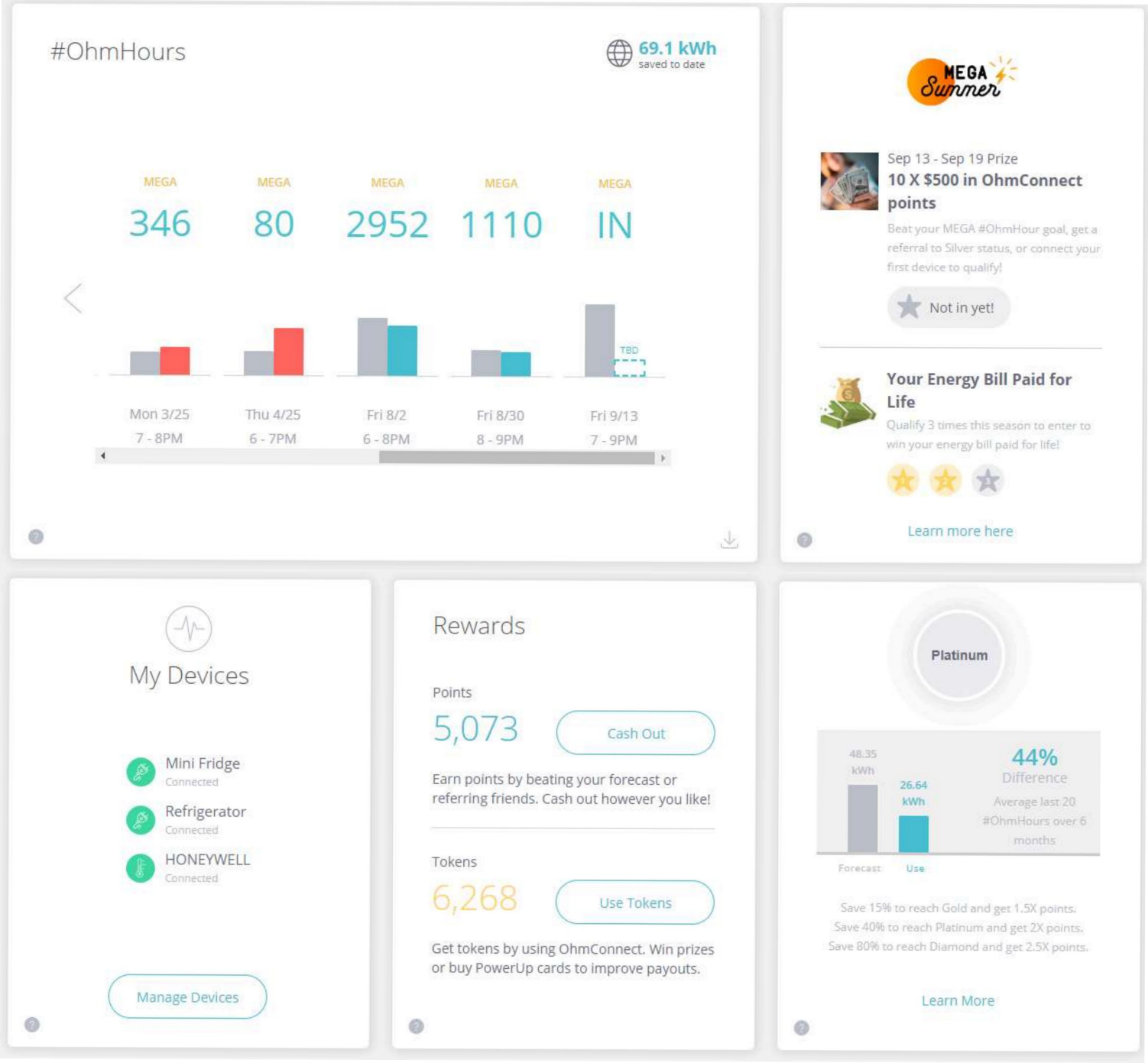
On average, temperatures were 2° cooler than April 2018.

Heating and Cooling: This Year vs Last



You can see that the Quietcool system has allowed me to drastically reduce AC usage, and that my average home temperatures are not excessive or unreasonable. I do not have the August comparison as of yet, however, the temperatures were so hot that I was not able to use the Quietcool system as much during that month and the beginning of this month. It was just the last week or so that I have been able to use the Queitcool system again regulargly.

I also participate in the Ohmhours to reduce electrical usage:



You can see that I have saved 69.1 kWh to date. My refrigerator, mini-fridge and my thermostat are connected so that they can be automatically turned off. My refrigerator and mini-fridge turn off every night at 3 am until 5 am.

So yes, it is obvious my home requires the amount of energy being used as there is nothing out of the ordinary in my usage of electrical devices or appliances. My family has agreed to install a https://sense.com/ to better monitor my electrical usage. Unfortunately I do not have the funds necessary to buy a new AC unit that is more energy efficient.

Feel free to visit my home and see for yourself. Thank you for your time.

Tom Berenguel
949.295.4008

Care Program Appeal.pdf
159K

Exhibit 7

SDGE

A Sempra Energy utility™

10/2/2019

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

Re SDGE Account: E: 99103634

Dear TOM BERENGUEL:

Recently you appealed our decision to remove the CARE Program monthly discount from your SDG&E® account.

The energy audit performed in your home determined your household energy use is considered necessary, basic and legitimate. As a result, your enrollment in the CARE Program remains and you will continue to receive the monthly discount.

If you have any questions, please call us at 800-560-5551.

Sincerely,

SDG&E Customer Assistance Programs – CARE

#367 -8/2014

Exhibit 8

27 St Mays Road - 99103634

1 message

Tom <tomberenguel@gmail.com> Sat, Jul 24, 2021 at 5:51 PM
To: Bill Discount <billdiscount@sdge.com>

Hi there,

I received a letter stating that my eligibility for the CARE discount must be reevaluated once again due to exceeding the monthly baseline allowance. While I understand that this is an automated process to an extent, I am hoping that there is something that can be done to avoid this recurring pattern.

This is not the first time that this has happened over the past several years. I have had to provide this paperwork in 2015/2016, then in 2019 I was removed from the CARE program all of a sudden and had to appeal in October of 2019 (letter attached), and now here we are again.

When the energy audit was done of the property they noted that every single light has been changed to LEDs. All the appliances are energy efficient.

More importantly, the property has been equipped with a whole house fan system (https://quietcoolsystems.com/) that consists of the following:

Two 1.5x

QC STL PRO-1.5X

See associated patents.

CFM	1,479
HVI 916 CFM	1,040
Watts	66.7
Amps	0.9
Volts	120V

One 2.5x

QC STL PRO-2.5X

See associated patents.

CFM	Hi: 2,541 / Low: 2,018
HVI 916 CFM	Hi: 1,920 / Low: 1,510
Watts	Hi: 157 / Low: 82.3
Amps	Hi: 2.12 / Low: 1.12
Volts	120V

One 4.8x

QC STL PRO-4.8X

See associated patents.

CFM	Hi: 4,280 / Med: 3,500 / Low: 2,361
HVI 916 CFM	Hi: 3,130 / Med: 2,560 / Low: 1,670
Watts	Hi: 408 / Med: 225 / Low: 73.9
Amps	Hi: 5.16 / Med: 3.00 / Low: 1.07
Volts	120V

And one smart attic fan (to push air out of the attic)

AFG SMT ES-3.0

*Patent Pending

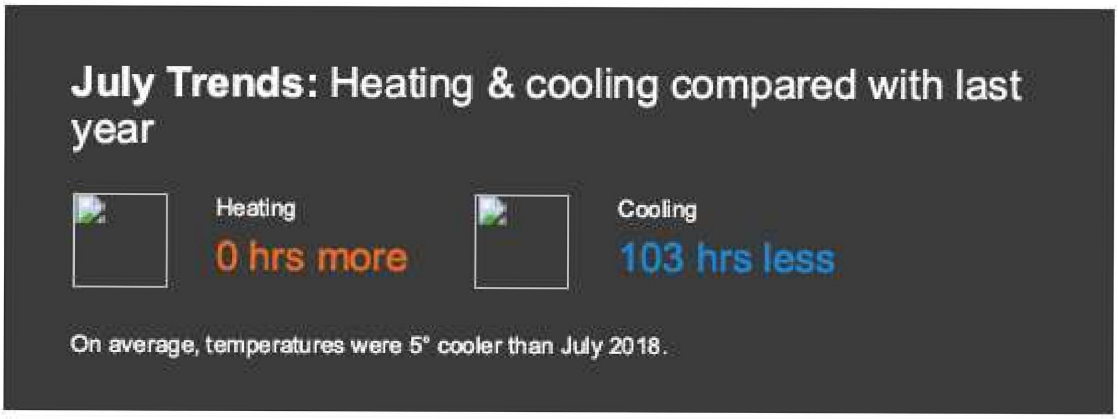
CFM	Hi: 2801 / Med: 2041 / Low: 1337
Watts	Hi: 148 / Med: 67 / Low: 22
Fire Shut-Off	182 °F

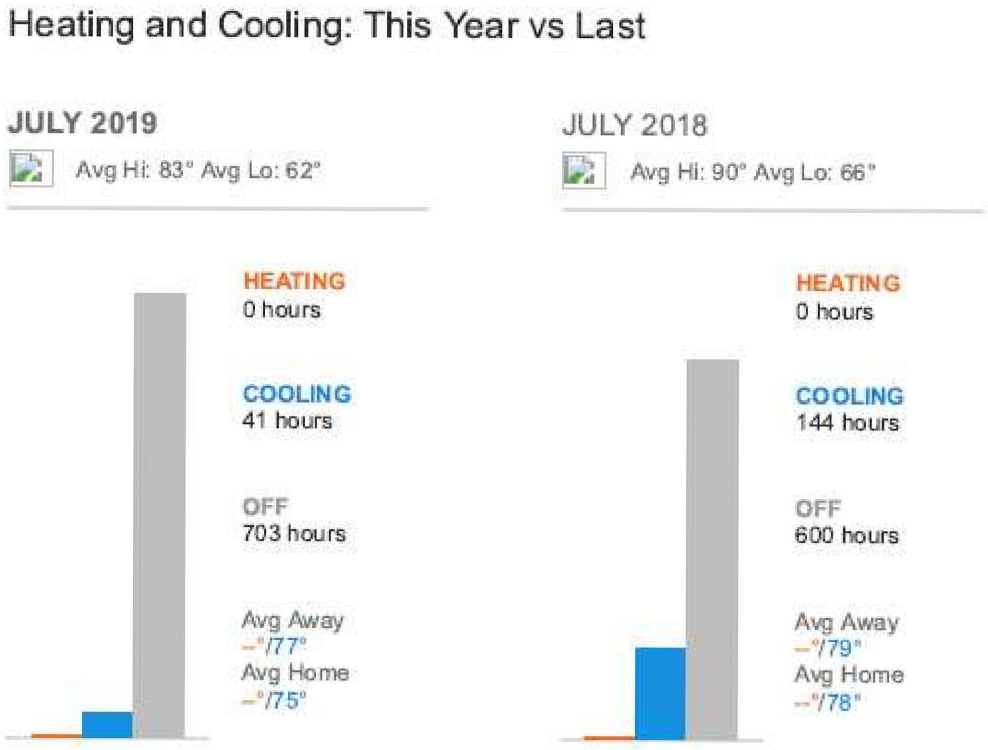
The whole system running at full blast only uses 846.4 watts while creating 12,580 CFMs.

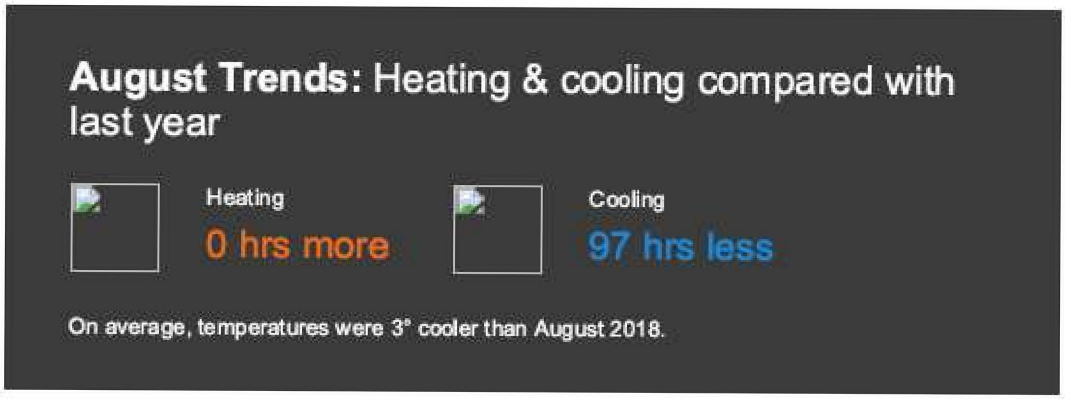
This has allowed me to not need to use the AC much at all for most of the year. I have attached my Honeywell reports from December 2020 up through June 2021.

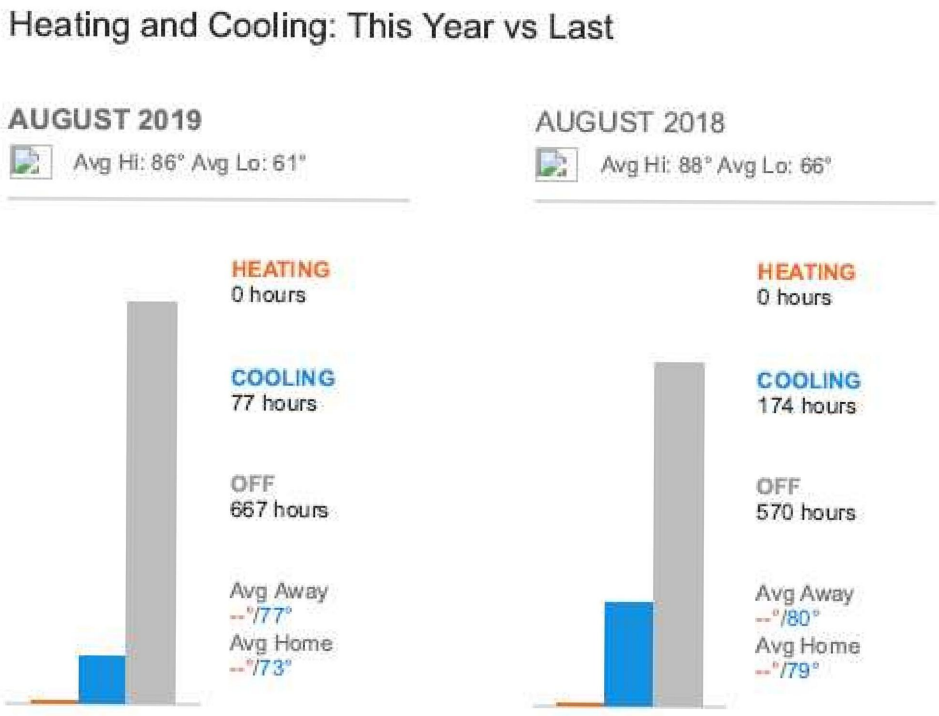
In December, unsurprisingly, I did not use the AC at all. In April, only for 9 hours. Even in June, when the average Hi Temp was almost 80 degrees, only 33 hours.

Now compare to July and August of 2019, when the QuietCool system was first installed (also attached).



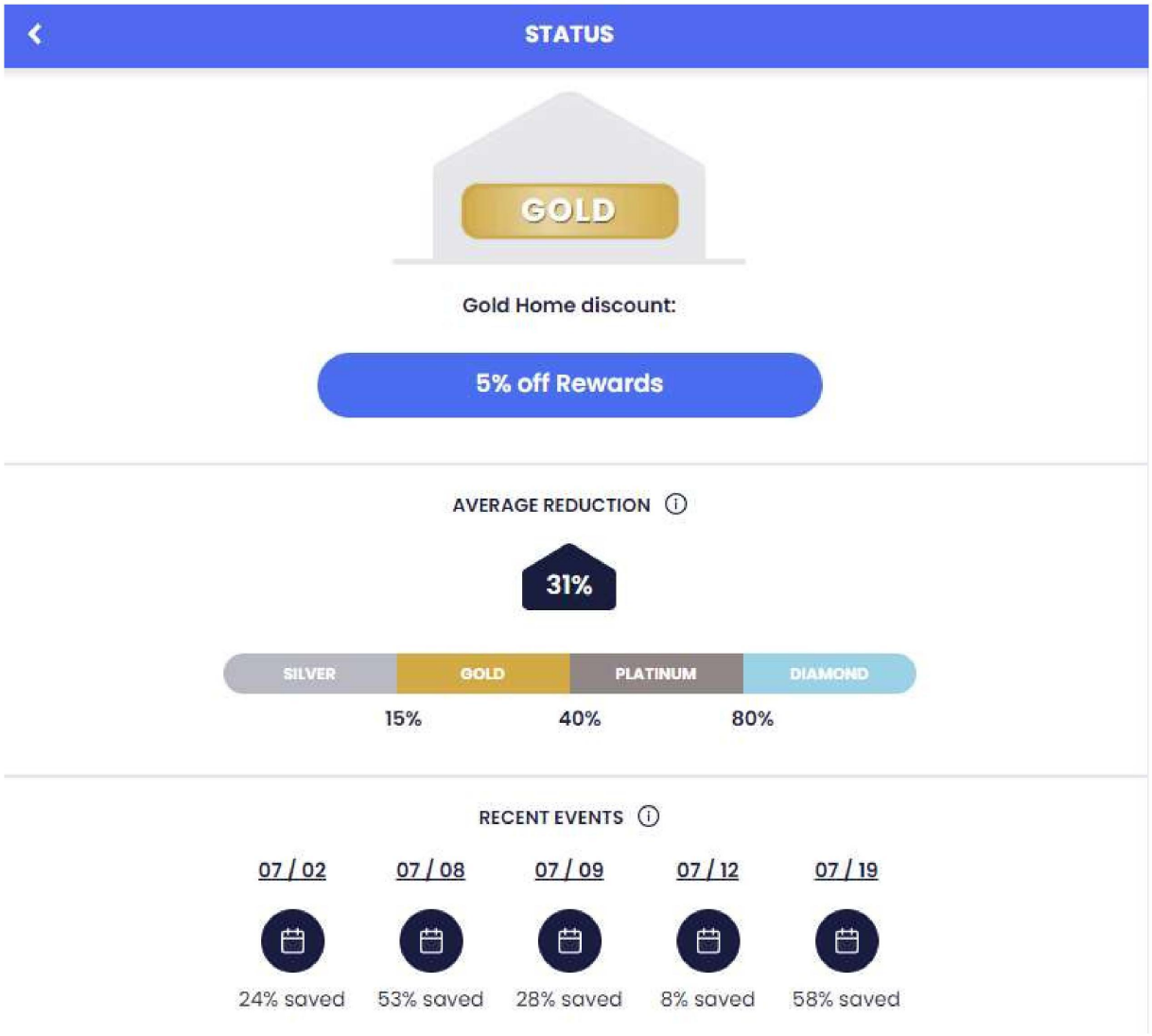




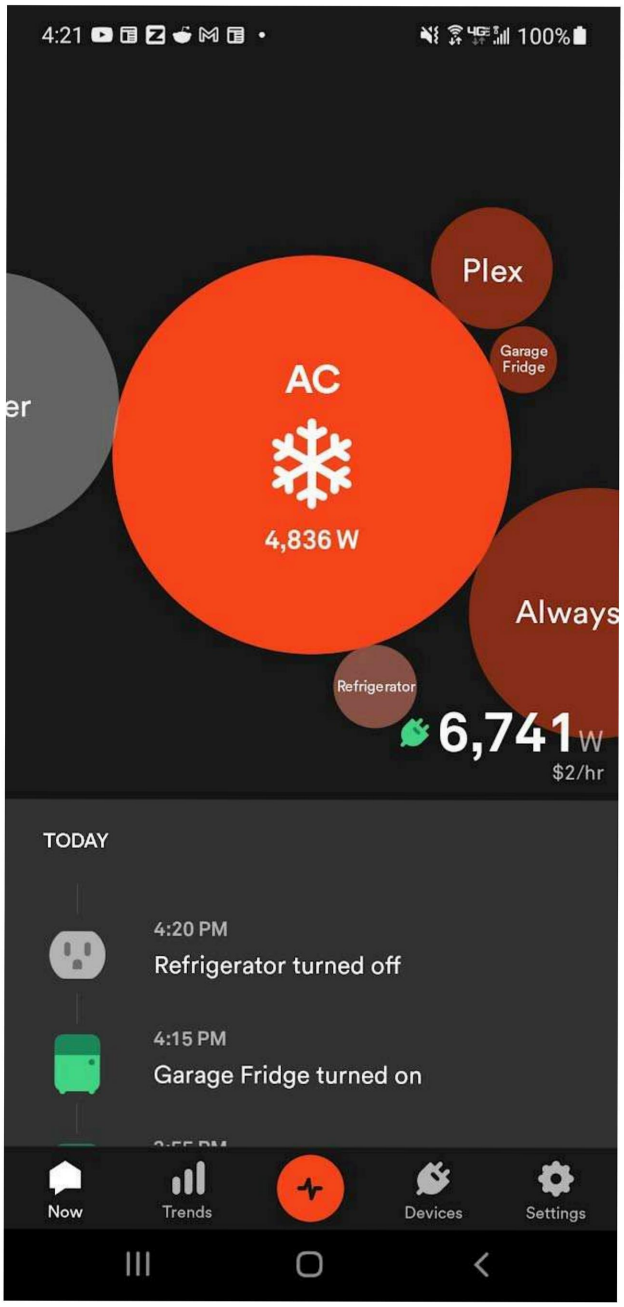


103 hours less in July 2019 and 97 hours less in August of 2019 compared to the prior year before the Quiet Cool System was installed. While I cannot use the Quiet Cool system during the day, once it finally cools down outside, even if it is late in the evening, I can stop using AC.

I participate in Ohmconect (https://www.ohmconnect.com/) to reduce electricity use:



This property even has a Sense (https://sense.com/) installed to help monitor energy use. And the problem is easily identified:



The AC uses almost 5,000 watts. So every summer we will have this issue when I am unable to use the Quiet Cool System and am forced to use the AC. This is why I had to make an appeal in 2019. This is why I am being asked to apply for the CARE program again now. And this will continue to happen every summer.

These condos were poorly designed with only one AC unit for both upstairs and downstairs. Thus in order to cool the upstairs, the downstairs must be set much lower...a completely inefficient and wasteful system. Every vent in the condo has one of these: https://keenhome.io/products/smart-vent. While I cannot shut *all* the vents downstairs, because that would create too much pressure and damage the AC, I can close some of them partially.

Bottom line, I need to replace the AC with a variable speed unit and install a real zoning system: https://zoningsupply.com/; or at the least just install the zoning system with a bypass. The Energy Saving Assistance program has nothing to offer me, as this property has far more energy-efficient upgrades than most (and they have been here before). Do you have someone that can assist with the AC unit and a zoning system? I doubt it, but if there was any assistance and a payment plan my family, who assists me already, would be inclined to green-light the upgrade as it will save money in the long run.

As it is, what option do I have during the warmer months than to run the AC? The other option would be to swelter in the heat and humidity, and that humidity would lead to more problems both in the property and to my health (read: mold).

Beyond that, there is nothing out of the ordinary here, as the auditor in 2019 documented. TVs, computers/electronics, etc. The things you would normally find in a home.

I do apologize for the long email, I just wanted to emphasize the lengths I have gone to at this property, with my family's assistance. The incredible inefficiency of the one AC unit for both floors of this condo is undeniable. Imagine the overall savings in electricity if all the condos/homes that were designed like this were upgraded with just a zoning system with a bypass. The investment in that alone would be relatively minor compared to the long-term savings to the homeowners and in the amount of electricity saved.

I will get you the forms that are required in the next week or so. I do still have Cal-Optima if that is relevant.

Thank you for your time and have a great one.

---

10 attachments

CARE Appeal 10_2_2019.pdf
40K

Honeywell 1_2021 Report.pdf
50K

Honeywell 4_2021 Report.pdf
49K

Honeywell 3_2021 Report.pdf
48K

Honeywell 5_2021 Report.pdf
48K

Honeywell 2_2021 Report.pdf
48K

Honeywell 6_2021 Report.pdf
50K

Honeywell 12_2020 Report.pdf
49K

Honeywell 8_2019 Report.pdf
53K

Honeywell 7_2019 Report.pdf
52K

Exhibit 9

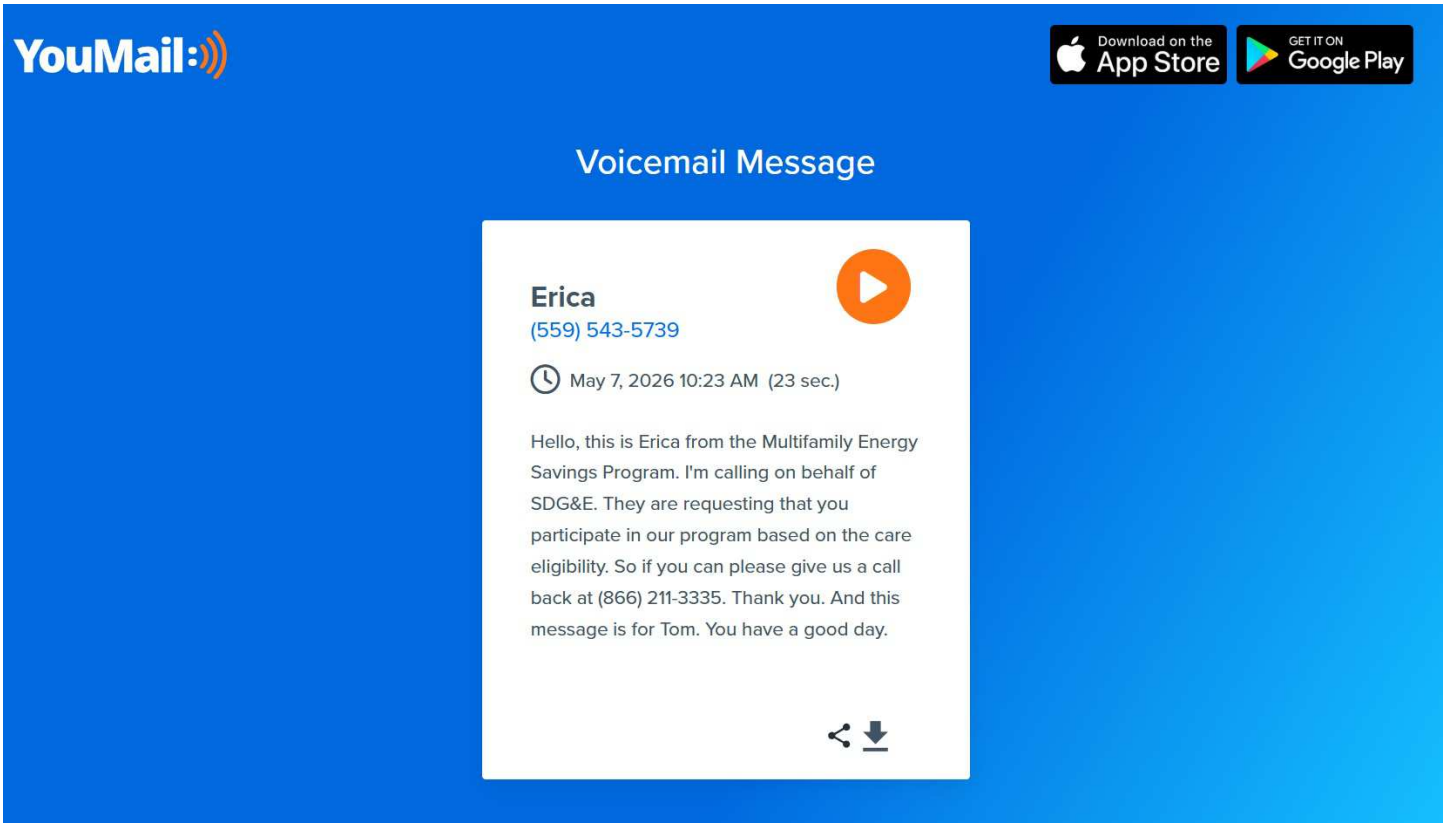

YouMail:
Download on the App Store
GET IT ON Google Play
Voicemail Message
Erica
(559) 543-5739
May 7, 2026 10:23 AM (23 sec.)
Hello, this is Erica from the Multifamily Energy Savings Program. I'm calling on behalf of SDG&E. They are requesting that you participate in our program based on the care eligibility. So if you can please give us a call back at (866) 211-3335. Thank you. And this message is for Tom. You have a good day.

Exhibit 10

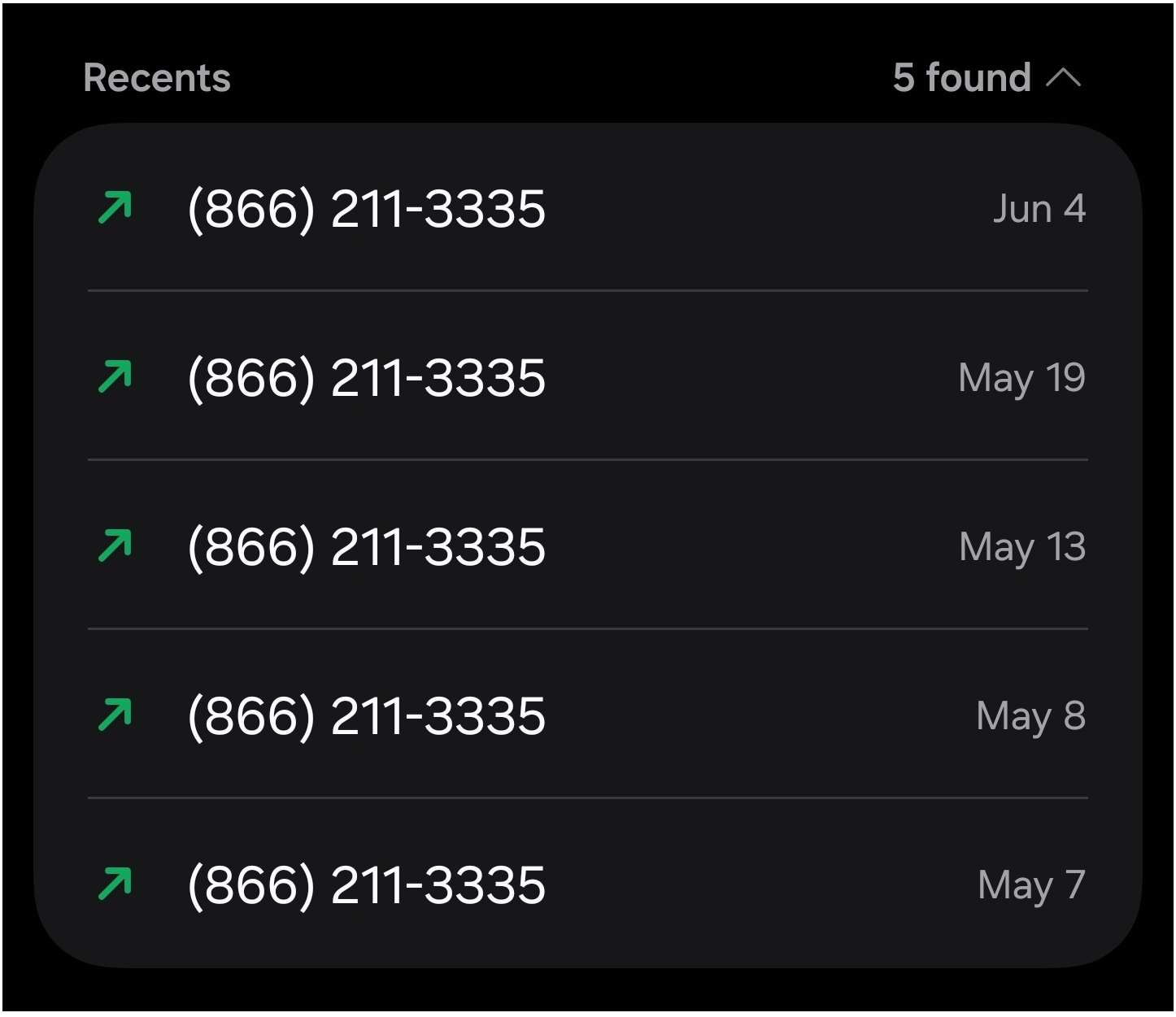

Recents
5 found
(866) 211-3335
Jun 4
(866) 211-3335
May 19
(866) 211-3335
May 13
(866) 211-3335
May 8
(866) 211-3335
May 7

Exhibit 11

Gmail Tom Berenguel <tomberenguel@gmail.com>

Hello

2 messages

SouthernMFES <southernmfes@resource-innovations.com> Fri, May 8, 2026 at 10:36 AM
To: "tomberenguel@gmail.com" <tomberenguel@gmail.com>

Good morning Tom
I spoke to you earlier today In order to send Authorization form I would need you to send over documents with proof of owner on title for the unit please. You may send it here.
Thank You
Kindly Erika

This email message, including all attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information of Resource Innovations, Inc. Any unauthorized use, disclosure, or distribution is prohibited. If this email has reached you in error, please contact the sender by return email and destroy all copies of the original message.

Tom <tomberenguel@gmail.com> Tue, May 12, 2026 at 7:53 AM
To: SouthernMFES <southernmfes@resource-innovations.com>

It is in the name of Dory Berenguel, who will sign on whatever is required. FYI, Dory does not live here.
[Quoted text hidden]

Exhibit 12

Gmail Tom Berenguel <tomberenguel@gmail.com>

Fwd: 27 St Mays Rd, Ladera Ranch, CA 92694

2 messages

Dory Berenguel <doryberenguel@gmail.com> Tue, May 19, 2026 at 3:27 PM
To: Tommy Berenguel <tomberenguel@gmail.com>

---------- Forwarded message ---------
From: **SouthernMFES** <southernmfes@resource-innovations.com>
Date: Tue, May 19, 2026 at 1:56 PM
Subject: 27 St Mays Rd, Ladera Ranch, CA 92694
To: doryberenguel@gmail.com <doryberenguel@gmail.com>

Hello,
We will need proof of ownership. if you can go ahead and send documents over via email, we would appreciate it.

Thank you,
SouthernMFES

This email message, including all attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information of Resource Innovations, Inc. Any unauthorized use, disclosure, or distribution is prohibited. If this email has reached you in error, please contact the sender by return email and destroy all copies of the original message.

Dory Berenguel <doryberenguel@gmail.com> Wed, May 20, 2026 at 5:49 PM
To: SouthernMFES <southernmfes@resource-innovations.com>
Cc: Tommy Berenguel <tomberenguel@gmail.com>

Attached is the Orange County Secured Property Tax Bill showing me, Dory Berenguel, as owner/trustee of record for 27 St Mays Rd, Ladera Ranch.

Please send any authorization form to me for signature. If any additional ownership documentation is required, please let me know.

[Quoted text hidden]

St Mays Property Tax.pdf
589K

Exhibit 13

Gmail Tom Berenguel <tomberenguel@gmail.com>

ESA Program

1 message

Tom <tomberenguel@gmail.com> Mon, Jun 1, 2026 at 8:36 PM
To: SouthernMFES <southernmfes@resource-innovations.com.rpost.biz>
Cc: Dory Berenguel <doryberenguel@gmail.com>

Dory previously sent you her secured property tax bill as proof of ownership. I have attached the Grant Deed that shows Dory Berenguel as the owner. We did not receive a response from you to our last email. I request a response confirming receipt and that this satisfies your requirements. Thank you.

27_st_mays_grant_deed.pdf
371K

Exhibit 14

MULTIFAMILY ENERGY SAVINGS

Multifamily Property Owner Authorization (POA) & Affidavit

SECTION 1: PROPERTY OWNER INFORMATION

Legal Property Owner Name: BERENGUEL, DORY ANDREA TR			
Property Name: St. Mays Road			
Property Owner Mailing Address: 20 Clydesdale Dr	City: Mission Viejo	State: CA	ZIP Code: 92694
Onsite Contact Name: Tom Berenguel	Onsite Contact Title: Tenant		
Onsite Contact Phone Number: 949-295-4008	Onsite Contact Email: tomberenguel@gmail.com		

SECTION 2: SITE INFORMATION (COMPLETE ADDITIONAL PROPERTY INFO AS NEEDED)

Property authorized to receive Program Services.

Utility Service (select all that apply): □ PG&E ■ SDG&E □ SCE □ SoCalGas

Property ame: St. Mays Road			
Installation " ddress: 27 St Mays Rd	City: Ladera Ranch	State: CA	aIP Code: 92694
Total of Buildings: 1	Total of Unit(s): 1	Occupancy: 100	List of " uthori ed Unit(s): 27 St Mays Rd

Multifamily Electric Meter Type: ▣ Individual □ Master □ Sub-metered

Multifamily Gas Meter Type: ▣ Individual □ Master □ Sub-metered

SECTION 3: VALIDATION OF PROPERTY

a) Indicate Property Ownership Type:

▣ Privately Owned or Financed* (*Market Rate/**Non-deed** restricted*) □ **Deed Restricted****

*if selected, skip Section 3b and proceed to Section 3c **if selected, proceed to Section 3b

b) Deed Restricted Type (*check all that may apply*):

□ General obligation bonds
□ Low-income tax credits
□ Properties owned by Dept. of Housing & Urban Development (HUD)
□ Owned or controlled housing for federally-recognized tribal members
□ Local state, or federal loans or grants
□ Tax-exempt mortgage revenue bonds
□ Housing legally controlled by government housing authorities, non-profit organizations, or other owners where:
- The property is deed or contract-restricted to house low-income tenants under an agreement with HUD, the California Department of Housing and Community Development (CSD) and/or the State Treasurer's Office restricting rents to affordable levels based on tenant income levels, and
- That are regularly verified by HUD or the specified state agency.

□ Other

c) Enrollment Type: □ Whole Building □ Common Area ▣ In-Unit Only

d) Income Eligibility (% of tenants with income ≤ 250% of Federal Poverty Guidelines):

□ ≤ 64% (ineligible) □ 65%-79%* □ ≥ 80%** ▣ Unable to certify

Property Owner/Authorized Representative must provide tenant income data for program eligibility upon request. See Terms & Conditions. *Minimum eligibility for deed-restricted properties. **Minimum eligibility for market rate/non-deed restricted properties.

▣ Resident Enrollment Only – Income required for unit(s) covered by POA. Property-level qualification not applicable.

SECTION 4: INCOME QUALIFICATION (COMPLETE SUPPLEMENTAL SITE INFO)

Upon request, Property Owners/Representatives must submit resident income information including annual household income and number of occupants for each occupied unit. Information must be from within the last 12 months. Non-deed restricted properties to complete Supplemental Site Information and certify all information provided is true and accurate.

■ Resident Enrollment Only – Income required for unit(s) covered by POA. Property-level qualification not applicable.

SECTION 5: SIGNATURE

I certify I am the legal owner or legal owner's authorized representative of the Property. I certify I have read, understand, and agree to the Terms and Conditions contained on the back of this document. I confirm that the above information is true and correct. I will provide verification of tenant income eligibility and/or ownership upon request and grant access to the property listed in Section 2 of this POA, and on Supplemental Forms (if applicable).

Legal Property Owner or Authorized Representative Printed Name	Legal Property Owner or Authorized Representative Signature	Date
Dory Berenguel	Dory Berenguel	6/5/2026 | 3:42 PM PDT

Title of Authorized Representative	Phone	Email
Owner	949-395-5226	doryberenguel@gmail.com

OFFICE USE ONLY

Tenant Protection Agreement: ☐ Submitted ☐ Received ☐ Pending ☐ Refused N/A

ES Company Name	ES Company Phone Number
RHA	562-273-4993

ES Representative Printed Name	ES Representative Badge Number
Luis Robles	N/A

ES Representative Signature	Date
Luis Robles	6/9/2026 | 4:43 PM PDT

MULTIFAMILY ENERGY SAVINGS PROGRAM – PROPERTY OWNER TERMS AND CONDITIONS

1. I certify that I am the legal owner ("Owner"), or the legal owner's authorized representative, for the property ("Property") listed in Section 2 of this and supplemental form(s), and I hereby expressly grant permission to [PG&E, SoCalGas, SCE, or SDG&E] ("Investor Owned Utilities" or "IOU") and its contractor(s) ("Contractor") to access my Property to provide all feasible Program measures, improvements and services ("Measures") to eligible common areas and/or tenant units, including any repairs offered by the Program, health & safety testing, as determined necessary by IOU and Contractor (the "Work") pursuant to the requirements of the Multifamily Energy Savings (MFES) Program as stated in these terms and conditions and the Program Handbook. If the Property is selected for inspection and audit, I further grant permission to IOU, Contractor, and representatives from the California Public Utilities Commission ("CPUC") to access Property to perform inspections and audits.
2. I understand all In-Unit Measures provided will be at no-cost to me or my tenants.
3. As part of In-Unit Measures, I hereby grant the IOU(s) identified and its Contractor(s) permission to repair, deliver, install and inspect any qualified appliance(s) serviced under the Program.
4. I agree to also receive information pertaining to other utility, county, or state Energy Savings or Energy Efficiency Program(s) that my Property may be eligible for such programs I agree to enroll in, I grant the Program access to the information included in this POA to the IOUs Single Point of Contact (SPOC) service.
5. I acknowledge and agree that the IOU makes no representations or covenants as to the safety, reliability and/or efficiency of the Measures. The IOU makes no warranty regarding the Measures, express or implied, including but not limited to the warranty of merchantability or fitness for any particular purpose, use or application of the Measures. All Work will be performed by licensed, bonded, and insured Contractors. All In-Unit services are performed by Program Contractors. Owners will self-select and hire non-Program contractors to perform common area Work.
6. I acknowledge and agree that IOU shall not be liable for any damages or losses arising out of any act or omission of Contractor or any subcontractor of Contractor relating to the performance of the Work or the Measures, and I hereby release and waive any and all claims against the IOU that may arise in connection with the Work or the Measures. I agree to hold the Contractor, and Contractor's subcontractor, solely responsible for the performance of the Work, the safety, quality and reliability of the Measures, and for any and all claims, losses, liabilities, damages and expenses (including attorneys' fees and costs) that may arise therefrom. Furthermore, I shall defend, indemnify, and hold harmless IOU and its officers and employees against any and all causes of action, liability, losses damages, demands or costs, for injury to or death of any and all persons whatsoever, and for any and all damage to property, in any manner arising from, or in connection with, the performance of the Work or the Measures hereunder, except for those damages caused solely by the negligence or willful misconduct of IOU. I acknowledge and agree that the IOU shall not be liable if the current or future tenant removes any or all of the installed Measures, including appliances, without my prior consent.
7. I acknowledge and agree that the IOU may modify or discontinue the MFES Program at any time at its sole discretion, without prior notice, or by order of the CPUC. The MFES Program is funded by California ratepayers under the auspices of the CPUC and is subject to the availability of funds.
8. For the Contractor to install certain Measures, including but not limited to room air conditioner replacement, evaporative cooler installation, and refrigerator replacement, a properly grounded electrical outlet must exist at the installation location of the Measure(s).
9. I authorize the performance of all-natural gas appliance testing (NGAT) on all applicable natural gas appliances. I understand NGAT will be conducted on all applicable natural gas appliances to detect potential carbon monoxide problems. Should problems be detected, I authorize MFES Program representatives to shut off the appliance(s) and understand that I, as the owner of the Property, will be solely responsible for any gas appliance repairs or replacements necessary to correct the situation.
10. By signing this Authorization, I, the Owner of the Property or its authorized representative, (a) hereby authorize IOU and Contractor(s) to access Property information including, without limitation thereto, the Property address(es) and other information required for Contractor to assess my Property for Program eligibility and all feasible Program measures, improvements, and services ("Measures")to eligible tenants in any authorized units; provided, however that this authorization does not extend to my tenant's utility account information, and (b) have obtained the necessary permission of the tenant to release his or her personal and utility account information to the IOU and Contractor for the same purpose, and I understand that IOU and Contractor will treat my and my tenant's information as confidential. I AUTHORIZE THE IOU TO SHARE MY ACCOUNT INFORMATION WITH OTHER UTILITIES, AGENTS, OR ENTITIES IN ORDER TO ENROLL THE PROPERTY IN OTHER ENERGY EFFICIENCY AND ENERGY SAVINGS ASSISTANCE PROGRAMS AND FACILITATE ASSISTANCE PROGRAM MANAGEMENT PROCESSES.
11. I may cancel my authorization or participation in the MFES Program at any time prior to installation without penalty or obligation, and I understand that canceling my authorization may limit the Work and the Measures provided to a tenant participating in the Program. I understand that NO LIEN WILL BE PLACED AGAINST THIS PROPERTY.
12. I acknowledge that if the Property meets the income guidelines for the MFES Program, then enrollment may be completed without the need for door-to-door tenant income documentation. I understand that income eligibility can be verified by the IOU if the multifamily building(s) is/are located in a PRIZM Code, census tract, or federally recognized tribal reservation, or zone where for deed restricted 65% of households are at or below 250% of Federal Poverty Guidelines (FPG) or for non-deed restricted 80% of households are at or below 250% of Federal Poverty Guidelines (FPG) ; or in a Promise Zone as designated by the federal government; or the building is registered as low-income affordable housing, and with ESA Program qualified income documentation that is on file and less than 12 months old. Whole building enrollment may include common areas (shared areas of the building including central building systems) as well as all building units.
13. I understand the income eligibility requirements for participation in the MFES Program. I will provide to the IOU and Contractor, upon request, all income eligibility documentation for those tenants receiving Program measures to the extent necessary to confirm such eligibility. If a tenant serviced by the IOU or its Contractor does not meet MFES Program requirements, I may be required to reimburse IOU for all fees related to the Work and the Measures delivered to the tenant, including IOU's cost to purchase any appliances installed, where applicable.
14. In compliance with California Public Utilities Code Section 399.4, and prior to any payment from the IOU, I, the Owner, must certify during project verification the Work is complete and complied with applicable permitting and licensing requirements, and any contractor performing work was a licensed contractor. When the Project involves obtaining a permit for HVAC Projects, proof showing the permit has been closed must also be provided with the Project Certification. If work performed requires an inspection to be conducted by the city, county or state, I will accommodate such an inspection.
15. I agree to respond to surveys or inquiries requested by the IOU or a third party designated by the IOU for the purpose of evaluating the program.

DB

Exhibit 15

Public Utilities Code section 739.1(j)

Source:
California Legislative Information

Relevant text, subsection (j):

(1) In addition to existing assessments of eligibility, an electrical corporation may require proof of income eligibility for those CARE program participants whose electricity usage, in any monthly or other billing period, exceeds 400 percent of baseline usage.

The authority of an electrical corporation to require proof of income eligibility is not limited by the means by which the CARE program participant enrolled in the program, including if the participant was automatically enrolled in the CARE program because of participation in a governmental assistance program.

If a CARE program participant's electricity usage exceeds 400 percent of baseline usage, the electrical corporation may require the CARE program participant to participate in the Energy Savings Assistance Program (ESAP), which includes a residential energy assessment, in order to provide the CARE program participant with information and assistance in reducing the CARE program participant's energy usage.

Continued participation in the CARE program may be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of notice being given by the electrical corporation pursuant to this paragraph.

The electrical corporation may require the CARE program participant to notify the electrical corporation of whether the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant.

Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.

(2) If a CARE program participant's electricity usage exceeds 600 percent of baseline usage, the electrical corporation shall require the CARE program participant to participate in ESAP, which includes a residential energy assessment, in order to provide the CARE program participant with information and assistance in reducing the CARE program participant's energy usage.

Continued participation in the CARE program shall be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of a notice made by the electrical corporation pursuant to this paragraph.

The electrical corporation may require the CARE program participant to notify the electrical corporation of whether the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant.

Following the completion of the energy assessment, if the CARE program participant's electricity usage continues to exceed 600 percent of baseline usage, the electrical corporation may remove the CARE program participant from the program if the removal is consistent with procedures adopted by the commission.

This paragraph does not prevent a CARE program participant with electricity usage exceeding 600 percent of baseline usage from participating in an appeals process with the electrical corporation to determine whether the participant's usage levels are legitimate.

(3) A CARE program participant in a rental residence shall not be removed from the program in situations where the landlord is nonresponsive when contacted by the electrical corporation or does not provide for ESAP participation.

Exhibit 16

Back to Dashboard

Case 1B72S33

EBT Information

CalFresh

$4.66

BALANCE

View your transactions

Get support with your EBT card if you want to:

- Replace your EBT card if lost, stolen, or damaged
- Replace stolen benefits
- Replace damaged or lost food purchased with your benefits

I want to get support with my EBT card

Want more help with lost, stolen, or damaged benefits? Watch these How-to Videos on requesting support

Program Information

Food (CalFresh)

Recertification Due 06/30/2025

Benefit Amount

$536.00 Monthly

Members Status

- Tomas Berenguel (47)
- Elena Berenguel (38)

View Program Details

Health Coverage (Medi-Cal)

Members Status

- Tomas Berenguel (47)
- Elena Berenguel (38)

Lost or damaged Medi-Cal Benefits Identification Card (BIC)? Replace Medi-Cal card

View Program Details

Income Reporting Threshold (IRT)

CalFresh

Your Income Reporting Threshold (IRT) is based on your income and household size. For CalFresh, your IRT is:

$2,215.00

What does this mean?

You have to report a change within 10 days if your total monthly income goes over the IRT amount listed above.

Not sure what to report? **View program reporting rules.**

For more details, **view the message about your IRT.**

Verification of Benefits

Need a proof of your monthly benefits? Download your verification of benefits to see your programs and benefit amounts. Download your verification of benefits

How can I use my Verification of Benefits to get more support?

COUNTY OF ORANGE

Date: 05/05/2025
Case Name: Tomas R Berenguel
Case Number: 1B72S33
Worker Name: L. SERVICE CENTER
Worker ID: 30SS06300H
Worker Phone Number: (800) 281-9799

Laguna Hills Regional Center
P.O. BOX 31062
LAGUNA HILLS, CA 92654-1062

TOMAS R BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

Your Medi-Cal benefits have been renewed. You will receive a separate notice of action with details about your eligibility. The documents enclosed in this packet are for informational purposes only. **You do not need to return any of the documents in this packet.** The following informational documents are included in the packet:

- MC 019 Information Notice for Beneficiaries
- MC 219 Important Information for Persons Requesting Medi-Cal
- MC 372 Breast and Cervical Cancer Treatment Program
- PUB 13 Your Rights Under California Public Benefits Program
- California Voter Registration Card
- National Voter Registration Act Voter Preference Form
- GEN 1365 Language Access Services for Limited-English Proficient and Non-English Proficient Individuals

caloptima.org
CalOptima Health, A Public Agency

Tomas R Berenguel

Member ID: 96610914F

Eff Date: 02/01/2017

DOB: 06/30/1977

Optum

1-888-656-7523

Providers: Eligibility must be verified at time of service.
Failure to obtain authorization may result in non-payment.

If found, return to P.O. Box 15676, Sacramento, CA 95852
California EBT Card
QUEST
5077 1905 0448 [redacted]
EXP: [redacted]
CSC [redacted]
BERENGUEL, TOMAS
301B72S33000013
Ver 10.0
Inv. 32538C001
25533-ML4-P24
1063437 04/24 cpi-co
Client Website: www.ebt.ca.gov
CLIENT CUSTOMER SERVICE 1-877-328-9677
TTY (Telecommunications Relay Service for Hearing Speech Impaired): 1-800-735-2929
Retailer Voucher Authorization:
1-866-328-4212
This Institution is an Equal Opportunity Provider.
CA EBT 02/24

Medi-Cal
CalOptima Health

caloptima.org
CalOptima Health, A Public Agency

Elena Berenguel

Member ID: 97032821H

Eff Date: 09/16/2023
DOB: 09/09/1986

Optum Care Network - Arta 1-800-780-8879

Providers: Eligibility must be verified at time of service.
Failure to obtain authorization may result in non-payment.

Exhibit 17

27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634

1 message

Tom <tomberenguel@gmail.com> Sat, Jun 6, 2026 at 2:42 AM
To: Bill Discount <billdiscount@sdge.com>

I am writing about SDG&E's May 14, 2026, letter denying my CARE appeal and removing my household from the California Alternate Rates for Energy program.

The denial states:

"An energy audit performed in your home determined your household energy use exceeds what is necessary, basic, or legitimate for the CARE Program."

That basis is incorrect. No in-home energy audit occurred on April 23, 2026.

The SDG&E representative visited my property on April 23 but did not enter my home. Because he did not enter, he could not have inspected rooms, appliances, electrical loads, cooling systems, or any other interior conditions. He also could not have measured or tested appliances, documented what was inside the home, or set an in-home usage baseline.

This was not like the prior SDG&E review in 2019. Then, an auditor entered my home, walked through each room, and measured loads as I turned major appliances on and off. Afterward, SDG&E determined my energy use was "necessary, basic, and legitimate" and continued my CARE enrollment. In contrast, the April 23 visit did not involve entry, and my home's core conditions remain unchanged: a two-story condo with a single central AC system for both floors.

Ring doorbell video and audio from April 23 confirm the interaction. I cooperated and secured my dogs for entry, but the representative declined, stating, "I don't even think we need to go in." He said the visit was for "collecting information." The exchange stayed at the doorway.

Video/audio link to the full energy "audit" is here:
https://www.dropbox.com/scl/fi/vghmerbcixom1p891p971/Energy-Audit-4_23_26.mp4?rlkey=qfdoxdfeo76x8wtpve2edvdmf&dl=0

Because no in-home audit occurred, SDG&E's stated basis for removing my CARE discount is wholly unsupported by fact. The issue is not missing documentation; the issue is that the denial relies on an audit that never happened.

For these reasons, I request that SDG&E reinstate my CARE discount or suspend the removal decision. I also request that SDG&E provide the records and information supporting the denial dated May 14, 2026.

If SDG&E uses a new definition of "in-home audit" compared to 2019, please explain how and when that definition changed. If SDG&E believes an audit can be conducted without entering the home, please explain how SDG&E determines which appliances, systems, or usage exist inside, and how it assesses whether usage is necessary, basic, or legitimate.

Please also provide:

1. The basis for SDG&E's claim that an energy audit was "performed in your home" on April 23, 2026, although the representative did not enter.
2. The written criteria, standards, and definitions SDG&E used to determine what is "necessary, basic, or legitimate" energy usage for CARE purposes.
3. The specific facts, observations, measurements, findings, or changed circumstances SDG&E relied on to determine that my household energy use is no longer necessary, basic, or legitimate, taking into account that SDG&E previously determined following the 2019 in-home review that the usage was necessary, basic, and legitimate, and that the relevant core conditions in the home have not materially changed since that time.
4. If the items above do not fully state the basis for SDG&E's May 14, 2026, denial, please identify any other basis SDG&E relied on and explain how it supports the decision to remove my household from CARE.

Thank you.

Tom Berenguel
27 Saint Mays Rd
Ladera Ranch, CA 92694
949-295-4008

Exhibit 18

Delivered and Opened: 27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634

1 message

Receipt <receipt@r1.rpost.net> Mon, Jun 8, 2026 at 5:14 AM
To: tomberenguel@gmail.com

The following message has been delivered and opened for reading:

Categories	Message Details
Message Subject:	27 ST Mays Road - May 14, 2026 CARE Appeal Denial - Account #99103634
To:	Bill Discount <billdiscount@sdge.com>
Time Sent:	06/06/2026 09:42:12 AM (UTC), 06/06/2026 02:42:12 AM (UTC -07:00) (Local)
Time Opened:	06/08/2026 12:08:44 PM (UTC), 06/08/2026 05:08:44 AM (UTC -07:00) (Local)
Tracking Number:	5B7C698A823BBEA88A0419781F6C875DCFACC7AB
Network ID:	<CALUZsLkSr1s_Kv-kqq=5panE7QiqQJG_b9YorA_Rk7=yJjAvNQ@mail.gmail.com>
Client Code:	
Features Used:	

Details:

Delivery Audit Trail

[IP Address: 208.127.235.29] [Time Opened: 6/8/2026 12:08:44 PM] [REMOTE_HOST: 192.168.10.253] [HTTP_HOST: socrmail.r1.rpost.net] [SCRIPT_NAME: /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif] HTTP_ACCEPT:*/* HTTP_ACCEPT_ENCODING:gzip, deflate HTTP_HOST:socrmail.r1.rpost.net HTTP_USER_AGENT:Mozilla/4.0 (compatible; ms-office; MSOffice 16) HTTP_X_FORWARDED_FOR:208.127.235.29 HTTP_X_FORWARDED_PROTO:https HTTP_X_FORWARDED_PORT:443 HTTP_X_AMZN_TRACE_ID:Root=1-6a26b0cc-4628c88d56b83c6643639d0a HTTP_UA_CPU:AMD64 Accept: */* Accept-Encoding: gzip, deflate Host: socrmail.r1.rpost.net User-Agent: Mozilla/4.0 (compatible; ms-office; MSOffice 16) X-Forwarded-For: 208.127.235.29 X-Forwarded-Proto: https X-Forwarded-Port: 443 X-Amzn-Trace-Id: Root=1-6a26b0cc-4628c88d56b83c6643639d0a ua-cpu: AMD64 /LM/W3SVC/12/ROOT 256 4096 CN=ADMIN1 CN=ADMIN1 0 CGI/1.1 on 256 4096 CN=ADMIN1 CN=ADMIN1 12 /LM/W3SVC/12 192.168.20.30 /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif 192.168.10.253 192.168.10.253 24216 GET /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif socrmail.r1.rpost.net 443 1 HTTP/1.1 Microsoft-IIS/10.0 /oatv_v2/SPjrJeXw6SXPTCGdZij7RUDiAUf2VZ9WzuP3gQ4VMDIx.gif */* gzip, deflate socrmail.r1.rpost.net Mozilla/4.0 (compatible; ms-office; MSOffice 16) 208.127.235.29 https 443 Root=1-6a26b0cc-4628c88d56b83c6643639d0a AMD64

To authenticate this receipt, forward a copy with all attachments to 'verify@r1.rpost.net'

For more information about RMail® services, visit www.rmail.com. An RPost® Technology

2 attachments

DeliveryReceipt.xml
3K

HtmlReceipt.htm
33K

Exhibit 19

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Jun 10, 2026
sdge.com

Higher summer temps can mean higher energy use. Find tips and resources to help you save at sdge.com/SimpleSteps

When it comes to pricing plans, you have options. Go to MyEnergyCenter.com; select Billing > Pricing Plans

DATE DUE	Jun 29, 2026
AMOUNT DUE	$721.08

Account Summary

Previous Balance			$704.34
Payment Received	6/1/26	THANK YOU	- 704.34
Current Charges			+ 721.08
Total Amount Due			**$721.08**

Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	- 655.05	Forgiveness Remaining	$6,550.44
Arrearage Remaining	**$6,550.44**	Periodic Forgiveness Amount	**$655.05**

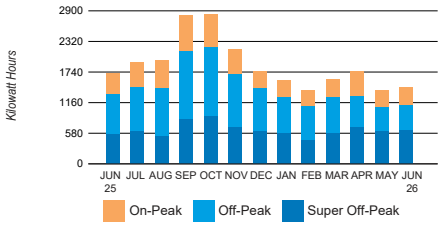
Summary of Current Charges

(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	May 8, 2026 - Jun 8, 2026	1,445 kWh	721.08
Total Charges this Month			**$721.08**

(Continued on next page)

Electric Usage History *(Total kWh used)*



1,445 kWh used

45.2	Daily avg kWh
46.2	Daily avg kWh last month
20.8% ↓	Change in daily avg kWh from last year
2.3% ↓	Change in daily avg kWh from last month
7.3	Max monthly demand
10.0	Max annual demand
32	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Jun 29, 2026
AMOUNT DUE	$721.08

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 800000099103634000000000000072108

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 293 kWh
Billing Period: 5/8/26 - 6/8/26 **Total Days:** 32
Meter Number: 06373130 *(Next scheduled read date Jul 8, 2026)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 1,445 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 32 days	25.39

Electricity Delivery *(Details below)* 1,098 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	250		354		494		
Rate/kWh	$.34061		$.34061		$.34061		
24 Days Charge	$85.15	+	$120.58	+	$168.26	=	373.99

Electricity Delivery *(Details below)* 347 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	86		111		150		
Rate/kWh	$.32948		$.32948		$.32948		
8 Days Charge	$28.34	+	$36.57	+	$49.42	=	114.33

Rate Change This Billing Period:
There was a rate change on day 25 of your Billing Period. Therefore, your charges for the first 24 days were at Rate 1, and the remaining 8 days were at Rate 2.

Wildfire Fund Charge	1,445 kWh x $.00591	8.54

Electricity Generation *(Details below)* 1,098 kWh

WINTER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	250		354		494		
Rate/kWh	$.27475		$.19304		$.10228		
24 Days Charge	$68.69	+	$68.34	+	$50.53	=	187.56

Electricity Generation *(Details below)* 347 kWh

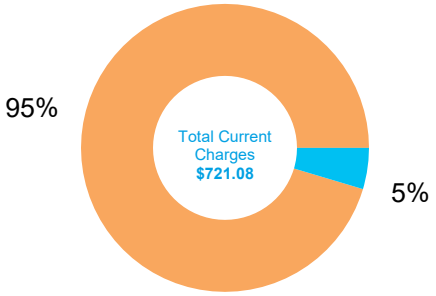
SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	86		111		150		
Rate/kWh	$.34920		$.12853		$.04121		
8 Days Charge	$30.03	+	$14.27	+	$6.18	=	50.48

Winter Baseline Adjustment Credit	289 kWh x -$.10892	-31.48
Summer Baseline Adjustment Credit	91 kWh x -$.10663	-9.70

Total Electric Charges ***$719.11***

(Continued on next page)

Breakdown of Current Charges



The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$238.04
Transmission	$142.10
Distribution	$247.44
Competition Transition Charge	-$.10
Local Generation Charge	$4.17
Reliability Services	$.07
Total Rate Adj. Comp.	$56.04

Other Charges & Credits (Electric)

Public Purpose Programs	$22.81
Wildfire Fund Charge	$8.54
Other	$1.97
Total Current Charges	**$721.08**

$72.06 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
Franchise Fees on Electric Energy Supplied by Others	8.54 x 1.10%	.09
State Surcharge Tax	1,445 kWh x $.000300	.43
State Regulatory Fee	1,445 kWh x $.001000	1.45
Total Taxes & Fees on Electric Charges		***$1.97***
Total Electric Service		***$721.08***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

Total Current Charges ***$721.08***

Exhibit 20

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Sep 9, 2025
sdge.com

Know when to conserve energy. Sign up to receive Flex Alerts at FlexAlert.org.

Moving? It's easy to start, transfer or stop your SDG&E service online or in the app. Learn more at sdge.com/move.

Need more time to pay? We're here to help. Visit sdge.com/PaymentHelp to set up payment arrangements.

Debt forgiveness: SDG&E's Arrearage Management Payment (AMP) plan can help income-qualified customers reduce past-due account balances. For details, call 1-800-411-SDGE (7343) or visit sdge.com/AMP.

CARE You are currently receiving the CARE discount

Base Services Charge (BSC): This fall, per California Assembly Bill 205, your bill will show electric delivery charges in a new way. The BSC will capture some of the fixed costs for the electric grid, including transformers and meters, which help ensure safe and reliable electric delivery to your home. SDG&E® will not earn more profit because of this change. For more information, visit sdge.com/BaseServicesCharge.

Account Summary

Previous Balance	$3,649.53
Payment Received	-.00
Past Due Balance	3,649.53
Current Charges	+ 874.43
Total Amount Due	**$4,523.96**

Summary of Current Charges

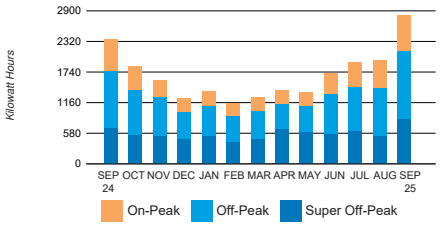
(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Aug 7, 2025 - Sep 5, 2025	2,811 kWh	888.18
Policy Adjustment - CARE Credit			-13.75
Total Charges this Month			**$874.43**

(Continued on next page)

DATE DUE	Sep 28, 2025
AMOUNT DUE	$4,523.96

Electric Usage History *(Total kWh used)*



2,811 kWh used

93.7	Daily avg kWh
67.7	Daily avg kWh last month
23.1% ↑	Change in daily avg kWh from last year
38.4% ↑	Change in daily avg kWh from last month
9.1	Max monthly demand
9.3	Max annual demand
30	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Sep 28, 2025
AMOUNT DUE	$4,523.96

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 900000099103634000036495300000452396

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 270 kWh
Billing Period: 8/7/25 - 9/5/25 **Total Days:** 30
Meter Number: 06373130 *(Next scheduled read date Oct 6, 2025)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 2,811 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Electricity Delivery *(Details below)*	2,811 kWh	

SUMMER USAGE	On-Peak	Off-Peak	Super Off-Peak		
kWh used	673	1,287	851		
Rate/kWh	$.29479	$.29479	$.29479		
Charge	$198.39	+ $379.39	+ $250.87	=	828.65

Electricity Generation *(Details below)*	2,811 kWh	

SUMMER USAGE	On-Peak	Off-Peak	Super Off-Peak		
kWh used	673	1,287	851		
Rate/kWh	$.43635	$.19639	$.07035		
Charge	$293.66	+ $252.75	+ $59.87	=	606.28

CARE Baseline Adjustment Credit	351 kWh x -$.11017	-38.67
Residential CARE Discount		-511.17
Total Electric Charges		***$885.09***

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
State Surcharge Tax	2,811 kWh x $.000300	.84
State Regulatory Fee	2,811 kWh x $.000800	2.25
Total Taxes & Fees on Electric Charges		***$3.09***
Total Electric Service		***$888.18***

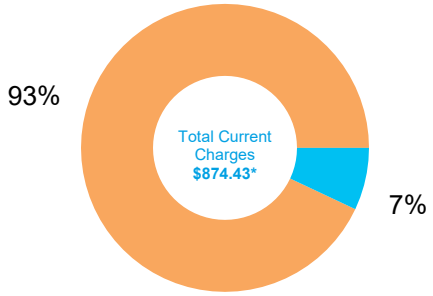
SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0008-0000

OTHER CHARGES & CREDITS

	Amount($)
Policy Adjustment - CARE Credit	-13.75
Total Other Charges & Credits	***-$13.75***
Total Current Charges	***$874.43***

Breakdown of Current Charges



**Credits are not shown on the chart*

The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$606.28
Transmission	$210.91
Distribution	$38.88
Nuclear Decommissioning	$.03
Competition Transition Charge	$.84
Local Generation Charge	$21.31
Reliability Services	$.03
Total Rate Adj. Comp.	-$52.25

Other Charges & Credits (Electric)

Public Purpose Programs	$59.06
Other	$3.09

Other Account Charges & Credits

Other	-$13.75
Total Current Charges	**$874.43**

$5.90 of your Electricity Generation Charge is your bundled PCIA charge.

Exhibit 21

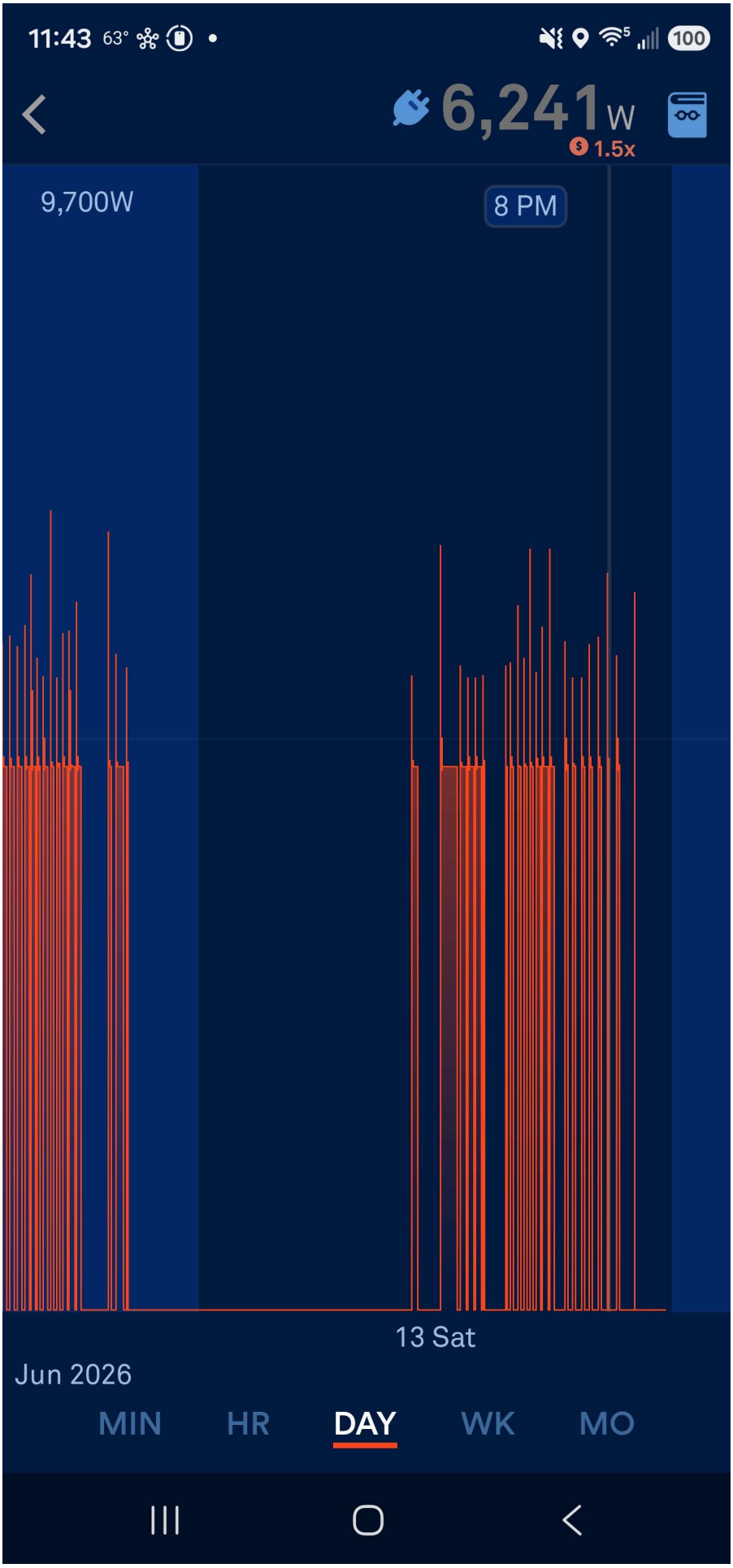

11:43 63°
100
6,241 W
1.5x
9,700W
8 PM
13 Sat
Jun 2026
MIN
HR
DAY
WK
MO

Exhibit 22

11:44
63°
100
4,616W
1.5x
9,700W
4:08 PM
3:30 PM
4:00 PM
Sat, Jun 13, 2026
MIN
HR
DAY
WK
MO

Exhibit 23

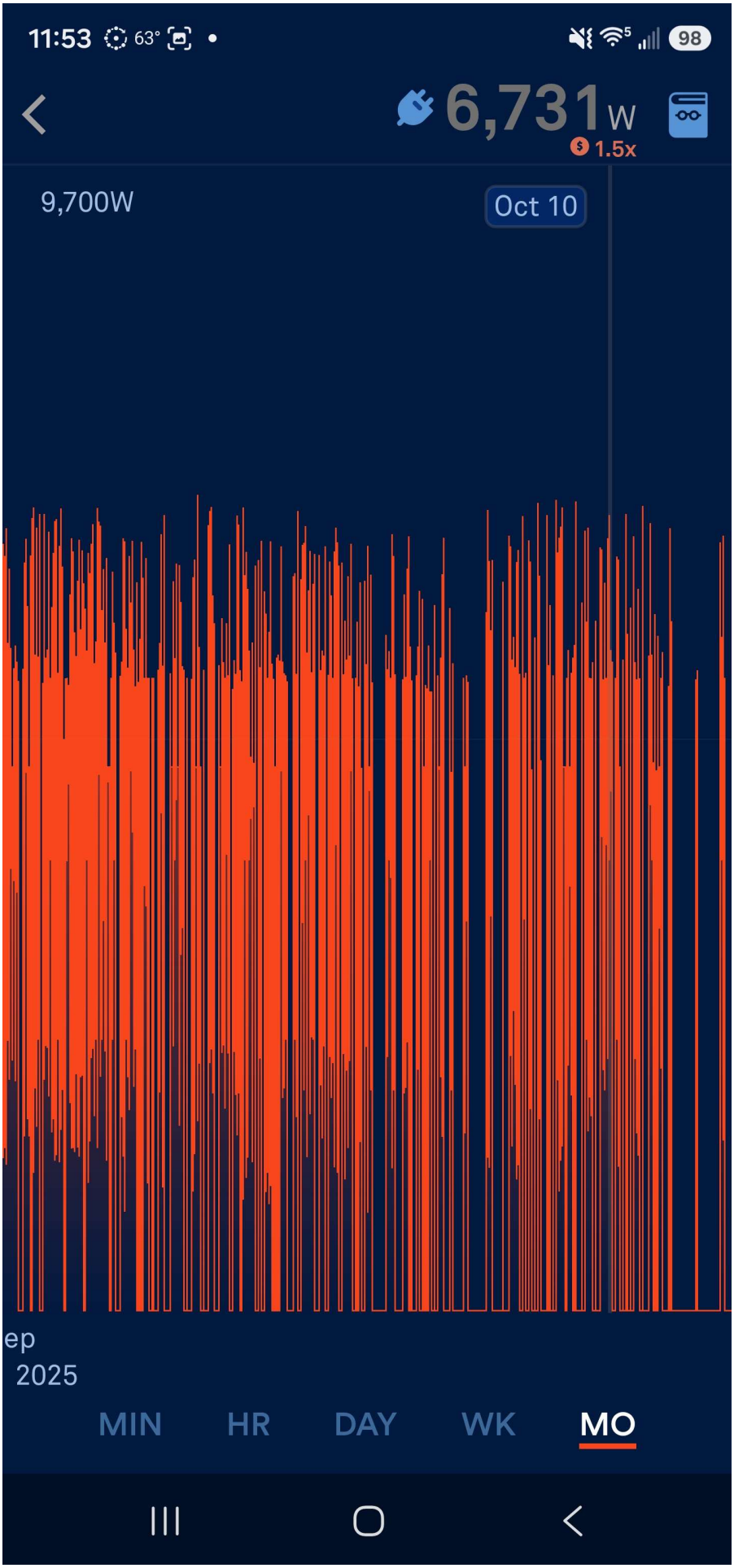

11:53
63°
98
6,731W
1.5x
9,700W
Oct 10
ep
2025
MIN
HR
DAY
WK
MO

Exhibit 24

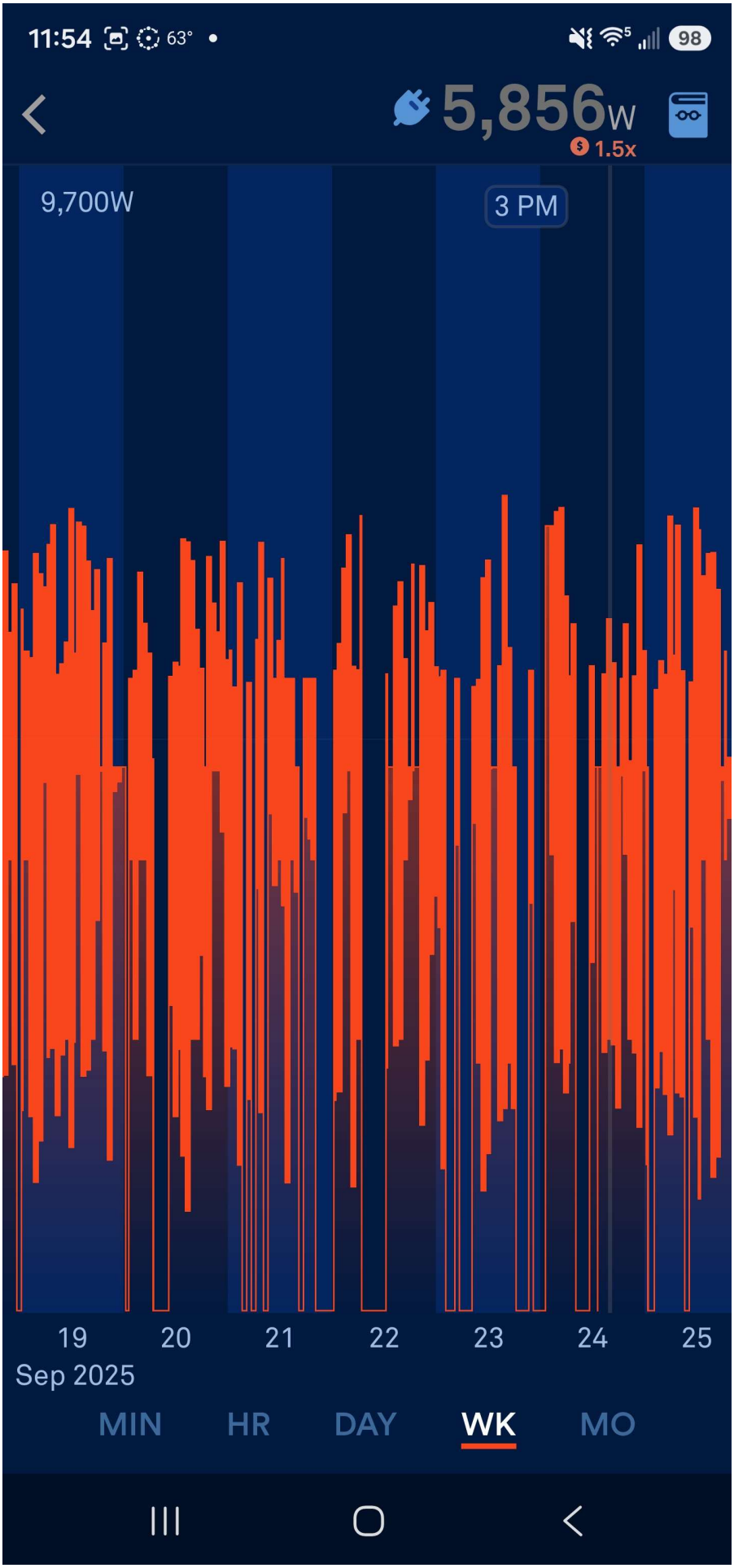

11:54
63°
98
5,856W
1.5x
9,700W
3 PM
19
20
21
22
23
24
25
Sep 2025
MIN
HR
DAY
WK
MO

Exhibit 25

Purpose: source note for California HCD AB 209 maximum safe indoor air temperature report, used as supplemental context for the CPUC complaint.

Source:
California Department of Housing and Community Development, Policy Recommendations: Recommended Maximum Safe Indoor Air Temperature.

Relevance:
The report recommends that California consider 82 degrees Fahrenheit as a general maximum safe indoor residential air temperature. It also recognizes that some people need lower temperatures and that heat risk depends on multiple factors.

Complaint use:
This supports the point that residential cooling to keep occupied space below high indoor temperatures is ordinary and safety-related, not inherently illegitimate energy use. If SDG&E applied a different threshold or treated cooling below some higher indoor temperature as unnecessary, SDG&E should identify that standard.

Exhibit 26

Purpose: source note for U.S. Department of Energy thermostat guidance, used as supplemental context for the CPUC complaint.

Source:
U.S. Department of Energy, Energy Saver, Programmable Thermostats.
https://www.energy.gov/energysaver/programmable-thermostats

Relevance:
DOE guidance frames summer cooling around setting the thermostat as high as comfortable when home and cooling is needed, including humidity control when needed. It does not state that a resident must tolerate an unsafe or unreasonable indoor temperature before cooling becomes legitimate.

Complaint use:
This supports asking SDG&E what temperature, comfort, humidity, occupancy, or HVAC-layout standard it used to decide that the cooling load in this home was not necessary, basic, or legitimate.

Exhibit 27

Purpose: source note for U.S. Department of Energy heating/cooling principles, used as supplemental context for the CPUC complaint.

Source:
U.S. Department of Energy, Energy Saver, Principles of Heating and Cooling.
https://www.energy.gov/energysaver/principles-heating-and-cooling

Relevance:
DOE explains that home cooling involves heat transfer through conduction, radiation, and convection, including heat entering through roofs, walls, windows, sunlight, and circulating hot air. DOE also explains that ventilation, surrounding surface temperatures, and humidity/perspiration affect how occupants experience heat.

Complaint use:
This supports the point that deciding whether cooling is necessary, basic, or legitimate requires evaluating actual home conditions, heat movement, occupied rooms, ventilation, humidity, and HVAC performance. Those conditions cannot be evaluated from a doorway.

Exhibit 28

Purpose: source note for ENERGY STAR heating and cooling guide, used as supplemental context for the CPUC complaint.

Source:
ENERGY STAR, A Guide to Energy-Efficient Heating and Cooling.

Relevance:
The guide discusses rooms that are too hot or too cold, humidity issues, HVAC maintenance, sealing, insulation, and system performance. These are exactly the kinds of home-specific conditions that cannot be evaluated from a doorway.

Complaint use:
This supports the no-entry point: deciding whether cooling load is necessary, basic, or legitimate requires attention to home layout, system condition, uneven rooms, humidity, and HVAC operation.

Exhibit 40

PUBLIC UTILITIES COMMISSION
320 W. 4th STREET, SUITE 520
LOS ANGELES, CA 90013

June 24, 2026

Tom Berenguel
27 St Mays Rd
Ladera Ranch CA 92694

Subject: Commission File No: 734479 for Complaint with San Diego Gas & Electric Company

Dear Tom Berenguel:

The Consumer Affairs Branch (CAB) of the California Public Utilities Commission (CPUC) has completed its review of your complaint against **San Diego Gas & Electric Company (SDG&E)**. As part of the review, CAB considered the information that you provided, the information that **SDG&E** provided to us about your account and applicable codes, orders and tariffs.

In your complaint, you raised concerns about the removal of your CARE enrollment. SDG&E reports that you disputed being taken off the CARE program. The utility explains that, in accordance with Schedule E-CARE, you were unenrolled due to continued electricity usage exceeding 600% of your baseline allowance. SDG&E states that you were first notified of high usage on April 9, 2026, and that a Customer Energy Specialist conducted an in-home visit to review your energy consumption and discuss conservation options. Because the high usage continued, a second notice was sent on May 14, 2026, informing you that your CARE enrollment had been removed. The utility reports that all actions were taken in compliance with CPUC-approved tariffs and considers the matter resolved.

Based on the review of this information, CAB has determined that **SDG&E** is not in violation of the rules or regulations of the CPUC. If you disagree with this result, you may either provide new evidence or appeal. Detailed instructions for sending new evidence or an appeal are attached. You must file within 15 days of this letter and include supporting documentation. Please provide any information you believe contradicts the utility's representations.

Sincerely,

Written Operations Unit
Consumer Affairs Branch
1-800-649-7570
www.cpuc.ca.gov

ATTACHED: Appeal Instructions

Exhibit 41

PUBLIC UTILITIES COMMISSION
320 W. 4th STREET, SUITE 520
LOS ANGELES, CA 90013

June 24, 2026 **File No:734479**

WHAT YOU MUST DO IF YOU WANT CAB TO RECONSIDER ITS REVIEW OF YOUR COMPLAINT

The Consumer Affairs Branch (CAB) of the California Public Utilities Commission (CPUC) does its best in all cases to use the information available to us to obtain a favorable resolution of each consumer's complaint. We realize that the outcome of this case may disappoint you. If you meet either one of the two limited exceptions below, you have the opportunity to file a request to review your case **within 15 business days of the date on this letter:**

If you have new evidence that would result in a favorable finding on your complaint, then file a REQUEST TO CONSIDER NEW EVIDENCE, or if you are able to show CAB made a mistake by failing to consider evidence, made a factual mistake, or made a mistake on law, then file an INFORMAL APPEAL.

The remainder of this letter provides both a summary and detailed requirements for these two processes.

SUMMARY: REQUEST TO CONSIDER NEW EVIDENCE

Prominently label your letter as "REQUEST TO CONSIDER NEW EVIDENCE."

Please include all of the following:

• Our informal complaint number; **734479**
• A brief description of the new evidence.
• A statement that shows how the new evidence would necessarily change the disposition of your complaint.
• Attach a copy of any new evidence.

SUMMARY: INFORMAL APPEAL

Prominently label your letter as INFORMAL APPEAL (for example this label might appear in the subject line or header/footer, in capital letters, in a larger font etc.)

Include all of the following:

• Our informal complaint number; **734479**
• The type of error(s) you think CAB made.
• A description of each error.
• A statement that shows how correcting the error(s) would necessarily change the disposition of your complaint.

DETAILED INSTRUCTIONS FOR SUBMISSION OF NEW EVIDENCE

You have one chance, and one only, to present new evidence. If you find additional new evidence after you have

PUBLIC UTILITIES COMMISSION
320 W. 4th STREET, SUITE 520
LOS ANGELES, CA 90013

already sent your request to us, CAB will not consider that as new evidence. All additional information is not evidence. Merely supplying us with additional information is not enough to warrant further consideration. The new evidence must be significant. “Significant” means that the new evidence, either by itself or in consideration with the other existing evidence, would justify a favorable finding in your case. Simply attaching a copy of a bill, etc., does not meet this requirement.

There is no limit to additional evidence that you may provide. However, please observe the following guidelines:

Do not re-submit material that you already sent to us. It is not the quantity of evidence, but the quality that is critical. Rearguing or repeating your case IS NOT new evidence. CAB will reject any such request at once, and will send you a form letter stating the reason for rejecting your request.

Some examples of valid additional information are: once you read the utility response to your complaint, you realized the utility’s reasoning relied on a document that you have, and your additional document contradicts the utility's justification.

If you submit a request to us, and we deny it, you may still submit an **Informal Appeal.** Please note that the requirements to file an Informal Appeal are very strict.

You should address your request as outlined. Should you fail to include any of the information that we require, your request for additional consideration can be dismissed at once. CAB will inform you of whether we re-opened your case or not.

DETAILED INSTRUCTIONS FOR SUBMISSION OF AN INFORMAL APPEAL

In order to successfully appeal CAB's findings, you must meet requirements that are both strict and narrow. You must show that CAB made one or the three specific types of errors below:

• CAB made a mistake in the facts in the case;
• or CAB made a mistake in the laws in the case ;
• or CAB made a mistake by not considering evidence that would have resulted in a favorable finding in your case.

There is no limit to how many errors you may identify. Your identification of errors should refer to your existing documentation, such as CAB's letter closing the case or your original complaint letter. An appeal must strictly relate to the information provided to CAB. If you did not previously send evidence to CAB, CAB did not make any error. If we dismiss your appeal, you MAY NOT file a REQUEST TO CONSIDER NEW EVIDENCE.

You must provide a list of the mistakes that you contend that CAB made, and you must relate those mistakes to the case findings. You may not submit new evidence. If you wish to submit new evidence, you should file a REQUEST TO CONSIDER NEW EVIDENCE.

Exhibit 42

INFORMAL APPEAL - CPUC File No. 734479

1 message

Tom <tomberenguel@gmail.com> Thu, Jul 9, 2026 at 3:05 PM
To: consumer-affairs@cpuc.ca.gov

Dear Consumer Affairs Branch,

Please accept the attached PDF letter, informal_appeal_CPUC_File_734479.pdf, as my informal appeal of CAB's June 24, 2026 closure of CPUC File No. 734479.

Utility: San Diego Gas & Electric Company
Account: SDG&E Account No. 99103634

The appeal is based on factual mistakes, legal/process mistakes, and CAB's failure to consider or address material evidence already provided in my complaint packet. I am not submitting this as a request to consider new evidence. The attached materials are targeted to the issues identified in the appeal and include CAB's closure/appeal documents, SDG&E records, account records, and public tariff/program authorities cited in the appeal.

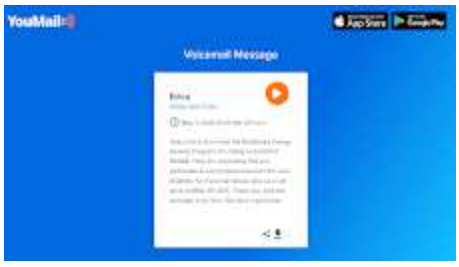
I am not reattaching the full original complaint packet because CAB already has it. The April 23 video/audio and CPUC 2025 Low Income Needs Assessment Final Report are linked in the appeal letter itself.

Please confirm receipt and confirm that this email, appeal letter, and attachments have been added to CPUC File No. 734479 for appeal review. If any attachment fails to transmit, please let me know and I will resend it or provide an alternate link.

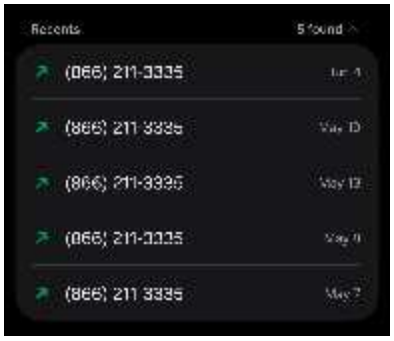
Sincerely,

Tom Berenguel
949-295-4008

22 attachments



Attachment_09_MFES_Voicemail_Screenshot_2026-05-07.png
301K



Attachment_10_MFES_Callback_Call_Log_2026-05-07_to_2026-06-04.jpg
163K

Attachment_15_Public_Utilities_Code_739_1_j.txt
4K

informal_appeal_CPUC_File_734479.pdf
108K

Attachment_11_MFES_Proof_of_Owner_Email_2026-05-08_and_2026-05-12.pdf
86K

Attachment_13_MFES_RPost_Grant_Deed_Followup_2026-06-01.pdf
528K

Attachment_12_MFES_Email_to_Dory_and_Owner_Response_2026-05-19_to_2026-05-20.pdf
180K

Attachment_14_ESA_MFES_Property_Owner_Authorization_2026-06-05.pdf
688K

Attachment_16_CARE_Proof_CalFresh_Medi-Cal.pdf
972K

Attachment_17_RPost_Request_to_SDGE_Records_Basis_2026-06-06.pdf
374K

Attachment_18_RPost_Delivered_and_Opened_SDGE_2026-06-08.pdf
257K

Attachment_20_SDGE_Schedule_E-CARE.pdf
760K

Attachment_19_SDGE_Bill_No_CARE_Summer_Rates_2026-06-10.pdf
182K

Attachment_01_CAB_Closing_Letter_2026-06-24.pdf
274K

Attachment_21_Statewide_ESA_Policy_and_Procedures_Manual_v1.5.pdf
1447K

Attachment_03_SDGE_CARE_Denial_2026-05-14.pdf
145K

Attachment_04_SDGE_Bill_CARE_Ended_2026-05-11.pdf
183K

Attachment_06_CARE_Appeal_Email_Offering_Access_2026-04-15.pdf
346K

Attachment_05_SDGE_Termination_Appeal_Notice_2026-04-19.pdf
215K

Attachment_02_CAB_Appeal_Instructions_2026-06-24.pdf
276K

Attachment_07_SDGE_CARE_Appeal_Response_Scheduling_2026-04-16.pdf
910K

Attachment_08_SDGE_CARE_Appeal_Result_2019-10-02.pdf
40K

July 8, 2026

Tom Berenguel
27 Saint Mays Rd
Ladera Ranch, CA 92694
949-295-4008

CPUC Consumer Affairs Branch
505 Van Ness Ave.
San Francisco, CA 94102

Utility: San Diego Gas & Electric Company
Account: SDG&E Account No. 99103634

RE: **INFORMAL APPEAL - CPUC File No. 734479**

I am filing this INFORMAL APPEAL of CAB's June 24, 2026 closure of CPUC File No. 734479. CAB's closure letter is included as **Attachment 01**, and CAB's appeal instructions are included as **Attachment 02**.

This appeal is based on factual mistakes, legal/process mistakes, and CAB's failure to consider or address material evidence already provided in my complaint packet. I am not submitting this as a request to consider new evidence. The appeal is based on evidence already submitted, CAB's own closure/appeal documents, and public tariff/program authorities cited to identify CAB's factual and legal/process mistakes.

The attachments are copies of materials already provided to CAB, CAB's own closure/appeal documents, or public tariff/program authorities cited to identify CAB's factual and legal/process mistakes; this appeal is not based on new evidence.

CAB's closure letter accepts SDG&E's position that I was removed from CARE because my electricity usage continued to exceed 600% of baseline, that a Customer Energy Specialist conducted an in-home visit to review my energy consumption and

discuss conservation options, and that SDG&E therefore acted in compliance with applicable tariffs and CPUC rules. See **Attachment 01**.

That conclusion is incorrect for the following reasons.

I. CAB MADE A FACTUAL MISTAKE BY ACCEPTING SDG&E'S CLAIM THAT HIGH USAGE CONTINUED BEFORE THE MAY 14 REMOVAL.

CAB's June 24 closure letter states:

> *"Because the high usage continued, a second notice was sent on May 14, 2026, informing you that your CARE enrollment had been removed."*

That statement is contradicted by SDG&E's own May 11, 2026 bill. See **Attachment 04**.

The May 11 bill covers April 8, 2026 through May 7, 2026. It shows:

a. Baseline allowance: 276 kWh
b. Total usage: 1,386 kWh
c. 600% threshold: 276 kWh x 6 = 1,656 kWh
d. Actual usage: 1,386 kWh
e. Difference: 270 kWh below the 600% threshold
f. Equivalent usage: approximately 502% of baseline

Therefore, my usage did not continue to exceed 600% of baseline during the billing period immediately preceding the May 14 denial.

This matters because Public Utilities Code section 739.1(j)(2) addresses removal only after usage continues to exceed 600% of baseline following completion of the energy assessment. It states that, following completion of the energy assessment, if the CARE participant's electricity usage continues to exceed 600% of baseline usage, the

electrical corporation may remove the participant if removal is consistent with CPUC procedures. See **Attachment 15**. SDG&E Schedule E-CARE Special Condition 9 also states that CARE participants above 400% of baseline must keep usage below 600% of baseline to remain enrolled in CARE. See **Attachment 20**.

Here, the bill immediately before the May 14 denial shows usage below 600% of baseline. CAB therefore accepted a factual representation from SDG&E that is mathematically false. Correcting that error would necessarily change the disposition because CAB's stated basis for closure depended on accepting SDG&E's claim that high usage continued.

II. CAB FAILED TO ADDRESS THE CONTROLLING VIDEO/AUDIO EVIDENCE AND SDG&E'S UNSUPPORTED REVERSAL OF ITS 2019 IN-HOME FINDING.

CAB accepted SDG&E's characterization that a Customer Energy Specialist conducted an "in-home visit" to review my energy consumption and discuss conservation options. See **Attachment 01**. SDG&E's May 14 denial also relied on an "energy audit performed in your home." See **Attachment 03**. The April 23 video/audio directly contradicts that characterization. The representative did not enter my home. At the beginning of the visit, while I was still securing my dogs so he could enter, the representative stated, "I don't even think we need to go in," and then added, "I got most of mine." The interaction remained at the doorway.

That matters because the disputed issue is not merely whether someone came to my address. The issue is whether SDG&E performed the type of in-home review needed to determine whether my usage was necessary, basic, or legitimate. A good-faith review of this complaint requires CAB to watch and listen to the full April 23 video/audio.

April 23 video/audio:
https://www.dropbox.com/scl/fi/vghmerbcixom1p891p971/Energy-Audit-4_23_26.mp4?rlkey=qfdoxdfeo76x8wtpve2edvdmf&dl=0

Short link: https://bit.ly/4fFUCzF

There is no reasonable basis to accept SDG&E's characterization of the visit without reviewing the direct evidence of what occurred. I request that CAB's appeal decision state in writing whether the appeal reviewer watched and listened to the full April 23 video/audio before reaching a decision.

The video/audio matters for another reason: an actual in-home energy assessment requires information that cannot be collected from the doorway. The Statewide Energy Savings Assistance Program Policy and Procedures Manual requires, in Section 4.5, that a structure assessment be completed using utility-approved forms and/or tools, and requires, in Section 4.3, collection of appliance/HVAC system information and home square footage. See **Attachment 21**. A representative who never entered the home could not complete a structural assessment, inspect the HVAC system, verify appliance loads, document what was inside the home, or complete the type of in-home assessment SDG&E claims occurred. If CAB accepts SDG&E's claim that an in-home audit was performed, CAB should require SDG&E to produce the utility-approved assessment forms, notes, checklist, measurements, observations, and HVAC/appliance information from the April 23 visit.

CAB also failed to address SDG&E's 2019 in-home review and opposite finding under the same "energy audit performed in your home" standard. In 2019, SDG&E performed an actual in-home review. The auditor entered my home, walked through the rooms, and measured loads while major appliances were turned on and off. After that review, SDG&E determined that my household usage was "necessary, basic and legitimate," and CARE continued. See **Attachment 08**.

SDG&E reached the opposite result in 2026 without a comparable review. The core physical issue remains the same: an aging single-zone central AC system serving a two-story condo. The major appliances are newer than the appliances SDG&E

evaluated in 2019, and therefore are not a plausible basis for suddenly finding the usage illegitimate. If SDG&E contends that something materially changed since the 2019 in-home review, it should identify the new physical evidence it relied on. Because the April 23 representative did not enter the home, SDG&E collected no new in-home evidence capable of justifying the opposite determination.

Correcting this error would necessarily change CAB's disposition because SDG&E's stated basis for removal was an energy audit "performed in your home." The video/audio shows that no such in-home audit occurred, and SDG&E has not identified any comparable in-home evidence, utility-approved assessment forms, or material change in the home supporting its reversal of the 2019 "necessary, basic and legitimate" finding.

III. CAB MADE A FACTUAL MISTAKE BY ACCEPTING SDG&E'S STATEMENT THAT CONSERVATION OPTIONS WERE DISCUSSED.

CAB's closure letter states that SDG&E reported the Customer Energy Specialist reviewed my energy consumption and discussed conservation options. See **Attachment 01**. The April 23 video/audio linked above does not support that characterization.

As explained above, the representative declined entry at the beginning of the visit and the interaction remained at the doorway. A doorway exchange and generic packet are not the same thing as an in-home energy audit, a residential energy assessment, or a meaningful review of conservation options.

That distinction matters because the required assessment and conservation discussion are not generic. Section 4.4 of the California Statewide Energy Savings Assistance Program Policy and Procedures Manual identifies "Energy Education" as a required component of the home visit. That section requires discussion of specific topics, including "the general levels of usage associated with specific end uses and appliances," "practices that diminish the savings from individual energy efficiency

measures," and "understanding utility bills and current utility rates." See **Attachment 21**.

Those requirements cannot be satisfied from the doorway. A representative who does not enter the home cannot identify the specific end uses and appliances inside the home, evaluate appliance or HVAC conditions, observe practices that may diminish energy savings, or provide conservation advice specific to the home.

The CPUC's 2025 Low Income Needs Assessment Final Report, Volume 3, makes the same point in practical terms. It describes ESA assessor education as based on the circumstances within the home, with education-oriented observations and advice specific to the home. That is the opposite of a generic doorway exchange.

CPUC 2025 Low Income Needs Assessment Final Report: https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/reports/2025-lina-final-report_103025.pdf

Public Utilities Code section 739.1(j)(2) also confirms why this matters. For CARE participants exceeding 600% of baseline, the statute requires ESAP participation, including a residential energy assessment, to provide the participant with information and assistance in reducing energy usage. See **Attachment 15**. A representative who refuses to enter the home cannot perform the residential energy assessment required to provide home-specific assistance.

Correcting this error would necessarily change the result because CAB accepted SDG&E's characterization of the April 23 visit as a completed review involving conservation discussion. The evidence shows the visit did not include entry into the home, room-by-room review, appliance testing, HVAC inspection, home-specific energy education, or the type of residential energy assessment required for high-usage CARE review.

IV. CAB MADE A LEGAL/PROCESS MISTAKE BY TREATING HIGH USAGE AS A SHORTCUT AROUND THE REQUIRED ESAP/MFES ASSESSMENT PROCESS.

Even putting aside the factual errors addressed above, CAB's closure letter makes a separate legal and process mistake. CAB accepted SDG&E's claimed high usage as if high usage alone ended the analysis. It does not.

I do not dispute that my energy usage can be high during warm weather. The issue is whether that usage is illegitimate, or whether it is caused by the physical conditions of the home. Here, the primary driver is an aging, single-zone central AC system attempting to cool a 1,900-square-foot, two-story condo with significant upstairs/downstairs temperature imbalance. That is exactly the type of condition the ESAP/MFES residential energy assessment process exists to evaluate and address.

Public Utilities Code section 739.1(j)(2) requires ESAP participation, including a residential energy assessment, "in order to provide the CARE program participant with information and assistance in reducing the CARE program participant's energy usage." The statute then addresses removal "[f]ollowing the completion" of the energy assessment, if usage continues to exceed 600% of baseline and removal is consistent with CPUC procedures. See **Attachment 15**.

That sequence matters. High usage triggers the assessment process; it is not a shortcut around it.

CAB did not address whether SDG&E completed that required process before removing CARE. It did not explain how SDG&E could remove CARE while the MFES/ESA process was already in progress. Before the May 14 denial, I had already been contacted by the Multifamily Energy Savings Program on behalf of SDG&E, had returned the call, had cooperated with the process, and was coordinating the property-owner information needed for participation. The process continued after the denial, including completed owner authorization and program representative signature. See **Attachments 09 through 14**.

CAB also failed to address why a physical assessment was necessary here. The CPUC's 2025 Low Income Needs Assessment Final Report linked above identifies older central AC systems as a major driver of high electricity usage. The report found that high-usage households are nearly three times as likely to have cooling systems between 11 and 20 years old, and that central ACs in high-electricity-using households contribute substantial additional summer kWh. The report also states that addressing this issue requires site visits to assess equipment age and operability.

SDG&E did the opposite. Its representative did not enter the home, did not assess the 15-year-old central AC system, did not evaluate the two-story HVAC layout, and did not inspect the upstairs/downstairs temperature imbalance. SDG&E then used high usage as a basis for removal while bypassing the very assessment process required to evaluate and reduce that usage.

Correcting this error would necessarily change the result because CAB accepted SDG&E's high-usage justification without addressing the required statutory and program sequence. Even if high usage had continued, SDG&E still had to complete the ESAP/MFES residential energy assessment process before relying on that process as a basis for removal. Removing CARE while the required assessment process was still underway is not compliance with Public Utilities Code section 739.1(j)(2).

REQUESTED APPEAL RESULT

I request that CAB reverse or reopen the closure of CPUC File No. 734479 because CAB accepted material factual and legal/process errors in SDG&E's explanation for removal.

At minimum, I request that CAB require SDG&E to provide a substantive response addressing:

1. How SDG&E can claim my usage "continued" to exceed 600% of baseline when the May 11, 2026 bill shows 1,386 kWh of usage against a 276 kWh baseline, which is approximately 502% of baseline, below the 1,656 kWh 600% threshold, and satisfies SDG&E Schedule E-CARE Special Condition 9's requirement to keep usage below 600% of baseline to remain enrolled in CARE. See **Attachments 04 and 20**.
2. Whether the CAB appeal reviewer watched and listened to the full April 23 video/audio linked above before deciding the appeal.
3. How SDG&E can rely on an "energy audit performed in your home" when the representative did not enter the home. See **Attachment 03** and the April 23 video/audio linked above.
4. What SDG&E means by "in-home visit," "in-home audit," or "energy audit performed in your home," and how a doorway interaction satisfies the Statewide Energy Savings Assistance Program Policy and Procedures Manual requirements for a structural assessment and appliance/HVAC information collection. See **Attachment 21**.
5. What conservation options SDG&E contends were actually discussed during the April 23 doorway visit, and how a doorway exchange or generic packet satisfies the ESA Policy and Procedures Manual Section 4.4 requirement to provide energy education regarding specific end uses and appliances in the home. See **Attachment 21** and the April 23 video/audio linked above.
6. How SDG&E complied with Public Utilities Code section 739.1(j)(2), including the ESAP/residential energy assessment sequence and the statutory removal language requiring completion of the energy assessment. See **Attachment 15**.
7. Why CARE was removed while the MFES/ESA process was still in progress. See **Attachments 09 through 14**.
8. What changed from SDG&E's 2019 actual in-home review and resulting "necessary, basic and legitimate" finding. See **Attachment 08**.
9. The completed utility-approved assessment forms, notes, checklist, measurements, observations, appliance/HVAC data, and any other records from the April 23, 2026 visit that SDG&E contends support its claim that an in-home

energy audit or residential energy assessment was performed. See **Attachments 17, 18, and 21** and the April 23 video/audio linked above.

I further request that CAB require SDG&E to reinstate CARE or suspend the CARE removal while this appeal is reviewed and while the MFES/ESA process remains in progress. My household is categorically eligible for CARE and ESA through Medi-Cal and CalFresh participation, so there is no dispute regarding income eligibility. See **Attachment 16**. I also request that CAB require SDG&E to remove or suspend any 24-month ineligibility consequence tied to the May 14 denial and correct the account retroactively with all applicable CARE credits if the removal is found unsupported or improper. The continuing no-CARE billing harm is shown in **Attachment 19**.

ATTACHMENTS

I am not reattaching the full original complaint packet because CAB already has it. The following attachments are targeted to the errors identified in this informal appeal. The April 23 video/audio and CPUC 2025 Low Income Needs Assessment Final Report are linked in the body and are not attachments.

- **Attachment 01** - CAB June 24, 2026 closing letter
- **Attachment 02** - CAB June 24, 2026 appeal instructions
- **Attachment 03** - SDG&E May 14, 2026 CARE denial letter
- **Attachment 04** - SDG&E May 11, 2026 bill showing 1,386 kWh usage and 276 kWh baseline
- **Attachment 05** - April 2026 SDG&E termination/appeal notice
- **Attachment 06** - April 15, 2026 CARE appeal email offering access
- **Attachment 07** - April 16, 2026 SDG&E CARE appeal response/scheduling thread
- **Attachment 08** - October 2, 2019 SDG&E CARE appeal result finding usage necessary, basic, and legitimate
- **Attachment 09** - May 7, 2026 MFES voicemail screenshot
- **Attachment 10** - MFES callback call log, May 7, 2026 through June 4, 2026

- **Attachment 11** - MFES/ESA proof-of-owner email thread, May 8 and May 12, 2026
- **Attachment 12** - MFES email to Dory and owner response, May 19 and May 20, 2026
- **Attachment 13** - MFES RPost grant deed follow-up, June 1, 2026
- **Attachment 14** - ESA Southern MFES Property Owner Authorization and Affidavit
- **Attachment 15** - Public Utilities Code section 739.1(j)
- **Attachment 16** - CARE proof of Medi-Cal and CalFresh
- **Attachment 17** - June 6, 2026 RPost email to SDG&E requesting records and basis for denial
- **Attachment 18** - June 8, 2026 RPost delivered-and-opened receipt
- **Attachment 19** - June 10, 2026 bill showing continuing no-CARE harm and summer pricing period
- **Attachment 20** - SDG&E Schedule E-CARE
- **Attachment 21** - Statewide ESA Policy and Procedures Manual v1.5

Exhibit 43

CPUC Case#734479

1 message

DoNotReply CAB Operations <DoNotReplyCABOperations@cpuc.ca.gov> Thu, Jul 9, 2026 at 3:58 PM

To: "tomberenguel@gmail.com" <tomberenguel@gmail.com>

Dear Tom Berenguel,

We have received the additional information you submitted regarding Case #734479. However, as stated in the appeal closing letter, this concludes the Informal Appeal process.

As noted in the letter:

"As this concludes the Informal Appeal process, if you disagree with this resolution, your next step is to file a Formal Complaint."

We recommend that you take the information you've provided and include it in a Formal Complaint to the California Public Utilities Commission's Public Advisor's Office (PAO). Instructions for submitting a Formal Complaint were included with your appeal closing letter. For your convenience, you may also contact the PAO or file online using the details below:

Public Advisor's Office (PAO)

California Public Utilities Commission

Email: public.advisor@cpuc.ca.gov

Phone: 1-866-849-8390

Online Complaint Portal: https://www.cpuc.ca.gov/complaints/

Additionally, we would like to reiterate the following from your appeal closing letter:

"Please be advised that any further correspondence regarding this complaint submitted to CAB will not receive a response."

Thank you for your understanding.

2 attachments

734479-Berenguel.pdf
275K

Formal Complaint Directions and Form091214.pdf
108K

PUBLIC UTILITIES COMMISSION
320 W. 4th STREET, SUITE 520
LOS ANGELES, CA 90013

July 09, 2026 **File No:734479**

Tom Berenguel
27 St Mays Rd
Ladera Ranch CA 92694

Dear Tom Berenguel:

The Consumer Affairs Branch (CAB) of the California Public Utilities Commission (CPUC) received your informal Appeal of your case, **File No:734479**. Our letter closing your case informed you that in order for CAB to consider an Appeal, you must demonstrate that:

CAB made one of three specific types of errors:
- CAB made a mistake in the *facts in the case* or
- CAB made a mistake in the *laws in the case* or
- CAB made a mistake by *not considering evidence.*

You are required to show that correction of CAB's error/s would have otherwise resulted in the disposition being in your favor. Your appeal did not provide new evidence, or you disagreed with the utility's response and CAB's position that does not fulfill CAB's Appeal requirements. Therefore, your appeal has been **denied**.

Since CAB's authority is limited and cannot compel the utility to provide you with the relief you requested, you have **two other available options:**

The **first option** is to convert this Informal Complaint to a **Formal Complaint** – please refer to the Formal Complaint instructions accompanying this letter. You can get further assistance by going to our website: https://www.cpuc.ca.gov/formalcomplaintinfo/ or you may contact the Public Advisors Officer (PAO) at (866) 849-8390. The PAO is available if you need assistance with completing the necessary forms and assist you with the filing of your paperwork.

The **second option** is to seek legal advice and file a **legal process in a civil or** municipal court or in a court of competent jurisdiction in accordance with **PU Code §2106.**

Sincerely,

Written Operations Unit
Consumer Affairs Branch
1-800-649-7570
www.cpuc.ca.gov

Exhibit 44

ACCOUNT NUMBER 0000 9910 3634 0
SERVICE FOR
TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

DATE MAILED Aug 10, 2026
sdge.com

Moving? It's easy to start, transfer or stop your SDG&E service online or in the app. Learn more at sdge.com/move.

To receive alerts in case of wildfires or other emergencies, make sure your contact information is up to date. Visit sdge.com/notifications to learn more.

Bill Discount: You can save 30% or more on your monthly energy bill. Eligibility is based on participation in certain public assistance programs or current household income and the number of people living in your home. To apply, call 1-877-646-5525 or visit sdge.com/CARE.

Descuento en la factura: Puede ahorrar un 30% o más en su factura mensual de energía. Los requisitos del programa se basan en la participación en ciertos programas de asistencia pública, o el ingreso anual y el número de personas que viven en el hogar. Para aplicar, llame al 1-877-646-5525 o visite sdge.com/CARE.

Bill Credit Alert: Your bill includes a $49.36 California Climate Credit from the state's Cap-and-Invest program. This credit is timed to help lower costs during high energy use months. Learn more: cpuc.ca.gov/climatecredit.

Account Summary

Previous Balance			$772.22
Payment Received	7/30/26	THANK YOU	- 772.22
Current Charges			+ 1,028.80
Total Amount Due			**$1,028.80**

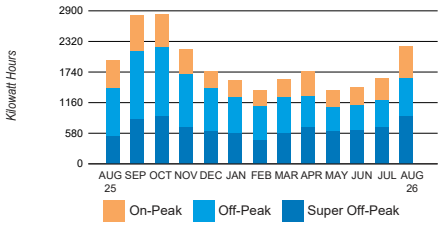
Arrearage Management Payment (AMP) plan

Original Arrearage Amount	+ 7,860.54	AMP Plan Number	010000138240
Current Forgiveness Amount	- 655.05	AMP Plan Start Date	Mar 19, 2026
Prior Total Forgiven	- 1,965.15	Forgiveness Remaining	$5,240.34
Arrearage Remaining	**$5,240.34**	Periodic Forgiveness Amount	**$655.05**

(Continued on next page)

DATE DUE	Aug 29, 2026
AMOUNT DUE	$1,028.80

Electric Usage History *(Total kWh used)*



2,227	kWh used
76.8	Daily avg kWh
54.1	Daily avg kWh last month
13.4% ↑	Change in daily avg kWh from last year
42.0% ↑	Change in daily avg kWh from last month
8.9	Max monthly demand
10.0	Max annual demand
29	Days in billing cycle

PLEASE KEEP THIS PORTION FOR YOUR RECORDS. (FAVOR DE GUARDAR ESTA PARTE PARA SUS REGISTROS.)
PLEASE RETURN THIS PORTION WITH YOUR PAYMENT. (FAVOR DE DEVOLVER ESTA PARTE CON SU PAGO.)

ACCOUNT NUMBER
0000 9910 3634 0

PAY ONLINE
MyEnergyCenter.com

DATE DUE	Aug 29, 2026
AMOUNT DUE	$1,028.80

SERVICE ADDRESS: 27 SAINT MAYS RD LR 92694

Please enter amount enclosed.

$

Write account number on check and make payable to ***San Diego Gas & Electric.***

CY 04

TOM BERENGUEL
27 SAINT MAYS RD
LADERA RANCH, CA 92694

SAN DIEGO GAS & ELECTRIC
PO BOX 25111
SANTA ANA CA 92799-5111

0 2 600000099103634000000000000000102880

Summary of Current Charges

(See page 3 for details)

	Billing Period	Usage	Amount($)
Electric	Jul 9, 2026 - Aug 6, 2026	2,227 kWh	1,078.16
California Climate Credit			-49.36
Total Charges this Month			**$1,028.80**

Regulatory Notices

- All customers are required to pay a Competition Transition Charge as part of the charges above, including those who choose an electric service provider other than SDG&E.

Important Phone Numbers

1-800-411-SDGE (7343) *English*
1-800-311-SDGE (7343) *Español*
1-877-889-SDGE (7343) *TTY*

M-F, 7am-8pm, Sat, 7am-6pm

For emergencies and to report outages, please call 24 hours a day, 7 days a week. **1-800-611-7343**

To locate underground cables & gas pipes, please call DigAlert, Monday-Friday, 6am-7pm. **8-1-1**

To make a payment using credit or debit card, call **1-800-411-7343**

Payment Options $ Please visit sdge.com/PayBill for more ways to pay your bill.

Pay Online:
Pay online with MyEnergyCenter.com. We offer a variety of payment options including bank account, debit card, credit card, digital wallet and more.

Pay with Mobile App:
Pay with your mobile device using the My Energy Center mobile app. Visit sdge.com/MECapp to get started.

Need help paying your bill?
For payment options or to make payment arrangements, visit us at sdge.com/assistance or call 1-800-411-SDGE (7343).

Enroll in Auto Pay:
Enjoy the convenience of Auto Pay. It's an easy and secure way to make sure your energy bill is paid on time, automatically each month. Go to MyEnergyCenter.com.

In Person:
To find the nearest location and hours of operation, visit sdge.com/locations.

By Mail:
Mail your check or money order, along with the payment stub at the bottom of your bill, in the enclosed envelope to SDG&E, PO Box 25111, Santa Ana, CA 92799-5111.

Detail of Current Charges

Electric Service

Rate: Time of Use - TOU-DR1-Residential **Climate Zone:** Coastal
Baseline Allowance: 261 kWh
Billing Period: 7/9/26 - 8/6/26 **Total Days:** 29
Meter Number: 06373130 *(Next scheduled read date Sep 4, 2026)* **Cycle:** 04
Meter Constant: 1.000 **Billing Voltage Level:** Secondary
Circuit: 1257 **Block:**29
Total Usage: 2,227 *(Usage based on interval data)*

ELECTRIC CHARGES

		Amount($)
Base Services Charge	$.79343 x 29 days	23.01

Electricity Delivery *(Details below)* 1,734 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	476		566		692		
Rate/kWh	$.32948		$.32948		$.32948		
23 Days Charge	$156.83	+	$186.49	+	$228.00	=	571.32

Electricity Delivery *(Details below)* 493 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	128		157		208		
Rate/kWh	$.32601		$.32601		$.32601		
6 Days Charge	$41.73	+	$51.18	+	$67.81	=	160.72

Rate Change This Billing Period:
There was a rate change on day 24 of your Billing Period. Therefore, your charges for the first 23 days were at Rate 1, and the remaining 6 days were at Rate 2.

Wildfire Fund Charge	2,227 kWh x $.00591	13.16

Electricity Generation *(Details below)* 1,734 kWh

SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	476		566		692		
Rate/kWh	$.34920		$.12853		$.04121		
23 Days Charge	$166.22	+	$72.75	+	$28.52	=	267.49

Electricity Generation *(Details below)* 493 kWh

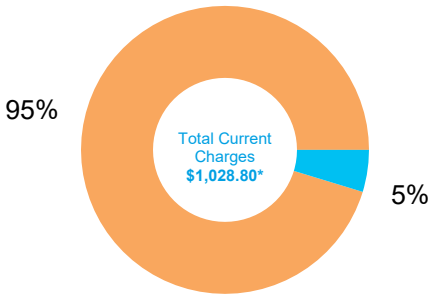
SUMMER USAGE	On-Peak		Off-Peak		Super Off-Peak		
kWh used	128		157		208		
Rate/kWh	$.35943		$.13229		$.04241		
6 Days Charge	$46.01	+	$20.77	+	$8.82	=	75.60

Baseline Adjustment Credit	264 kWh x -$.10663	-28.15
Baseline Adjustment Credit	75 kWh x -$.10702	-8.03

Total Electric Charges ***$1,075.12***

(Continued on next page)

Breakdown of Current Charges



**Credits are not shown on the chart*

The total current charges include the following components. Definitions for these terms are shown on page 6 of your bill.

Electric Charges

Electricity Generation	$343.09
Transmission	$202.56
Distribution	$366.62
Competition Transition Charge	-$.16
Local Generation Charge	$3.79
Reliability Services	$.12
Total Rate Adj. Comp.	$111.36

Other Charges & Credits (Electric)

Public Purpose Programs	$34.58
Wildfire Fund Charge	$13.16
Other	$3.04

Other Account Charges & Credits

California Climate Credit	-$49.36
Total Current Charges	**$1,028.80**

$109.99 of your Electricity Generation Charge is your bundled PCIA charge.

Detail of Current Charges - Continued

TAXES & FEES ON ELECTRIC CHARGES

		Amount($)
Franchise Fees on Electric Energy Supplied by Others	13.16 x 1.10%	.14
State Surcharge Tax	2,227 kWh x $.000300	.67
State Regulatory Fee	2,227 kWh x $.001000	2.23
Total Taxes & Fees on Electric Charges		***$3.04***
Total Electric Service		***$1,078.16***

SDG&E Rate Identification Number (RIN)
View hourly electric pricing information using your RIN.
To find your RIN, use your smartphone to scan the QR code.

SDG&E Electric Service
Meter # 6373130
RIN : USCA-SDSD-0007-0000

OTHER CHARGES & CREDITS

	Amount($)
California Climate Credit	-49.36
Total Other Charges & Credits	***-$49.36***
Total Current Charges	***$1,028.80***

Your Electricity Dashboard

Highest Usage Hour

Highest Usage Hour (Demand) this month:

8.9 kW on July 27, 2026 from 11:00pm to 12:00am

Demand is the highest amount of electricity used at a given point in time.

Time of Use - Electricity

Summer	kWh
On-Peak	604
Off-Peak	723
Super Off-Peak	900
Total	2,227

TOU Period – Weekdays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.	Midnight - 6:00 a.m. 10:00 a.m. - 2:00 p.m.

TOU Period – Weekends and Holidays	Summer June 1 - October 31	Winter November 1 - May 31
On-Peak	4:00 p.m.- 9:00 p.m.	4:00 p.m.- 9:00 p.m.
Off-Peak	All other hours	All other hours
Super Off-Peak	Midnight - 2:00 p.m.	Midnight - 2:00 p.m.

Definitions

Baseline Allowance - A quantity of electricity or gas allocated by the CPUC for residential customers based on a percentage of average residential consumption and varying based on type of space heating, type of water heating, season, climatic zone and number of days in the billing period.

Base Services Charge - This charge covers some of the fixed costs of the electric grid, including transformers and meters which help ensure safe, reliable electricity delivery to your home.

California Climate Credit - The state charges fees to reduce carbon pollution and increase the use of cleaner energy. These fees are returned to you as a credit. Households receive the electric credit twice a year and gas credit once a year. Small businesses receive the electric credit twice a year. Visit cpuc.ca.gov/climatecredit to learn more.

City of San Diego Franchise Fee Differential - A fee charged to SDG&E by the City of San Diego for the rights to operate within city streets.

Climate Zone - The CPUC established four Climatic Zones in California, based on annual average temperatures.

Competition Transition Charge (CTC) - Through this charge, SDG&E recovers costs for power plants and longterm power contracts approved by state regulators that have been made uneconomic by the shift to competition.

Delivery - Charges for the costs of owning, operating, and maintaining the transmission and distribution facilities to deliver power to customers.

Distribution - This line reflects charges to distribute power to customers. It includes power lines, poles, transformers, repair crews and emergency services.

Electricity Generation Charge - This charge is for the electricity you use and includes charges for the energy provided by both SDG&E and DWR. Electricity from DWR is owned by DWR, not SDG&E. If you purchase electricity from another supplier or buy electricity through SDG&E using hourly pricing, this charge appears only for informational purposes and will be offset by a credit.

Franchise Fees for Electric Energy Supplied by Others- This charge pays cities for the right to have transmission and distribution equipment (such as poles and wires) on city streets. This charge collects the franchise fee on the electricity purchased for you by DWR. The franchise fee on the electricity provided to you by SDG&E is included in the SDG&E Electricity Generation Charge.

kWh (kilowatt hour) - A common unit to measure electric energy consumption. A kWh equals 1,000 watts of electric power consumed for one hour of time.

Local Generation Charge - Recovers the costs associated with generation power suppliers that the CPUC has determined should be recovered from all benefiting customers.

Maximum Annual Demand - The highest Maximum Monthly Demand for the current and prior eleven billing periods.

Maximum Monthly Demand - The maximum demand during the current billing period.

Nuclear Decommissioning - This charge pays for the retirement of nuclear power plants.

Power Charge Indifference Adjustment (PCIA) - The PCIA is a charge to ensure that both SDG&E customers and those who have left SDG&E service to purchase electricity from other providers pay for the above market costs for electric generation resources that were procured by SDG&E on their behalf. 'Above market' refers to the difference between what the utility pays for electric generation and current market prices for the sale of those resources.

Public Purpose Programs - This charge reflects the costs of certain state-mandated programs (such as low-income and energy efficiency programs).

Reliability Services (RS) - The Independent System Operator is required to ensure adequate generation to maintain electric system reliability. This means having enough generating facilities available to meet the demand for electricity at all times. The costs associated with this are passed on to SDG&E customers.

State Regulatory Fee - Charged to all utility users to pay for the California Public Utilities Commission (CPUC) operations.

State Surcharge Tax - Collected by the State of California for the conservation and development of energy resources in the state.

Total Rate Adjustment Component (TRAC) - This charge achieves legislative and CPUC subsidies such as maintaining the Commission approved tier differential between rates for usage up to 130% of baseline and usage above 130% of baseline; discounted rates for assistance programs; and elimination or modification of seasonality in rates by lowering Summer rates and increasing Winter rates.

Transmission - This charge pays for the delivery of high-voltage electricity from power plants to distribution points near your home or business. It includes the cost of high-voltage power lines and towers, as well as monitoring and control equipment.

Wildfire Fund Charge - The Wildfire Fund Charge is mandated by the CPUC to repay costs associated with wildfire damage after July 12, 2019.

SDG&E Policies and Notices

Electronic Check Processing - When you pay your bill by check, you authorize us to electronically process your payment. If your check is processed electronically, your checking account may be debited on the same day we receive the check.

Rates & Rules - SDG&E's rate schedules and rules, on file and approved by the CPUC, are available online at ***sdge.com***.

Pay Before Date / Disconnection Policy - Your SDG&E bill is due and payable upon presentation and is past due if not paid within 19 days of the date mailed. If your payment has not been received by the "Due Date" shown on your bill, your SDG&E service is subject to disconnection, after proper notice has been provided. If your service is disconnected for non-payment, there may be additional service charges and you will be required to pay all past due SDG&E amounts before service is restored. Your SDG&E service could also be disconnected if the information provided on your application for service is false, incomplete or inaccurate. SDG&E will disconnect your services only for non-payment of those charges owed SDG&E.

If you are unable to pay your SDG&E bill in full due to a temporary financial hardship or due to a serious illness in the household, you need to call SDG&E before the expiration of this notice. Employees, including multilingual staff, are available to assist with payment arrangements

If SDG&E fails to offer you payment arrangements, you may write to the Consumer Affairs Branch of the California Public Utilities Commission (CPUC), State Office Building, 505 Van Ness Avenue, Room 2003, San Francisco, CA 94102, phone: 800-649-7570, email: consumer-affairs@cpuc.ca.gov, prior to disconnection of your SDG&E service. The Consumer Affairs Branch will review the complaint and issue its proposed resolution to you and SDG&E. If you are not satisfied, you may appeal the proposed resolution by filing a formal complaint. A more detailed explanation of disconnection policies, including your rights as an SDG&E customer, may be obtained by calling 1-800-411-SDGE (7343), or e-mail: info@sdge.com.

Disputed Bills / Service Complaints - If you believe there is an error on your bill or have a question about your service, please call **SDG&E** customer support at **1-800-411-SDGE (7343)**. If you are not satisfied with SDG&Es response, submit a complaint to the California Public Utilities Commission (CPUC) at www.cpuc.ca.gov/complaints/. Billing and service complaints are handled by the CPUCs Consumer Affairs Branch (CAB), 505 Van Ness Ave, Room 2003, San Francisco, CA 94102, phone: 1-800-649-7570.

If you have limitations hearing or speaking, dial 711 to reach the California Relay Service, which is for those needing assistance relaying telephone conversations. Dial one of the numbers below to be routed to a California Relay Service provider in your preferred mode of communication.

California Relay Service Phone Numbers:

Type of Call	Toll-Free Number
TTY/VCO/HCO to Voice	1-800-735-2929 English 1-800-855-3000 Spanish
Voice to TTY/VCO/HCO	1-800-735-2922 English 1-800-855-3000 Spanish
Speech to Speech	1-800-854-7784

To avoid having service turned off while waiting for the outcome of a complaint to the CPUC **specifically regarding the accuracy of your bill**, please contact CAB for assistance. If your case meets the eligibility criteria, CAB will provide you instructions on how to mail a check or money order to be impounded pending resolution of your case. You must continue to pay your current charges while your complaint is under review to keep your service turned on.

Re-Establishment of Credit / Deposit - If you pay your SDG&E bill after the expiration date of a past due notice, you may be required to re-establish your credit by paying a deposit.

Large Font Bill - You can sign-up to receive a large font bill by calling SDG&E at 1-800-411-SDGE (7343).

Exhibit 45

Exhibit 45 - Workbook Record

Recovered_Sheet1

Name : TOM BERENGUEL

Address: 27 SAINT MAYS RD, Ladera Ranch, CA, 92694

Account Number: 99103634

Service Type: Electric

Reading Start: 07/06/2024

Reading End: 07/08/2025

Total Usage: 19523

UOM: kWh

Disclaimer: The information contained in this file is intended for the personal and confidential use of the recepients(s) name above. Any unauthorized use is prohibited.

Meter Number	Date	Duration	Consumed
6373130	Aug 05,2024	Month	2304
6373130	Sep 05,2024	Month	2359
6373130	Oct 04,2024	Month	1845
6373130	Nov 05,2024	Month	1583
6373130	Dec 05,2024	Month	1245
6373130	Jan 07,2025	Month	1379
6373130	Feb 05,2025	Month	1139
6373130	Mar 07,2025	Month	1269
6373130	Apr 07,2025	Month	1399
6373130	May 07,2025	Month	1358
6373130	Jun 06,2025	Month	1711
6373130	Jul 08,2025	Month	1932

Exhibit 46

Exhibit 46 - Workbook Record

Recovered_Sheet1

Name : TOM BERENGUEL

Address: 27 SAINT MAYS RD, Ladera Ranch, CA, 92694

Account Number: 99103634

Service Type: Electric

Reading Start: 06/07/2025

Reading End: 07/08/2026

Total Usage: 24266

UOM: kWh

Disclaimer: The information contained in this file is intended for the personal and confidential use of the recepients(s) name above. Any unauthorized use is prohibited.

Meter Number	Date	Duration	Consumed
6373130	Jul 08,2025	Month	1932
6373130	Aug 06,2025	Month	1963
6373130	Sep 05,2025	Month	2811
6373130	Oct 06,2025	Month	2837
6373130	Nov 05,2025	Month	2163
6373130	Dec 05,2025	Month	1749
6373130	Jan 07,2026	Month	1591
6373130	Feb 05,2026	Month	1396
6373130	Mar 09,2026	Month	1611
6373130	Apr 07,2026	Month	1760
6373130	May 07,2026	Month	1386
6373130	Jun 08,2026	Month	1445
6373130	Jul 08,2026	Month	1622

Exhibit 47

Exhibit 47 - Workbook Record

Table1

Billing History

Statement Date	Due Date	Billing Days	Current Charges	Total Amount Due	Bill Status
Jul 10, 2026	Jul 29, 2026	30	$772.22	$772.22	Billed
Jun 10, 2026	Jun 29, 2026	32	$721.08	$721.08	Billed
May 11, 2026	May 30, 2026	30	$704.34	$704.34	Billed
Apr 9, 2026	Apr 28, 2026	29	$568.51	$568.51	Billed
Mar 11, 2026	Mar 30, 2026	32	$516.11	$7860.54	Billed
Feb 9, 2026	Feb 28, 2026	29	$450.21	$7344.43	Billed
Jan 9, 2026	Jan 28, 2026	33	$466.82	$6894.22	Billed
Dec 9, 2025	Dec 28, 2025	30	$504.45	$6427.40	Billed
Nov 7, 2025	Nov 26, 2025	30	$609.05	$5922.95	Billed
Oct 8, 2025	Oct 27, 2025	31	$789.94	$5313.90	Billed
Sep 9, 2025	Sep 28, 2025	30	$874.43	$4523.96	Billed
Aug 8, 2025	Aug 27, 2025	29	$629.81	$3649.53	Billed
Jul 10, 2025	Jul 29, 2025	32	$602.33	$3019.72	Billed
Jun 10, 2025	Jun 29, 2025	30	$521.24	$2417.39	Billed
May 9, 2025	May 28, 2025	30	$405.08	$1896.15	Billed
Apr 9, 2025	Apr 28, 2025	31	$335.25	$1491.07	Billed
Mar 11, 2025	Mar 30, 2025	30	$379.03	$1155.82	Billed
Feb 7, 2025	Feb 26, 2025	29	$347.68	$776.79	Billed
Jan 9, 2025	Jan 28, 2025	33	$429.11	$429.11	Billed
Dec 9, 2024	Dec 28, 2024	30	$388.65	$388.65	Billed
Nov 7, 2024	Nov 26, 2024	32	$479.94	$479.94	Billed
Oct 8, 2024	Oct 27, 2024	29	$497.65	$497.65	Billed
Sep 9, 2024	Sep 28, 2024	31	$745.57	$745.57	Billed
Aug 7, 2024	Aug 26, 2024	31	$707.34	$707.34	Billed

Statement Date	Due Date	Billing Days	Current Charges	Total Amount Due	Bill Status
Jul 9, 2024	Jul 28, 2024	30	$524.03	$524.03	Billed
Jun 7, 2024	Jun 26, 2024	30	$434.29	$434.29	Billed

Exhibit 48

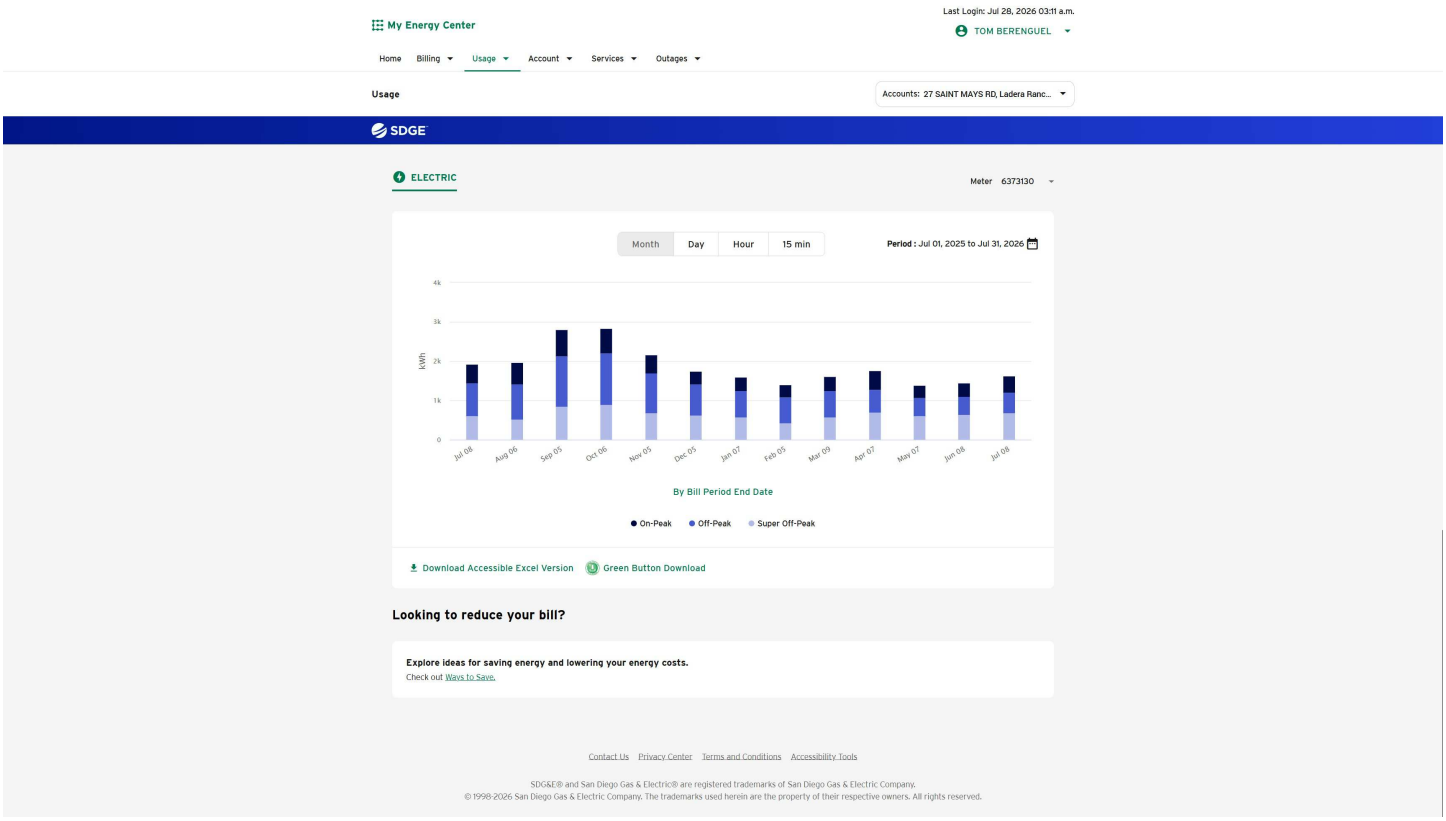

My Energy Center
Last Login: Jul 28, 2026 03:11 a.m.
TOM BERENGUEL
Home
Billing
Usage
Account
Services
Outages
Usage
Accounts: 27 SAINT MAYS RD, Ladera Ranc...
SDGE
ELECTRIC
Meter 6373130
Month
Day
Hour
15 min
Period : Jul 01, 2025 to Jul 31, 2026
4k
3k
2k
1k
0
kWh
Jul 08
Aug 06
Sep 05
Oct 06
Nov 03
Dec 05
Jan 07
Feb 05
Mar 09
Apr 07
May 07
Jun 08
Jul 08
By Bill Period End Date
On-Peak
Off-Peak
Super Off-Peak
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Exhibit 49

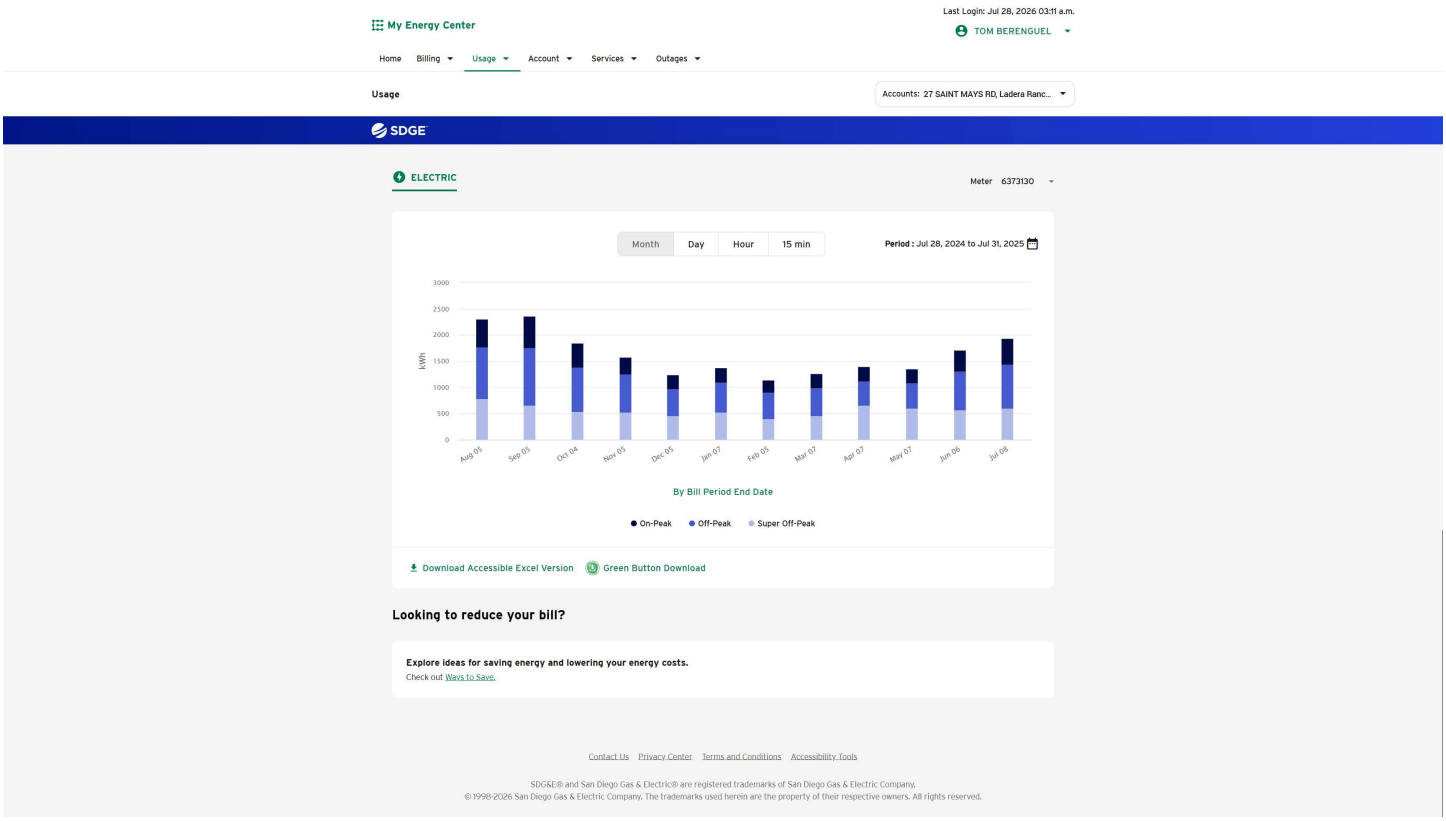
My Energy Center
Last Login: Jul 28, 2026 03:11 a.m.
TOM BERENGUEL
Home
Billing
Usage
Account
Services
Outages
Usage
Accounts: 27 SAINT MAYS RD, Ladera Ranc...
SDGE
ELECTRIC
Meter 6373130
Month
Day
Hour
15 min
Period : Jul 28, 2024 to Jul 31, 2025
kWh
3000
2500
2000
1500
1000
500
0
Aug 05
Sep 05
Oct 04
Nov 05
Dec 05
Jan 07
Feb 05
Mar 07
Apr 07
May 07
Jun 06
Jul 08
By Bill Period End Date
On-Peak
Off-Peak
Super Off-Peak
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Exhibit 50

Public Utilities Code Section 739.1(j)

California Legislative Information

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PUC&sectionNum=739.1

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(j) (1) In addition to existing assessments of eligibility, an electrical corporation may require proof of income eligibility for those CARE program participants whose electricity usage, in any monthly or other billing period, exceeds 400 percent of
baseline usage. The authority of an electrical corporation to require proof of income eligibility is not limited by the means by which the CARE program participant enrolled in the program, including if the participant was automatically enrolled in the CARE program because of participation in a governmental assistance program. If a CARE program participant's electricity usage exceeds 400 percent of baseline usage, the electrical corporation may require the CARE program participant to participate in the Energy Savings Assistance Program (ESAP), which includes a residential energy assessment, in order to provide the CARE program participant with information and assistance in reducing the CARE program participant's energy usage. Continued participation in the CARE program may be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of notice being given by
the electrical corporation pursuant to this paragraph. The electrical corporation may require the CARE program participant to notify the electrical corporation of whether the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant. Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.

(2) If a CARE program participant's electricity usage exceeds 600 percent of baseline usage, the electrical corporation shall require the CARE program participant to participate in ESAP, which includes a residential energy assessment, in order to provide the CARE program
participant with information and assistance in reducing the CARE program participant's energy usage. Continued participation in the CARE program shall be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of a notice made by the electrical corporation pursuant to this paragraph. The electrical corporation may require the CARE program participant to notify the electrical corporation of whether
the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant. Following the completion of the energy assessment, if the CARE program participant's electricity usage continues to exceed 600 percent of baseline usage, the electrical corporation may remove the CARE program participant from the program if the removal is consistent with procedures adopted by the commission. This paragraph does not prevent a CARE program participant with electricity usage exceeding 600 percent of baseline usage from participating in an appeals process with the electrical corporation to determine whether the participant's usage levels are legitimate.

(3) A CARE program participant in a rental residence shall not be removed from the program in situations where the landlord is nonresponsive when contacted by the electrical corporation or does not provide for ESAP participation.

(Amended by Stats. 2024, Ch. 732, Sec. 1. (AB 2672) Effective January 1, 2025.)

Exhibit 51

Public Utilities Code - Chapter 4, Article 2: Rates [727-758]

California Legislative Information

https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?article=2.&chapter=4.&division=1.&lawCode=PUC&part=1.&title=

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Public Utilities Code - PUC

DIVISION 1. REGULATION OF PUBLIC UTILITIES [201 - 3299.100]

(Division 1 enacted by Stats. 1951, Ch. 764.)

PART 1. PUBLIC UTILITIES ACT [201 - 2120]

(Part 1 enacted by Stats. 1951, Ch. 764.)

CHAPTER 4. Regulation of Public Utilities [701 - 940]

(Chapter 4 enacted by Stats. 1951, Ch. 764.)

ARTICLE 2. Rates [727 - 758]

(Article 2 enacted by Stats. 1951, Ch. 764.)

727.

It is the policy of the state that the use of all waterways, ports, and harbors of this state shall be encouraged, and to that end the commission is directed in the establishment of rates for water carriers applying to business moving between points within this state to fix those rates at such a differential under the rates of competing land carriers that the water carriers shall be able fairly to compete for such business. In fixing the rates there shall be taken into consideration quality and regularity of service and class and speed of vessels.

(Amended by Stats. 1996, Ch. 1042, Sec. 18. Effective September 29, 1996.)

727.5.

(a) In establishing rates for water service, the commission shall consider, and may establish, separate charges for costs associated with customer service, facilities, variable operating costs, including fixed and variable costs associated with supplying the water, or other components of the water service provided to water users.

(b) The commission shall consider, and may authorize, a water corporation to assess a fee for future water service, or a reservation charge for future water service, for persons or entities occupying or owning property within the service territory of the water corporation.

(c) The commission shall consider, and may authorize, a water corporation to establish a balancing account, rate stabilization fund, or other contingency fund, the purpose of which shall be the long-term stabilization of water rates.

(d) (1) The commission shall consider, and may authorize, a water corporation to establish programs, including rate designs, for achieving conservation of water and recovering the cost of these programs through the rates.

(2) (A) Upon application by a water corporation with more than 10,000 service connections, the commission shall consider, and may authorize, the implementation of a mechanism that separates the water corporation’s revenues and its water sales, commonly referred to as a “decoupling mechanism.”

(B) An authorized decoupling mechanism shall be designed to ensure that the differences between actual and authorized water sales do not result in the overrecovery or underrecovery of the water corporation’s authorized water sales revenue.

(C) An authorized decoupling mechanism shall not enable the water corporation to earn a revenue windfall by encouraging higher sales.

(D) The water corporation may only submit an application to the commission pursuant to this paragraph as part of its triennial general rate case application described in Section 455.2, unless the commission and the water corporation mutually agree for the application to be otherwise submitted.

(e) In establishing rates for recovery of the costs of used and useful water plant, the commission may use a capital structure and payback methodology that maintains the reliability of water service, minimizes the long-term cost to ratepayers, provides equity between present and future ratepayers, and affords the utility an opportunity to earn a reasonable return on its used and useful investment, attract capital for investment on reasonable terms, and ensure the financial integrity of the utility.

(Amended by Stats. 2022, Ch. 890, Sec. 2. (SB 1469) Effective January 1, 2023.)

728.

Whenever the commission, after a hearing, finds that the rates or classifications, demanded, observed, charged, or collected by any public utility for or in connection with any service, product, or commodity, or the rules, practices, or contracts affecting such rates or classifications are insufficient, unlawful, unjust, unreasonable, discriminatory, or preferential, the commission shall determine and fix, by order, the just, reasonable, or sufficient rates, classifications, rules, practices, or contracts to be thereafter observed and in force.

In determining and fixing rates for a telephone corporation pursuant to this section or pursuant to Section 455, or in determining whether or not a proposed rate increase is justified pursuant to Section 454, the commission shall, among other things, take into consideration any evidence offered concerning the quality of the particular telephone corporation's services as compared with that of telephone corporations in adjacent territory, and the permissible rates for comparable service charged by telephone corporations in adjacent territory.

(Amended by Stats. 1963, Ch. 1948.)

728.1.

(a) For purposes of this section, "plant held for future use account" means account number 105 of the Uniform System of Accounts Prescribed for Public Utilities and Licensees, as adopted by the commission.

(b) The commission shall review the status of all property owned by a gas or electrical corporation and held within the plant held for future use account at least once every three years or during a proceeding conducted pursuant to Section 728, for the purpose of determining and fixing the rates of that gas or electrical corporation, as determined by the commission.

(c) If a gas or electrical corporation sells property which was carried within the plant held for future use account and which was included in determining the rates of the corporation, the commission shall determine what portion of any gains from the sale shall be allocated to the customers of the corporation in a manner consistent with the procedures specified in account number 105 of the Uniform System of Accounts Prescribed for Public Utilities and Licensees. The portion of the gains allocated to customers shall not be less than the amount the corporation has recovered through rates for the carrying costs and other expenses of the property during the period it was carried in the plant held for future use, and shall not exceed the gain on the sale, net of any tax, resulting from the sale.

(Amended by Stats. 1986, Ch. 1204, Sec. 1.)

728.2.

(a) Except as provided in subdivision (b), the commission shall have no jurisdiction or control over classified telephone directories or commercial advertising included as part of the corporation's alphabetical telephone directories, including the charges for and the form and content of such advertising, except that the commission shall investigate and consider revenues and expenses with regard to the acceptance and publication of such advertising for purposes of establishing rates for other services offered by telephone corporations.

(b) If the commission determines, after a hearing, that any federal action would impair its ability to investigate and consider revenues and expenses with regard to the acceptance and publication of telephone directory advertising for the purpose of establishing rates for other services offered by any telephone corporation, the commission shall have the jurisdiction to regulate commercial advertising in alphabetical and classified directories of telephone corporations, except as provided in this subdivision.

(1) The commission's jurisdiction to regulate commercial advertising in alphabetical and classified directories of telephone corporations under this subdivision shall be limited to the rates and charges for commercial directory advertising, except that the commission shall investigate and consider revenues and expenses of telephone

corporations related to that advertising for purposes of establishing rates for other services offered by telephone corporations.

(2) The commission shall also have no jurisdiction over the following:

(i) The form and content of the advertising in alphabetical and classified directories of telephone corporations.

(ii) The form and content of the directories in which that advertising appears.

(iii) Directory advertising practices.

(iv) The determination of the geographic areas served by those directories.

(v) Complaints by any corporation or person regarding directory advertising.

(3) The commission, by its own motion or on petition of any telephone corporation, may, after a hearing, issue an order relinquishing the jurisdiction assumed under this subdivision, except its jurisdiction to investigate and consider the revenues and expenses specified in paragraph (1) if the commission determines that relinquishing the jurisdiction will not affect its ability to investigate and consider those revenues and expenses. As used in this subdivision, “federal action” means the introduction of a bill in Congress, an order of the Federal Communications Commission, or an order or decision of any federal court which would prohibit state regulatory agencies which have no jurisdiction over directory advertising from considering revenues from this source for ratemaking purposes.

(Amended by Stats. 1982, Ch. 1175, Sec. 1. Effective September 20, 1982.)

728.3.

(a) No telephone corporation operating within a service area shall remove any public telephone unless it has posted on the public telephone for not less than 30 days a notice, in a manner and form approved by the commission, indicating that the public telephone is to be removed and containing the appropriate telephone number of the commission which a customer may call for further information.

(b) This section shall not apply when a public telephone is removed for public safety or public nuisance purposes or at the request of the owner or lessee of the property on which the public telephone is located.

(Added by Stats. 1987, Ch. 1172, Sec. 2.)

728.4.

A telephone corporation shall list a telephone number as the number for a facsimile machine in its alphabetical or classified directory only if requested to do so by the subscriber.

(Added by Stats. 1990, Ch. 973, Sec. 2.)

728.5.

(a) The commission may establish rates or charges for the transportation of passengers and freight by railroads and other transportation companies, except motor carriers of property, and no railroad or other transportation company under its jurisdiction, except motor carriers of property, shall charge or demand or collect or receive a greater or less or different compensation for that transportation of passengers or freight, or for any service in connection therewith, between the points named in any tariff of rates established by the commission than the rates, fares and charges which are specified in that tariff. The commission may examine books, records and papers of all railroad and other transportation companies, except motor carriers of property; may hear and determine complaints against railroad and other transportation companies; and may issue subpoenas and all necessary process and send for persons and papers. The commission and each of the commissioners may administer oaths, take testimony and punish for contempt in the same manner and to the same extent as courts of record. The commission may prescribe a uniform system of accounts to be kept by all railroad and other transportation companies, except motor carriers of property.

(b) Subdivision (a) is not applicable to network railroad transportation.

(Amended by Stats. 1999, Ch. 1005, Sec. 35. Effective January 1, 2000.)

728.7.

(a) Prior to authorizing any change in the amount of the payment required of a telephone corporation which provides service between service areas to a telephone corporation which provides service within a service area for the use of its telephone lines, and prior to assigning to subscribers of a telephone corporation operating within a service area any charge, surcharge, or rate increase that is a result of a decrease in the amount of that payment, the commission shall do all of the following:

(1) Require the telephone corporation requesting authorization to increase
subscriber rates or to impose a charge or surcharge on subscribers as a result of a change in the payments, to notify its subscribers, whenever the commission commences a proceeding on its own motion or in response to a petition to authorize a change in the amount of those payments or to impose that charge, surcharge, or rate increase as a result of a change in the amount of those payments.

(2) Require the telephone corporation to provide its subscribers with an exact description of, and explanation for, the change in the amount of the payment or the imposition of a charge, surcharge, or rate increase, within 90 days of the authorized change in the amount of payment or charge, surcharge, or rate increase. The description and explanation shall include a reasonably accurate quantitative assessment of the results of, and the reasons for, the change in the amount of payment or imposition of a charge, surcharge, or rate increase for each class of subscriber.

(b) The commission shall provide the Legislature with the information required of a telephone corporation pursuant to paragraph (2) of subdivision (a), for any change in payments, or imposition of a charge, surcharge, or rate increase as a result of a change in payment, made prior to January 1, 1987, within 60 days after that date.

(Added by Stats. 1986, Ch. 1047, Sec. 2.)

729.

The commission may, upon a hearing, investigate a single rate, classification, rule, contract, or practice, or any number thereof, or the entire schedule or schedules of rates, classifications, rules, contracts, and practices, or any thereof, of any public utility, and may establish new rates, classifications, rules, contracts, or practices or schedule or schedules in lieu thereof.

(Enacted by Stats. 1951, Ch. 764.)

729.5.

A public utility, other than one-way radio paging services, shall not change a group of customers from one rate schedule to another rate schedule, if the change would result in an increase of more than 10 percent in the rate charged to the affected customers, without first notifying customers of the change. Upon the request of an affected customer, the commission may hold a hearing on the change.

(Added by Stats. 1993, Ch. 739, Sec. 1. Effective January 1, 1994.)

730.

(a) The commission shall, upon a hearing, determine the kind and character of facilities and the extent of the operation thereof, necessary reasonably and adequately to meet public requirements for service furnished by common carriers between any two or more points, and shall fix and determine the just, reasonable, and sufficient rates for such service. Whenever two or more common carriers are furnishing service in competition with each other, the commission may, after hearing, when necessary for the preservation of adequate service and when public interest demands, prescribe uniform rates, classifications, rules, and practices to be charged, collected, and observed by all such common carriers.

(b) Subdivision (a) is not applicable to network railroad transportation.

(Amended by Stats. 1999, Ch. 1005, Sec. 36. Effective January 1, 2000.)

730.3.

The commission shall notify every state and local public agency and corporation operating a passenger transit system making a written request for such notification before approving any rate increase for the passenger transportation services of any railroad or passenger state corporation within the territory served by such public transit system.

(Amended by Stats. 1982, Ch. 1031, Sec. 3.)

730.7.

In determining reimbursement to railroad corporations for the operation of rail passenger service, the commission shall not exceed that compensation which would be payable if calculated pursuant to the standards of the Rail Services Planning Office of the Interstate Commerce Commission contained in Title 49 of the Code of Federal Regulations, Part 1127.

(Repealed and added by Stats. 1982, Ch. 732, Sec. 5. Effective September 8, 1982.)

730.8.

Whenever a state agency files with the commission an application for an increase in rates or fares or for any change in the level of service for passenger transportation by a railroad corporation and the state agency has prior to the application held a public hearing on the matter which the commission finds to be complete and adequate, the commission may determine not to hold any further hearing on the matter and in this event shall approve, modify and approve as so modified, or disapprove the application within 90 days of the date of filing with the commission.

(Added by Stats. 1982, Ch. 732, Sec. 6. Effective September 8, 1982.)

731.

(a) (1) On or before June 30, 2024, the commission, in coordination and consultation with the Department of Community Services and Development and other relevant state agencies that provide low-income electric or gas utility customer assistance programs, shall develop a process that, to the extent possible, enables customers to concurrently apply, or begin to apply, to multiple low-income customer assistance programs using data collected during the original application process, including, but not limited to, all of the following programs:

(A) The California Alternate Rates for Energy (CARE) program described in Section 739.1.

(B) The Family Electric Rate Assistance program described in Section 739.12.

(C) The Energy Savings Assistance program described in Section 2790.

(2) The process developed pursuant to paragraph (1) shall be known as the concurrent application process.

(b) The commission shall work with state agencies, electrical corporations, and gas corporations to notify, to the extent possible, eligible individuals that they have been successfully enrolled or are in the process of being enrolled into other programs.

(c) The concurrent application process shall complement, rather than replace, other application processes.

(d) Before sharing data, an electrical corporation or gas corporation shall receive consent from its low-income applicants to use already-obtained application information to begin the enrollment process for other low-income electric or gas utility customer assistance programs.

(Added by Stats. 2022, Ch. 840, Sec. 2. (SB 1208) Effective January 1, 2023.)

732.

(a) Whenever the commission, after a hearing finds that the rates, fares, or charges in force over two or more common carriers, between any two points in this state, are unjust, unreasonable, or excessive, or that no satisfactory through route or joint rate, fare, or charge exists between such points, and that the public convenience and necessity demand the establishment of such a through route and joint rate, fare, or charge, the commission may order such common carriers to establish such through route and may establish and fix a joint rate, fare, or charge which will be fair, just, reasonable, and sufficient, to be charged and collected in the future, and the terms and conditions under which such through route shall be operated. The commission may order that freight moving between such points shall be carried by the common carriers participating in such through route and joint rate, without being transferred from the originating cars.

(b) Subdivision (a) is not applicable to network railroad transportation.

(Amended by Stats. 1999, Ch. 1005, Sec. 38. Effective January 1, 2000.)

733.

(a) If the common carriers do not agree upon the division between them of the joint rates, fares, or charges established by the commission over through routes, the commission shall, after hearing, by supplemental order, establish that division. Where any railroad, or passenger stage corporation that is made a party to a through route has itself over its own line an equally satisfactory through route between the termini of the through route established, that railroad, or passenger stage corporation may require as its division of the joint rate, fare, or charge its local rate, fare, or charge over the portion of its line comprised in the through route, and the commission may, in its discretion, allow to that railroad or passenger stage corporation, more than its local rate, fare, or charge if the commission determines that it will be equitable so to do. The commission may establish and fix through routes and joint rates, fares, or charges over common carriers and stage or auto stage lines which may not be otherwise subject to the provisions of this part, and may fix the division of those joint rates, fares, or charges.

(b) Subdivision (a) is not applicable to network railroad transportation.

(Amended by Stats. 1999, Ch. 1005, Sec. 39. Effective January 1, 2000.)

734.

When complaint has been made to the commission concerning a rate for a product or commodity furnished or service performed by a public utility, and the commission has found, after investigation, that the public utility has charged an unreasonable, excessive, or discriminatory amount therefor in violation of any of the provisions of this part, the commission may order that the public utility make due reparation to the complainant therefor, with interest from the date of collection if no discrimination will result from that reparation. No order for the payment of reparation upon the ground of unreasonableness shall be made by the commission when the rate in question has, by formal finding, been declared by the commission to be reasonable, and no assignment of a reparation claim shall be recognized by the commission except assignments by operation of law as in cases of death, lack of legal capacity to make decisions, bankruptcy, receivership, or order of court.

(Amended by Stats. 2014, Ch. 144, Sec. 51. (AB 1847) Effective January 1, 2015.)

735.

If the public utility does not comply with the order for the payment of reparation within the time specified in the order, suit may be instituted in any court of competent jurisdiction to recover the payment within one year from the date of the order, and not after. All complaints for damages resulting from a violation of any of the provisions of this part, except Sections 494 and 532, shall either be filed with the commission, or where concurrent jurisdiction of the cause of action is vested by the Constitution and laws of this State in the courts, in any court of competent jurisdiction, within two years from the time the cause of action accrues, and not after.

(Amended by Stats. 1953, Ch. 702.)

736.

All complaints for damages resulting from the violation of any of the provisions of Sections 494 or 532 shall either be filed with the commission, or, where concurrent jurisdiction of the cause of action is vested in the courts of this state, in any court of competent jurisdiction within three years from the time the cause of action accrues, and not after. If claim for the asserted damages has been presented in writing to the public utility concerned within the period of three years, the period shall be extended to include six months from the date notice in writing is given by the public utility to the claimant of the disallowance of the claim, or of any part or parts thereof specified in the notice.

Whenever the commission institutes an investigation of unauthorized undercharge by any public utility, the institution of the investigation by the commission shall toll the three-year period specified in this section until the commission has rendered its initial decision on the matter. The commission shall render its final decision within two years of the date of the order instituting the investigation.

(Amended by Stats. 1982, Ch. 1004, Sec. 1.)

737.

All complaints for the collection of the lawful tariff charges or any part thereof, of public utilities may be filed in any court of competent jurisdiction within three years from the time the cause of action accrues, and not after, but if a public utility presents its claim or demand in writing to the person from whom the tariff charges, or any part thereof, are alleged to be due within such period of three years, that period shall be extended to include six months from the date notice in writing is given to the public utility, by such person, or refusal to pay the demand, or any part or parts thereof specified in the notice of refusal.

If suit for the collection of the lawful tariff charges or any portion thereof of a public utility is filed in any court in accordance with the terms of this section, or if such collection is made by the public utility without filing suit, the person against whom such suit is filed or from whom such collection is made may, within 90 days from the date of service of summons in the suit, or the date of the collection, file with the commission, or with any court of competent jurisdiction, a complaint for damages resulting from the violation of any of the provisions of this part with respect to the transaction to which the suit of the public utility relates, or for which such collection has been made.

(Enacted by Stats. 1951, Ch. 764.)

737.3.

(a) (1) A highway carrier, as defined by subdivision (c), a freight forwarder, a party representing a carrier or freight forwarder, or an assignee of a carrier or freight forwarder shall not, based on a filed tariff or a filed contract, collect or attempt to collect any additional charge in excess of the charge originally billed by the carrier or freight forwarder for transportation service previously provided subject to the jurisdiction of the commission, except where there are mistakes in billing that are acknowledged by
both parties or that are the result of intentional misrepresentation by the shipper.

(2) Similarly, the person or entity against whom a claim has been made under the circumstances described in paragraph (1) shall not be liable for additional amounts based on a filed tariff or a filed contract, except where there are mistakes in billing acknowledged by both parties or that are the result of intentional misrepresentation by the shipper.

(b) For the purposes of this section, the term “claimant” shall mean the carrier or freight forwarder, or its assignee or representative making a claim for the collection of rates and charges in addition to those originally billed and collected for the transportation.

(c) “Highway carrier” or “carrier” means every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, engaged in transportation of property for compensation or hire as a business over any public highway in this state by means of a motor vehicle, except that “highway carrier” does not include:

(1) Any farmer resident of this state who occasionally transports from the place of production to a warehouse, regular market, place of storage, or place of shipment the farm products of neighboring farmers in exchange for like services or for a cash consideration or farm products for compensation.

(2) Persons or corporations hauling their own property.

(3) Any farmer operating a motor vehicle used exclusively in the transportation of his or her livestock and agricultural commodities or in the transportation of supplies to his or her farm.

(4) Any nonprofit agricultural cooperative association organized and acting within the scope of its powers under Chapter 1 (commencing with Section 54001) of Division 20 of the Agricultural Code to the extent only that it is engaged in transporting its own property or the property of its members.

(5) Any person exclusively transporting United States mail pursuant to a contract with the United States government.

(6) Any integrated intermodal small package carrier which is registered subject to Chapter 2.7 (commencing with Section 4120).

(7) Any household goods carrier, as defined in Section 5109.

(d) For purposes of this section, “mistakes in billing” include, but are not limited to, matters such as clerical errors, billing for
transportation of a different commodity than the commodity actually shipped, and billing for transportation of a smaller amount of the commodity than the amount actually shipped.

(e) This section shall apply to all claims arising from transportation performed (in whole or in part) before January 1, 1995, including all lawsuits or claims pending on the effective date of this section.

(f) If any claim that qualifies under this section was settled by mutual agreement of the parties to the claim, or resolved by a final adjudication of a federal or state court, before the effective date of this section, the settlement or adjudication shall be treated as binding, enforceable, and not contrary to law, unless the settlement was agreed to as a result of fraud or coercion.

(g) If the claimant has filed, on or before the
effective date of this section, a suit for the collection of additional freight charges, the claimant shall notify the person, or entity, from whom additional freight charges are sought of the provisions of this section within 30 days of the effective date of this section.

(h) If, on or before the effective date of this section, the claimant has demanded the payment of additional freight charges and has not filed a suit for the collection of additional freight charges, the claimant shall notify the person, or entity, from whom additional freight charges are sought of the provisions of this section within 30 days of the effective date of this section.

(Repealed and added by Stats. 1996, Ch. 72, Sec. 3. Effective June 21, 1996.)

738.

For the purpose of Sections 734 to 737, inclusive, the cause of action shall accrue upon the delivery or tender of delivery of the shipment or the performance of the service or the furnishing of the commodity or product with respect to which complaint is filed or claim made. The remedies in those sections shall be cumulative and in addition to any other remedy or remedies in this part provided in case of failure of a public utility to obey an order or decision of the commission.

(Enacted by Stats. 1951, Ch. 764.)

738.6.

In establishing rates for a public utility operating any portion of its line, plant, or system within a federally designated nonattainment area, the commission shall determine which expenses related to compliance with state and local air pollution control requirements for using clean-burning fuels in that area are reasonable and necessary and shall approve those expenses.

(Added by Stats. 1988, Ch. 1546, Sec. 6.)

739.

(a) As used in this section:

(1) “Baseline quantity” means a quantity of electricity or gas allocated by the commission for residential customers based on from 50 to 60 percent of average residential consumption of these commodities, except that, for residential gas customers and for all-electric residential customers, the baseline quantity shall be established at from 60 to 70 percent of average residential consumption during the winter heating season. In establishing the baseline quantities, the commission shall take into account climatic and seasonal variations in consumption and the availability of gas service. The commission shall review and revise baseline quantities as average consumption patterns change in order to maintain these ratios and may do so during
the rate case or other ratesetting proceeding of a gas corporation or electrical corporation. The commission shall make efforts to minimize bill volatility for residential customers, including all-electric residential customers. Those efforts may include modifying the length of the baseline seasons or defining additional baseline seasons.

(2) “Residential customer” means those customers receiving electrical or gas service pursuant to a domestic rate schedule and excludes industrial, commercial, and every other category of customer.

(b) The commission shall designate a baseline quantity of gas and electricity which is necessary to supply a significant portion of the reasonable energy needs of the average residential customer. In estimating those quantities, the commission shall take into account differentials in energy needs between customers whose residential energy needs are
currently supplied by electricity alone or by both electricity and gas. The commission shall develop a separate baseline quantity for all-electric residential customers. For these purposes, “all-electric residential customers” are

residential customers having electrical service only or whose space heating is provided by electricity, or both. The commission shall also take into account differentials in energy use by climatic zone and season.

(c) (1) The commission shall establish a standard limited allowance which shall be in addition to the baseline quantity of gas and electricity for residential customers dependent on life-support equipment, including, but not limited to, emphysema and pulmonary patients. A residential customer dependent on life-support equipment shall be allocated a higher energy allocation than the average residential customer.

(2) “Life-support equipment” means that equipment which utilizes mechanical or artificial means to sustain, restore, or supplant a vital function, or mechanical equipment which is relied upon for mobility both within and outside of buildings. “Life-support equipment,” as used in this subdivision, includes all of the following: all types of respirators, iron lungs, hemodialysis machines, suction machines, electric nerve stimulators, pressure pads and pumps, aerosol tents, electrostatic and ultrasonic nebulizers, compressors, IPPB machines, and motorized wheelchairs.

(3) The limited allowance specified in this subdivision shall also be made available to paraplegic and quadriplegic persons in consideration of the increased heating and cooling needs of those persons.

(4) The limited allowance specified in this subdivision shall also be made available to multiple sclerosis patients in consideration of the increased heating and cooling needs of those persons.

(5) The limited allowance specified in this subdivision shall also be made available to scleroderma patients in consideration of the increased heating needs of those persons.

(6) The limited allowance specified in this subdivision shall also be made available to persons who are being treated for a life-threatening illness or have a compromised immune system, if a licensed physician and surgeon, a physician assistant practicing within his or her scope of practice in compliance with the Physician Assistant Practice Act (Chapter 7.7 (commencing with Section 3500) of Division 2 of the Business and Professions Code), or a person licensed pursuant to the Osteopathic Initiative Act certifies in writing to the utility that the additional energy, heating, or cooling allowance, or both, is medically
necessary to sustain the life of the person or prevent deterioration of the person’s medical condition.

(d) (1) The commission shall require that every electrical and gas corporation file a schedule of rates and charges providing baseline rates. The baseline rates shall apply to the first or lowest block of an increasing block rate structure which shall be the baseline quantity. In establishing these rates, the commission shall avoid excessive rate increases for residential customers, and shall establish an appropriate gradual differential between the rates for the respective blocks of usage.

(2) In establishing residential electric and gas rates, including baseline rates, the commission shall ensure that the rates are sufficient to enable the electrical corporation or gas corporation to recover a just and reasonable amount of revenue from residential
customers as a class, while observing the principle that electricity and gas services are necessities, for which a low affordable rate is desirable and while observing the principle that conservation is desirable in order to maintain an affordable bill.

(3) At least until December 31, 2003, the commission shall require that all charges for residential electric customers are volumetric, and shall prohibit any electrical corporation from imposing any charges on residential consumption that are independent of consumption, unless those charges are in place prior to April 12, 2001.

(e) (1) Each electrical corporation and each gas corporation shall, in a timeframe consistent with each electrical and gas corporation’s next general rate case, disclose on the billing statement of a residential customer all of the following:

(A) Cost per kilowatthour or gas therm per tier.

(B) Allocation of kilowatthour or gas therm per tier.

(C) Visual representation of usage and cost per tier.

(D) Usage comparison with prior periods.

(E) Itemized cost components in the bill to identify state and local taxes.

(F) Identification of delivery, generation, public purpose, and other charges.

(G) Contact information for the commission’s Consumer Affairs Branch.

(2) An electrical corporation and a gas corporation shall make available online to residential customers both of the following:

(A) Examples of how conservation measures, including changing thermostat settings and turning off unused lights, could reduce energy usage and costs.

(B) Examples of how energy-saving devices and weatherization measures could reduce energy usage and costs.

(3) The commission may modify, adjust, or add to the requirements of this subdivision as the individual circumstances of each electrical corporation or gas corporation merits, or for master-meter customers, as individual circumstances merit.

(4) The commission shall, as part of the general rate case of an electrical corporation or gas corporation, assess opportunities to improve the quality of information contained in the utility’s periodic billings.

(f) Wholesale electrical or gas purchases, and the rates charged therefor, are exempt from this section.

(g) Nothing contained in this section shall be construed to prohibit experimentation with alternative gas or electrical rate schedules for the purpose of achieving energy conservation.

(Amended by Stats. 2018, Ch. 518, Sec. 1. (SB 1338) Effective January 1, 2019.)

739.1.

(a) The commission shall continue a program of assistance to low-income electricity and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels, the cost of which shall not be borne solely by any single class of customer. For one-person households, program eligibility shall be based on two-person household guideline levels. The program shall be referred to as the California Alternate Rates for Energy or CARE program. The commission shall ensure that the level of discount for low-income electricity and gas customers correctly reflects the level of need.

(b) The commission shall establish rates for CARE program participants, subject to both of the following:

(1) That the commission ensure that low-income ratepayers are not jeopardized or overburdened by monthly energy expenditures, pursuant to subdivision (b) of Section 382.

(2) That the level of the discount for low-income electricity and gas ratepayers correctly reflects the level of need as determined by the needs assessment conducted pursuant to subdivision (d) of Section 382.

(c) In establishing CARE program discounts for an electrical corporation with 100,000 or more customer accounts in California, the commission shall ensure all of the following:

(1) The average effective CARE program discount shall not be less than 30 percent or more than 35 percent of the revenues that would have been produced for the same billed usage by non-CARE program customers. The average effective discount determined by the commission shall not reflect any charges for which CARE program customers are exempted, discounts to fixed charges or other rates paid by non-CARE program customers, or bill savings resulting from participation in other programs, including the medical baseline allowance pursuant to subdivision (c) of Section 739. The average effective CARE program discount shall be calculated as a weighted average of the CARE program discounts provided to individual customers.

(2) If an electrical corporation provides an average effective CARE program discount in excess of the maximum percentage specified in paragraph (1), the electrical corporation shall not reduce, on an annual basis, the average effective CARE program discount by more than a reasonable percentage decrease below the discount in effect on January 1, 2013, or that the electrical corporation had been authorized to place in effect by that date.

(3) The entire CARE program discount shall be provided in the form of a reduction in the overall bill for the eligible CARE program customer.

(d) The commission shall work with electrical and gas corporations to establish penetration goals. The commission shall authorize recovery of all administrative costs associated with the implementation of the CARE program that the commission determines to be reasonable, through a balancing account mechanism. Administrative costs shall include, but are not limited to, outreach, marketing, regulatory compliance, certification

and verification, billing, measurement and evaluation, and capital improvements and upgrades to communications and processing equipment.

(e) The commission shall examine methods to improve CARE program enrollment and participation. This examination shall include, but need not be limited to, comparing information from the CARE program and the Universal Lifeline Telephone Service (ULTS) program to determine the most effective means of using that information to increase CARE program enrollment, automatic enrollment of ULTS program customers who are eligible for the CARE program, customer privacy issues, and alternative mechanisms for outreach to potential enrollees. The commission shall ensure that a customer consents before enrollment. The commission shall consult with interested parties, including ULTS program providers, to develop the best methods of informing ULTS program customers about other available low-income programs and the best mechanism for telephone providers to recover reasonable costs incurred pursuant to this section.

(f) (1) The commission shall improve the CARE program application process by cooperating with other entities and representatives of California government, including the California Health and Human Services Agency and the Secretary of California Health and Human Services, to ensure that all gas and electricity customers eligible for public assistance programs in California that reside within the service territory of an electrical corporation or gas corporation, are enrolled in the CARE program. The commission may determine that gas and electricity customers are categorically eligible for CARE program assistance if they are enrolled in other public assistance programs with substantially the same income eligibility requirements as the CARE program. To the extent practicable, the commission shall develop a CARE program application process using the existing ULTS program application process as a model. The commission shall work with electrical corporations, gas corporations, and the Low-Income Oversight Board established in Section 382.1 to meet the low-income objectives in this section.

(2) The commission shall ensure that an electrical corporation or gas corporation with a commission-approved program to provide discounts based on economic need in addition to the CARE program, including a Family Electric Rate Assistance program, uses a single application form, to enable an applicant to alternatively apply for any assistance program for which the applicant may be eligible. It is the intent of the Legislature to allow applicants under one program, who may not be eligible under that program, but who may be eligible under an alternative assistance program based on economic need, to complete a single application for any commission-approved assistance program offered by the public utility.

(g) It is the intent of the Legislature that the commission ensure CARE program participants receive affordable electrical and gas service that does not impose an unfair economic burden on those participants.

(h) The CARE program shall, as soon as practicable, include nonprofit group living facilities specified by the commission, if the commission finds that the residents in these facilities substantially meet the commission’s low-income eligibility requirements and there is a feasible process for certifying that the assistance shall be used for the direct benefit, such as improved quality of care or improved food service, of the low-income residents in the facilities. The commission shall authorize electrical corporations and gas corporations to offer discounts to eligible facilities licensed or permitted by appropriate state or local agencies, and to facilities, including women’s shelters, hospices, and homeless shelters, that may not have a license or permit but provide other proof satisfactory to the electrical corporation or gas corporation that they are eligible to participate in the CARE program.

(i) The CARE program shall, as soon as practicable, include public housing authority owned or administered Homekey housing facilities, as described in Section 50675.1.1 of the Health and Safety Code, where the residents of the facility substantially meet the CARE program’s income eligibility requirements, as determined by the commission, and the account is in the name of Homekey, a nonprofit funded by Homekey, or the public housing authority that owns or administers the facility. The commission shall authorize electrical corporations and gas corporations to offer discounts to those identified facilities and to establish feasible processes for certifying that the assistance is used for the direct benefit of the residents of those facilities.

(j) (1) In addition to existing assessments of eligibility, an electrical corporation may require proof of income eligibility for those CARE program participants whose electricity usage, in any monthly or other billing period, exceeds 400 percent of baseline usage. The authority of an electrical corporation to require proof of income eligibility is not limited by the

means by which the CARE program participant enrolled in the program, including if the participant was automatically enrolled in the CARE program because of participation in a governmental assistance program. If a CARE program participant's electricity usage exceeds 400 percent of baseline usage, the electrical corporation may require the CARE program participant to participate in the Energy Savings Assistance Program (ESAP), which includes a residential energy assessment, in order to provide the CARE program participant with information and assistance in reducing the CARE program participant's energy usage. Continued participation in the CARE program may be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of notice being given by
the electrical corporation pursuant to this paragraph. The electrical corporation may require the CARE program participant to notify the electrical corporation of whether the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant. Requirements imposed pursuant to this paragraph shall be consistent with procedures adopted by the commission.

(2) If a CARE program participant's electricity usage exceeds 600 percent of baseline usage, the electrical corporation shall require the CARE program participant to participate in ESAP, which includes a residential energy assessment, in order to provide the CARE program
participant with information and assistance in reducing the CARE program participant's energy usage. Continued participation in the CARE program shall be conditioned upon the CARE program participant agreeing to participate in ESAP within 45 days of a notice made by the electrical corporation pursuant to this paragraph. The electrical corporation may require the CARE program participant to notify the electrical corporation of whether
the residence is rented, and, if so, a means by which to contact the landlord, and the electrical corporation may share any evaluation and recommendation relative to the residential structure that is made as part of an energy assessment with the landlord of the CARE program participant. Following the completion of the energy assessment, if the CARE program participant's electricity usage continues to exceed 600 percent of baseline usage, the electrical corporation may remove the CARE program participant from the program if the removal is consistent with procedures adopted by the commission. This paragraph does not prevent a CARE program participant with electricity usage exceeding 600 percent of baseline usage from participating in an appeals process with the electrical corporation to determine whether the participant's usage levels are legitimate.

(3) A CARE program participant in a rental residence shall not be removed from the program in situations where the landlord is nonresponsive when contacted by the electrical corporation or does not provide for ESAP participation.

(Amended by Stats. 2024, Ch. 732, Sec. 1. (AB 2672) Effective January 1, 2025.)

739.2.

(a) The commission's program of assistance to low-income electric and gas customers shall also include the following facilities, provided the commission finds that the occupants of the facilities substantially meet the commission's low-income eligibility requirements and there is a feasible process for certifying that the assistance shall be used for the direct benefit of the occupants of the facilities:

(1) Migrant farmworker housing centers provided pursuant to Section 50710 of
the Health and Safety Code.

(2) Employee housing, as defined in Section 17008 of the Health and Safety Code, that is licensed and inspected by state or local agencies pursuant to Part 1 (commencing with Section 17000) of Division 13 of the Health and Safety Code.

(3) Housing for agricultural employees, as defined in subdivision (b) of Section 1140.4 of the Labor Code, that has received an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code.

(b) The assistance provided pursuant to subdivision (a) shall only apply to gas and electricity, or both, used for the housing occupied by the workers and employees specified in subdivision (a).

(Added by Stats. 1994, Ch. 946, Sec. 1. Effective January 1, 1995.)

739.3.

(a) Subject to direction and supervision by the commission, each electrical corporation and gas corporation shall develop and implement a program of rate assistance to eligible food banks at a fixed percentage to be determined by the commission. The commission may adjust the fixed percentage as appropriate. The funding source for the rate assistance program is subject to the approval of the commission.

(b) The Legislature encourages the governing board of each local publicly owned electric utility to develop and implement a program of rate assistance to eligible food banks at a fixed percentage, to be determined by the governing board, but consistent with that fixed by the commission for electrical corporations.

(c) For purposes of this section, the following terms have the following meanings:

(1) “Eligible food bank” means a qualified eligible recipient agency that has executed an agreement with the State Department of Social Services in order to participate in The Emergency Food Assistance Program administered by the Food and Nutrition Service of the United States Department of Agriculture.

(2) “Eligible recipient agency” has the same meaning as defined in Section 251.3(d) of Title 7 of the Code of Federal Regulations.

(3) “Agreement” means an agreement executed in compliance with Section 251.2 of Title 7 of the Code of Federal Regulations.

(Added by Stats. 2014, Ch. 581, Sec. 1. (AB 2218) Effective January 1, 2015.)

739.4.

(a) Any natural gas customer who enrolls in the CARE program after the effective date of this section, but before October 1, 2001, shall receive the same one-time bill credit based on the amount of each gas corporation’s average CARE customer discount applied for each month in October 2000 to March 2001, inclusive. The credit does not apply to a customer who initiates service with a gas corporation after the effective date of this section, and who has no prior history of service with the gas corporation. CARE program funds shall be used for the purpose of providing these credits. The commission shall adjust CARE program income requirements annually to reflect the increased cost-of-living due to inflation.

(b) The commission shall require all electrical and gas utilities through which CARE program rates are available to do all of the following, in multilingual formats to the extent printed and recorded information is provided, to facilitate better penetration rates for the CARE program and to protect low-income and senior households from unwarranted disconnection of necessary electric and gas services:

(1) Provide an outgoing message on all calls, where the customer is seeking to establish service or is put on hold, to customer service lines that briefly describes the CARE program in standard language approved by the commission, and that provides a toll-free phone number for customers to call to subscribe to the program or for further information.

(2) Provide information to customers about the CARE program and facilitate subscription to CARE, on all calls in which customers are making payment arrangements, on all collections calls, and on all calls for reconnection of service.

(3) (A) Provide information about the CARE program and other assistance programs, and attempt to qualify customers for CARE, and provide information about individual payment arrangements that allow customers to pay the amounts due over a reasonable period of time, not to exceed 12 months, and attempt to enroll customers in a payment arrangement program, before effecting any disconnection of service for nonpayment or inability to pay energy bills in full.

(B) (i) Offer individual payment arrangements to customers so that the customer is able to pay amounts due over a reasonable period of time, not to exceed 12 months.

(ii) Prohibit the disconnection of customers that have made, and are in compliance with, payment arrangements offered by an electric or gas utility pursuant to this subparagraph.

(C) Prohibit the disconnection of a delinquent residential customer for amounts due in which the electric or gas utility receives a commitment pledge, letter of intent, purchase order, or other notification that a provider of energy assistance is forwarding payment sufficient to prevent disconnection.

(D) (i) Advise residential customers facing disconnection or who contact the utility to make payment arrangements of the levelizing payment program that allows them to pay a monthly average bill based on 12 months usage.

(ii) Advise residential customers about enrollment in the levelizing payment program in conjunction with completion of payment arrangements, payment under terms of subparagraph (B), or at the customer's request absent those arrangements.

(E) Nothing in this paragraph is intended to reduce the revenues of any utility extending payment arrangements subject to the terms of the paragraph.

(4) Provide information on customer bills, presented in a conspicuous manner on a front facing page, that indicates that a customer may be eligible for the CARE program. This notice shall be provided quarterly on customer bills.

(c) The commission shall conduct targeted outreach about the program using census block data to effectively target low-income and senior households throughout the state.

(d) CARE program funds shall be used for the purposes of paragraph (3) of subdivision (b) and outreach pursuant to subdivision (c). The commission's costs for outreach pursuant to subdivision (c) may not exceed five hundred thousand dollars ($500,000) above the amount that the commission currently expends on similar activities related to the CARE program. Energy corporations may recover all reasonable costs from the CARE program funds of implementing this section.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 11, Sec. 2. Effective May 22, 2001.)

739.5.

(a) The commission shall require that, whenever gas or electrical service, or both, is provided by a master-meter customer to users who are tenants of a mobilehome park, apartment building, or similar residential complex, the master-meter customer shall charge each user of the service at the same rate that would be applicable if the user were receiving gas or electricity, or both, directly from the gas corporation or load-serving entity, as defined in Section 380. The commission shall require a gas or electrical corporation furnishing service to the master-meter customer to establish uniform rates for master-meter service at a level that will provide a sufficient differential to cover the reasonable average costs to master-meter customers of providing submeter service, except that these costs shall not exceed the average cost that the gas or electrical corporation would have incurred in providing comparable services directly to the users of the service.

(b) (1) Every master-meter customer of a gas corporation or load-serving entity subject to subdivision (a) who, on or after January 1, 1978, receives any rebate from a load-serving entity or gas corporation shall distribute to, or credit to the account of, each current user served by the master-meter customer that portion of the rebate which the amount of gas or electricity, or both, consumed by the user during the last billing period bears to the total amount furnished by the load-serving entity or gas corporation to the master-meter customer during that period.

(2) Paragraph (1) includes the credits stemming from the revenues received by the electrical corporation as a result of the direct allocation of greenhouse gas allowances to electric utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations, that are required to be credited to customers of the electrical corporation pursuant to Section 748.5.

(c) An electrical or gas corporation furnishing service to a master-meter customer shall furnish to each user of the service within a submetered system every public safety customer service which it provides beyond the meter to its other residential customers. The corporation shall furnish a list of those services to the master-meter customer who shall post the list in a conspicuous place accessible to all users. Every corporation shall provide these public safety customer services to each user of electrical or gas service under a submetered system without additional charge unless the corporation has included the average cost of these services in the rate differential provided to the master-meter customer on January 1, 1984, in which case the commission shall deduct the average cost of providing these public safety customer services when approving rate differentials for master-meter customers.

(d) Every master-meter customer is responsible for maintenance and repair of its submeter facilities beyond the master-meter, and nothing in this section requires a load-serving entity or gas corporation to make repairs to or perform maintenance on the submeter system.

(e) Every master-meter customer shall provide an itemized billing of charges for electricity or gas, or both, to each individual user generally in accordance with the form and content of bills of the load-serving entity or gas corporation to its residential customers,
including, but not limited to, the opening and closing readings for the meter, and the identification of all rates and quantities attributable to each block in the applicable rate structure. The master-meter customer shall also post, in a conspicuous place, the applicable specific current residential gas or electrical rate schedule, as published by the load-serving entity or gas corporation, or the load-serving entity's or gas corporation's internet website address of the specific current residential gas or electrical rate schedule. If the master-meter customer elects to post the internet website address where the schedule may be accessed, the master-meter customer shall also: (1) provide a copy of the specific current residential gas or electrical rate schedule, upon request, at no cost; and (2) state in the posting that an individual user may request a copy of the rate schedule from the master-meter customer.

(f) The commission shall require
that every load-serving entity and gas corporation shall notify each master-meter customer of its responsibilities to its users under this section.

(g) The commission shall accept and respond to complaints concerning the requirements of this section that apply to a gas or electrical corporation through the consumer affairs branch, in addition to any other staff that the commission deems necessary to assist the complainant. In responding to the complaint, the commission shall consider the role that the office of the county sealer in the complainant's county of residence may have in helping to resolve the complaint and, where appropriate, coordinate with that office.

(h) Notwithstanding any other provision of law or decision of the commission, the commission shall not deny eligibility for the California Alternative Rates for Energy (CARE) program, created pursuant to Section 739.1,
for a residential user of gas or electrical service who is a submetered resident or tenant served by a master-meter customer on the basis that some residential units in the master-meter customer's mobilehome park, apartment building, or similar residential complex do not receive gas or electrical service through a submetered system.

(i) For purposes of this section, "rebate" does not include the award of a monetary incentive under the California Solar Initiative adopted by the Public Utilities Commission in Decision 05-12-044 and Decision 06-01-024, as modified by Article 1 (commencing with Section 2851) of Chapter 9 of Part 2, for a solar energy system that provides electrical generation to a mobilehome park.

(Amended by Stats. 2020, Ch. 164, Sec. 1. (SB 1117) Effective January 1, 2021.)

739.6.

The commission shall establish rates using cost allocation principles that fairly and reasonably assign to different customer classes the costs of providing service to those customer classes, consistent with the policies of affordability and conservation. The cost allocation methodology adopted for gas corporations by the commission in Decisions 86-12-009 and 86-12-010, as supplemented by Decisions 87-05-046 and 87-12-039, is consistent with this policy, and shall be retained by the commission at least until December 31, 1990, except that the commission may modify this cost allocation methodology to address customer hardships and
inequities if residential customers as a class are not, on balance, adversely affected and the purpose of the modification is not solely protection of gas corporation revenues. If any gas corporation files a cost allocation application seeking to change that methodology after May 1, 1990, the commission may not issue an order on that application until January 1, 1991.

(Added by Stats. 1988, Ch. 212, Sec. 3. Effective June 28, 1988.)

739.7.

In establishing residential rates, the commission shall retain an appropriate inverted rate structure. If the commission increases baseline rates pursuant to Section 739, revenues resulting from those increases shall be used exclusively to reduce nonbaseline residential rates.

(Repealed and added by Stats. 1992, Ch. 1040, Sec. 4. Effective January 1, 1993.)

739.8.

(a) Access to an adequate supply of healthful water is a basic necessity of human life, and shall be made available to all residents of California at an affordable cost.

(b) The commission shall consider and may implement programs to provide rate relief for low-income ratepayers.

(c) The commission shall consider and may implement programs to assist low-income ratepayers in order to provide appropriate incentives and
capabilities to achieve water conservation goals.

(d) In establishing the feasibility of rate relief and conservation incentives for low-income ratepayers, the commission may take into account variations in water needs caused by geography, climate and the ability of communities to support these programs.

(Added by Stats. 1992, Ch. 549, Sec. 3. Effective January 1, 1993.)

739.9.

(a) “Fixed charge” means any fixed customer charge, basic service fee, demand differentiated basic service fee, demand charge, or other charge not based on the volume of electricity consumed.

(b) Increases to electrical rates and charges in rate design proceedings, including any reduction in the California Alternate Rates for Energy (CARE) discount, shall be reasonable and subject to a reasonable phase-in schedule relative to the rates and charges in effect before January 1, 2014.

(c) Consistent with the requirements of Section 739, the commission may modify the seasonal definitions and applicable percentage of average consumption for one or more climatic zones.

(d) The commission may adopt new, or expand existing, fixed charges for the purpose of collecting a reasonable portion of the fixed costs of providing electrical service to residential customers. The commission shall ensure that any approved charges do all of the following:

(1) Reasonably reflect an appropriate portion of the different costs of serving small and large customers.

(2) Not unreasonably impair incentives for conservation, energy efficiency, and beneficial electrification and greenhouse gas emissions reduction.

(3) Are set at levels that do not overburden low-income customers.

(e) (1) For the purposes of this section and Section 739.1, the commission may authorize fixed charges for any rate schedule applicable to a residential customer account. The fixed charge shall be established on an income-graduated basis with no fewer than three income thresholds so that a low-income ratepayer in each baseline territory would realize a lower average monthly bill without making any changes in usage. The commission shall, no later than July 1, 2024, authorize a fixed charge for default residential rates.

(2) For purposes of this subdivision, “income-graduated” means that low-income customers pay a smaller fixed charge than high-income customers.

(f) Notwithstanding the requirements of subdivision (d) of Section 739 and Section 739.7, the commission shall not apply the composite tier method to the treatment of any revenues resulting from any fixed charge adopted pursuant to this section.

(Amended by Stats. 2022, Ch. 61, Sec. 10. (AB 205) Effective June 30, 2022.)

739.10.

The commission shall ensure that errors in estimates of demand elasticity or sales do not result in material over or undercollections of the electrical corporations.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 8, Sec. 10. Effective April 12, 2001.)

739.11.

(a) For bills issued to customers of gas corporations and electrical corporations in which usage is estimated, it is the intent of the Legislature that, to the extent practicable, the methodology for estimation be simple, transparent, and cost effective to the customer, and produce reasonably accurate results.

(b) For each gas corporation and electrical corporation that, for some portion of residential customers, employs every-other-month meter reading and estimates bills for months when the customer's meter is not read, the commission shall direct the gas corporation or electrical corporation to include in its tariffs the methodology it employs to estimate bills for those months during which the meter is not
read.

(Added by Stats. 2017, Ch. 467, Sec. 2. (SB 711) Effective January 1, 2018.)

739.12.

(a) The commission shall continue a program of assistance to residential customers of the state's three largest electrical corporations consisting of households with total household annual gross income levels between 200 percent and 250 percent of the federal poverty guideline level. The program shall continue to be referred to as the Family Electric Rate Assistance or FERA program.

(b) The FERA program discount shall be an 18-percent line-item discount applied to an eligible customer's bill calculated at the applicable
rate for the billing period.

(c) The commission shall authorize the state's three largest electrical corporations to increase or expand marketing and outreach efforts beyond those in effect as of December 31, 2018, to increase eligible customer participation in the FERA program.

(d) (1) The commission, by March 1, 2025, and each year thereafter, shall require the state's three largest electrical corporations to report on their efforts to enroll customers in the FERA program.

(2) The commission, by June 1, 2025, and each year thereafter, shall review each electrical corporation's report to ensure it has
made reasonable efforts to enroll eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory.

(3) If the commission, in its review of an electrical corporation's report, determines the electrical corporation has not made reasonable efforts to enroll eligible households in the FERA program commensurate with the proportion of households the commission determines to be eligible within the electrical corporation's service territory, the commission shall require the electrical corporation to develop a
strategy and plan to sufficiently enroll eligible households within three years of the adoption of the strategy and plan.

(4) An electrical corporation may market enrollment for the FERA program separately from the CARE program and provide a separate FERA program-only application form.

(Amended by Stats. 2024, Ch. 457, Sec. 1. (SB 1130) Effective January 1, 2025.)

739.13.

(a) The commission shall develop a definition of energy affordability.

(b) The definition of energy affordability shall establish energy affordability metrics based on household income and include the combined impact of electricity and gas bills.

(c) The commission shall use energy affordability metrics for both of the following purposes:

(1) To guide the development of any protections, incentives, discounts, or new programs to assist residential customers facing hardships or disconnections due to electricity or gas bills.

(2) To assess the impact of
proposed rate increases on different types of residential customers.

(Added by Stats. 2022, Ch. 361, Sec. 7. (SB 1020) Effective January 1, 2023.)

739.15.

(a) The commission shall determine in a scoping ruling or other ruling whether an application from an electrical corporation or gas corporation requesting authorization for or recovery of capital expenditures requires the estimates described in subdivision (b).

(b) An application from an electrical corporation or gas corporation requesting authorization for or recovery of capital expenditures, including an application for conditional approval of the costs of an undergrounding plan pursuant to Section 8388.5, shall include, if the commission pursuant to subdivision (a) determines that the estimates are required, the electrical corporation's or gas corporation's best estimate of both of the following:

(1) The application's impact on the electrical corporation's or gas corporation's annual revenue requirement for each year that the capital expenditures described in the application are expected to remain in the application's rate base if the application is approved or conditionally approved.

(2) The net present value of the application's impact on the electrical corporation's or gas corporation's annual revenue requirement provided pursuant to paragraph (1).

(c) The commission shall require the electrical corporation or gas corporation to provide supporting workpapers and calculations for the estimates described in subdivision (b).

(Added by Stats. 2024, Ch. 578, Sec. 1. (AB 2847) Effective January 1, 2025.)

740.

For purposes of setting the rates to be charged by every electrical corporation, gas corporation, heat corporation or telephone corporation for the services or commodities furnished by it, the commission may allow the inclusion of expenses for research and development.

(Added by Stats. 1973, Ch. 1118.)

740.1.

The commission shall consider the following guidelines in evaluating the research, development, and demonstration programs proposed by electrical and gas corporations:

(a) Projects should offer a reasonable probability of providing benefits to ratepayers.

(b) Expenditures on projects which have a low probability for success should be minimized.

(c) Projects should be consistent with the corporation's resource plan.

(d) Projects should not unnecessarily duplicate research currently, previously, or imminently undertaken by other electrical or gas corporations or research organizations.

(e) Each project should also support one or more of the following objectives:

(1) Environmental improvement.

(2) Public and employee safety.

(3) Conservation by efficient resource use or by reducing or shifting system load.

(4) Development of new resources and processes, particularly renewable resources and processes which further supply technologies.

(5) Improve operating efficiency and reliability or otherwise reduce operating
costs.

(Added by Stats. 1984, Ch. 1713, Sec. 2.)

740.2.

The commission, in consultation with the Energy Commission, State Air Resources Board, electrical corporations, and the motor vehicle industry, shall evaluate policies to develop infrastructure sufficient to overcome any barriers to the widespread deployment and use of plug-in hybrid and electric vehicles. By July 1, 2011, the commission shall adopt rules to address all of the following:

(a) The impacts upon electrical
infrastructure, including infrastructure upgrades necessary for widespread use of plug-in hybrid and electric vehicles and the role and development of public charging infrastructure.

(b) The impact of plug-in hybrid and electric vehicles on grid stability and the integration of renewable energy resources.

(c) The technological advances that are needed to ensure the widespread use of plug-in hybrid and electric vehicles and what role the state should take to support the development of this technology.

(d) The existing code and permit requirements that will impact the widespread use of plug-in hybrid and electric vehicles and any recommended changes to existing legal impediments to the widespread use of plug-in hybrid and electric vehicles.

(e) The role
the state should take to ensure that technologies employed in plug-in hybrid and electric vehicles work in a harmonious manner and across service territories.

(f) The impact of widespread use of plug-in hybrid and electric vehicles on achieving the state's goals pursuant to the California Global Warming Solutions Act of 2006 and renewables portfolio standard program and what steps should be taken to address possibly shifting emissions reductions responsibilities from the transportation sector to the electrical industry.

(Added by Stats. 2009, Ch. 355, Sec. 1. (SB 626) Effective January 1, 2010.)

740.3.

(a) The commission, in cooperation with the Energy Commission, the State Air Resources Board, air quality management districts and air pollution control districts, regulated electrical and gas corporations, and the motor vehicle industry, shall evaluate and implement policies to promote the development of equipment and infrastructure needed to facilitate the use of electricity and natural gas to fuel low-emission vehicles. Policies to be considered shall include both of the following:

(1) The sale-for-resale and the rate-basing of low-emission vehicles and supporting equipment such as batteries for electric vehicles and compressor stations for natural gas fueled vehicles.

(2) The development of
statewide standards for electric vehicle charger connections and compressed natural gas vehicle fueling connections, including installation procedures and technical assistance to installers.

(b) The commission shall hold public hearings as part of its effort to evaluate and implement the new policies considered in subdivision (a).

(c) The commission's policies authorizing utilities to develop equipment or infrastructure needed for electricity-powered and natural gas-fueled low-emission vehicles shall ensure that the costs and expenses of those programs are not passed through to electrical or gas ratepayers unless the commission finds and determines that those programs are in the ratepayers' interest. The commission's policies shall also ensure that utilities do not unfairly compete with nonutility enterprises.

(Amended by Stats. 2019, Ch. 396, Sec. 27. (AB 1513) Effective January 1, 2020.)

740.4.

(a) The commission shall authorize public utilities to engage in programs to encourage economic development.

(b) Reasonable expenses for economic development programs, as specified in this section, shall be allowed, to the extent of ratepayer benefit, when setting rates to be charged by public utilities electing to initiate these programs.

(c) Economic development activities may include, but not be limited to,
the following:

(1) Community marketing and development.

(2) Technical assistance to support technology transfer.

(3) Market research.

(4) Site inventories.

(5) Industrial and commercial expansion and relocation assistance.

(6) Business retention and recruitment.

(7) Management assistance.

(d) This section shall not be interpreted to permit the funding of economic development activities that benefit any affiliated companies or parent holding companies beyond that which is authorized by law as of January 1, 1992.

(e) (1) This section does not authorize the commission to establish discriminatory rates for the purpose of attracting or benefiting specific industries or business entities, except that incentives may be provided for the benefit of industries or business entities whose facilities are located within the boundaries of enterprise zones, economic incentive areas, recycling market development zones, or federal rural enterprise communities in accordance with the provisions of Chapter 12.8 (commencing with Section 7070) and Article 1 (commencing with Section 7080) of Chapter 12.9 of Division 7 of Title 1 of the Government Code, and Article 2 (commencing with Section 42145) of Chapter 3 of Part 3 of the Public Resources Code.

(2) The commission may apply the incentives authorized by this subdivision that benefit industries or business entities whose facilities are located within the boundaries of economic enterprise zones or incentive areas to attract a federal Department of Defense Finance and Accounting Service Center at the existing site of Norton Air Force Base in San Bernardino County. This paragraph shall become inoperative if the federal Department of Defense Finance and Accounting Service Center is not located upon the premises known as Norton Air Force Base in San Bernardino County and shall also become inoperative on February 1, 1994, if that facility has not been awarded to that site before that date.

(f) The commission may provide incentives pursuant to subdivision (e) to industries or business entities whose facilities are located within the boundaries of an enterprise zone that engage in activities in connection with the conversion of Fort Ord to other uses.

(g) The commission may authorize rate discounts to industries or business entities whose facilities are located or will be located within the boundaries of enterprise zones, recycling market development zones, or economic incentive areas pursuant to paragraph (1) of subdivision (e). These discounts may be applied in either of the following ways:

(1) Utilities may apply reduced monthly rates to qualifying customers' monthly utility bills.

(2) Utilities may, at the election of qualifying customers, assign the discounts to a private or public entity that returns consideration of like value to those customers, provided the customers agree to maintain their facilities in an enterprise zone, a recycling market development zone, or an economic incentive area for a minimum of five years from the date of commencement of the discount.

(h) It is the intent of the Legislature that the Public Utilities Commission, in implementing this chapter, shall allow rate recovery of expenses and rate discounts supporting economic development programs within the geographic area served by any public utility to the extent the utility incurring or proposing to incur those expenses and rate discounts demonstrates that the ratepayers of the public utility will derive a benefit from those programs. Further, it is the intent of the Legislature that expenses for economic development programs incurred prior to the effective date of this chapter, which have not been previously authorized to be recovered in rates, shall not be subject to rate recovery.

(Amended by Stats. 1997, Ch. 17, Sec. 127. Effective January 1, 1998.)

740.5.

(a) For purposes of this section, "21st Century Energy System Decision" means commission Decision 12-12-031 (December 20, 2012), Decision Granting Authority to Enter Into a Research and Development Agreement with Lawrence Livermore National Laboratory for 21st Century Energy Systems and for costs up to one hundred fifty-two million one hundred ninety thousand dollars ($152,190,000) or any subsequent decision in Application 11-07-008 (July 18, 2011), Application of Pacific Gas and Electric Company (U39M), San Diego Gas and Electric Company (U902E), and Southern California Edison Company (U338E) for Authority to Increase Electric Rates and Charges to Recover Costs of Research and Development Agreement with Lawrence Livermore National Laboratory for 21st Century Energy Systems.

(b) In implementing the 21st Century Energy System Decision, the commission shall not authorize recovery from ratepayers of any expense for research and development projects that are not for purposes of cyber security and

grid integration. Total funding for research and development projects for purposes of cyber security and grid integration pursuant to the 21st Century Energy System Decision shall not exceed thirty-five million dollars ($35,000,000). All cyber security and grid integration research and development projects shall be concluded by the fifth anniversary of their start date.

(c) The commission shall not approve for recovery from ratepayers those program management expenditures proposed, commencing with page seven, in the joint advice letter filed by the state's three largest electrical corporations, Advice 3379-G/4215-E (Pacific Gas and Electric Company), Advice 2887-E (Southern California Edison Company), and Advice 2473-E (San Diego Gas and Electric Company), dated April 19, 2013. Project managers for the 21st Century Energy System Decision shall be limited to three representatives, one representative each from Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas and Electric Company.

(d) The commission shall require the Lawrence Livermore National Laboratory, as a condition for entering into any contract pursuant to the 21st Century Energy System Decision, and Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas and Electric Company to ensure that research parameters reflect a new contribution to cyber security and that there not be a duplication of research being done by other private and governmental entities.

(Amended by Stats. 2016, Ch. 842, Sec. 15. (SB 1222) Effective January 1, 2017.)

740.6.

(a) The commission may authorize investor-owned gas and electric utilities to match grants provided to nonprofit agencies and local governments to participate in the Department of Economic Opportunity's pilot program to identify and counsel low-income individuals and group facilities that are eligible to receive rate discounts and weatherization benefits offered by those utilities. The amount of utility matching funds for the pilot program shall be limited to a statewide total of three hundred thousand dollars ($300,000). The commission shall require that utility expenditures for those purposes be recoverable in rates.

(b) If federal funds become available for low-income energy assistance or weatherization programs that may be secured with matching funds from states or utilities, the commission may authorize investor-owned gas and electric utilities to match those federal funds, and shall require that utility expenditures for those purposes be recoverable in rates.

(Added by Stats. 1993, Ch. 1159, Sec. 3. Effective January 1, 1994.)

740.7.

Interruptible service or curtailment programs adopted by the commission shall assure that the programs allow customers to aggregate multiple accounts to meet any minimum kilowatt requirements for participation in the program, subject to geographical, load, and other parameters, as determined by the commission.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 7, Sec. 7. Effective April 12, 2001.)

740.8.

As used in Section 740.3 or 740.12, "interests" of ratepayers, short- or long-term, mean direct benefits that are specific to ratepayers, consistent with both of the following:

(a) Safer, more reliable, or less costly gas or electrical service, consistent with Section 451, including electrical service that is safer, more reliable, or less costly due to either improved use of the electric system or improved integration of renewable energy generation.

(b) Any one of the following:

(1) Improvement in energy efficiency of travel.

(2) Reduction of health and environmental impacts from air pollution.

(3) Reduction of greenhouse gas emissions related to electricity and natural gas production and use.

(4) Increased use of alternative fuels.

(5) Creating high-quality jobs or other economic benefits, including in disadvantaged communities identified pursuant to Section 39711 of the Health and Safety Code.

(Amended by Stats. 2015, Ch. 547, Sec. 31. (SB 350) Effective January 1, 2016.)

740.9.

(a) Any optional binding mandatory curtailment program adopted by the commission that exempts customers from Stage 3 rotating outages in exchange for partial load curtailments during every rotating outage period shall provide, for agricultural and water supplier customers, the use of backup generation to offset the curtailed load under the program, to the extent the use of backup generation is allowed under existing law, including, but not limited to, all relevant local air pollution control district and air quality management district rules and regulations.

(b) As used in this section, “agricultural customers” means any customer involved in the production of or processing of agricultural products. “Water suppliers” means those water agencies or suppliers as defined in Section 20200 of the Water Code and Section 241 of the Public Utilities Code.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 7, Sec. 8. Effective April 12, 2001.)

740.10.

(a) Each public utility electrical corporation shall develop and offer its customers, on or before May 30, 2001, the opportunity to participate, in addition to other programs developed by the commission, in a demand reduction program as described in this section.

(b) The program required by this section shall identify specific periods coincident with morning or evening system peak conditions determined by the Independent System Operator within which the customer agrees to drop a preset amount of load. This program shall be known as the Scheduled Load Reduction Program. The commission shall develop appropriate incentives for customers to participate in the program.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 7, Sec. 9. Effective April 12, 2001.)

740.11.

In recognition of the fact that agricultural and water supplier customers necessarily have high electricity usage during peak summer demand periods, the Legislature strongly urges the commission to consider providing the option to all agricultural commodity processing customers to be included in the definition of customers eligible to be served under agricultural tariffs, consistent with its other constitutional and statutory objectives, and to the extent it does not result in cost shifting to other customer classes.

(Added by Stats. 2001, 1st Ex. Sess., Ch. 7, Sec. 10. Effective April 12, 2001.)

740.12.

(a) (1) The Legislature finds and declares all of the following:

(A) Advanced clean vehicles and fuels are needed to reduce petroleum use, to meet air quality standards, to improve public health, and to achieve greenhouse gas emissions reduction goals.

(B) Widespread transportation electrification is needed to achieve the goals of the Charge Ahead California Initiative (Chapter 8.5 (commencing with Section 44258) of Part 5 of Division 26 of the Health and Safety Code).

(C) Widespread transportation electrification requires increased access for disadvantaged communities, low- and moderate-income communities, and other consumers of zero-emission and near-zero-emission vehicles, and increased use of those vehicles in those communities and by other consumers to enhance air quality, lower greenhouse gases emissions, and promote overall benefits to those communities and other consumers.

(D) Reducing emissions of greenhouse gases to 40 percent below 1990 levels by 2030 and to 80 percent below 1990 levels by 2050 will require widespread transportation electrification.

(E) Widespread transportation electrification requires electrical corporations to increase access to the use of electricity as a transportation fuel.

(F) Widespread transportation electrification should
stimulate innovation and competition, enable consumer options in charging equipment and services, attract private capital investments, and create high-quality jobs for Californians, where technologically feasible.

(G) Deploying electric vehicles should assist in grid management, integrating generation from eligible renewable energy resources, and reducing fuel costs for vehicle drivers who charge in a manner consistent with electrical grid conditions.

(H) Deploying electric vehicle charging infrastructure should facilitate increased sales of electric vehicles by making charging easily accessible and should provide the opportunity to access electricity as a fuel that is cleaner and less costly than gasoline or other fossil fuels in public and private locations.

(I) According to the State Alternative Fuels Plan analysis by the Energy Commission and the State Air Resources Board, light-, medium-, and heavy-duty vehicle electrification results in approximately 70 percent fewer greenhouse gases emitted, over 85 percent fewer ozone-forming air pollutants emitted, and 100 percent fewer petroleum used. These reductions will become larger as renewable generation increases.

(2) It is the policy of the state and the intent of the Legislature to encourage transportation electrification as a means to achieve ambient air quality standards and the state's climate goals. Agencies designing and implementing regulations, guidelines, plans, and funding programs to reduce greenhouse gas emissions shall take the findings described in paragraph (1) into
account.

(b) The commission, in consultation with the State Air Resources Board and the Energy Commission, shall direct electrical corporations to file applications for programs and investments to accelerate widespread transportation electrification to reduce dependence on petroleum, meet air quality standards, achieve the goals set forth in the Charge Ahead California Initiative (Chapter 8.5 (commencing with Section 44258) of Part 5 of Division 26 of the Health and Safety Code), and reduce emissions of greenhouse gases to 40 percent below 1990 levels by 2030 and to 80 percent below 1990 levels by 2050. Programs proposed by electrical corporations shall seek to minimize overall costs and maximize overall benefits. The commission shall approve, or modify and approve, programs and investments in transportation electrification, including
those that deploy charging infrastructure, via a reasonable cost recovery mechanism, if they are consistent with this section, do not unfairly compete with nonutility enterprises as required under Section 740.3, include performance accountability measures, and are in the interests of ratepayers as defined in Section 740.8. Not less than 35 percent of the investments pursuant to this subdivision shall be in underserved communities as that term is defined in Section 1601.

(c) The commission shall review data concerning current and future electric transportation adoption and charging infrastructure utilization prior to authorizing an electrical corporation to collect new program costs related to transportation electrification in customer rates. If market barriers unrelated to the investment made by an electric corporation prevent electric
transportation from adequately utilizing available charging infrastructure, the commission shall not permit additional investments in transportation electrification without a reasonable showing that the investments would not result in long-term stranded costs recoverable from ratepayers.

(d) This section applies to an application to the commission for transportation electrification programs and investments if one of the following conditions is met:

(1) The application is filed on or after January 1, 2016.

(2) The application is filed before January 1, 2016, but has an evidentiary hearing scheduled on or after July 1, 2016.

(Amended by Stats. 2020, Ch. 372, Sec. 1. (AB 841) Effective January 1, 2021.)

740.13.

(a) For purposes of this section, the following terms have the following meanings:

(1) "Charging station" means the removable equipment that provides alternating or direct current to the battery electric vehicle or plug-in hybrid electric vehicle, but does not include the supporting charging infrastructure, such as

wiring, conduit, and electric panel.

(2) “Educational institution” has the same meaning as defined in Section 22129 of the Education Code.

(3) “School facility” means owned or leased improved real property used for the purpose of the private or public education of more than 12 children in kindergarten or any of grades 1 to 12, inclusive, or in any combination thereof, or any other facility of a school district or county office of education where activities described in subdivision (c) are provided, but does not include any private school in which education is conducted primarily in private homes.

(b) By July 30, 2018, an electrical corporation may file with the commission a pilot program proposal for the installation of electrical grid integrated charging stations at school facilities and other educational institutions. The proposal may include parameters for the installation of charging infrastructure for transportation vehicles, such as schoolbuses, owned by a school district, county office of education,
private school, or other educational institution. By December 31, 2018, the commission shall review, modify if appropriate, and decide whether to approve a pilot program proposal filed by an electrical corporation.

(c) A school district, county office of education, private school, or other educational institution choosing to participate in the program shall have the authority to establish guidelines for use of the charging stations installed pursuant to the approved program, which may include use by faculty, students, and parents, before, during, and after school hours at those times that the school facilities or other educational institutions are operated for purposes of providing education or school-related activities, including, but not limited to, parent-teacher conferences, clubs, theater, and athletic events, and by any
other persons present for those activities and events.

(d) Construction and maintenance of the charging stations and infrastructure shall be managed in coordination with the school district, county office of education, private school, or other educational institution.

(e) The approved pilot program shall include a reasonable mechanism for cost recovery by the electrical corporation if the commission finds all of the following are true:

(1) The costs to be recovered are consistent with a cost limitation approved by the commission for the pilot program.

(2) The pilot program seeks to minimize overall costs and maximize overall benefits.

(3) The pilot program does not unfairly compete with nonutility enterprises as required under Section 740.3.

(4) The pilot program includes performance accountability measures.

(5) The pilot program is in the interests of ratepayers, as defined in Section 740.8.

(f) Charging stations installed pursuant to a pilot program approved by the commission pursuant to this section shall be installed and maintained by the utility workforce, or by workers who are paid the prevailing wage for all program-related work. The Director of Industrial Relations shall determine the prevailing wage in accordance with the standards set forth in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. A nonutility enterprise installing or maintaining charging stations and infrastructure pursuant to a pilot program approved by the commission shall submit wage schedules to the commission as part of its application and shall make all payroll records available to the commission for enforcement purposes pursuant to this part. Certified payrolls submitted to the commission shall be public records.

(g) A school facility or other
educational institution receiving charging stations pursuant to the approved pilot program shall participate in a time-variant rate approved by the commission. A school district, county office of education, private school, or other educational institution may require users of the charging stations to pay electricity costs.

(h) An electrical corporation shall prioritize in its proposal school facilities and other educational institutions located in disadvantaged communities. For these purposes, “disadvantaged communities” means communities identified by the California Environmental Protection Agency pursuant to the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code).

(i) Participation in the approved pilot program shall not prevent a school district, county office of education, private school, or other educational institution from participating in other transportation electrification programs. After a

school district, county office of education, private school, or other educational institution has participated in the program for eight years, the school district, county office of education, private school, or other educational institution may cease participation in the pilot program and request removal of the charging station by providing 180-day notice to the electrical corporation.

(Added by Stats. 2017, Ch. 637, Sec. 2. (AB 1082) Effective January 1, 2018.)

740.14.

(a) By July 30, 2018, in consultation with the Department of Parks and Recreation, Public Utilities Commission, Energy Commission, and State Air Resources Board, each electrical corporation may file with the commission a pilot program proposal for the installation of electrical grid integrated charging stations at state parks and beaches within its service territory. By December 31, 2018, the commission shall review, modify if appropriate, and decide whether to approve a pilot program proposal filed by an electrical corporation. The Department of Parks and Recreation shall determine which state parks or beaches are suitable for charging stations.

(b) The approved pilot program shall include a reasonable mechanism for cost recovery by an electrical corporation if the commission finds all of the following are true:

(1) The costs to be recovered are consistent with a cost limitation approved by the commission for the pilot program.

(2) The pilot program seeks to minimize overall costs and maximize overall benefits.

(3) The pilot program does not unfairly compete with nonutility enterprises as required under Section 740.3.

(4) The pilot program includes performance accountability measures for the electrical corporation or, for charging equipment installed and maintained by a nonutility enterprise, performance accountability measures for the nonutility enterprise.

(5) The pilot program is in the interests of ratepayers, as defined in Section 740.8.

(c) Charging stations installed pursuant to a pilot program approved by the commission pursuant to this section shall be installed and maintained by the utility workforce, or by workers who are paid the prevailing wage for all program-related work. The Director of Industrial Relations shall determine the prevailing wage in accordance with the standards set forth in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. A nonutility enterprise installing or maintaining charging equipment pursuant to a pilot program approved by the commission shall submit wage schedules to the commission as part of its application and shall make all payroll records available to the commission for enforcement purposes pursuant to this part. Certified payrolls submitted to the commission shall be public records.

(d) State parks and beaches receiving charging stations pursuant to the approved pilot program shall participate in a time-variant rate approved by the commission.

(e) An electrical corporation shall prioritize in its proposal those state parks and beaches that serve residents of disadvantaged communities. For these purposes, “disadvantaged communities” means communities identified by the California Environmental Protection Agency pursuant to the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code).

(f) Except for costs incurred in determining park and beach suitability pursuant to subdivision (a) and potential liability under the Government Claims Act (Division 3.6 (commencing with Section 810) of Title 1 of the Government Code), the Department of Parks and Recreation shall not be required to incur any costs or liability related to the installation, use, or maintenance of the charging stations for the pilot program’s duration.

(Added by Stats. 2017, Ch. 638, Sec. 2. (AB 1083) Effective January 1, 2018.)

740.15.

(a) The commission shall consider, in an existing proceeding, all of the following:

(1) Facilitating the development of technologies that promote grid integration, including technologies that provide submetering capabilities to residential charging stations, if the commission determines that these technologies and submetering capabilities are in the best interests of ratepayers.

(2) Exploring policies that support the development of technologies and rate strategies that can reduce the effects of demand charges on electric vehicle drivers and fleets, and help accelerate the adoption of electric vehicles.

(3) Adopting
a tariff specific to heavy-duty electric vehicle fleets or electric trucks and buses that encourages the use of charging stations when there is excess grid capacity.

(b) For purposes of this section, “charging station” means the removable equipment that provides alternating or direct current to the battery electric vehicle or plug-in hybrid electric vehicle, but does not include the supporting charging infrastructure, such as wiring, conduit, and electric panels.

(Added by Stats. 2018, Ch. 368, Sec. 4. (SB 1000) Effective January 1, 2019.)

740.16.

(a) (1) The Legislature finds and declares all of the following:

(A) State policy incentivizes and encourages the increased use of electric vehicles, and relies, in part, on the ratepayers of electrical corporations to fund policies intended to increase the usage of electric vehicles.

(B) Changes in electrical demand and generation have created escalating peak and low periods of electrical supply and demand, and the cost of wholesale electricity and electricity delivery during peak demand periods is typically greater than during other periods.

(C) It is feasible and practicable to adjust the
period during which an electric vehicle charges, in part or in full, to reduce its cost impact during periods of peak demand or grid congestion, to utilize available renewable electric generation, to avoid curtailments of renewable electric generation, and to provide reliability services.

(D) Time-of-use rates for customers with electric vehicles can reduce costs or mitigate cost increases for all ratepayers due to increased usage of electric vehicles by incentivizing electric vehicle charging at periods of low demand and low grid congestion.

(2) It is, therefore, the policy of the state and the intent of the Legislature to maximize net ratepayer and grid benefits from transportation electrification and reduce costs or mitigate cost increases for all ratepayers due to increased usage of electric vehicles by accelerating electric vehicle grid integration and by ensuring that any investments in transportation electrification do not foreclose the electric vehicle grid integration potential of these investments.

(b) (1) For purposes of this section, “electric vehicle grid integration” means any method of altering the time, charging level, or location at which grid-connected electric vehicles charge or discharge, in a manner that optimizes plug-in electric vehicle interaction with the electrical grid and provides net benefits to ratepayers by doing any of the following:

(A) Increasing electrical grid asset utilization.

(B) Avoiding otherwise necessary distribution infrastructure upgrades.

(C) Integrating renewable energy resources.

(D) Reducing
the cost of electricity supply.

(E) Offering reliability services consistent with Section 380 or the Independent System Operator tariff.

(2) Electric vehicle grid integration strategies shall not require the use of any specific technology.

(3) Electric vehicle grid integration may be achieved using multiple strategies, including, but not limited to, the adoption of an electrical rate design, a technology, or a customer service, if that adoption helps provide net benefits to ratepayers pursuant to paragraph (1).

(4) The commission may adopt a revised definition for “electric vehicle grid integration” through a new or existing proceeding to replace the definition in paragraph (1). Any revised definition of “electric vehicle grid integration” adopted by
the commission shall be applicable to load-serving entities, as defined in Section 380.

(c) By December 31, 2020, in an existing proceeding, the commission shall establish strategies and quantifiable metrics to maximize the use of feasible and cost-effective electric vehicle grid integration by January 1, 2030, consistent with all of the following:

(1) The electric vehicle grid integration strategies shall account for the effect of time-of-use rates on electricity demand from electric vehicle charging.

(2) Expenditures on electric vehicle grid integration shall be in the best interests of ratepayers, as defined in Section 740.8, and consistent with Section 451.

(3) The electric vehicle grid integration strategies shall reflect electrical demand
attributable to electric vehicle charging, including from existing approved rates and programs.

(4) Electric vehicle grid integration shall be consistent with the transportation electrification goals described in Section 740.12.

(5) The commission shall consider incorporating the National Institute of Standards and Technology’s reliability and cybersecurity protocols, or other equally protective or more protective cybersecurity protocols, into the electric vehicle grid integration strategies.

(d) As part of each local publicly owned electric utility’s integrated resource plan update adopted on and after January 1, 2020, pursuant to Section 9621, the local publicly owned electric utility shall consider both of the following:

(1) Establishing electric
vehicle grid integration strategies that are in the best interests of ratepayers and that reflect the local publicly owned electric utility’s estimated electrical demand attributable to electric vehicle charging, as applicable.

(2) Evaluating how its existing and planned electric vehicle grid integration programs, including its electrical rates and investments in transportation electrification, to the extent feasible, further the electric vehicle grid integration strategies it has established, as applicable.

(e) In carrying out its responsibilities pertaining to transportation electrification, including, but not limited to, pursuant to Sections 740.2, 740.3, 740.8, 740.12, 740.13, and 740.14, the commission shall reference the electric vehicle grid integration strategies established pursuant to subdivision (c) in relevant ongoing and
subsequent proceedings that address issues of transportation electrification in any part and shall identify how programs and investments that the commission may approve will advance the achievement of the strategies.

(f) In executing its responsibilities on transportation electrification, including, but not limited to, pursuant to Sections 740.2, 740.3, 740.8, 740.12, 740.13, and 740.14, the commission shall consider how, or if, electric vehicle grid integration can mitigate any generation, transmission, or distribution costs, or increase the economic, social, or environmental benefits associated with transportation electrification, and shall not foreclose future utilization of electric vehicle grid integration.

(g) Each community choice aggregator shall, one year after the commission establishes electric vehicle grid integration strategies pursuant to subdivision (c), report
annually to the commission describing how its current and planned programs, rates, and investments in transportation electrification are expected to further the electric vehicle grid integration strategies.

(h) Each electrical corporation shall, in each of its applications to the commission for transportation electrification programs and investments filed pursuant to Section 740.12, quantify how the investments described in the application are expected to further the electric vehicle grid integration strategies adopted pursuant to subdivision (c).

(i) Each electrical corporation that files an application for programs and investments to accelerate widespread transportation electrification pursuant to Section 740.12 shall, in each of its load research report compliance filings or alternative compliance filings submitted to the commission, report the electrical corporation’s annual

measurable progress in furthering the electric vehicle grid integration strategies adopted pursuant to subdivision (c).

(j) The commission shall, in an existing proceeding, review each load-serving entity's annual measurable progress in furthering the electric vehicle grid integration strategies adopted pursuant to subdivision (c), and may, if appropriate, issue recommendations to ensure reasonable progress toward achieving vehicle grid integration.

(k) Nothing in this section authorizes a delay of any new rate or program for electric vehicle charging or electric vehicle grid integration as to which consideration or approval is pending before the commission on or before January 1, 2020.

(l) As regards electrical corporations, this section shall only apply to electrical corporations that are required to file an
integrated resource plan pursuant to Section 454.52.

(Added by Stats. 2019, Ch. 484, Sec. 1. (SB 676) Effective January 1, 2020.)

740.18.

(a) The purpose of this section is to require the commission to review, modify, if appropriate, and decide whether to approve, two pending (as of July 1, 2020) transportation electrification infrastructure applications, based on previously approved activities, that are designed to advance California's goal of widespread transportation electrification, and to require the commission to extend its prior approvals of transportation electrification programs and investments so that they will be replicated and continued. These commission decisions will have the effect of continuing to build out California's transportation electrification infrastructure, improve air quality, reduce emissions of greenhouse gases, create jobs, and
put downward pressure on rates. Nothing in this section is intended to preclude the commission from adopting additional transportation electrification programs and investments.

(b) On or before March 1, 2021, the commission shall issue decisions concerning Application 18-06-015 (June 26, 2018) Application of Southern California Edison Company (U338E) for Approval of its Charge Ready 2 Infrastructure and Market Education Programs and Application 19-10-012 (October 28, 2019) Application Of San Diego Gas & Electric Company (U902E) To Extend And Modify The Power Your Drive Pilot Approved By Decision 16-01-045.

(Added by Stats. 2020, Ch. 372, Sec. 2. (AB 841) Effective January 1, 2021.)

740.19.

(a) The purpose of this section is to change the commission practice of authorizing the electrical distribution infrastructure located on the utility side of the customer meter needed to charge electric vehicles on a case-by-case basis to a practice of considering that infrastructure and associated design, engineering, and construction work as core utility business, treated the same as other distribution infrastructure authorized on an ongoing basis in the electrical corporation's general rate case. The commission should not relegate charging electric vehicles to a lower status than any other use of electricity for which the electrical corporation provides distribution infrastructure. The commission shall continue to require
each electrical corporation to provide an accurate and full accounting of all expenses related to electrical distribution infrastructure as it relates to this section, and apply appropriate penalties to the extent an electrical corporation is not accurately tracking all expenses.

(b) For purposes of this section, the term "electrical distribution infrastructure" shall include poles, vaults, service drops, transformers, mounting pads, trenching, conduit, wire, cable, meters, other equipment as necessary, and associated engineering and civil construction work.

(c) Not later than February 28, 2021, each electrical corporation shall file an advice letter pursuant to Section 5.1 of General Order 96-B, for, and not later than June 30, 2021, the commission shall approve, a new
tariff or rule that authorizes each electrical
corporation to design and deploy all electrical distribution infrastructure on the utility side of the customer's meter for all customers installing separately metered infrastructure to support charging stations, other than those in single-family residences. The advice letter and the commission's approval shall provide that costs incurred by the electrical corporation between January 1, 2021, and the implementation date of rates approved in the next general

rate case decision for that electrical corporation shall be tracked in a memorandum account and recovered, subject to a reasonableness review, in the decision adopting the next general rate case revenue requirement for that electrical corporation. Each electrical
corporation shall recover its subsequent revenue requirement for this work through periodic general rate case proceedings. In those proceedings, the costs shall be treated like those costs incurred for other necessary distribution infrastructure. The new tariff shall replace the line extension rules currently used (as of July 1, 2020) and any customer allowances established shall be based on the full useful life of the electrical distribution infrastructure. The commission may revise the policy described in subdivision (a) and this subdivision after the completion of the general rate case cycle of the electrical corporation following the one during which the advice letter was filed if a determination is made that a change in the policy is necessary to ensure just and reasonable rates for ratepayers.

(d) (1) For purposes
of this subdivision, the following terms have the following meanings:

(A) “Basic charging arrangements” means Level 1 and Level 2 charging in accordance with the SAE J1772 standard, or a replacement standard that the commission determines to be appropriate.

(B) “D. 11-07-029” means commission Decision 11-07-029 (July 14, 2011) Phase 2 Decision Establishing Policies to Overcome Barriers to Electric Vehicle Deployment and Complying with Section 740.2 of the Public Utilities Code, made in Rulemaking 09-08-009 (August 20, 2009) Order Instituting Rulemaking on the Commission’s Own Motion to Consider Alternative-Fueled Vehicle Tariffs, Infrastructure and Policies to Support California’s Greenhouse Gas Emissions Reduction Goals.

(C) “D. 13-06-014” means commission Decision 13-06-014 (June 27, 2013) Decision Authorizing Short-Term Extension of Limited Provisions Regarding Electric Tariff Rules 15 and 16, made in Rulemaking 09-08-009.

(D) “D. 16-06-011” means commission Decision 16-06-011 (June 9, 2016) Decision Authorizing Further Extension of the Interim Policy Regarding Electric Tariff Rules 15 and 16, made in Rulemaking 13-11-007 (November 14, 2013) Order Instituting Rulemaking to Consider Alternative-Fueled Vehicle Programs, Tariffs, and Policies.

(E) “D. 16-11-005” means commission Decision 16-11-005 (November 10, 2016) Decision Making Small Electrical Corporations Respondents to this Rulemaking, made in Rulemaking 13-11-007.

(F) “PEV charging” means plug-in electric vehicle charging.

(G) “R. 18-12-066” means commission Rulemaking 18-12-006 (December 13, 2018) Order Instituting Rulemaking to Continue the Development of Rates and Infrastructure for Vehicle Electrification.

(2) In supervising the alternative-fueled vehicle program, or vehicle electrification program, of an electrical corporation, the commission shall allow the residential service facility upgrade costs incurred as a result of the adoption of home-based electric vehicle charging for basic charging arrangements that exceed the utility’s Electric Tariff Rule 15 (distribution line extensions) and Rule 16 (service line extensions) allowances to be treated as a common facility cost, to be recovered from all residential ratepayers.

(3) It is the intent of the Legislature that the interim policy, known as the Common Treatment for Excess PEV Charging, initially adopted with respect to the state’s three largest electrical corporations in D. 11-07-029, extended in D. 13-06-014, extended again in D. 16-06-011, expanded to include the state’s three smaller electrical corporations in D. 16-11-005, and further extended by the Assigned Commissioner’s Scoping Memorandum and Ruling entered May 2, 2019, and by the order of the Administrative Law Judge entered December 13, 2019 in R. 18-12-066, shall be the policy applied by the commission, and may be revised by the commission after the completion of the electrical corporation’s general rate case cycle in effect on January 1, 2021, if a determination is made that a change in the policy is necessary to ensure just and
reasonable rates for ratepayers.

(Added by Stats. 2020, Ch. 372, Sec. 3. (AB 841) Effective January 1, 2021.)

740.20.

(a) (1) The commission, the Energy Commission, and the State Air Resources Board shall require that all electric vehicle charging infrastructure and equipment located on the customer side of the electrical meter that is funded or authorized, in whole or in part, by those state entities shall be installed by a contractor with the appropriate license

classification, as determined by the Contractors' State License Board, and at least one electrician on each crew, at any given time, who holds an Electric Vehicle Infrastructure Training Program certification.

(2) The commission, the Energy Commission, and the State Air Resources Board shall require that projects funded or authorized, in whole or in part, by those state entities, that install a charging port supplying 25 kilowatts or more to a vehicle have at least 25 percent of the total electricians working on the crew for the project, at any given time, who hold Electric Vehicle Infrastructure Training Program certification.

(3) One member of each crew may be both the contractor and an Electric Vehicle Infrastructure Training Program certified electrician.

(b) Subdivision (a) does not apply to any of the following:

(1) Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility.

(2) Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard Program (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations).

(3) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

(c) An electrician apprenticeship program approved by the Division of Apprenticeship Standards or a continuing education provider approved by the Department of Industrial Relations to provide training to electricians may provide apprentices with Electric Vehicle Infrastructure Training Program training with their own Electric Vehicle Infrastructure Training Program certified instructors. The Electric Vehicle Infrastructure Training Program certification exam shall be administered by the Electric Vehicle Infrastructure Training Program.

(d) The Electric Vehicle Infrastructure Training Program shall provide copies of its Electric Vehicle Infrastructure Training Program curriculum and any updates or revisions to any Electric Vehicle Infrastructure Training Program certified instructor within 30 days of a request or when the curriculum is updated.

(e) (1) No later than May 1, 2021, and periodically thereafter, the Energy Commission, in consultation with the commission, shall conduct joint public workshops to determine if the Electric Vehicle Infrastructure Training Program curriculum and testing should be supplemented to include updated or additional topics necessary to ensure safe installation of charging infrastructure. In conducting the workshops, the Energy Commission shall seek public input from entities, including from labor groups, electrical contractors, electric vehicle service providers, and the Electric Vehicle Infrastructure Training Program. The Energy Commission's determination shall consider cost, cost effectiveness, consensus in the industry, market penetration of new technologies, and the availability of supplemental training from other sources. The Energy Commission's determination shall be reasonable, supplemental, and shall maintain the existing scope and rigor of the Electric Vehicle Infrastructure Training Program curriculum and testing. The Energy Commission shall not require the Electric Vehicle Infrastructure Training Program to provide product-specific training. If the Energy Commission determines that the Electric Vehicle Infrastructure Training Program should be supplemented, the Electric Vehicle Infrastructure Training Program shall incorporate this supplemental curriculum and testing within six months of final action by the Energy Commission, unless additional time is reasonably required. The Electric Vehicle Infrastructure Training Program may incorporate supplemental curriculum and testing either as a California-specific supplement to the Electric Vehicle Infrastructure Training Program certification or as part of the standard Electric Vehicle Infrastructure Training Program certification.

(2) As part of the first workshop pursuant to paragraph (1), the Energy Commission, in consultation with the commission, shall evaluate whether additional training and testing is needed to safely install direct current fast charging infrastructure, high voltage charging infrastructure, or charging infrastructure for medium- and heavy-duty vehicles.

(f) Electric Vehicle Infrastructure Training Program training shall qualify as part of the 32 hours of further electrical education that a California certified electrician is required to complete every three years pursuant to Section 291.5

of Title 8 of the California Code of Regulations.

(g) Except as provided in subdivision (h), subdivision (a) applies to all work performed on or after January 1, 2022, pursuant to any decision made on or after January 1, 2021, by the commission, the Energy Commission, or the State Air Resources Board.

(h) (1) Subdivision (a) applies to any work performed after January 1, 2021, pursuant to decisions described in subdivision (a) of Section 740.18.

(2) Subdivision (a) does not apply to electric vehicle charging infrastructure and equipment that is subject to any agreements or contracts with any public agency entered into prior to January 1, 2021, even if it is funded or authorized after January 1, 2021.

(i) Not later than March 1, 2021, the Electric Vehicle Infrastructure Training Program shall offer Electric Vehicle Infrastructure Training Program courses in an online format. The online format shall remain available through December 31, 2024.

(Added by Stats. 2020, Ch. 372, Sec. 4. (AB 841) Effective January 1, 2021.)

740.21.

(a) Each electrical corporation, as part of its distribution planning process, shall consider the fleet data produced by the Energy Commission pursuant to Section 25328 of the Public Resources Code, and other available data, to facilitate the readiness of their distribution systems to support the level of electric vehicle charging anticipated in its service territory by Executive Orders No. B-48-18 and N-79-20, the Energy Commission's integrated energy policy report adopted pursuant to Section 25302 of the Public Resources Code, the Energy Commission's assessment prepared pursuant to Section 25229 of the Public Resources Code, State Air Resources Board regulations, air quality
management plans, regional seaport plans, regional transportation plans, and sustainable communities strategies.

(b) In its general rate case, each electrical corporation shall identify how investments made pursuant to this section will support electric vehicle deployment within its service territory. Each electrical corporation shall consider the electric vehicle deployment goals in Executive Orders No. B-48-18 and N-79-20, the Energy Commission's integrated energy policy report adopted pursuant to Section 25302 of the Public Resources Code, and the Energy Commission's assessment prepared pursuant to Section 25229 of the Public Resources Code. Each electrical corporation may also consider relevant State Air Resources Board regulations, air quality management plans, regional seaport plans, regional transportation plans, and sustainable
communities strategies.

(c) In reviewing electrical corporation proposals to meet the requirements of subdivision (a), the commission shall ensure proposed investments are consistent with preparing the electrical grid for the achievement of the state's goals and regulations identified in subdivision (a).

(Added by Stats. 2022, Ch. 354, Sec. 3. (AB 2700) Effective January 1, 2023.)

740.23.

(a) For purposes of this section, "utility" means an electrical corporation or a gas corporation.

(b) As a part of its general rate case, a utility shall report to the commission all of the following:

(1) For any work category, the amount authorized for the test year in the last general rate case and the amount authorized based on escalation for the last year of the prior general rate case.

(2) For any work category, the actual recorded amounts during the past 10 years split between labor and nonlabor costs and between capital and expenses.

(3) For
any asset repair, installation, or replacement work, the number of units installed, repaired, or replaced during the past 10 years.

(4) The authorized and actual rate of return and return on equity for the past 10 years.

(5) For distribution capacity, all of the following:

(A) The projects included in the forecast submitted in the prior general rate case.

(B) The projects actually conducted so far in the prior general rate case or planned to be started during the prior general rate case cycle.

(C) Which projects included in the forecast submitted in the prior general rate case are included in the forecast for the pending general rate case.

(D) Which projects included in the prior general rate case have been canceled or indefinitely delayed and the reasons for the cancellation or delay.

(6) A breakdown by program of any capital costs included in the pending general rate case that exceed previously authorized levels or that have not been previously found to be reasonable.

(Added by Stats. 2025, Ch. 177, Sec. 1. (AB 1017) Effective January 1, 2026.)

741.

(a) Every owner or operator of telephones available for public use, other than a telephone corporation, that accept any form of payment which, as part of the service furnished, provides operator-assisted services by other than a telephone corporation having tariff schedules on file with the commission providing for the furnishing of operator-assisted services, shall cause to be posted on or near the telephone equipment so as to be easily seen by telephone customers all of the following information:

(1) The name of the provider of operator-assisted services and a toll-free telephone number for contacting that provider.

(2) The applicable charges for each available operator-assisted service.

(3) That the provider of operator-assisted services will respond to inquiries concerning the terms and conditions of any available service.

(4) That surcharges may apply to operator-assisted and calling card calls.

(5) That card-activated calls, calls activated by any other payment device, or calls that may be charged to a card by giving a card number to an operator may cost more than coin-activated calls.

(6) The local rates for nonoperator-assisted calls.

(b) Every owner or operator of telephones available for public use, other than a telephone corporation, that accept any form of payment which, as part of the service furnished, provides operator-assisted services by other than a telephone corporation having tariff schedules on file with the commission providing for the furnishing of operator-assisted services, shall:

(1) Identify itself, audibly and distinctly, to the consumer at the beginning of each telephone call and before the consumer incurs any charge for the call.

(2) Permit the consumer to terminate the telephone call before the call is connected.

(3) At no charge, disclose to the consumer, immediately after the number to be called is entered or given to an operator, a quotation of its complete rates and charges for the call.

(c) This section shall become operative on January 1, 2015.

(Amended (as added by Stats. 2013, Ch. 140, Sec. 2) by Stats. 2014, Ch. 71, Sec. 149. (SB 1304) Effective January 1, 2015.)

741.1.

Every nonpublic utility provider of telephone services, including, but not limited to, a hotel, motel, hospital, or university, which imposes charges on users of the services and which, as part of the service furnished, provides operator-assisted services by other than a telephone corporation having tariff schedules on file with the commission providing for the furnishing of operator-assisted services shall cause to be posted on or near the telephone equipment so as to be easily seen by users of the service all of the following information:

(a) The name of the provider of operator-assisted services and a toll-free telephone number for contacting that provider.

(b) The applicable charges for each available operator-assisted service.

(c) That the provider of operator-assisted services will respond to inquiries concerning the terms and conditions of any available service.

(Added by Stats. 1988, Ch. 648, Sec. 3.)

741.2.

(a) No nonpublic utility provider of telephone services, including, but not limited to, a hotel, motel, hospital, university, or similar place of temporary accommodation owning or operating message switching or billing equipment solely for the purpose of reselling services provided by a telephone corporation to its patients or guests is required to file or maintain tariff schedules.

(b) No such nonpublic utility provider of telephone services which provides service to hospital patients may charge more for any nontoll telephone call than the maximum rate of charge authorized by the commission for a nontoll call placed from a coin-activated telephone owned or operated by other than a telephone corporation plus twenty-five cents ($0.25).

(c) No such nonpublic utility provider of telephone services which provides service to hospital patients may charge more for any toll telephone call than the sum of all of the following:

(1) The applicable tariff rate or charge of the telephone corporation whose service is resold for that telephone call.

(2) The surcharge or surcharges, if any, applicable to that call if placed from a coin-activated telephone owned or operated by the telephone corporation within whose service area the nonpublic utility provider of telephone services is located, unless that surcharge is included in the tariff rate or charge for that call.

(3) Twenty-five cents ($0.25).

(d) No such nonpublic utility provider of telephone services may make any charge for any uncompleted telephone call unless notice pursuant to subdivision (e) is provided specifying the circumstances under which a charge will be made for an uncompleted call.

(e) Every nonpublic utility provider of telephone services shall display or post on or near the telephone equipment so as to be easily seen by telephone users a notice of all of the following:

(1) The charges applicable to all of the available telephone services. These charges shall be separately stated, and shall include, but not be limited to, the following information:

(A) Individual customer telephone service activation deposits or fees, if any.

(B) Charges for use of telephone services, irrespective of whether a call is completed.

(2) That these charges are consistent with this section, if applicable.

(3) The telephone number of the Consumer Affairs Division of the commission to which questions or complaints may be directed.

(f) Subdivision (e) does not require separate notices for multiple or extension telephones having the same telephone extension number.

(g) This section does not require any such nonpublic utility provider of telephone services to make any charge for the furnishing of any telephone service, and this section does not apply to any such provider that makes no charge for telephone services furnished. This section does not constitute any such provider a telephone corporation or otherwise subject it to regulation by the commission as a public utility.

(Amended by Stats. 1997, Ch. 681, Sec. 1. Effective January 1, 1998.)

741.3.

The commission shall, by rule or order, adopt and enforce operating requirements applicable to operator-assisted telephone services, whether furnished by a telephone corporation or other than a telephone corporation, for nonpublic utility providers of telephone services, including, but not limited to, hotels, motels, hospitals, universities, and similar places of temporary accommodation owning or operating message switching or billing equipment solely for the purpose of reselling services provided by a telephone corporation to its patients or guests. These operating requirements shall include, but not be limited to, all of the following:

(a) That there be displayed or posted on or near the telephone equipment so as to be easily seen by telephone users a notice stating the identity of the nonpublic utility provider of the telephone services; the method for obtaining the rates, terms, or conditions of operator-assisted services; the operator-assisted services provider's procedures for handling complaints; the means by which the telephone user may gain access to other providers of operator-assisted services; and the means by which the telephone user may gain access to the services of the telephone corporation operating within the service area within which the telephone services of the nonpublic utility provider are furnished. The notice shall also provide the telephone number of the Consumer Affairs Division of the commission to which questions or complaints may be directed.

(b) That, when contacted for service by the
telephone user, the operator-assisted services provider orally identify itself by name prior to the connection of the telephone call or the commencement of any charges.

(c) That the telephone equipment permit access by the telephone user to any other provider of operator-assisted services generally available in the service area.

(d) Any other operating requirement determined necessary and in the public interest by the commission.

(Added by Stats. 1989, Ch. 1014, Sec. 2.)

742.

(a) The commission shall, by rule or order, adopt and enforce operating requirements for telephones available for public use that accept any form of payment and that are owned or operated by corporations or persons other than telephone corporations. These requirements shall include, but are not limited to, all of the following:

(1) A requirement
that the telephone corporation furnishing service to the corporation or person owning or operating a telephone that accepts any form of payment terminate service for any violation of the commission's rules or orders or of this section, upon a determination by the commission that the violation was a significant or repeated violation. Any determination by the commission leading to a termination of service shall be made in accordance with commission rules or orders adopted pursuant to this subdivision.

(2) A requirement that every telephone permit a caller to be connected with the operator personnel of any telephone corporation authorized by the commission to operate within a service area by dialing the numeral "0" and with the emergency services switchboard reached by dialing the numerals "911" without insertion of any coin or without any other form of payment.

(3) A requirement
that every telephone contain instructions for both local and long distance dialing, the name of the owner or operator of the telephone, and the telephone number of that owner or operator to which complaints can be made.

(4) A requirement that every telephone display its telephone number or other identification number, as determined by the commission, and the address at which the telephone is located, on the telephone in a place where that information may be seen by a person using the telephone.

(b) The commission shall require every telephone corporation that publishes a directory of subscribers to include in that directory information comprising the substance of this section and the rules and orders of the commission adopted pursuant to this section.

(c) This section shall become operative on January 1,
2015.

(Repealed (in Sec. 3) and added by Stats. 2013, Ch. 140, Sec. 4. (SB 50) Effective January 1, 2014. Section operative January 1, 2015, by its own provisions.)

742.1.

(a) The commission shall, by rule or order, adopt and enforce operating requirements for every corporation or person, other than a telephone corporation, which, as part of the services furnished, furnishes operator-assisted services by other than a telephone corporation having tariff schedules on file with the commission. These requirements shall include, but not be limited to, a requirement that furnishing these operator-assisted services for telephone calls within a service area is prohibited unless the commission, after instituting a proceeding for the purpose, finds and determines that to permit these operator-assisted services is in the public interest.

(b) The commission shall require every telephone corporation which publishes a directory of subscribers to include in that directory information comprising the substance of this section and the rules and orders of the commission adopted pursuant to this section.

(Added by Stats. 1988, Ch. 1058, Sec. 3.)

742.3.

The commission shall, by rule or order, adopt and enforce an operating requirement for coin-activated and credit card-activated telephones available for public use, whether owned by telephone corporations or persons other than telephone corporations, which requires that every telephone display a notice that surcharges may apply to operator-assisted and calling card calls. The required signage shall be phased in over a period of two years beginning on January 1, 1993. A sticker with the necessary notification may be used as an interim measure until January 1, 1995.

(Added by Stats. 1992, Ch. 539, Sec. 2. Effective January 1, 1993.)

742.5.

(a) No telephone corporation which operates within a service area shall provide billing and collection services for either of the following:

(1) Any telephone corporation which has not obtained a certificate of public convenience and necessity but is required to do so.

(2) Any person or corporation providing billing and collection services for any telephone corporation which has not obtained a certificate of public convenience and necessity but is required to do so.

(b) Subdivision (a) does not prohibit a telephone corporation operating within a service area from providing billing and collection services for a provider of enhanced service, as defined by Section 64.702 of Title 47 of the Code of Federal Regulations.

(c) No telephone corporation which provides billing and collection services for any call placed by a subscriber of the telephone corporation from a coin-activated telephone available for public use owned or operated by other than a telephone corporation shall transmit any charge which is in excess of the maximum tariff rate or charge for that call placed from that telephone, as determined by the commission. Any reasonable cost incurred by the telephone corporation in verifying any such charge may be included in the fees or charges for conducting the billing and collection services. The commission shall adopt rules and procedures for the implementation of this subdivision.

(Added by Stats. 1989, Ch. 1014, Sec. 3.)

743.

(a) As used in this section, “steel producer” means a producer of steel products in California which in 1981 or any subsequent year produced at least 75,000 tons of rolled or finished steel and which has a maximum demand for electricity of 4,000 kilowatts or more at one plant location. Any steel producer which transfers any substantial amount of employment from its facilities in this state to any out-of-state facility or otherwise substantially reduces employment at its facilities in this state below the June 30, 1985, level, or fails to maintain and make reasonable and prudent investments in its facilities, as determined by the commission, is ineligible for any electric rate established pursuant to this section.

(b) As used in this section, “frozen food processor” means a corporation or person engaged in the processing of food in California, which food is classified according to the Standard Industrial Classification Manual, 1972, in Industry No. 2037 and Industry No. 2038 of Group 203, of Food and Kindred Products Major Group 20, as specified in Section 2900.3 of Title 7 of the Code of Federal Regulations. “Processing of food” includes the postprocessing storage of frozen food in a warehouse, or other facility, until the frozen food leaves the control or responsibility of the frozen food processor or until the frozen food processor no longer has an obligation to store the food.

(c) As used in this section, “system average rate” means total jurisdictional revenues of the electrical corporation divided
by total jurisdictional sales.

(d) Every electrical corporation furnishing electricity to a steel producer, frozen food processor, or other heavy-industry customer, as determined and specified by the electrical corporation, shall prepare and file tariffs providing rates which shall be lower than the system average rate and take into consideration all of the following:

(1) Specific service requirements of individual customers, including, but not limited to, reliability, interruptability, quantity of use, and requirements of voltage.

(2) Incentives to achieve conservation, improvements in efficiency, and time-of-day load shifting.

(3) Implementation at the option of the customer.

(4) Cost of service.

(e) The commission shall consider and approve tariffs which shall be consistent with this section and which shall be in effect on and after July 1, 1992.

(f) The commission may approve contracts between an electrical corporation and its heavy industrial customers as determined by the electrical corporation, of not more than ten years’ duration, in which the electrical corporation buys from the heavy industrial customer the right to interrupt the customer’s service on short notice, as determined by the commission. The payment mechanism may include a discounted rate for service. In approving and determining the reasonableness of these contracts, the commission may consider, among other things, the price paid by the electrical corporation for the right to interrupt, the value of that right to the utility system and its ratepayers, and the benefits
to the ratepayers and the people of the state of retaining heavy industrial customers. Throughout the term of any of these contracts, the commission shall have the right to amend the contract. Every contract subject to this subdivision shall include a provision indicating that the contract is subject to amendment by the commission as provided in this subdivision. This subdivision does not supersede the requirement of subdivision (d) that the commission establish a heavy industrial tariff.

(Amended by Stats. 1991, Ch. 878, Sec. 1.)

743.3.

(a) Beginning January 15, 2002, and at least once monthly thereafter, an electrical corporation shall notify each air pollution control district and air quality management district of the name and address of each entity within the district’s boundaries within the electrical corporation’s control or service area with whom the electrical corporation enters into an interruptible service contract or similar arrangement.

(b) For the purposes of this section, “interruptible service contract or similar arrangement” means any arrangement in which a nonresidential electrical customer agrees to reduce or consider reducing its electrical consumption during periods of peak demand or at the request of the Independent System Operator in exchange for compensation, or for assurances not to be blacked out or other similar nonmonetary assurances.

(c) The local air pollution control district or air quality management district shall maintain in a confidential manner the information received pursuant to this section. However, nothing in this subdivision shall affect the applicability of Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code, or of any other similar open records statute or ordinance, to information provided pursuant to this section.

(Amended by Stats. 2021, Ch. 615, Sec. 398. (AB 474) Effective January 1, 2022. Operative January 1, 2023, pursuant to Section 463 of Stats. 2021, Ch. 615.)

744.

(a) As used in this section, “agricultural producer” means any person or corporation whose principal purpose is the agrarian production of food or fiber.

(b) Every electrical corporation furnishing electricity to an agricultural producer shall, in addition to its regular service, prepare and file tariffs providing, where economically and technologically feasible, for optional alternative interruptible service to any agricultural producer upon reasonable notice to the agricultural producer consistent with safety of operations by the agricultural
producer and providing for limits upon the frequency and duration of interruption of service which the commission finds are reasonable in relation to the needs of the electrical corporation for reductions in load to meet system peak requirements and the burdens imposed upon the agricultural producer of reducing its operations during periods of interruption of electrical service. The commission shall establish the rate for this service at an appropriate discount from the system average rate, which shall be not less than the cost of furnishing this service.

(c) Every electrical corporation furnishing electricity to an agricultural producer shall, in addition to its regular service, prepare and file tariffs providing for an optional off-peak demand service, including the availability of time-differentiating meters or other measurement devices, to any agricultural producer providing for furnishing electricity to the agricultural producer during
periods of off-peak demand and which the commission finds are reasonable in relation to the needs of the electrical corporation for reduction in demand to meet system peak requirements and the burdens imposed upon the agricultural producer of scheduling its operations to coincide with the periods of off-peak demand. The off-peak demand service tariff shall be composed of a two-part time differentiated schedule consisting of on- and off-peak rates. The commission shall establish the rate for this service at an appropriate discount from the system average rate, which shall be not less than the cost of furnishing this service.

(Added by Stats. 1986, Ch. 538, Sec. 2. Effective August 21, 1986.)

744.5.

(a) Notwithstanding any other provision of law, the Public Utilities Commission shall, as soon as is practicable after the operative date of the act adding this section, require every electrical corporation which furnishes electricity to an agricultural producer to provide, in accordance with the requirements of subdivision (c), citrus and avocado producers with an electrical energy payment deferral program related to the production of citrus and avocado crops.

(b) For the purposes of this section, “agricultural producer” shall be as defined in
subdivision (a) of Section 744.

(c) Notwithstanding any other provision of law, upon verification by the agricultural producer of freeze-related crop losses of not less than 50 percent, the electrical corporation shall provide the electrical energy payment deferral program referenced in subdivision (a). For the purposes of this subdivision, the electrical corporation shall accept the original or a true photocopy of any of the following as verification of crop losses:

(1) A statement from a packing house or handler. A person who exercises managing control in a packing house shall provide at least one of the documents set forth in paragraphs 2 to 5, inclusive, in addition to, or in place of, the document set forth in this paragraph.

(2) A statement from a farm adviser of the University of California.

(3) A statement from the county agricultural commissioner.

(4) A statement of insurance adjustment.

(5) A calamity claim to the county tax assessor.

(d) For the purposes of this section, “deferral period” shall mean June 1, 1991, to March 31, 1992, inclusive. Electricity bills incurred by agricultural producers during the deferral period shall be eligible for deferral pursuant to this section.

(e) (1) Deferral programs under this section shall be developed on an individual basis between the electrical energy corporation and the eligible agricultural producers. These deferral programs shall allow eligible agricultural producers, at their option, to defer, without
incurring interest charges, up to 50 percent of each electricity bill incurred during the deferral period on accounts or amounts attributable to the production of citrus or avocado crops.

(2) At the end of the deferral period, participating agricultural producers shall keep each month's charges current and pay the accrued deferrals in up to 18 equal monthly installment payments. To be eligible for the maximum 50 percent deferral and the maximum 18-month repayment period, an agricultural producer shall do all of the following:

(A) Verify crop losses in accordance with subdivision (c).

(B) Demonstrate, to the satisfaction of the electrical energy corporation, which accounts are, or which portion of the amount billed is, attributable to the production of citrus or avocado crops.

(C) Pay, on or before the due date of each bill during the deferral period, at least 50 percent of the charges incurred on each bill.

(f) The electrical energy corporation may require a security interest in crops, real property, or other security acceptable to the electrical energy corporation, as a condition of deferring payments pursuant to this section. Any deferral by the electrical energy corporation of one or more electricity bills pursuant to this section shall not constitute a waiver by the corporation of its authority to require security for amounts already deferred or subsequently deferred.

(g) Each electrical energy corporation shall establish a balancing account to reflect the amounts of the deferrals and the costs of the payment deferral program. All of the costs of the payment deferral program, including, but not limited to, uncollectible amounts, interest, and administrative costs, shall be fully recovered from all customers of the electrical energy corporation.

(Added by Stats. 1991, 1st Ex. Sess., Ch. 8, Sec. 2. Effective August 30, 1991.)

745.

(a) For purposes of this section, "time-variant pricing" includes time-of-use rates, critical peak pricing, and real-time pricing, but does not include programs that provide customers with discounts from standard tariff rates as an incentive to reduce consumption at certain times, including peak time rebates.

(b) The commission may authorize an electrical corporation to offer residential customers the option of receiving service pursuant to time-variant pricing and to participate in other demand response programs. The commission shall not establish a mandatory or default time-variant pricing tariff for any residential customer except as authorized in subdivision (c).

(c) Beginning January 1, 2018, and subject to the commission making the findings required by subdivision (d), the commission may require or authorize an electrical corporation to employ default time-of-use rates for residential customers subject to all of the following:

(1) Residential customers receiving a medical baseline allowance pursuant to subdivision (c) of Section 739, customers requesting third-party notification pursuant to subdivision (c) of Section 779.1, customers who the commission has ordered cannot be disconnected from service without an in-person visit from a utility representative (Decision 12-03-054 (March 22, 2012), Decision on Phase II Issues: Adoption of Practices to Reduce the Number of Gas and Electric Service Disconnections, Order 2 (b) at page 55), and other customers designated by the commission in its discretion shall not be subject to default time-of-use rates without their affirmative consent.

(2) The commission shall ensure that any time-of-use rate schedule does not cause unreasonable hardship for senior citizens or economically vulnerable customers in hot climate zones.

(3) The commission shall strive for time-of-use rate schedules that utilize time periods that are appropriate for at least the following five years.

(4) A residential customer shall not be subject to a default time-of-use rate schedule unless that residential customer has been provided with not less than one year of interval usage data from an advanced meter and associated customer education and, following the passage of this period, is provided with no less than one year of bill protection during which the total amount paid by the residential customer for electric service shall not exceed the amount that would have been payable by the residential customer under that customer's previous rate schedule.

(5) Each electrical corporation shall provide each residential customer, not less than once per year, using a reasonable delivery method of the customer's choosing, a summary of available tariff options with a calculation of

expected annual bill impacts under each available tariff. The summary shall not be provided to customers who notify the utility that they choose not to receive the summary. The reasonable costs of providing this service shall be recovered in rates.

(6) Residential customers have the option to not receive service pursuant to a time-of-use rate schedule and incur no additional charges as a result of the exercise of that option. Prohibited charges include, but are not limited to, administrative fees for switching away from time-of-use rates, hedging premiums that exceed any actual costs of hedging, and more than a proportional share of any discounts or other incentives paid to customers to increase participation in time-of-use rates. This prohibition on additional charges is not intended to ensure that a customer will necessarily experience a lower total bill as a result of the exercise of the option to not receive service pursuant to a time-of-use rate schedule.

(d) The commission shall not require or authorize an electrical corporation to employ default time-of-use rates for residential customers unless it has first explicitly
considered evidence addressing the extent to which hardship will be caused on either of the following:

(1) Customers located in hot, inland areas, assuming no changes in overall usage by those customers during peak periods.

(2) Residential customers living in areas with hot summer weather, as a result of seasonal bill volatility, assuming no change in summertime usage or in usage during peak periods.

(Amended by Stats. 2014, Ch. 625, Sec. 1. (SB 1090) Effective January 1, 2015.)

746.

The commission shall determine the appropriate ratemaking treatment for incentive compensation paid to officers or employees of an electrical corporation or gas corporation for incentive compensation that is linked to the stock price or financial performance of the electrical corporation or gas corporation.

(Added by Stats. 2012, Ch. 464, Sec. 1. (AB 861) Effective January 1, 2013.)

747.

It is the intent of the Legislature that the commission reduce rates for electricity and natural gas to the lowest amount possible.

(Amended by Stats. 2015, Ch. 612, Sec. 18. (SB 697) Effective January 1, 2016.)

748.1.

Except for Golden State Energy, an electrical corporation or gas corporation shall not recover, through a rate approved by the commission, a fine or penalty.

(Amended by Stats. 2020, Ch. 27, Sec. 7. (SB 350) Effective January 1, 2021.)

748.2.

(a) Except as specified in subdivision (b), an electrical corporation or gas corporation shall not recover, through a rate approved by the commission, costs arising directly from new or additional activities expressly agreed to by the corporation, or any direct payment, fine, or penalty paid by the corporation, in a settlement agreement resolving a criminal or civil inquiry, investigation, or prosecution for a violation of law, conducted
by the Attorney General or a district attorney, county counsel, city attorney, or city prosecutor, and in exchange for the inquiry, investigation, or prosecution to be terminated or concluded.

(b) Notwithstanding subdivision (a), the commission shall only approve an electrical corporation or gas corporation to recover, through a rate, costs described in subdivision (a) if the commission determines that those costs were just and reasonably incurred.

(Added by Stats. 2022, Ch. 689, Sec. 1. (AB 2083) Effective January 1, 2023.)

748.3.

(a) For purposes of this section, all of the following definitions apply:

(1) “Above-the-line account” means an account that contains expenses that a utility recovers from ratepayers, including an account that contains expenses that the utility used to calculate a revenue requirement request in its general rate case.

(2) “Below-the-line account” means an account that contains expenses that a utility does not generally recover from ratepayers.

(3) “Compensation” means salary, a bonus, benefits, or other consideration of any value.

(4) “Covered business unit” means a division, department, or other organizational employee group within a utility that performs activities specified in subdivision (b).

(5) “Expense” means a payment to an external entity, a cost incurred by a parent company or corporate affiliate and invoiced to a utility, and compensation paid to an employee of a utility.

(6) (A) “Political influence activity” means either of the following:

(i) An activity for the purpose of directly or indirectly influencing any of the following:

(I) The adoption, repeal, or modification of federal, state,
regional, or local legislation, regulations, or ordinances.

(II) The election, recall, appointment, or removal of a public official or the adoption of initiatives or referenda.

(III) The approval, modification, or revocation of franchises of a utility.

(IV) Public opinion with respect to legislation, regulations, ordinances, elections, referenda, or rate setting of a utility.

(V) Decisions of federal, state, regional, or local public officials.

(ii) Research, preparation, or any other activity undertaken for the purpose of supporting any activities specified in clause (i).

(B) “Political influence activity” does not include any of the following:

(i) An activity that is directly and necessarily related to appearances before regulatory or other governmental bodies in connection with the utility’s existing or proposed operations of the utility’s regulated system. Policies affecting the use of gaseous fuels or electricity are not directly and necessarily related to the utility’s existing or proposed operations.

(ii) An activity that is directly related to a commission-approved energy efficiency program or another commission-approved public purpose program if the participation of the utility has not otherwise been prohibited by the commission.

(iii) An activity that responds to a request by a legislative committee, the commission, or a government agency for technical information from the utility.

(iv) An activity required by applicable federal or state statute, or by order of a regulatory authority, and undertaken for the purpose of satisfying that statutory or regulatory requirement.

(7) (A) “Promotional advertising” means written, online, video, or audio communications that primarily build the public image of a utility and that is not required by the commission, including communications about the undergrounding of electrical lines or other actions that a utility may take in the future.

(B) “Promotional advertising” does not
include, except as specified in subparagraph (A), any of the following:

(i) Public messages that the utility is directed to publish by a federal, state, or local agency.

(ii) Public messages that provide information on safety measures, emergency conditions,
the conservation of energy as described in subdivision (b) of Section 796, rates, utility programs and services approved by the commission, or service interruptions, and that do not primarily build the public image of the utility.

(iii) Public messages providing necessary information to customers about specific actions the customers can take for their safety.

(8) “Public official” means a decisionmaker within an administrative agency or legislative body at the local, regional, state, or federal level, or an executive officer at the local, regional, state, or federal level.

(9) “Utility” means an electrical corporation or gas corporation.

(10) “Utility affiliate” means an entity that is related to the utility as a subsidiary, parent, or sibling corporation, including by shareholding or other means of control.

(11) “Vendor” means a person or business that provides goods and services.

(b) Except as provided in subdivision (c), a utility shall not record to an above-the-line account, or otherwise recover from ratepayers, direct or indirect costs of any of the following:

(1) Membership dues, sponsorships, or other contributions to an industry trade association, group, or related entity incorporated under Section 501 of the Internal Revenue Code of 1986, as amended, if any portion of those contributions support political influence activities or advertising. This paragraph does not apply to fees for professional licenses necessary for employee job duties.

(2) Charitable giving, including contributions to an organization that qualified under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986, as amended.

(3) Political influence activities.

(4) Promotional advertising.

(5) Payments to outside attorneys representing utilities in commission proceedings or experts testifying on behalf of, or otherwise supporting the participation by, utilities in commission proceedings that exceed the hourly rates that would be permitted for rate recovery under the commission’s intervenor compensation program.

(6) Contributions to political candidates, political parties, campaign committees, issue committees, or independent expenditure committees, or other political expenses.

(7) A cost, including marketing, administration, or customer service, for products or services not regulated by the commission.

(8) Penalties or fines, including tax penalties or fines, issued against a utility.

(9) Board of directors and officers liability insurance, and travel, lodging, food, or beverage expenses for a utility’s board of directors and officers or the board of directors and officers of a utility affiliate.

(10) An owned, leased, or chartered aircraft for the utility’s board of directors and officers or the board of directors and officers of a utility affiliate.

(11) Investor relations.

(c) Subdivision (b) does not prohibit a utility from recording to an above-the-line account payments made pursuant to an agreement authorized by the National Labor Relations Act (29 U.S.C. Sec. 151 et seq.) or payments authorized by the federal National Labor Management Cooperation Act of 1978 (Public Law 95-524), and does not restrict any use permitted by federal law of moneys paid pursuant to those federal acts.

(d) (1) A utility shall clearly and conspicuously disclose in all of its public messages whether the costs of the public messages are being paid for by the utility’s shareholders or ratepayers, consistent with rules and regulations related to candidate disclosure rules adopted pursuant to Article 5 (commencing with Section 84501) of Chapter 4 of Title 9 of the Government Code.

(2) A disclosure is not clear and conspicuous if the disclosure is difficult to hear or read, or if the placement of the disclosure is easily overlooked.

(3) For public messages recorded to an above-the-line account, the utility shall identify, in response to a request from a party in the utility’s most recent general rate case, which expense or capital account is the source of the funding.

(e) (1) On or before May 31, 2026, and annually thereafter, each utility shall report, as part of the statement required under General Order 77-M, all of the following information from the

previous calendar year to ensure the utility's compliance with this section:

(A) (i) A list of covered business units of the utility. Except as specified in clause (ii), for each covered business unit, the report shall contain all of the following:

(I) A list of each employee's name and job title.

(II) A job description of each listed employee sufficient to describe the employee's responsibilities.

(III) The total annual compensation provided to each listed employee.

(IV) The number of hours booked to an above-the-line account for each listed employee.

(V) The percent of total annual compensation booked to an above-the-line account for each employee.

(ii) This subparagraph does not apply to an employee represented by a labor organization, covered under a valid collective bargaining agreement, and performing activities described in this chapter at the direction of the labor organization.

(B) To the extent the utility retains outside vendors to perform activities described in subdivision (b) and those vendors conduct any other work where the costs of the work are recorded to above-the-line accounts, the utility shall provide the Federal Energy Regulatory Commission Uniform System of Accounts number under which those costs are recorded and a log documenting the time, work performed, total cost incurred, how those costs benefit ratepayers, and the reason those
activities are not deemed to be activities for which the recovery through rates of those costs is prohibited pursuant to subdivision (b).

(C) A detailed accounting of expenses booked to an above-the-line account for participation in each commission proceeding for which the utility is a party, including employee compensation, and vendor and other expenses.

(2) The commission shall make all reports filed pursuant to paragraph (1) with the commission publicly available, consistent with Section 583.

(f) The commission shall monitor and investigate compliance and noncompliance with this section.

(g) Moving an expense to a below-the-line account after it was booked
to an above-the-line account does not protect that expense from being disclosed to the commission or disclosed in response to a discovery request or order in a general rate case or other relevant commission proceeding.

(h) (1) In addition to any disallowance or future adjustment ordered by the commission, the commission shall assess a civil penalty, based on the severity of the violation, against a utility that violates subdivision (b) or fails or neglects to comply with any part or provision of any order, decision, decree, rule, direction, demand, or requirement of the commission implementing subdivision (b).

(2) This section does not limit the commission's authority under any other law to assess a penalty or sanction against a utility that violates
subdivision (b) or fails or neglects to comply with any part or provision of any order, decision, decree, rule, direction, demand, or requirement of the commission implementing subdivision (b).

(Added by Stats. 2025, Ch. 634, Sec. 3. (AB 1167) Effective January 1, 2026.)

748.5.

(a) (1) Except as provided in subdivisions (c), (d), and (e), the commission shall require revenues, including any accrued interest, received by an electrical corporation as a result of the direct allocation of greenhouse gas allowances to electric utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations to be credited directly to the
residential customers of the electrical corporation.

(2) Small business, emissions-intensive, trade-exposed retail customers of the electrical corporation that are covered entities under the regulations adopted pursuant to Section 38562 of the Health and Safety Code, and emissions-intensive, trade-exposed retail customers of the electrical corporation that are not covered entities under the regulations adopted pursuant to Section 38562 of the Health and Safety Code, may also be credited from the revenues in paragraph (1), as determined by the commission.

(3) The credits provided to residential customers of an electrical corporation shall be provided on the bills of those customers in no more than four high-billed months of each year to maximize customer electric bill affordability, or as otherwise directed by the commission to address extreme, unforeseen, and temporary circumstances.

(b) (1) Not later than January 1, 2013, the commission shall require the adoption and implementation of a customer outreach plan for each electrical corporation, including, but not limited to, such measures as notices in bills and through media outlets, for purposes of obtaining the maximum feasible public awareness of the crediting of greenhouse gas allowance revenues. Costs associated with the implementation of this plan are subject to recovery in rates pursuant to Section 454.

(2) Not later than January 1, 2027, the commission shall require each electrical corporation to update the customer outreach plan developed pursuant to paragraph (1) to include a statement at the top of customer bills in applicable months specifying the amount of money saved on a utility bill in that month and attributing those savings to the climate credit and the California Cap-and-Invest Program.

(c) The commission may allocate up to 15 percent of the revenues, including any accrued interest, received by an electrical corporation as a result of the direct allocation of greenhouse gas allowances to electrical distribution utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations, for clean energy and energy efficiency projects established pursuant to statute that are administered by the electrical corporation, or a qualified third-party administrator as approved by the commission, and that are not otherwise funded by another funding source.
This subdivision shall become inoperative on July 1, 2026.

(d) (1) The commission shall require an electrical corporation to annually remit to the State Treasury 5 percent of the revenues, including any accrued interest, received by the electrical corporation as a result of the direct allocation of greenhouse gas allowances to electrical distribution utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations for deposit in the California Transmission Accelerator Revolving Fund, pursuant to Section 63049.72 of the Government Code. This paragraph shall become operative on July 1, 2026, and shall become inoperative on July 1, 2031.

(2) The revenues deposited in the fund shall be available to the California Infrastructure and Economic Development Bank for purposes of the California Transmission Accelerator Revolving Fund Program established pursuant to Sections 63049.71 to 63049.73, inclusive, of the Government Code.

(Amended by Stats. 2025, Ch. 117, Sec. 13. (AB 1207) Effective September 19, 2025.)

748.5.5.

(a) A local publicly owned electric utility that receives an allowance allocation in addition to the allowance totals specified in Section 95892 of Title 17 of the California Code of Regulations pursuant to subparagraph (B) of paragraph (1) of subdivision (b) of Section 38562 of the Health and Safety Code shall provide a credit in an amount equal to the total value of that additional allocation directly to ratepayers. This section does not limit the acceptable uses, as specified in paragraph (3) of subdivision (d) of Section 95892 of Title 17 of the California Code of Regulations, of other allowances allocated to local publicly owned electric utilities.

(b) A local publicly owned electric utility shall report to the State Air Resources Board on the uses of all revenues, including any accrued interest, received by that local publicly owned electric utility as a result of the direct allocation of greenhouse gas allowances to electric utilities pursuant to subdivision (b) of Section 95890 of Title 17 of the California Code of Regulations.

(c) Notwithstanding Section 10231.5 of the Government Code, the State Air Resources Board shall annually submit a report to the Legislature on the uses of revenues specified in subdivision (b) in accordance with Section 9795 of the Government Code.

(Added by Stats. 2025, Ch. 117, Sec. 14. (AB 1207) Effective September 19, 2025.)

748.6.

Beginning with the fiscal year commencing July 1, 2019, and ending with the fiscal year ending June 30, 2023, the commission shall annually allocate fifty million dollars ($50,000,000) of the revenues, including any accrued interest, received by a gas corporation as a result of the direct allocation of greenhouse gas emissions allowances provided to gas corporations as part of a market-based compliance mechanism adopted pursuant to subdivision (c) of Section 38562 of the Health and Safety Code to fund the Building Initiative for Low-Emissions Development (BUILD) Program (Article 12 (commencing with Section 921)) and the Technology and Equipment for Clean Heating (TECH) Initiative (Article 13 (commencing with Section 922)).

(Amended by Stats. 2019, Ch. 497, Sec. 241. (AB 991) Effective January 1, 2020.)

749.

Public utilities shall develop programs in cooperation with local school districts in reducing their electricity and gas bills through conservation and improvements in efficiency. Utilities may offer to school districts on a priority basis, and school districts may utilize, any programs or incentives for commercial customers developed by the utility and approved by the commission, including rebates, loan programs and incentives for the installation of efficient lighting, heating, or cooling systems.

(Added by Stats. 1993, Ch. 1178, Sec. 5. Effective January 1, 1994.)

749.5.

(a) For the purposes of this section, “public school” means a public school, including a charter school, maintaining a kindergarten, or any of the grades 1 to 12, inclusive.

(b) The commission shall, as part of its ratesetting process, direct each electrical and gas corporation to evaluate and report findings to the commission, by January 1, 2020, on the feasibility and economic impact of establishing public school electric and gas rates that would reflect a discount from the current rate structure. The report shall include, but not be limited to, the following:

(1) Commercial rate increases in the past five years that affected public schools within the service territory of each electrical and gas corporation.

(2) Economic impact to all ratepayers if all public schools within the service territory received a discount from the current rate structure.

(3) The impact of planned modifications to the time intervals reflected in time-of-use rates and to rate design elements, as adopted by the commission and in the planning stages or proposed by electric and gas corporations.

(4) The cost shifts that would occur, if any, and to which consumers the costs would shift, as a result of a discounted rate for public schools.

(c) The commission shall compile the reports required in subdivision (b) and submit the compilation to the Legislature, on or before January 1, 2020, in compliance with the requirements of Section 9795 of the Government Code.

(Added by Stats. 2018, Ch. 208, Sec. 2. (AB 2068) Effective January 1, 2019.)

750.

The commission shall develop formal procedures to consider safety in a rate case application by an electrical corporation or gas corporation. The procedures shall include a means by which safety information acquired by the commission through monitoring, data tracking and analysis, accident investigations, and audits of an applicant’s safety programs may inform the commission’s consideration of the application.

(Added by Stats. 2014, Ch. 552, Sec. 2. (SB 900) Effective January 1, 2015.)

751.

(a) This section applies only to those public utilities over which the commission exercises its authority to fix rates and only to the extent the revenue requirements of the utility were based upon the tax rates in effect at the time rates were fixed for the utility by the commission. This section does not limit the discretionary authority of the commission to adjust any incentives provided pursuant to any state supervised or administered program, including the state’s telecommunications universal service programs administered pursuant to Chapter 1.5 (commencing with

Section 270).

(b) The commission shall evaluate the full effect of the enactment of federal House Resolution 1 (Public Law 115-97) upon the expenses and tax liabilities incurred by public utilities for payment of federal taxes. If the commission determines that the projected expenses and tax liabilities for federal taxes that the commission has authorized in the rates for a public utility are materially affected by the enactment of federal House Resolution 1 (Public Law 115-97), the commission shall adjust the rates of the utility to reflect the changes in projected expenses and tax liabilities in light of the changes in federal law. This section does not limit the discretionary authority of the commission to determine the full effect of the changes in federal tax law on each utility's cost of service, to utilize appropriate mechanisms at its disposal to track changes and adjust rates accordingly, and to allocate the impacts from changes in federal tax law over the period of time that results in the most reasonable allocation based on the particular circumstances of each utility.

(Added by Stats. 2018, Ch. 411, Sec. 1. (SB 1028) Effective January 1, 2019.)

755.

(a) It is the intent of the Legislature that:

(1) An electrical, gas, or water corporation that offers customers credit card or debit card payment options, may recover the reasonable expenses incurred by the electrical, gas, or water corporation for providing the customers the option of paying their bills by credit card or debit card.

(2) Only the customers that choose to use these payment options incur the additional charge and that no portion of the expense is shifted to customers that do not choose to pay a bill by credit card or debit card, unless and until the commission determines that the savings to ratepayers exceeds the net cost of accepting those cards.

(3) The acceptance of credit cards or debit cards neither increases nor decreases the profitability of the electrical, gas, or water corporation.

(b) An electrical, gas, or water corporation may offer credit card and debit card bill payment options, if approved by the commission. The electrical, gas, or water corporation may recover reasonable transaction costs incurred by the electrical, gas, or water corporation only from those customers that choose to pay by those payment options.

(c) The commission shall determine through existing regulatory mechanisms the reasonableness of transaction costs charged to customers that choose to pay an electrical, gas, or water corporation by a credit card or debit card bill payment option pursuant to this section. The commission shall determine how any associated costs or potential savings as a result of those customers paying by the credit card or debit card payment option shall be passed on to electrical, gas, or water corporation customers. In determining how these savings or costs are passed on to customers, the commission shall do the following:

(1) The transaction costs that are passed on to customers pursuant to subdivision (b) shall be offset by any savings in transaction costs the electrical, gas, or water corporation derives as a result of those customers paying by credit card and debit card.

(2) If the commission determines that the use of credit cards and debit cards results in no net cost to the electrical, gas, or water corporation, there shall be no individual customer transaction fee as provided for in subdivision (b).

(3) If the commission determines that the savings to the electrical, gas, or water corporation exceeds the costs to the electrical, gas, or water corporation, the net savings shall be passed on to electrical, gas, or water corporation customers.

(Added by Stats. 2005, Ch. 426, Sec. 2. Effective January 1, 2006.)

755.5.

(a) Notwithstanding Section 755, the commission shall allow a water corporation with 10,000 or more service connections to recover the reasonable expenses incurred by the water corporation in providing to its customers bill payment options, including credit card, debit card, and prepaid card bill payment options, and shall not require the water corporation to impose a transaction fee on its customers.

(b) The costs of the
bill payment options undertaken pursuant to subdivision (a) shall not be recovered from customers participating in a water rate relief program for low-income ratepayers established pursuant to Section 739.8.

(c) The commission shall ensure that accepting bill payment options pursuant to subdivision (a) neither increases nor decreases the rate of return of the water corporation.

(Amended by Stats. 2021, Ch. 269, Sec. 1. (AB 1058) Effective January 1, 2022.)

758.

(a) The commission shall allow an electrical corporation to recover in rates amounts assessed to the utility pursuant to Section 8610.5 of the Government Code.

(b) The commission shall ensure that any moneys refunded to an electrical corporation from the Nuclear Planning Assessment Special Account pursuant to subdivision (h) of Section 8610.5 of the Government Code are credited to ratepayers.

(Added by Stats. 2007, Ch. 492, Sec. 2. Effective January 1, 2008.)

Exhibit 52

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

APPLICABILITY

This schedule provides a California Alternate Rates for Energy (CARE) discount to each of the following types of customers listed below that meet the requirements for CARE eligibility as defined in Rule 1, Definitions, and herein, and is taken in conjunction with the customer's otherwise applicable service schedule.

1) Customers residing in a permanent single-family accommodation, separately metered by the Utility.

2) Multi-family dwelling units and mobile home parks supplied through one meter on a single premises where the individual unit is submetered.

3) Non-profit group living facilities.

4) Agricultural employee housing facilities.

5) Homekey housing facilities, administered by the California Department of Housing and Community Development (HCD)

TERRITORY

Within the entire territory served by the Utility.

DISCOUNT

1) Residential CARE:

Pursuant to D. 24-05-028, the applicable CARE discount rate is to be between 30% and 35%, with the intended CARE discount rate to be 35% for SDG&E, specifically, applied as a fixed CARE line-item discount.

In addition to the CARE line-item discount, the total effective CARE discount consists of: (a) exemptions from paying the CARE Surcharge, Department of Water Resources Bond Charge (DWR-BC), California Wildfire Fund Charge (WF-NBC), and (b) a 50% minimum bill or a reduced base services charge relative to Non-CARE. T

(Continued)

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

DISCOUNT (Continued)

CARE Medical Baseline customers taking electric service will also receive applicable benefits associated with Medical Baseline Program participation pursuant to D.25-09-006. Please see Schedule E-MEDICAL for additional details. T T T

The line-item bill discounts will be applied to the total bill (less any applicable exemptions, minimum bill amount and base services charge) as calculated for bundled service customers as shown in the table below:

CARE	Non-Residential CARE
0.35000	0.35000 I

T T

2.) Non-Residential CARE: Qualified non-residential CARE living facilities will receive a CARE line-item bill discount on all customer demand, and energy charges on their otherwise applicable service schedule. The discount will be applied to the total bill as calculated for bundled service customers. In addition, the customer will be exempt from paying the CARE Surcharge, WF-NBC, and DWR-BC[1]. T D T

CARE Surcharges						
Residential		Small Commercial[3]	Medium Commercial[4]	Large Commercial & Industrial		
DM & EV-TOU ($/kWh)	All Other Residential CARE Schedules ($/kWh)[2]	($/kWh)	($/kWh)	Secondary/ Primary ($/kWh)[5]	Secondary Substation/Primary Substation/ Transmission ($/kWh)[6]	Secondary Substation/Primary Substation/ Transmission ($/kW)[6]
0.01062	0.00864	0.01062	0.01062 N	0.01062	0.01062	0.00

T

Notes:
1) WF-NBC is the California Wildfire Fund Charge effective Oct 1, 2020 (See Schedule WF – NBC) and DWR-BC is the Department of Water Resources Bond Charge.
2) All Other Residential CARE Schedules: DR, DS, DT, DT-RV, DR-SES, TOU-DR, EV-TOU-2, EV-TOU-5, TOU-DR1, TOU-DR2 & TOU-ELEC
3) Small Commercial CARE Schedules: TOU-A, TOU-A-2,& TOU-A-3
4) Medium Commercial CARE Schedules: TOU-M, AL-TOU-M , DG-R-M, OL-TOU, EV-HP
5) Large C&I CARE Schedules: AL-TOU-L, AL-TOU-2, DG-R-L, & VGI
6) Large C&I CARE Schedules: AL-TOU-L & AL-TOU-2

T T T T T

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS

ALL CUSTOMERS

1. Applicable Conditions. All special conditions contained in the customer's otherwise applicable schedule are applicable to service under this schedule.

2. Application and Eligibility Declaration. An application and eligibility declaration, on a form authorized by the Commission, is required for service under the CARE program unless otherwise authorized by the Commission. Renewal of a customer's eligibility declaration, also referred to as recertification, will be required at the request of the Utility.

3. Commencement of CARE Discount. Eligible customers shall begin receiving the CARE discount no later than one billing period after receipt of a completed and approved application by the Utility or as may otherwise be authorized by the Commission.

4. Income Eligibility. An income-qualified customer, submetered tenant or facility resident that has total annual gross household income from all sources that is no more than shown in the table below for the number of persons living in the household. The combined income of all persons from all sources, both taxable and non-taxable, shall be no more than:

Number of Persons Living in Household	Total Annual Gross Income	
1 - 2	$42,300	C
3	$53,300	C
4	$64,300	C
5	$75,300	C
6	$86,300	C
7	$97,300	C
8	$108,300	C

For households with more than eight persons, add $11,000 for each additional person living in the household. The above income levels are subject to change annually by the Commission. C

The applicant for the CARE discount must be the Utility's customer of record or a submetered tenant of a Utility customer.

No customer, submetered tenant, or facility resident who is claimed on another person's income tax return shall be eligible for the CARE program.

5. Verification.* Information provided by the customer to the Utility is subject to verification as authorized by the Commission. Refusal or failure to provide documentation of eligibility acceptable to the Utility, upon request, shall result in the denial or termination of the CARE discount.

(Continued)

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS (Continued) L

6. Backbilling. Customers may be backbilled under the applicable rate schedule for periods of ineligibility and/or if the direct benefits to the facility's residents claimed by the customer cannot be supported.

7. Customer Responsibility. It is the customer's responsibility to notify the Utility within 30 days if there is a change in eligibility status, except as specified for multi-family customers in Special Conditions 12 and 13 below.

8. Discount Calculation. The CARE discount shall be reflected through the use of separately stated discounted rates for each identified applicable service schedule, or alternatively, as an overall discount to the otherwise calculated customer, demand and energy charges.

9. CARE program participants with electric usage above 400% of baseline allowance must provide proof of qualifying household income, including IRS Tax Return Transcripts, agree to participate in the Energy Savings Assistance program, and keep their usage below 600% of baseline allowance to remain enrolled in CARE.

In addition to the Special Conditions above pertaining to all applicable customers, Special Conditions specific to each type of applicable customer are set forth below.

SINGLE FAMILY CUSTOMERS

10. Location Eligibility. Customers are only eligible to receive this rate at one residential location at any one time.

MULTI-FAMILY, SUBMETERED CUSTOMERS

11. Tenant Qualification. Submetered tenants, rather than the Utility's customer of record, qualify for CARE by completing an application and forwarding it to the Utility, and it is the tenant's responsibility to notify the Utility of a change in eligibility status.

12. Customer Responsibility. The Utility customer shall notify the Utility within 30 days following a reduction in the number of submetered units qualifying for the CARE rate as a result of unit(s) being vacated.

13. Location Eligibility. Eligible tenants can only receive this rate at one residential location at any one time.

L

(Continued)

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS (Continued)

NON-PROFIT GROUP LIVING FACILITY CUSTOMERS

14. Eligibility Criteria. In order for the customer to be eligible for the CARE discount, and to be considered a qualified non-profit group living facility, each of the following provisions must be met:

    a. The facility must certify that it is one of the following: a homeless shelter, women's shelter, transitional housing, a short- or long-term care facility, or a group home for physically or mentally disabled persons.
    b. The facility must provide a copy of its IRS Nonprofit Tax ID Form 501(c)(3) and state business license, conditional use permit or other proof satisfactory to the Utility. Separately metered satellite facilities in the name of the licensed facility, where 70% of the energy supplied is for residential purposes, are also eligible.
    c. With the exception of homeless shelters, all facilities must certify that 100% of the residents of the facility individually meet the CARE eligibility standard for a single-person household. A caregiver who lives in the facility is not a resident for purposes of determining eligibility. A single-person household is eligible for the CARE discount if total annual gross income does not exceed $42,300. T
    d. With the exception of homeless shelters, all facilities must certify that they provide a "special needs" social service, such as meals, job development training, or rehabilitation programs, in addition to lodging for residents who qualify for the CARE discount.
    e. Homeless shelters must certify that they provide at least six beds per day or night for a minimum of 180 days each year for persons who have no alternative residence.
    f. The facility must certify that at least 70% of the energy supplied to the facility's premises is used for residential purposes.
    g. Government-owned facilities are not considered qualified non-profit group living facilities unless they are a qualified non-profit homeless shelter as defined above.
    h. Common use areas, whether separately metered or serving a common area and individual residence, are eligible to receive the CARE discount provided the facility meets the eligibility criteria set forth above.

15. Certification of Benefits. At the time of annual renewal of eligibility, each facility is required to certify that monies saved through the CARE discount have benefited the residents of the facility who qualify for the CARE discount. Certification shall be made under penalty of perjury and include a quantification of funds saved annually due to the CARE discount, and identify how those funds have been spent for the benefit of the qualifying residents.

HOMEKEY HOUSING FACILITIES N

16. Certification of Benefits. For Homekey housing facilities, the following documentation is required:
    a. Copy of a valid Federal 501(c)(3) tax exemption form or Government Agency Taxpayer ID Form with the same name as the Utility account(s); and
    b. Copy of a valid California state tax exemption form; and
    c. Proof of Homekey award (i.e. Standard Agreement and published list of the award from HCD's website. N

(Continued)

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS (Continued)

d. Attestation from the applicant or owner of the facility on behalf of all residents stating that at least 70% of the energy supplied to each account, including common areas, is used for residential purposes and that the total gross income of residents/households meets the current CARE income eligibility requirements. N | N

AGRICULTURAL EMPLOYEE HOUSING FACILITY CUSTOMERS

In conjunction with the Special Conditions applicable to all facilities covered under this schedule, certain Special Conditions, unique to migrant farm worker housing centers, privately owned employee housing or non-migrant housing for agricultural employees (operated by non-profit entities) collectively referred to as Agricultural Employee Housing Facilities, must be met as provided below. Special Conditions applicable to a specific type of facility are also described below.

17. Eligibility Criteria. The applicant for the CARE discount must be the Utility's customer of record. In addition, in order for the customer to be considered as a qualified facility, the following provisions must be met: C

a. Migrant Farm Worker Housing Center

(1) The facility must qualify as a migrant farm worker housing center pursuant to Section 50710.1(e) of the California Health and Safety Code or non-profit farm worker center pursuant to subdivision (b) of Section 1140.4 of the California Labor Code, and is providing housing to migrant agricultural employees and has received an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. Upon Utility request, the applicant shall provide a copy of the current contract with the Office of Migrant Services Department of Housing and Community Development of the State of California, or an unrevoked letter or ruling from the Internal Revenue Service (Code Section 501 (c) (3)) or the Franchise Tax Board indicating that the entity is exempt from income taxes. The non-profit applicant may also be asked to provide a copy of a letter from the Assessor in the county where the facility is located indicating that the housing is exempt from local property taxes.)

(2) Service accounts receiving the discount are residential end-use accounts.

(3) The facility must use the savings from the reduction in energy rates to benefit the occupants.

b. Privately Owned Employee Housing

The facility qualifies as privately owned employee housing as defined in Section 17008 of the California Health and Safety Code, and is licensed and inspected by state or local agencies pursuant to Part 1 (commencing with Section 17000) of Division 13 of the Health and Safety Code. The applicant provides proof of current compliance with Part 1 of Division 13 of the Health and Safety Code or valid permit issued pursuant to Health and Safety Code Section 17030. Energy use in all facilities (100%) must be residential usage.

(Continued)

SPECIAL CONDITIONS (Continued)

AGRICULTURAL EMPLOYEE HOUSING FACILITY CUSTOMERS (Continued)

c. Non-Migrant Housing For Agricultural Employees (operated by non-profit entities)

The facility qualifies as housing for agricultural employees as defined in subdivision (b) of Section 1140.4 of the California Labor Code and has received an exemption from local property taxes pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code. The applicant provides proof of non-profit status by providing a copy of an unrevoked letter or ruling from the Internal Revenue Service (Code Section 501 (c) (3)) or the Franchise Tax Board indicating that the entity is exempt from income taxes. The applicant also provides a copy of a letter from the Assessor in the county where the facility is located indicating that the housing is exempt from local property taxes. Energy use in individually metered facilities must be 100% residential; for master metered facilities, at least 70% of the energy consumed on the CARE rate must be used for residential purposes.

18. Determination of Income Eligibility. The applicant for the CARE discount shall determine that 100 percent of the Agricultural Employee Housing Facility's residents as defined in Section 17.b and c above, qualify for the discount. The applicant certifies that the total annual gross income (both taxable and non-taxable) from all sources for each individual and/or household meets the income eligibility guidelines as set forth in Special Condition 4. Upon request by the Utility, the applicant shall provide proof of income eligibility (income tax returns, paycheck stubs or similar records acceptable to the Utility). The applicant must retain all records for three years from the date of initial application and/or recertification for the CARE discount. Employees of the entity operating or managing the employee housing and who reside on the premises are not counted as residents for purposes of qualifying the facility for the CARE discount. C T

19. Certification of Benefits. For Agricultural Employee Housing Facilities defined in Special Condition 17.b and c above, the applicant at the time of initial application for the CARE discount, must provide a description of how the discount will be used to directly benefit the occupants of the facility. During the annual recertification, the applicant shall be required to certify under penalty of perjury how the past year's discount directly benefited the occupants of the facility, and how the next year's discount is expected to be used to directly benefit the occupants. It is the responsibility of the applicant to maintain appropriate accounting entries, retain necessary supporting documents of how the CARE discount was used to benefit the occupants, and provide them to the Utility upon request. The applicant must retain all records for three years from the date of initial application and/or recertification for the CARE discount. C T

(Continued)

SCHEDULE E-CARE

CALIFORNIA ALTERNATE RATES FOR ENERGY

SPECIAL CONDITIONS (Continued)

20. Plug-in Electric Vehicle (PEV) Submetering. Per D.22-08-024, where electricity is furnished for PEV charging, a customer may use the PEV Supply Equipment as a submeter to measure PEV charge load, provided it meets the requirements established in the PEV Submetering Protocol Attachment A to D.22-08-024. Customers receiving the CARE discount are eligible for submetering. Utility will apply the CARE discount to both the load measured at the primary meter and the submetered load if the tariffs allow for CARE enrollment. C

Exhibit 53

Statewide Energy Savings Assistance Program
2021-2026 Cycle
Policy and Procedures
Manual (v1.5)

Applicable to:

Pacific Gas and Electric Company
Southern California Edison Company
Southern California Gas Company
San Diego Gas & Electric Company
Southwest Gas Corporation
Liberty Utilities (CalPeco Electric) LLC
Golden State Water Company/Bear Valley Electric
PacifiCorp D/B/A Pacific Power
Alpine Natural Gas Operating Company

Statewide Energy Savings Assistance Program Policy and Procedures (P&P) Manual

P&P Manual Version Control

Version	Date	Change Description
N/A	September 2019	Original document from 2017-2020 ESA-CARE Program Cycle.
1.0	November 2022	Updated to reflect changes from D.21-06-015, which became effective June 3, 2021, for the 2021-2026 ESA-CARE Program Cycle. Policies and procedures that are specific to the SMJUs are shown in Supplement A, which also reflects changes from D.21-10-023.
1.1	April 21, 2023	Revisions to Section 2.6.2 and 7.2 re: Refrigerator Replacement, Section 2.2.3.3 Targeted Self-Certification, and Section 2.2.3.5 Self-Certification for ESA Basic Measure Treatment.
1.2	October 15, 2023	Updates to Table A-1.
1.3	July 1, 2024	Updates to Table A-1.
1.4	April 18, 2025	Removed reference to “Section X: MULTIFAMILY WHOLE BUILDING (PLACEHOLDER)” in the Table of Contents; added Attachment G: Electrification Policy for the Main ESA Program.
1.5	October 31, 2025	Revisions to Section 8.4.3 clarifying that the IOUs have flexibility when selecting a sampling methodology for post-installation inspection purposes.

California Statewide Energy Savings Assistance Program Policy and Procedures Manual

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COMMON TERMS AND DEFINITIONS

- **Basic Measures** – the first of two tiers of measures offered by the utilities as listed in **Table A-1** and **Table A-2**. Customers may qualify for basic measures through self-certification.
- **CAM –** Common Area Measures
- **CARE –** California Alternate Rates for Energy
- **CHANGES** – Community Help and Awareness of Natural Gas and Electric Services
- **COL –** Conclusion of Law
- **Contractor** – third party (non-IOU) entity providing ESA services
- **CPUC** – California Public Utilities Commission
- **Customer –** participant household or property owner or authorized representative for multifamily complexes
- **De-certification** – the process of no longer allowing the contractor employee to work in a customer-facing role within the ESA Program
- **ESA** – Energy Savings Assistance Program (a ratepayer-funded energy efficiency program regulated by the CPUC)
- **FERA –** Family Electric Rate Assistance
- **HCS** – Health, Comfort, and Safety
- **IOU** – Investor-Owned Utility (interchangeable with "Utilities" and/or "Program Administrator")
- **IS Manual –** Energy Savings Assistance Program California Installation Standards Manual
- **LIHEAP** – Low Income Home Energy Assistance Program
- **Low Income** – at or below the income eligibility threshold of 250 percent ("%") of Federal Poverty Guidelines (FPG) [1]
- **Multifamily Building –** a building that contains five or more units, with each unit

[1] Per Senate Bill 756, on and after July 1, 2022 "low-income customers" are defined as persons and families whose household income is at or below 250% of the FPG.

combined (sharing a wall or floor/ceiling) with at least one other unit[2]

- **Multifamily Complex –** property on which there is at least one multifamily building
- **My Account/My Energy –** utility portal that allows customer to view bill and access tools to help control energy costs
- **OP** – Ordering Paragraph
- **Program Representative** – includes third party (non-IOU) service provider employees, such as outreach workers, assessors, installers, and inspectors
- **P&P Manual –** California Statewide Energy Savings Assistance Program Policy and Procedure Manual
- **PU Code –** California Public Utilities Code pursuant to existing California Law
- **Self-installation** – Installation of measures by the customer.
- **Service Provider** – CSD Program contractor
- **Service Territory** – utility service area
- **Simple Measures** – a term no longer used in the ESA Program. It was once used to describe a group of measures which are now part of the basic measures tier.
- **Single Family Building –** a building that contains one, two, three, or four units
- **SMJU –** Small Multi-Jurisdictional Utility (includes Southwest Gas Corporation, Liberty Utilities (CalPeco Electric) LLC, Golden State Water Company/Bear Valley Electric, PacifiCorp D/B/A Pacific Power, and Alpine Natural Gas Operating Company)
- **Subcontractor –** third party (non-IOU) entity providing ESA services on behalf of the prime contractor (implementer/contractor)

[2] D.21-06-015, p. 372

1 Introduction

1.1 Overview

This *Statewide Energy Savings Assistance Program Policy and Procedures Manual*[3] *(P&P Manual)* describes the policies and procedures followed in the Energy Savings Assistance ("ESA") Programs administered by Pacific Gas and Electric Company ("PG&E"), Southern California Edison Company ("SCE"), Southern California Gas Company ("SoCalGas"), and San Diego Gas & Electric Company ("SDG&E"), collectively referred to as the Investor-Owned Utilities ("IOUs"), as well as Southwest Gas Corporation, Liberty Utilities (CalPeco Electric) LLC, Golden State Water Company/Bear Valley Electric, PacifiCorp D/B/A Pacific Power, and Alpine Natural Gas Operating Company, collectively referred to as the Small Multi-Jurisdictional Utilities ("SMJUs"). Statewide ESA Program policy and procedures are approved and adopted by the California Public Utilities Commission ("Commission" or "CPUC").

This manual provides policies and procedures for implementation of the ESA Program and is updated pursuant to the changes in the Program ordered in Commission Decision (D.) 21-06-015.[4] This *P&P Manual* references, and is intended to accompany, the *ESA Program California Installation Standards Manual* ("*IS Manual*").

An electronic copy of this *P&P Manual* may be obtained at the CPUC website at http://www.cpuc.ca.gov/iqap/. If questions arise regarding interpretation of a certain policy or procedure, the Utilities shall use Commission D. 21-06-015 or subsequent superseding decision as the overriding authority.

The policies and procedures in this *P&P Manual* are supplemented by the general and specific terms and conditions incorporated into contracts between the Utilities and their contractors as part of the ESA Program.

Updates in Program policies and procedures may be issued by the Utilities during the Program Year subject to approval by the CPUC. ESA Program Managers have the flexibility to deviate from established procedures to respond to cases of customer hardship and unusual circumstances. The Program Managers shall document any exceptions in the customer and project file. Changes in the means of implementing policies, procedures, and standards will be

[3] Formerly known as the "Statewide Low-Income Energy Efficiency Policy and Procedures Manual".
[4] Updates to this *P&P Manual* reflect changes from D.21-06-015, which became effective June 3, 2021, for the 2021-2026 ESA-CARE Program Cycle. Policies and procedures that are specific to the SMJUs are shown in Supplement A, which also reflects changes from D.21-10-023.

discussed with contractors prior to being made.

1.2 Structure of this Manual

The remainder of this *P&P Manual* is organized as follows:

- **Section 2** specifies general statewide policies and procedures relating to customer and home eligibility for the ESA Program.
- **Section 3** discusses policies relating to customer outreach and customer relations.
- **Section 4** describes the services that are provided under the ESA Program in the initial home visit.
- **Section 5** lists the energy efficiency measures that are available to participants in the ESA Program.
- **Section 6** discusses policies relating to minor home repairs.
- **Section 7** describes policies and procedures relating to the installation of energy efficiency measures.
- **Section 8** summarizes general statewide inspection policies and procedures.
- **Section 9** discusses contractor eligibility.
- **Section 10** describes policies and procedures relating to natural gas appliance testing, furnace repairs and replacements, and water heater repairs and replacements.
- **Section 11** describes policies and procedures relating to natural gas appliance evaluation.

2 Customer and Structural Eligibility

2.1 Overview

This section discusses the eligibility of individual households for ESA Program services. Eligibility of a household for measures offered through the Program depends on several factors, including:

- Household income
  - Actual income documentation
  - Categorical eligibility
  - Self-certification
- Utility services provided to the property
- The structure and type of property in which the household resides
- Obtaining the approval of the property owner or authorized agent in the event the household resides in rental property
- Previous ESA Program services provided
- The property's need for measures and services offered through the Program.

These eligibility requirements are explained below.

2.2 Customer Eligibility Requirements

2.2.1 Income Guidelines

All the Utilities use ESA Program income guidelines established by the CPUC to qualify participants in the ESA Program.

These guidelines are provided to the Utilities by the CPUC on an annual basis. The income eligibility level for the ESA Program is set at or below 250 % of the FPG Levels pursuant to California Public Utilities Code (CA PUC).[5] Current ESA Program income guidelines can be obtained at the CPUC website at http://www.cpuc.ca.gov/General.aspx?id=976

[5] See CA PUC §739.1 and §2790. Also, Commission Resolution E-3254 (1992), OP 3. Per SB 756, on and after July 1, 2022 "low-income customers" are defined as persons and families whose household income is at or below 250% of the FPG.

2.2.2 Types of Income Included in Household Income

For the purposes of determining Program eligibility, all income is considered from all household members, from all sources listed in **Table E-1** (found in Attachment E), whether taxable or non-taxable.[6] **Table E-1** indicates the specific items included as income but is not limited to the purpose of determining eligibility for the ESA Program.

The following types of receipts **are *not*** considered household income for the purposes of determining eligibility:

- Loan proceeds, including student loans and reverse mortgages
- Assets (money in bank accounts, a house, a car, or other property or possessions)
- Housing subsidies[7]
- Funds transferred from one applicant account to another
- Liquidation of assets (other than the portion representing capital or other gains)

2.2.3 Verification of Income

2.2.3.1 Actual Income Documentation Required

When income documentation is required by the utility, income documentation must be reviewed, copied, recorded, and securely stored by contractors prior to the installation of measures for all prospective participants. To ensure the privacy and safety of customer information, bank accounts and social security numbers, or other sensitive customer information must be redacted.

CARE **self-certification** does not automatically qualify a household for the ESA Program, except in the case of non-profit group homes[8] or targeted self-certification areas, where it is specifically allowed.[9]

[6] D.89-07-062, p. 35
[7] D.14-08-030 OP 40, p. 120
[8] SB 693 expanded CARE to include certain non-profit group living facilities and was added into Publ.Util.Code §. 739.1, and AB 3429 added §.739.2 further expanding CARE to include agricultural farmworker housing. Res E-3586 OP.1.i. authorized self-certification for CARE beginning June 1, 1999. With the exception of homeless shelters, all facilities must certify that 100% of the residents of the facility individually meet the CARE eligibility standards for a single-person household. A caregiver who lives in the facility is not a resident for purposes of determining eligibility.
[9] D.08-11-031, OP.6; and D.12-08-044, pp.309-310.

In the case that the utility has **verified** that the customer is CARE-eligible within the past year, such income verification may be used for ESA Program participation.

The utility will periodically audit enrollment information and /or income documentation retained by the contractors. If information and/or documentation is not complete and correct for a participant, payment to the contractors for the provision of ESA Program services to that unit may be disallowed.

The kinds of income documentation required by the Program include but are not limited to those presented in **Table E-1**. In applying these documentation requirements, the following stipulations must be observed:

- Current cash award letters must include the value of the award (if applicable), must be dated within one year, and must list the customer's name.

- Affidavits relating to gifts must indicate the amount and frequency of the gift(s). They must also contain the name, phone number, address, and signature of the giver.

- In determining rental income, a renter-landlord relationship exists between household members when a room or rooms in the house are being rented and the ***renter is not a dependent of anyone*** in the household. In that case, the **renter is not counted** as a household member and the rent paid **is counted** as part of the total household income. If the ***renter is a dependent***, the **renter is counted** as a household member (even if he or she is paying rent) and **his or her income is considered** part of the total household income. A dependent is anyone claimed on the applicant's income tax return.

- Federal income tax documentation, when available, must include copies of all W-2s, 1099s, and profit/loss schedules or IRS tax transcript.

- Affidavits from an employer who pays the applicant cash wages must include the company name, address, and phone number. It must also include the name of the applicant, total amount paid to the applicant, and the frequency of payments. It must contain a signature from the employer's authorized representative.

- If the applicant receives cash wages from multiple employers for jobs like mowing lawns, babysitting, handyman services, casual day labor, etc., a self-employment affidavit from the applicant is acceptable.

- In cases where a household claims no income for the past 12 months, the applicant must demonstrate his or her means of financial support other than income. If the

applicant cannot provide documentation of income or other means of support, Program services will not be performed until such information is provided.

2.2.3.2 Categorical Eligibility

Categorical eligibility enrollment is another procedure designed to ease enrollment processes in both ESA and CARE programs. Customers are eligible to participate under categorical eligibility,[10] and can enroll in the ESA Program based on current participation in another approved local, state, or federal means-tested program.[11]

Applicants utilizing the categorical eligibility option to enroll in the ESA Program must present documentation reflecting current participation in a Commission-approved program in order to satisfy the "income documentation" component. To protect the privacy of program applicants, such documentation must be reviewed, recorded, copied and securely stored by contractors prior to the installation of measures for all prospective applicants.

2.2.3.3 Targeted Self-Certification

Targeted Self-Certification is a third enrollment procedure designed to ease enrollment processes for the ESA Program. Eligibility for self-certification is determined by each utility based on their identification of geographic areas of their service territory where 80% of the customers are at or below 250% of the federal poverty line.12 Applicants residing within these targeted self-certification areas must sign a "self-certification statement" certifying that they do indeed meet the current income guidelines established for participation in the ESA Program. This self-certification statement is to be retained in lieu of other income documentation or proof of participation in a categorical eligibility program.

2.2.3.4 Household Income Calculation Procedures

Household income guidelines are based on all gross annual income. For self-employed individuals, gross income is defined as net profit and loss from self-employment.

If a full 12 months of income information is not available, or if there has been a change in the employment status of the household over the past 12 months, it may be necessary to annualize income from a shorter period of time.

All contractors shall compute annual income as accurately as possible. The calculations used will depend on the type of records available from each household member. Since all household

[10]Categorical eligibility approved in D.06-12-038 for SCE, PG&E, SoCalGas, and SDG&E OP 21. See Supplement A for SMJU treatment.
[11] CPUC approved categorical programs, reflected in **Table E-1**, can be located at: http://www.cpuc.ca.gov/General.aspx?id=976.
[12] D.08-11-031, OP.6, and D.12-08-044, pp.309-310

members may not have the same type of income records, it may be necessary, and appropriate, to use more than one method when documenting income for different members of the same household. The applicable calculation method used may be disclosed to the customer upon request.

2.2.3.5 Self-Certification for ESA Basic Measure Treatment

Self-Certification for ESA Basic measures is a new enrollment procedure added by D.21-06-015. It is also designed to ease enrollment processes for the ESA Program, allowing customers to self-certify that they meet the Energy Savings Assistance (ESA) program income eligibility requirement to receive ESA basic measures, which may include energy education, LED light bulbs and smart power strips, and Energy Conservation Savings Kits.[13] A customer that self-certifies is not eligible for basic measures which require modifications to dwellings that include grounding, such as refrigerators, portable air conditioners, and smart thermostats. D.21-06-015 allows that IOU basic measures could differ, and Table A-1 in this P&P Manual contains the most current and updated version of each IOU's ESA Basic measure information.[14] Basic measure customers must sign a "self-certification statement" certifying that they do indeed meet the current income guidelines established for participation in the ESA Program. This self-certification statement is to be retained in lieu of other income documentation or proof of participation in a categorical eligibility program.

2.2.4 Determining Household Size

Household size is the current number of people living in the home as permanent residents. Friends or family on a temporary visit (less than 6 months) are not considered household members, nor are their earnings part of household income.

Children and/or other dependents continually residing in the household *only* on weekends, holidays, or vacations may be counted as part of the household only if the family claims them as dependents on their federal income tax filing. Children by previous marriages who do not reside in the home or children away at school are not considered household members, even if they are receiving child support, unless they are claimed as dependents on the applicant's federal income tax filing.

2.2.5 Qualifying Multifamily Buildings

The ESA Program makes use of fractional income qualification for certain measures for multifamily buildings. The terms of income qualification are as follows:

- For the purposes of determining income eligibility, multifamily buildings are defined

[13] D.21-06-015, OP.49
[14] Id.

as having five or more units, and each unit must be combined (sharing a wall or floor/ceiling) with at least one other unit.[15] Duplexes, triplexes, and fourplexes are qualified as single family units for income eligibility determinations.

- **Table A-1** provides a list of measures available to qualified multi-family buildings.
- Deed-restricted multifamily property owners are allowed to certify that at least 65% of the building's tenants meet the Energy Savings Assistance program income eligibility thresholds and therefore authorize treatment for all households without the Utilities requiring individual tenant verification.[16]
- Non-deed-restricted multifamily property owners are allowed to certify that at least 80% of the building's tenants meet the Energy Savings Assistance program income eligibility thresholds and therefore authorize treatment for all households without the Utilities requiring individual tenant verification.[17]
- Both deed- and non-deed restricted multifamily properties are also eligible for services (including in unit, common area and whole building measures).
- Unoccupied and other non-qualified multifamily units may be weatherized as long as the multifamily building satisfies the "80/20 rule" for income qualification.
  - The "80/20 rule" means that to qualify an entire multifamily building for measures offered by the Program, at least 80% of all units must be occupied by income-qualified households.[18]
- If at least 80% of all units adjacent to a common attic space satisfy the 80/20 rule, that attic space may be treated even if the 80% requirement is not satisfied for the entire building. If fewer than 80% of the units are occupied by income-qualified households, individual units occupied by income qualified households may still receive feasible measures.[19]

[15] D.21-06-015, OP.156, and p. 372
[16] D.21-06-015, Section 7.9.5, p.362. For purposes of the ESA Program, deed-restricted is defined consistent with Decision 17-12-009, which provides: "Eligible properties must meet the partial definition of deed-restricted in California Public Utilities Code Section 2852(a)(A) further modified here. For this ESA program multi-family effort, a property must be a multi-family residential complex financed with low income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants." (D.21-06-015, OP.155).
[17] D.21-06-015, Section 7.9.5, p.363.
[18] D.01-03-028, OP.3; p.80, COL.7, p.72; and Section III.D, pp.18-20 re "Fractional Qualifications in Multifamily Complexes and Mobile Homes." This was maintained in D.17-12-009, Attachment 1 (modifying D.16-11-022), p.185 (non-redlined).
[19] D.01-03-028, OP.3 and COL.7.

- Contractors must review, record, copy and securely store income documentation for all households used to qualify an apartment building. The provider must also make its best effort to review and record income documentation for all other households in the multifamily building (i.e., those not used to meet the 80% qualification standard).

- Multifamily buildings may be eligible for whole building ESA Program enrollment without the need for door-to-door tenant income documentation. Buildings eligible for "whole building" enrollment are located in a PRIZM Code, census tract, or federally recognized Tribal reservation, or zone where 80% of households are at or below 250% of FPG; a Promise Zone as designated by the federal government, or the building is registered as low-income affordable housing with ESA Program qualified income documentation that is less than 12 months old on file. A copy of the owner or authorized representative's whole building certification must be kept in the file for that customer.[20]

- Renters residing in multifamily properties shall be provided with information and pre-paid postage that they can pass on to their landlords on behalf of the ESA Program. In the course of the customer enrollment, a Program Representative shall provide a description of multifamily program services that may be available to the income qualified household.[21]

- Multifamily buildings may be eligible for common area measures offered by the Program. Buildings eligible for common area measures must provide affordable housing to low-income Californians in deed-restricted, government- and non-profit-owned multifamily buildings.[22] To qualify for common area measures offered by the Program, at least 65% of all occupied units in that multifamily building must be occupied by low-income households who are eligible for the ESA Program. A copy of the owner's or authorized representative's certification of ESA Program income eligibility must be kept in the customer files for that property owner.

2.3 Service Eligibility

2.3.1 General Service Eligibility Conditions

To be eligible for the ESA Program, a customer must be served by an active utility account/meter (including a master meter). In an area served by different investor-owned gas and

[20] D.17-12-009, Attachment 1 (modifying D.16-11-022), OP.41(b) and OP.71.
[21] D.17-12-009, Attachment 1 (modifying D.16-11-022), OP.41 and 69
[22] D.16-11-022, as modified by D.17-12-009 Attachment 1, at p. 211 requires the utilities to benchmark multi-family properties (whether treated through the common area approach or simply reported on through the SPOC process) through EPA Portfolio Manager, beginning with master-metered buildings.

electric Utilities (e.g., the SoCalGas-SCE overlap area) the fuel source for the dwelling's space heat shall determine which utility will be the provider of air sealing/envelope and attic insulation measures to the dwelling if that fuel source is either natural gas or electricity. If a non-IOU heating fuel is used, *and* the home has air conditioning, the electric IOU will be the provider of weatherization measures other than infiltration-reduction measures.

Measure-specific eligibility requirements will be followed in the ESA Program. Not all measures are offered in all utility service territories or climate zones. **Table A-1** shows the measures offered by each utility for all housing types. See **Table A-2** for SMJU measure-specific eligibility requirements.

2.3.2 Referrals

In order to provide the maximum opportunity for eligible customers to receive measures, the Utilities have set up a referral system with each other. In addition, the Utilities will work with community agencies and local governments, including local Department of Community Services and Development (CSD) agencies, to expand ESA Program leveraging opportunities. This will increase the number of measures available to eligible customers by sharing the cost of measures offered by both programs.

In 2016, CSD Service Providers were authorized to provide ESA Program services in accordance with the leveraging platform established in Commission D.16-11-022.[23] The standards provided in this *P&P Manual* shall be observed by CSD Service Providers, to the extent applicable, where ESA Program services are provided by CSD.

In areas where a customer receives natural gas and electric services from separate Utilities, those Utilities will work together to ensure the customer receives the applicable and feasible measures offered by each utility within each segment and/or measure tier.[24] Applicability is defined by the IOUs' measure prioritization models designed to achieve the respective IOU's energy savings goals and HCS (health, comfort, and safety) benefits based on household needs and the

[23] D.16-11-022, as modified by D.17-12-009 Attachment 1, Dicta at p. 203, 369-370 and OPs 29-32, 47-48.
[24] See D.21-06-015, Section 6.5.8.11, p.199 and Section 6.5.8.12, p.200, and D.21-06-015 Attachment 3 requiring IOUs to jointly submit a compliance filing to develop a common set of measures within each treatment tier, and to further discuss what level of treatment will be provided to which customer segments and need states to provide greater statewide consistency (see OP.58 and OP.115). IOUs filed Advice Letter SDG&E 3842-E/3012-G et. al. on the Energy Savings Assistance (ESA) Program Design and Delivery of Measure Treatment Tiers for Program Year 2022-2026 pursuant to Decision D.21-06-015 (September 1, 2021), SDG&E Advice Letter 3842- E/3012-G et. al. was approved by Energy Division Disposition on December 22, 2021 (effective October 1, 2021).
See also: CA Public Utilities Code § 2790 (b)(2) specifies: "The commission shall direct an electrical or gas corporation to provide as many of these measures as are feasible for each eligible low-income dwelling unit." And CA Public Utilities Code § 9500 (b)(2) says: "Each publicly owned electric and gas utility shall provide as many of these measures as it determines to be feasible and cost-effective for each eligible low-income dwelling unit."

customer's unique profile.[25] Feasibility is defined by Installation Standards requirements. The utility installing infiltration measures will conduct natural gas appliance testing if the utility serves natural gas somewhere in its service area (and thus has trained gas service representatives). If the customer has electric space heat served by an electric-only utility, the electric utility will not install infiltration measures if natural gas appliances are present.

The following steps shall be taken to mitigate the duplication of costs otherwise associated with customers participating in two utility programs:

- First, customers that have provided proof of income qualification or deemed categorically eligible by one IOU, shall be considered eligible by all other IOUs serving this customer.
- Second, gas and electric Utilities will offer common energy education in overlapping service areas so that customers receive education from only one utility.

2.4 Structural Eligibility

2.4.1 Public Housing

Public housing is eligible for participation in the ESA Program, but must meet the program eligibility requirements in order to participate. (Note: this does not include on-base military housing, unless utility service(s) are provided by the Utilities.)

2.4.2 Housing Type

Single family homes, multifamily units, and mobile homes are eligible to participate in the program.

- Duplexes, triplexes, and fourplexes will be qualified as single family homes.
- Multifamily buildings are defined as having five or more units, with each unit combined (sharing a wall or floor/ceiling) with at least one other unit.[26]
- Mobile homes are defined by California Health and Safety Code (Division 13, Part 2, Chapter 1) as having "eight feet or more in width, or 40 feet or more in length … or 320 or more square feet." A mobile home is a manufactured home regulated by the U.S. Department of Housing and Urban Development code (24 CFR, Part 3280.2) and built on a trailer chassis and designed for highway delivery to a permanent

[25] See D.21-06-015, OP.56 and Section 6.4.8.1, p.164.
[26] D.21-06-015, OP.156

location, and it can be a single-, double-, or triple-wide home.

The Utilities may promote or limit the treatment of housing types in individual program years if these actions are consistent with the achievement of the programmatic initiative.

2.4.3 Housing on Non-Residential Rates

In general, only residential customers on residential rates are eligible to participate in the ESA Program. However, housing on non-residential rates is eligible for ESA Program services as long as it is currently eligible for CARE under current CARE guidelines[27], and the structure in question is a single family, multifamily or mobile home suitable for weatherization under ESA Program standards.[28]

CARE-eligible facilities include but are not limited to the following.

- Migrant farm worker housing centers, as defined in Section 50710 of the Health and Safety Code, provided that 70% of all energy usage in master-metered facilities and 100% of all energy usage in individually metered facilities are residential.
- Privately owned employee housing, as defined in Section 17009 of the Health and Safety Code, that is licensed and inspected by the state and local agencies pursuant to Part I of Division 13, and in which 100% of all energy use is residential.
- Housing for agricultural employees operated by non-profit entities, as defined in Subdivision (b) of Section 1140.4 of the Labor Code, and that has an exception from local property taxes pursuant to subdivision (g) of the Revenue and Taxation Code, provided that 70% of all energy usage in master-metered facilities and 100% of all energy usage in individually metered facilities is residential.
- Non-profit group living facilities, defined as transitional housing (such as a drug rehabilitation or halfway house), short- or long-term care facilities (such as a hospice, nursing home, children's home, or seniors' home), group homes for physically or mentally challenged persons, or other nonprofit group living facilities.
- Homeless shelters, hospices and women's shelters with the primary function of

[27] See D. 92-04-024, April 8, 1992; D. 92-06-060, June 17, 1992; D. 95-10-047, October 18, 1995. Also see *Commission Advisory and Compliance Division, Workshop Report on California Alternate Rates for Energy (CARE): The Development of Guidelines to Implement CARE for Migrant Farmworker Housing, Agricultural Employee Housing, and Employee Housing,* May 1995

[28] It should be noted that CARE income eligibility requires that 100% of the residents of the facility (other than live-in staff) meet the CARE income guideline. This income eligibility criterion will be applied to group homes for the purposes of determining ESA Program income eligibility.

providing lodging and which are open for operation with at least six beds for a minimum of 180 days and/or nights (including satellite facilities in the name of the licensed corporation, where 70% of the energy supplied is for residential purposes.

- As mandated by AB 868 and reiterated by an October 1, 2004 Administrative Law Judge's ruling,[29] migrant housing centers are presumed to meet CARE income eligibility guidelines without verification. This presumption will also be used in determining ESA Program income eligibility of such facilities. For the purpose of determining eligibility of other types of housing on non-residential rates, income qualification shall be considered satisfied if the facility is CARE eligible. These facilities represent a unique situation, and this income verification procedure shall not be considered a precedent for other circumstances.

2.5 Home Ownership Documentation

2.5.1 Overview

Home ownership must be verified. It is the responsibility of the contractor to review all supporting documents provided to ensure proof of home ownership and/or legal authorized representative. Any of the following supporting documents may be used for home ownership documentation.

- Current loan or mortgage documents
- Property tax records or bills
- Homeowner property insurance (declaration page)
- Mortgage payment invoices or book
- Title search service
- Deeds
- Current Mobile Home Registration from the Department of Housing and Community Development (HCD) or DMV certificate of title for a mobile home

If a home is in the name of a deceased spouse, the surviving spouse should be considered the

[29] Administrative Law Judge's Ruling Seeking Input Regarding Assembly Bill 868 (Care Eligibility for Migrant Housing Centers), October 1, 2004, p.5

owner/landlord.[30]

If the property is owner-occupied, the homeowner is not required to sign a property owner authorization form. For renters/tenants, the legal owner or the legal owner's authorized representative must sign the property owner authorization form. Contractors and individuals signing property owner authorization forms are verifying that the property owner is authorized to sign the agreement to participate in the ESA Program and authorizes ESA Program services for that property. Required documents must be maintained in the customer or project file.

2.5.2 Multiple Home Ownership

If the home is owned by more than one person, the homeowner will be considered any one of the persons whose names appear on the ownership document.

2.5.3 Life Estate/Living Trust

A homeowner may have established a Life Estate or Living Trust. This occurs when the property is deeded to another individual or trust, but the original owner maintains control of the property. The original owner (trustee) may sign as the property owner only if he or she has a copy of Life Estate or Living Trust documents. Contractors must review and verify that the individual signing the property owner authorization is authorized to do so when the property is the subject of a Life Estate or Living Trust.

2.5.4 Power of Attorney

In cases where the property owner is not available to sign on property owner authorization, any person having a Power of Attorney for that owner may sign the form.

2.5.5 Property Management Companies

Authorized representatives of property management companies may sign for property owners for both single family and multifamily agreements under one of the following conditions:

- The property management company has a standard Power of Attorney agreement with the property owner
- The property management company has a signed Management Agreement with the owner authorizing the property management company to act as the agent for the specific property
- Any other documentation that the utility may require to establish that an agreement

[30] If the last name of the spouse is different from the last name of the property owner, then the marriage certificate must be verified.

exists between the property owner and the management company

A copy of any supporting documentation must be kept in the customer's file.

2.6 Treatment of Rental Units

2.6.1 Property Owner Approval

In general, rental units may not receive Program Services and Measures until a property owner authorization has been received. The utilities must waive the Property Owner Approval/Authorization requirements for households qualified to receive basic measures. However, measures requiring modifications to dwellings that include grounding, such as refrigerators, portable air conditioners, and smart thermostats, do require Property Owner Approval/Authorization.[31]

When property owner approval is required, approval must cover the participation of the unit in the Program as well as the installation of specific measures. Such approval is valid for a period of 24 months from the date it is signed by the property owner or authorized agent.[32] If approval of the Property Owner is not received before the installation of such services, the Contractor will be required to reimburse the utility for all payments received from the utility for the measures in question; with prior written authorization from the Utilities' Program Manager, contractors may proceed with the installation of services and measures that do not directly affect the condition and/or structure without the signed property owner authorization.

2.6.2 Eligibility of Rental Units for Certain Measures

If the Property Owner's permission is required and has been obtained, and other eligibility conditions are met, rental units may be treated under the Program. However, the following policies relating to specific measures shall be applied. Not all measures listed are offered in all utility service territories or climate zones. See **Table A-1**. [33]

- Rental units may be eligible for furnace or water heater replacements/repairs, with property owner copay. Service and adjustments may also be made to furnaces and water heaters if these actions would improve the performance of the system at a minimal cost.

- Refrigerator and air conditioner replacements may be provided at no charge to either

[31] D.21-06-015, OP.54.
[32] D.21-06-015, OP.55.
[33] D.21-06-015 approved the IOUs' proposed measure mixes (See Section 6.5.8.1, p.192). See pp.169-177 summarizing IOU measure proposals. IOU measure offerings are shown in **Table A-1**.

the tenant or the property owner, except in the instance where the property owner owns the refrigerator or air conditioning unit that is replaced and pays the utility bill. In these instances, the Utilities may make payments to installation contractors to cover part of the cost of replacement.

- *Refrigerator Replacement*:[34] The electric Utilities shall offer refrigerator replacements for up to two qualifying units. For households which have a second inefficient unit, the contractor shall first encourage the household to remove and recycle the secondary unit by providing customer education, including rebates available to retire and recycle the second inefficient unit.[35] If the customer declines to remove and recycle the inefficient second unit, then the contractor may offer replacement with a more efficient second unit using the same guidelines as the primary refrigerator replacement.[36]

- The Utilities may opt to provide, at a nominal charge to the property owner, evaporative coolers, refrigerator replacement, and replacement air conditioners and heat pumps. For those instances, the Utilities may make payments to installation contractors to cover part of the cost of replacement.

2.7 Service for Previous Program Participation

Program services may be provided to customers who have been previously served when: 1) measures have exceeded their effective useful life, or 2) the customer is eligible for measures that were not previously installed or offered.[37]

As stipulated in the standard non-feasibility criteria[38], if a measure is already in place and operating properly, even if it does not meet the current Installation Standards for new installations, it should not be removed and replaced.[39]

[34] This rule applies to first and second refrigerator replacements, for any property type, and is not limited to rental units. Existing refrigerators must be operational to qualify for replacement. See Supplement A for SMJU electric Utilities treatment.
[35] D.16-11-022 dicta at p.102.
[36] Id.
[37] D.17-12-009, Atch1 (modifying D.16-11-022), OP.9; and upheld in.D.21-06-015, p.167-168.
[38] ESA California Installation Standards
[39] If a customer refuses a measure, that measure is considered non-feasible. See Section 7.

3 Customer Outreach, Relations, and Enrollment

3.1 Introduction

This section presents statewide ESA Program policies and procedures in the areas of customer outreach, customer relations, and customer enrollment. Subsection 3.2 discusses policies relating to the recruitment of participants for the Program, Subsection 3.3 focuses on the maintenance of proper relationships with customers, and Subsection 3.4 describes enrollment options available to the customer. The policies in this section are supplemented by additional provisions in both specific and general terms and conditions included in formal agreements between Utilities and contractors.

3.2 Customer Outreach

Contractors enrolling customers for participation in the ESA Program are required to follow strict policies relating to customer outreach and enrollment. Customer outreach policies cover promotional guidelines, limitations on representations made by contractors and their employees, outreach interactions, and tracking. Utility and contractor outreach efforts may target those customers with the highest energy usage, considering energy burden and/or energy insecurity.[40]

3.2.1 Promotional Guidelines

Only promotional materials approved by the utility may be used to promote participation in the ESA Program.

3.2.2 Representations by the Contractor and their Employees

Neither the contractor nor their employees may imply that they are employees of the utility or affiliated with the utility in any way other than through the ESA Program.

3.2.3 Outreach Interactions

Contractor personnel must effectively contact and interact with a diverse set of customers. These personnel shall have available any necessary multilingual staff and/or translators and shall make every effort to resolve barriers to communication attributable to persons with disabilities.

3.2.4 Outreach for Customers with Disabilities

Contractors shall serve and conduct outreach to customers with disabilities. Customers with disabilities may be identified based on their enrollment in the Medical Baseline Program,

[40] Public Utilities Code Section 327(a)(6)
Public Utilities Code Section 2790 (d).

enrollment in the Deaf and Disabled Telecommunications Program (DDPT), enrollment in the ESA Program through a disability-focused community-based organization (CBO), requests for accessible formats of written materials or use of a Tele-Typewriter/Telecommunications Device for the Deaf (TTY/TDD), visibility of an observed disability, and/or self-identification as having a disability. Contractors shall not ask the customer or any household members if they have a disability.[41]

3.3 Customer Relations

3.3.1 Introduction

It is imperative that both contractors and utility employees maintain proper customer relationships. The ESA Program is a customer service-oriented energy efficiency program, and professional and courteous service should be delivered accordingly. Specific polices with respect to customer relations are specified below.

3.3.2 Expedient Service

Service must be provided to participants in a reasonable time frame, as determined by the utility. Contractors must inform customers of the approximate amount of time required for installations, inspections, and gas appliance testing (if required), and shall provide services as expeditiously as possible. The number of visits to a home shall be kept to a minimum.

3.3.3 Other Work

Only work directly associated with providing ESA Program authorized services to participating customers may be billed to the ESA Program. The contractor is prohibited from selling other services to the customer or charging the customer for any other service.[42]

3.3.4 Staff Identification

All contractors or subcontractor employees who engage in customer contact must always wear identification badges provided or approved by the utility. Each badge must always be visible and include a color photo of the employee. If the contractor produces badges, templates for identification badges will be provided by the utility. The contractor shall immediately return the ID badges of all personnel no longer working for the contractors or their subcontractors on the ESA Program. In the event the contractor is unable to return a badge, the contractor shall immediately notify the utility.

[41] D.08-11-031, OP.30 and OP.31. See also p.69.
[42] This provision does not preclude the possibility of requiring a co-payment for the installation of one or more measures, if approved by the utility.

3.3.5 Contractor Etiquette

ESA Program contractors are responsible for the courtesy and appearance of their employees. Discourteous personnel and unprofessional appearance will not be tolerated in this program and may constitute grounds for de-certification of the individual and revocation of their badge, or contract termination.

3.3.6 Customers 18 Years or Older

In general, contractors shall enter customer's residences only when adults, eighteen (18) years of age or older are present. The only exception to this rule is that contractors may enter the home of a customer under eighteen (18) years of age if the customer is married or has been declared an emancipated minor by the courts.

3.3.7 Customer Complaint Procedures

The contractor must make every effort to resolve and document customer complaints. The contractor must notify the utility or its designee of the status of each complaint within 24 hours of the contractor's receipt of the complaint. If the complaint deals with customer safety, the contractor must resolve it within 24 hours. If the complaint does not relate to customer safety, the contractor must resolve the complaint to the satisfaction of the customer as required by the utility. The acceptability of the contractor's resolution of complaints will be determined at the sole discretion of the utility. If the contractor has not resolved the complaint within the mandated period, the contractor shall notify the utility or its designee of this failure.

3.3.8 Substance Abuse and Smoking Policy

In addition to local and state laws, contractor personnel shall not be under the influence of drugs or alcohol nor be using drugs or alcohol anytime when performing ESA Program work. Smoking is always prohibited within the residence being served and on the customer's property.

3.3.9 Incident Reports

Contractors must immediately contact the utility or its designee to provide an incident report if during a home visit there is damage to a customer's home and/or property, or if the contractor's employee has been accused of an illegal act. Within 24 hours, the contractor will inform the utility or its designee of the resolutions of all such incidents.

3.4 Customer Enrollment

Customer may be enrolled either in-person or virtually; customer additionally will have the option for self-enrollment, if available.

3.4.1 In-Person Enrollment

In-person enrollment is defined as one where a Program Representative visits the customer's home to perform the enrollment. The enrollment may include providing the customer with general program information, energy education, collecting enrollment data on the household and the property, an in-home energy audit (assessment), installation of approved measures, and any other program requirements for an in-person enrollment.

3.4.2 Virtual Enrollment

Virtual enrollment is defined as one where a Program Representative performs the enrollment via telephone or online meeting tool. The enrollment may include providing the customer with general program information, energy education, collecting enrollment data on the household and the property, performing an energy audit (assessment) and any other program requirements for a virtual enrollment. The customer should be provided clear instructions on how to upload any additional required documents.

3.4.3 Self-Enrollment

A self-enrollment is defined as one where the customer completes the application process using a utility-approved online enrollment system. During a self-enrollment, the applicant will be required to provide program enrollment documents, including proof of home ownership, proof of qualification, and any other required enrollment documentation electronically using the utility-approved system. A self-enrollment may require final review and approval by a Program Representative before enrollment is considered complete.

4 Procedures for Customer Home Visits

4.1 Introduction

This section describes the procedures to be followed by ESA Program Representatives during visits to a participating home. These procedures cover the provision of general program information, the collection of data on the household and the property, the completion of energy education, the completion of the in-home energy audit (assessment), and the installation of measures as approved by each utility.

4.2 Description of Program Services

During the customer enrollment, a Program Representative shall provide a thorough description of ESA Program services available to the income-qualified household. At a minimum, this description must cover the following services:

- An overview of the ESA Program, including program goals, eligibility requirements, potentially eligible measures, and procedures. The procedures to be covered by this description must encompass energy education, available energy efficiency services and minor home repairs, general installation procedures, inspection procedures, and natural gas appliance testing procedures (if applicable).
- Other programs designed to repair/replace furnaces or install other energy efficiency measures (if these are offered as separate programs).
- Discount Rate Programs. Program Representatives may assist in the IOUs automatic enrollment of customers who are participating in the Energy Savings Assistance program into the appropriate discount rate program (CARE and/or FERA) for which they may be eligible.
- Program Representatives aiding in enrolling the customer in the utilities “My Account” portal, unless customer declines to participate.
- Other utility programs designed to provide services to low-income customers, including level-payment programs, medical baseline programs, and other energy efficiency programs for which the customer may be qualified.
- Similar programs offered by CSD and other known energy related programs.
- Alternative enrollment options, either to be completed outside the home or online.
- A voluntary energy audit at or before the time of enrollment, preferably completed

online.

The Program Representative may also describe other utility and non-utility low-income assistance and energy efficiency programs. At no time shall Program Representatives promote or provide fee-based services to customers in lieu of free services offered under the ESA Program.

4.3 Data Collection

During the initial interview, the Program Representative will also collect data needed to document eligibility and to meet tracking and reporting requirements. Customers will be allowed to provide this information as well. In general, the following information must be collected (or provided by the customer).

- Name, address, and phone number of applicant
- Gas and/or electric account information
- Number of dwelling inhabitants
- Household income and income documentation for all household inhabitants
- Appliance/HVAC system information
- Customer unwillingness/inability to participate
- Home square footage

Demographic data may also be collected if offered by the customer.

- Housing type
- Owner/renter status
- Senior
- Veteran
- CARE/FERA
- Tribal
- Medical Baseline
- Disability

Other data points that may be reported on include:

- Previous vs. new participant
- Disconnected
- Arrearages
- High Usage
- High Energy Burden
- SEVI (Socioeconomic Vulnerability Index)
- Affordability Ratio
- DAC (disadvantaged communities)
- Rural

- Climate Zone
- CARB (California Air Resource Board) Community
- PSPS (Public Safety Power Shutoff) Zone (Event)
- High Fire Threat District (also known as Wildfire Zone)
- Respiratory

In addition, **Table B-1** and **Table B-2** (see Attachment B) define the categories and segments listed above and indicate the source of the information for tracking and reporting purposes.

4.4 Energy Education

Energy education will be provided to all income-eligible applicants utilizing online energy education modules. Hardcopy education booklets shall be provided only to customers who are limited by broadband access or do not have access to online resources.[43] The Utilities shall not count a household as "treated" if provided energy education alone.[44]

Energy education will cover the following general areas: heating and cooling usage, water heating system usage, major electric and gas appliance usage, small appliance usage, benefits of energy efficiency programs in reducing greenhouse gas emissions, water conservation, and lighting usage.

Specific topics to be covered in the course of energy education must include but are not limited to the following[45]:

- The general levels of usage associated with specific end uses, installed program measures, and appliances
- The impacts on usage of individual energy efficiency measures offered through the ESA Program or other Programs offered to low-income customers by the utility
- Practices that diminish the savings from individual energy efficiency measures, as well as the potential cost of such practices
- Ways of decreasing usage through changes in practices
- Information on CARE, the Medical Baseline Program, Family Electric Rate Assistance (FERA), Low Income Home Energy Assistance Program (LIHEAP), Community Help and Awareness of Natural Gas and Electric Services (CHANGES),

[43] D.21-06-015 OP 96
[44] D.16-11-022, as modified by D.17-12-009 Attachment 1, OP 11
[45] Utilities may include additional topics specific to their Service Territories, and Climate Zones where applicable.

and other available programs

- Appliance safety information
- Understanding utility bills and current utility rates
- Greenhouse gas emissions
- Water conservation
- CFL disposal and recycling

4.5 In-Home Energy Audit (Assessment)

An assessment of the structure will be completed on homes with income-qualifying applicants using utility-approved forms and/or tools. The assessment will be completed by the Program Representative, or the customer may also self-assess their home prior to the installation of any measures. The assessment will identify those measures which may be installed through the Program. Customers may self-install water conservation measures per utility policy.

5 Program Measures

5.1 Introduction

This section identifies energy efficiency measures available through the ESA Program and discusses the means by which changes in eligible measures are made over time. Subsection 5.2 refers to the measures offered under the program, while Subsection 5.3 outlines the process that will be used to evaluate measures for inclusion in the program in future years.

5.2 Program Measures

Table A-1, found in Attachment A of this *P&P Manual*, indicates the specific program measures that may be provided to participants in the ESA Program in accordance with the *IS Manual.*[46]

Table A-2, found in Attachment A of this *P&P Manual*, indicates the specific program measures that may be provided to participants in the SMJUs' ESA Program in accordance with the *IS Manual.*[47]

5.3 Consideration of Changes to the Measure List

Utilities jointly evaluate existing program measures in the course of developing recommendations for programs in subsequent years. Measures are evaluated using all available information on both costs and benefits (including energy benefits as well as non-energy benefits), and from that information the Utilities develop a set of recommendations for CPUC approval in their ESA Program Applications.

If warranted by the evidence, these recommendations may vary across climate zones. The Utilities have implemented a process for considering new measure additions, modifications and retirements to provide increased flexibility with which to make adjustments to the ESA (Main) Program during the current program cycle in accordance with CPUC directives in D.21-06-015.[48] This process requires the use of monthly reports (for modification purposes) as the most efficient method to allow the IOUs flexibility to make measure and program changes.[49] The ESA Working Group will be used as the venue to discuss these measure changes, as well as changes to measure co-pays and measure replacement criteria, before submitting them for notification

[46] IOU measures approved per D.21-06-015, or modified/added/retired per the ESA Working Group's ESA (Main) Measure Offering Protocols.
[47] SMJU measures approved per D.21-10-023
[48] D.21-06-015, OP.61 and OP.69. This is also described in Section 6.5.8.1, p.192 and Section 6.5.8.11, p.199. The IOUs drafted ESA (Main) Measure Offering Protocols to Retire, Modify, and Add New Measures in 2022. These protocols were adopted by consensus at the ESA WG Meeting on July 27, 2022.
[49] D.21-06-015, p. 192 and 199.

through the ESA monthly reports. **Table A-1** and **Table A-2** (see Attachment A) will be updated to reflect any measure changes approved by the CPUC included in the monthly report. The monthly report will be referenced in the updated table(s).

6 Minor Home Repairs

6.1 Introduction

This section describes the ESA Program policies and procedures relating to minor home repairs. Subsection 6.2 discusses the minor home repairs that may be provided through the ESA Program. Subsection 6.3 describes Program limits on expenditures on general types of minor home repairs. Finally, Subsection 6.4 describes the prioritization criteria that will be used by Program Managers to prioritize repairs for a specific home when not all needed minor home repairs can be made within the constraints of the budget limits for that home.

6.2 Minor Home Repairs

Minor home repairs are repairs required to enable installation of eligible program measures, to reduce infiltration, or to mitigate a hazardous condition and does not include non-functional appliance repair or replacement. Minor home repairs shall be done in a manner that maintains accessibility for customers with observed disabilities.

In *all* homes receiving infiltration-reduction measures, minor home repairs also include other corrections needed to pass the NGAT protocol, including but not limited to adding combustion and ventilation air (CVA) venting, and other corrections. It is the general policy of the ESA Program that these repairs must be made if they are needed and feasible, subject to budgetary limits.

6.3 Limits on Minor Home Repairs

There are two types of limits on costs incurred for minor home repairs.

- ***Average Cost Limits.*** These are limits on the average cost of categories of service across all homes receiving the service in question. They are designed to provide overall cost control for the provision of these services.
- ***Individual Home Limits.*** These are defined as limits on the cost that can be incurred for an individual home without the specific approval of the utility Program Manager. Individual home limits are meant to provide for equity in the distribution of program funds across individual households but also provide Program Managers enough flexibility to respond to individual customer needs and hardship situations.

These expenditure limits are presented in **Table 6-1** and apply to **all** minor home repairs.

Table 6-1: Caps on Minor Home Repairs

Service	Average Cost per Home Receiving Service[50]	Maximum Cost for Individual Home
Minor Home Repairs	$1,700	$2,500

6.4 Prioritization of Minor Home Repairs

The maximum minor home repair cost is currently set at $2,500 per home.[51] However, the ESA Working Group is authorized to adjust the maximum cost up to 150% of the average household cost.[52] The utilities must monitor the minor home repair cap to ensure an appropriate share of the total program budget is spent on minor home repair. The ESA Working Group may adjust the cap based on average costs per household, as deeper retrofits result in higher average costs per household.[53] In the event that a contractor requests permission from the utility Program Manager to exceed the limit on minor home repairs, the Program Manager will base the decision on the estimated cost of the contractor's proposed minor home repair, and the need for the repairs in question. If the Program Manager deems it necessary to limit expenditures on the home, measures will be prioritized using the following general priority list:

- Repairs needed to mitigate immediate hazards (e.g., door repairs where doors will not close or lock)
- Repairs needed to mitigate major infiltration sources (e.g., broken windows, holes in doors, etc.)
- Repairs required to permit the installation of a measure
- Other repairs

[50] The $1,700 average was used to determine the maximum minor home repair cost of $2,500 and is not intended as an average to be maintained by the Program. The average cost will vary as the program progresses and will act as a reference for future minor home repair maximum cost adjustments (up to 150% of the newly determined average cost).
[51] D.21-06-015, OP.68.
[52] Id.
[53] D.21-06-015, p. 198.

7 Measure Installation Policies and Procedures

7.1 Introduction

This section presents ESA Program policies for Program measures that are covered in the *IS Manual*. Subsection 7.2 specifies general policies that apply to all measures, including contractor installation, installation standards, safety, site clean-up, and other policies.

7.2 General Installation Policies

7.2.1 Introduction

Several general policies relating to the installation of Program measures must be followed by installation personnel. These policies are presented below.

7.2.2 Installation by Contractor

In general, measures must be installed by the contractor, with the exception of measures that are authorized by the IOUs to be self-installed by the customer. Dropping off materials that have not been approved by the IOUs for later installation by the customer is not permitted under the ESA Program. The IOUs may approve limited customer self-installation of basic measures, provided verification processes are in place to ensure customer qualifications and installation standards are met. A list of self-install measures per utility can be found in Attachment F.

7.2.3 Installation Standards

All measures must be installed in conformance with the *IS Manual*. These standards are intended to meet or exceed existing codes and regulations, and to conform to accepted building practices. When a conflict exists between these installation standards and local codes, the more stringent requirement shall take precedence.

7.2.4 Safety

Contractors must plan and conduct all work in a manner that is consistent with the safety of persons and property. All work shall be conducted in compliance with reasonable and safe working practices and with applicable federal, state, and local laws in accordance with individual utility contracts. For instance, the contractor is responsible for complete compliance with California Occupational Safety and Health Standards. It is the responsibility of each contractor to establish and maintain a safety program for all work undertaken for the ESA Program. It is also the responsibility of each contractor to ensure that all employees observe safety rules by complying with all required safety precautions and regulations. Contractors must ensure that their staff members receive appropriate training in the safe and proper use of the tools associated

with the installation of each ESA Program measure.

7.2.5 Installation of Measures

ESA Program contractors must communicate to the customer the benefits of each measure to be installed. If the installer determines that a measure cannot be installed, the reason shall be recorded and made available to the utility or its designee.

7.2.6 Lead-Safe Practices

Contractors shall conduct lead-safe practices when working with pre-1978 painted materials in accordance with federal, state, and local regulations and codes. Lead-safe practices for specific measures are listed in the *IS Manual*.

7.2.7 Site Clean-Up Policies

The contractor must maintain all work sites and related structures, equipment, and facilities in a clean, orderly condition during all work conducted under the ESA Program. Any unused or leftover materials, garbage, and debris must be promptly removed from the customer's premises by the contractor and disposed of at the contractor's expense. The customer's premises must be left in a clean and orderly condition at the end of each day and at the completion of work.

7.2.8 Recycling and Disposal Policy

The contractors shall properly dispose and recycle replaced measures in an environmentally safe manner and in accordance with federal, state, and local regulations and codes. Specific disposal and recycling policies and procedures of measures are listed in the *IS Manual*.

7.2.9 Weatherization of Mobile Homes

Mobile homes with open combustion furnaces or water heaters drawing air from inside the conditioned space may not have infiltration reduction measures installed under the ESA Program. Attic insulation and attic duct reconnection are not measures for mobile homes.

7.2.10 Refrigerator Replacement[54]

The electric Utilities shall offer refrigerator replacements for up to two qualifying refrigerators. For households which have a second inefficient unit, the contractor shall first encourage the household to remove and recycle the secondary unit by providing customer education, including rebates available to retire and recycle the second inefficient unit. If the customer declines to remove and recycle the inefficient second unit, then the contractor may offer replacement with a

[54] This rule applies to first and second refrigerator replacements, for any property type, and is not limited to rental units. Existing refrigerators must be operational to qualify for replacement. See Supplement A for SMJU electric Utilities treatment.

more efficient second unit using the same guidelines as the primary refrigerator replacement.

8 Inspection Policies

8.1 Introduction

This section summarizes the inspection policies used in the ESA Program to ensure safety and quality control in the installation of measures and minor home repairs. Subsection 8.2 discusses the designation of the responsibilities for inspections. Subsection 8.3 describes policies relating to pre-installation inspections. Subsection 8.4 presents policies on post-installation inspections.

8.2 Inspection Personnel

Utilities may use in-house personnel, contract employees, or contractor to conduct inspections. However, each utility will undertake either the in-house prime contractor's (administration) function or the inspection function, but not both, with the very limited exceptions discussed in D.00-07-020.

8.3 Pre-Installation Inspection

The IOUs may implement a pre-installation inspection process for their respective ESA Program. As part of this process, each IOU can select the percentage of homes to be evaluated for program eligibility prior to the installation of measures.

8.4 Post-Installation Inspection

8.4.1 General Polices on Post-Installation Inspection

Post-installation inspections are used to assure that contractors install measures in accordance with the California Installation Standards of the ESA Program. In this subsection, specific polices relating to post-installation inspections are presented. These policies encompass the types of pass rates used in program administration, frequency of post-installation inspections, treatment of failed inspections, resolution of disputes relating to inspections, inspection waivers, and minor job corrections.

8.4.2 Types of Pass Rates

Utilities or their designees will collect information on both per-home and per-measure pass rates. Per-home pass rates will be used for the purposes of determining minimum sample sizes for tracking performance. Per-measure pass rates will be used to tailor training and technical assistance for contractors, as well as to manage programs in a prudent manner.

8.4.3 Post-Installation Inspection Frequency

Utilities or their third party inspection contractors will select[55] for inspection all attic insulation and furnace replacement jobs. An inspection from a local jurisdiction (city or county) may, at the utilities' discretion, qualify as inspection towards the mandatory goal.

For all jobs not involving attic insulation or furnace replacement, random inspections will be conducted using a statistically based sampling plan.

Utilities or their third-party inspection contractors shall develop sampling plans for random samples that are statistically based. The minimum sample sizes in **Table 8-1** may be used. These sample sizes are designed to provide 90% confidence that the true pass rate is within 5% of the estimated value. An expanded table of minimum sample sizes can be found in Attachment D. ~~A second methodology is based on pass-fail criteria and uses the binomial distribution to provide a level of confidence that the pass rate is higher than a specified value (for example, 90% confidence that pass rate is higher than 90%).~~ Other statistically based methodologies are also acceptable.

Table 8-1: Suggested Minimum Sample Sizes for Inspections (90% within 5% precision)

Pass Rate	Number of Homes Completed by Contractor					
	200	500	1,000	2,000	5,000	10,000
70%	140	241	317	377	425	443
75%	129	210	265	306	337	348
80%	115	176	213	238	257	263
85%	98	138	161	174	184	187
90%	75	97	107	113	117	119
95%	45	51	54	55	56	57

Utilities or their third party inspection contractors may exceed these minimum sample sizes if, in the judgment of the utility, larger sample sizes are necessary to preserve program quality control. Circumstances that may justify larger sample sizes include, but are not limited to, the following:

1. If the utility's program or the amount of additional post-inspections undertaken is small enough to conduct additional post-inspections without substantially

[55] It is understood that selecting 100% of jobs for inspection does not necessarily mean that 100% of inspections will be completed, since the utilities and their third party inspection contractors cannot compel program participants to be present for inspection appointments.

increasing total program expenditures

2. If a contractor exhibits a pattern of inspection failures that justifies inspection of a higher percentage of jobs
3. If a contractor is on a quality improvement plan which requires improvement of its inspection pass rates

Utilities will keep records of actual inspection frequencies by contractors.

8.4.4 Failed Inspections

If a measure is installed incorrectly, a contractor may be issued a correction fail which must be resolved as required by the IOU. Hazardous fails must be addressed within 24 hours of notification by the utility and/or its designee.

8.4.5 Failed Inspection Dispute Resolution

In those instances where a dispute arises between inspectors and contractors, the utility may utilize in-house personnel or a third-party to hear and determine appropriate action on any dispute between contractors and inspectors.

8.4.6 Inspection Waivers

Policies on inspection waivers vary between mandatory and non-mandatory inspections, as follows:

- ***Mandatory inspections*** by ESA Program inspector: Inspections are required for projects which include attic insulation or gas furnace replacement and additional measures as specified by the utility. For mandatory inspections, three attempts will be made to arrange for a post-installation inspection within 30 calendar days of the notification of job completion. After three such attempts, the inspection provider will send a certified letter to the participant asking to schedule an appointment to inspect the home. If the participant does not respond in a timely manner[56] to this certified letter, the inspection provider must notify the utility that the inspection could not be completed. A certified letter may be substituted with similar means of communication, such as DocuSign, FedEx, UPS, etc.
- ***Mandatory inspections*** by the Authority Having Jurisdiction (AHJ): Any ESA Program measure that requires a building permit, issued by a building department for conventional and modular homes, or by HCD for mobile homes, must pass final inspection, with a copy of the finalized inspection report retained in the

[56] Per contractual agreement or IOU procedure.

customer's file.

- **Refused AHJ inspections**
    - In cases where the customer refuses to allow the AHJ to perform a final inspection, the contractor obtaining the permit shall advise the customer that the inspection is required by the AHJ (State, County or City) and if refused, the permit will expire, and the work may be considered work done without a permit.
    - Upon discovery that the customer has refused the AHJ inspection, the ESA contractor will notify the homeowner by certified mail (or other means listed above) that full responsibility for finalizing the permit now rests with the homeowner. Any further contractor obligation is detailed in the utility contract or applicable procedure that the utility may have.
    - The ESA contractor shall retain in the customer's file copies of communications with the AHJ, certified letters sent to the customer, and any other written correspondence regarding the case.

- ***Non-mandatory inspections*** relate to projects not involving attic insulation or furnace replacement. They are non-mandatory in the sense that only a sample of projects must be inspected. For non-mandatory inspections, three attempts will be made to arrange for a post-installation inspection within 30 calendar days of the notification of job completion. A non-mandatory inspection of a sampled project may be waived by the utility after three attempts to contact the participant, provided that attempts are made in an effort to overcome barriers attributable to language preference or disability. The inspection provider shall replace a waived inspection with another inspection and shall complete enough inspections as provided in the policy on post-inspection frequency (see **Table 8-1** and/or Attachment D).

9 Contractor Eligibility

9.1 Introduction

This section outlines eligibility conditions for contractors and their subcontractors under the ESA Program. Subsection 9.2 deals with insurance requirements. Subsection 9.3 relates to licensing requirements. Subsection 9.4 relates to workforce, education, and training. The purpose of this section is to provide general information on these requirements. It may not include all the requirements specified in the contracts between contractors and Program Administrators. Contractors interested in participating in the ESA Program can obtain information at each utility's respective website.

The IOUs must modify the policy related to background checks for the ESA Program to be consistent with the current direction for energy efficiency contractors as ordered in D.18-10-008 and corrected in D.19-07-016.[57]

9.2 Insurance Requirements

Contractors and their employees or subcontractors shall maintain insurance in full force and effect during the life of the contract as prescribed by the utility, with responsible insurance carriers authorized to do business in California and having a Best Insurance Guide (or equivalent) rating that meets the guidelines of each utility.

9.3 Licensing Requirements

Any organization or company contracting under the ESA Program must comply with all applicable federal, state, and local laws and regulations, as well as with utility guidelines. Contractors and their subcontractors must also comply with any applicable California State Licensing Board (CSLB) requirements, including current requirements for electrical, plumbing and HVAC, and must remain in good standing with the CSLB.

9.4 Workforce Education and Training (WE&T)

Contractors and their subcontractors should make every effort to hire and train from the local low-income communities. The utilities must also comply with the following efforts:[58]

- Alignment with the California Workforce Development Board's Energy and

[57] D.21-06-015, OP.105.
[58] D. 21-06-015, OP.104.

Climate Jobs initiatives

- Alignment of ESA training with the Multi-Craft Core Curriculum.
- Establishment of formal partnerships between the IOUs, contractors and their subcontractors, apprenticeships, and community college programs to better integrate ESA into energy efficiency workforce education, as well as organizations that provide services to assist in developing ESA workers into more advanced positions, and CBOs that provide services to assist those in DACs or who are underrepresented.

10 Natural Gas Appliance Testing

10.1 Introduction

This section summarizes the statewide policy on ESA Program natural gas appliance testing (NGAT). Subsection 10.2 discusses the circumstances when such testing must be conducted. Subsection 10.3 presents the general protocols that are followed in the course of natural gas appliance testing. Subsection 10.4 addresses the timing of testing. Subsection 10.5 considers actions to be taken when one or more test is failed by appliances in a participating home. Finally, Subsection 10.6 discusses the types of personnel used for the assessments.

Note that specific standards for these natural gas appliance testing (NGAT) protocols are described in the *IS Manual*.

10.2 Applicability of Natural Gas Appliance Testing

10.2.1 General Applicability

In general, natural gas appliance testing will be conducted for all homes that receive infiltration reduction measures and that have at least one natural gas appliance affecting the living space.[59] In addition, the repair and replacement of a natural gas furnace or water heater involves appliance testing. See the NGAT section in the *IS Manual*, as applicable.

10.2.2 Applicability to Combustion Fuels Other than IOU Natural Gas

Homes with non-IOU (e.g., propane) space heating fuels are not eligible for infiltration reduction measures. Therefore, they are not eligible for natural gas appliance testing. Homes with IOU space heating but which use a non-IOU combustion fuel for another appliance (i.e., water heating) are also ineligible for NGAT due to the inability of the IOUs to service combustion appliances using non-IOU fuels. The IOUs will refer these latter homes to local LIHEAP agencies.

10.3 Natural Gas Appliance Testing Protocols

10.3.1 General Protocols

General natural gas appliance testing protocols are presented below. Note again that detailed procedures are described in the NGAT section of the *IS Manual.* The types of checks conducted

[59] The NGAT section of the *IS Manual* describes the conditions under which an appliance is determined to affect the living space.

as part of NGAT are described in this section.

10.3.2 Pre-Weatherization Evaluations of Gas Appliances

In order to avoid cases in which post-weatherization NGAT would discover nonconforming conditions that (a) preclude installation of infiltration reduction measures, and (b) cannot be corrected within the scope of the program, some pre-weatherization evaluations of gas appliances are performed as part of the home assessment.

Required corrections will be performed before weatherization commences. The customer will be informed of conditions that preclude installation of infiltration reduction measures and cannot be remedied by the ESA Program (e.g., exhausting gas clothes-dryers outdoors, and repair or replacement of appliances and gas vents for which repair or replacement is not available).

10.3.3 Post-Weatherization NGAT

After completion of weatherization that includes infiltration reduction measures, NGAT is performed for all natural gas appliances affecting the living space.

10.3.4 Disposition of Appliance Fails/Problems

If a problem is identified through the application of the overall natural gas appliance testing protocol (i.e., elevated CO, inadequate draft, or defect causing an unsafe condition), the case will be referred for resolution to qualified utility-trained personnel or a contractor licensed to repair appliances. Such resolution may involve the use of flue CO testing as well as other procedures.

10.4 Timing of Combustion Appliance Testing

10.4.1 Homes with Natural Gas Appliances

For homes with natural gas appliances, post-weatherization NGAT protocols are conducted after weatherization. Post-weatherization NGAT shall be conducted within five (5) working days from the date that infiltration reduction measures are installed.

10.5 Actions to be Taken When Appliances Fail NGAT

The following actions will be taken when appliances fail NGAT:

- In owner-occupied homes, natural gas space heaters failing one or more of the tests covered by the NGAT protocol will be provided with Service/Adjustment and, if necessary, will be repaired or replaced subject to Program policies and

procedures.[60]

- In owner-occupied homes, natural gas water heaters failing one or more of the tests covered by the NGAT protocol will be provided with Service/Adjustment and, if necessary, will be repaired or replaced subject to Program policies and procedures.

- In owner-occupied homes, non-program appliances[61] failing one or more of the tests covered by the NGAT protocols will be referred for service or provided with Service/Adjustment.[62] If Service/Adjustment does not correct the problem, the appliance will be tagged, shut off, and/or capped and reported to the customer.

- In renter-occupied homes, appliances failing one or more of the tests covered by the NGAT protocol will be referred for service or provided with Service/Adjustment. [63] If Service/Adjustment does not correct the problem, the appliance will be tagged, shut off, and/or capped and reported to the customer.

There are cost restrictions to be considered when determining whether to repair the furnace measure. The cost to repair the measure should not be more than the cost to replace the measure as follows:

- Central furnaces–50% (Does not include the costs of compliance items.)

- Wall/floor/direct vent wall furnaces–40% (Does not include the costs of compliance items.)

- Water heaters–50% (Does not include the costs of compliance items.)

10.6 Personnel Performing Natural Gas Appliance Assessments and Testing

The Utilities have the option of conducting natural gas appliance assessments and testing using in-house staff or contracting with third parties to provide these services.

[60] Note that the absence of a furnace in cases where another gas appliance is used for space heating will constitute an NGAT fail.
[61] Appliances for which ESA Program repair or replacement is not available.
[62] In this context, Service/Adjustment of an appliance entails providing services that are within the scope of the gas service department for customers in general.
[63] In this context, Service/Adjustment of an appliance entails providing services that are within the scope of the gas service department for customers in general.

11 Natural Gas Appliance Evaluation

11.1 Introduction

This section summarizes the statewide policy on ESA Program natural gas appliance evaluation for the purpose of determining if an appliance may be replaced. Specific standards for these natural gas appliance evaluations are described in the *IS Manual.*

11.2 Applicability of Natural Gas Appliance Evaluation

11.2.1 General Applicability

In general, natural gas appliance evaluations may be conducted for all natural gas space heating and water heating appliances in owner-occupied homes prior to replacement. Those units not meeting the replacement criteria will be referred to weatherization.

11.2.2 Applicability to Combustion Fuels Other than IOU Natural Gas

Homes with non-IOU (e.g., propane) fuels are not eligible for appliance evaluation or appliance repair and replacement. The IOUs will refer these homes to local LIHEAP agencies.

11.3 Natural Gas Appliance Evaluation Protocols

11.3.1 General Protocols

General natural gas appliance evaluation protocols are presented below. More detailed procedures are described in the Natural Gas Appliance Evaluation section of the *IS Manual.*

11.3.2 Pre-Replacement Evaluations of Gas Appliances

Prior to the installation of weatherization measures, an evaluation of natural gas space heating and water heating appliances may be conducted. Natural gas appliances failing the evaluation may be referred to weatherization for repair or replacement subject to Utility-specific Program policies and procedures.

11.3.3 Post-Replacement Safety Testing for Gas Appliances

Natural gas appliance safety testing is performed immediately following appliance replacement. Appliances failing one or more of the post-replacement safety tests shall be corrected.

If infiltration reductions measures were installed after the appliance has been replaced, NGAT shall be conducted for all natural gas appliances affecting the living space in accordance with the

NGAT section of the *IS Manual*.

11.4 Personnel Performing Natural Gas Appliance Evaluations

The Utilities have the option of conducting natural gas appliance evaluations using in-house staff or contracting with third parties to provide these services.

Supplement A

SMJU ESA Program

SMJU ESA PROGRAM DISTINCTIONS

1. GENERAL (APPLIES TO ALL SMJUs)

a. SMJUs qualify customers for participation in the ESA Program through Categorical Eligibility provisions.[64]
b. SMJUs make best efforts to leverage the ESA Program with the CSD program; however, due to the small nature of the SMJU programs this effort has limited applicability and data sharing is not currently available.
c. Prioritization of Retreatments (Go-Backs): SMJUs will, to the extent possible, prioritize retreatments as directed by the Commission; however, due to the small nature of the programs other methods may be employed to manage retreatments with contractors.

2. CLARIFICATION FOR ELECTRIC SMJUs

Bear Valley Electric, Liberty Utilities, and PacifiCorp (the Electric SMJUs) fund measures through the ESA Program that are intended to reduce the kWh usage of participating households.

Homes with permanently installed electric heating systems that heat at least 51% of the home and/or permanently installed air-conditioning systems that are designed to cool at least 51% of the home are eligible to receive shell measures and measures intended to improve heating/cooling system efficiencies. These include ceiling, floor, wall and duct insulation, outlet gaskets, weatherstripping, caulking and shell infiltration, ventilation, electric furnace repair and replacement, door and glass replacement, door threshold, storm windows, thermostats, furnace filters, and foam tape.

Also, the Electric SMJUs will fund measures designed to reduce water heating usage in homes that have an electric water heater. These measures include low-flow showerheads, thermostatic shower valves, pipe wrap, faucet aerators, water heater blankets, electric water heater repair and replacement, and clothes washers.

A variety of additional measures may be funded by the Electric SMJUs regardless of the type of heating/cooling and water heating systems installed in participant's homes. These include A/C or evaporative cooler covers, home repairs, LED lightbulbs and fixtures, torchieres, refrigerators, microwaves, and power strips.

Please refer to **Table A-2** found in Attachment A, which illustrates the specific measures included in each Electric SMJUs' ESA Program.

[64] Per D.21-10-023 OP9, the SMJUs must each implement categorical eligibility enrollment by no later than July 1, 2022 for the CARE and ESA programs consisting of the same assistance programs used by the large IOUs' categorical eligibility enrollment program.

Attachment A

Eligible ESA Program Measures

Table A-1: Eligible IOU Measures[1]

Measure	PG&E							SDG&E							SCE							SoCalGas						
	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible
Appliances																												
Clothes Dryers								Plus	N/A	All	✓		✓	✓														
Dishwasher															Basic	N/A	All	✓	✓	✓	✓							
Freezers								Plus	N/A	All	✓		✓	✓	Basic	N/A	All	✓	✓	✓	✓							
High Efficiency Clothes Washer	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓	Basic	HEU	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓
Cooking Appliance FS/S	Plus	N/A	All	✓	✓	✓	✓																					
Refrigerators[3]	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓							
Domestic Hot Water																												
Faucet Aerators	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All Elec	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓
Low-Flow Showerhead or Combined Showerhead TSV	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All Elec	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓
Heat Pump Water Heater	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓		✓	✓	Basic	HEU	All	✓	✓	✓	✓							
Heat Pump Water Heater FS/S	Plus	N/A	All	✓	✓	✓	✓																					
Solar Water Heating																						Plus	HEU	All	✓	✓	✓	✓
Tankless Water Heaters								Plus	N/A	All	✓		✓									Plus	N/A	All	✓	✓	✓	
Thermostatic Shower Valve	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All Elec	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓
Thermostatic Tub Spout/Diverter	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓								Plus	N/A	All	✓	✓	✓	✓
Water Heater Repair/Replacement	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓										Plus	N/A	All	✓	✓	✓	
Water Heater Blanket	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All			✓	✓	Basic	HEU	All Elec	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓

Measure	PG&E							SDG&E							SCE							SoCalGas						
	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible
Water Heater Pipe Insulation	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All			✓	✓	Basic	HEU	All Elec	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓
Enclosure																												
Envelope/Air Sealing Measures[8]	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓	Basic	N/A	All Elec	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓
Attic Insulation	Plus	N/A	All	✓	✓		✓	Plus	N/A	All Elec	✓			✓	Basic	N/A	All Elec/No IOU Gas	✓	✓		✓	Plus	N/A	All	✓	✓		✓
Diagnostic Air Sealing																												
Floor Insulation	Plus	HEU	All	✓	✓	✓	✓																					
Minor Home Repairs[9]	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓	Basic	HEU	All Elec	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓
HVAC																												
Blower Motor Retrofit								Plus	N/A	All	✓		✓	✓														
Central AC Replacement	Plus	N/A	CZ 11-14	✓	✓	✓	✓								Basic	HEU	CZ 10, 13-15	✓	✓	✓	✓							
Central Heat Pump Replacement	Plus	N/A	CZ 11-14	✓	✓	✓	✓								Plus	HEU	CZ 10, 13-15	✓	✓	✓	✓							
Central Heat Pump FS/S	Plus	N/A	All	✓		✓	✓								Plus	HEU	CZ 13, 14, 15	✓	✓	✓	✓							
Central Heat Pump conversions from Electric FAU	Plus	N/A	CZ 1-5, 12, 16	✓	✓	✓	✓																					
Duct Sealing								Plus	N/A	All Elec	✓			✓														
Ductless Mini Split Heat Pump															Plus	HEU	CZ 13, 14, 15	✓	✓	✓	✓							
Efficient Fan Controller								Plus	N/A	All	✓			✓	Plus	HEU	All	✓	✓	✓	✓							
Evaporative Cooler															Basic	N/A	CZ 10, 13-16	✓		✓	✓							

Measure	PG&E							SDG&E							SCE							SoCalGas						
	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible
Gas Furnace Repair/Replace[6]	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓									Plus	N/A	All	✓	✓	✓	
HE FAU Repair/Replace[7]	Plus	N/A	All	✓	✓	✓	✓															Plus	N/A	All	✓	✓	✓	
Portable AC	Plus	MBL & DAC/ Tribal/ Rural	CZ 11-14	✓	✓	✓	✓	Plus	MBL	CZ 10, 14, 15	✓	✓	✓	✓	Plus	HEU	CZ 13, 14, 15	✓	✓	✓	✓							
Prescriptive Duct Sealing	Plus	N/A	All	✓		✓	✓															Plus	N/A	All	✓		✓	✓
Room AC Replacement								Plus	N/A	CZ 10	✓	✓	✓	✓	Plus	HEU	CZ 10, 13-15	✓	✓	✓	✓							
Smart Fan Controller	Plus	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓		✓	✓								Plus	N/A	All	✓	✓	✓	✓
Smart Thermostat	Plus	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Plus	N/A	All	✓	✓	✓	✓
Whole House Fan	Plus	N/A	All	✓			✓	Plus	N/A	CZ 10, 14, 15	✓			✓														
Maintenance																												
Central AC Tune-up/Services															Plus	HEU	All	✓	✓	✓	✓							
Evaporative Cooler Maintenance															Basic	N/A	CZ 10, 13-16	✓		✓	✓							
Furnace Clean & Tune																						Plus	N/A	All	✓	✓	✓	✓
Lifecycle Refrigerant Management	Plus	N/A	CZ 11-14, 16	✓	✓	✓	✓	Plus	N/A	All	✓		✓	✓														
Lighting																												
Exterior Hard Wired LED Fixtures															Basic	N/A	All	✓			✓							
LED A-lamp Bulbs	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓							
LED Reflector Bulbs	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓							
Miscellaneous																												

Measure	PG&E							SDG&E							SCE							SoCalGas						
	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible	Tier	Special Segments[10]	CZ	SF	MF	MH	Renters Eligible
Air Purifiers	Plus	MBL & DAC/ Tribal/ Rural	All	✓	✓	✓	✓	Plus	MBL, DAC/ CARB	All	✓	✓	✓	✓														
CO & Smoke Alarms[5]	Plus	N/A	All	✓	✓	✓	✓															Plus	N/A	All	✓	✓	✓	✓
Cold Storage	Plus	Wildfire	All	✓	✓	✓	✓																					
Comprehensive Home Health and Safety Check-up[4]																						Plus	N/A	All	✓	✓	✓	
Pool Pumps	Plus	N/A	All	✓			✓	Plus	N/A	All	✓			✓	Basic	HEU	All	✓			✓							
Power Strips[2]	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓	Basic	N/A	All	✓	✓	✓	✓							

Table A-1 Footnotes (see next page):

[1] **Table A-1** indicates the specific program measures that may be provided to participants for the ESA Program in accordance with the *IS Manual*. The climate zones referenced are developed by the CEC, and may be located at: http://www.energy.ca.gov/maps/renewable/BuildingClimateZoneMap.pdf, and are updated regularly at http://www.energy.ca.gov/maps/renewable/building_climate_zones.html

[2] Power Strips – PG&E will offer Tier II Bluetooth enabled smart power strips, SCE will offer Tier II smart strips, and SDG&E will offer Tier I and Tier II smart power strips. The IOUs will only provide Power Strips to Basic customers not requiring grounding.

[3] Refer to Subsections 2.6.2 and 7.2.10 of this *P&P Manual* for second refrigerator replacement policy.

[4] The Comprehensive Home Health & Safety Check-Up includes: installation of smoke alarms, installation of CO alarms, installation of FAU filter, checking water pressure, checking water fixtures for leaks, checking and advising of utility shut-off locations (electric panel, gas meter, main water valve), replacement of cracked or missing switch/outlet covers, assessment of gas appliance venting to the exterior of the home and making necessary corrections, checking for adequate CVA, checking for gas leaks, and checking that gas appliances are operating correctly.

[5] PG&E offers these measures to meet permit requirements.

[6] SoCalGas measures for Furnace Replace are Space Heating Appliances, Forced Air Unit (FAU) Early Replace, and WF/FAU Replace on Burnout. For owner-occupied units, furnace repairs and replacements are provided 1) when necessary to mitigate NGAT fails and pursuant to the installation of infiltration-reduction measures, or 2) when replacement has been identified through natural gas appliance evaluation. Water heater repairs and replacements are also provided 1)

when necessary to mitigate NGAT fails, 2) to replace leaking water heater tanks, or 3) when replacement has been identified through natural gas appliance evaluation.

[7] Measures for HE FAU Replace are HE FAU Early Replace, HE FAU Replace on Burnout, HE FAU when replacement has been identified through natural gas appliance evaluation (for SoCalGas), and HE FAU Early Replace and Replace on Burnout (for PG&E). HE Furnace is a High Efficiency central gas furnace (FAU) with an annual fuel utilization efficiency (AFUE) of ≥95%. A High Efficiency FAU may be installed when the existing FAU has failed NGAT and cannot be repaired (also known as "burnout").

- For SoCalGas, a High Efficiency FAU may also be installed as an early replacement for an existing operational FAU, provided all the following conditions are met:
  - The existing FAU has an AFUE <80%.
  - The customer's winter season usage is >100% of baseline
- For PG&E, a High Efficiency FAU may also be installed as an early replacement for an existing operational FAU, provided all the following conditions are met:
  - The existing FAU has an AFUE ≤65%.
  - The customer's winter season usage is >400 therms.
  - The household qualifies for and receives ESA Program infiltration-reduction measures.

[8] Includes Caulking, Cover Plate Gaskets, Evaporative Cooler Cover, Air Conditioner Cooler Discharge Cover, Attic Access Weatherstripping and Minor Home Repairs (which include repairs such as ceiling repair, cover plates, door jams, door patch/plate, door replacement, exhaust fan vents, exterior wall repair, foam wall patching, interior wall repair, glass replacements, glazing compounds, lock sets (exterior door) windowsill repair, thresholds, vent repair and alignment, and window repair).

[9] There are multiple sub-measures included under minor home repairs. Minor home repairs are constituted by services that reduce infiltration (e.g., window repairs), mitigate a hazardous condition (e.g., CVA correction), or accommodate the installation of program measures (e.g., attic venting).

[10] Special Segments are as defined in the IOUs' Application and approved in D.21-06-015.

Note: In situations where there are questions regarding the interpretation of a certain measure, the Utilities shall use D. 21-06-015 or subsequent superseding decision as the overriding authority.

Table A-2: Eligible SMJU Measures[1]

	Alpine							BVES							Liberty							PacifiCorp							Southwest Gas						
Measure [1],[2]	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*
Heating, Ventilation & Air Conditioning																																			
Gas Furnace Repair/Replacement	Plus	N/A	12	✓	N/A	N/A																						Plus	N/A	All CZ	✓	✓	✓	
HEFAU Early Replace [3],[4]	Plus	N/A	12	✓	N/A	N/A																						Plus	N/A	14,16	✓	✓	✓	
HEFAU On Burnout [3],[4]	Plus	N/A	12	✓	N/A	N/A																						Plus	N/A	14,16	✓	✓	✓	
HE Wall Furnace Early Replace	Plus	N/A	12	✓	N/A	N/A																						Plus	N/A	14,16	✓	✓	✓	
HE Wall Furnace On Burnout	Plus	N/A	12	✓	N/A	N/A																						Plus	N/A	14,16	✓	✓	✓	
Forced Air Unit Standing Pilot Light Conversion																																			
Electric Furnace Repair or Replacement [7]								Plus	N/A	16	✓	✓	✓		Plus	N/A	16	✓	✓	✓		Plus	N/A	1,16	✓	✓	✓								
Central Heat Pump Replacement															Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓								
Ductless Heat Pumps conversions from Electric Resistance Heating																						Plus	N/A	1,16	✓	✓	✓								
Smart Thermostats	Basic	N/A	12	✓	N/A	N/A	✓								Basic	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Basic	N/A	14,16	✓	✓	✓	✓
Central A/C Replacement															Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓								
Room AC Replacement								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓														
Brushless Fan Motors																						Plus	N/A	1,16	✓	✓	✓								
Duct Sealing								Plus	N/A	16	✓	✓	✓	✓								Plus	N/A	1,16	✓	✓	✓	✓							
Prescriptive Duct Sealing	Plus	N/A	12	✓	N/A	N/A	✓	Plus	N/A	16	✓		✓	✓	Plus	N/A	16	✓		✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
Dehumidifier																						Plus	N/A	1,16	✓	✓	✓	✓							
Attic Ventilation																						Plus	N/A	1,16	✓	✓		✓							
Maintenance																																			
Furnace Clean & Tune	Plus	N/A	12	✓	N/A	N/A	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
Central A/C Tune-up															Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓							
Heat Pump Tune-up															Plus	N/A	16	✓	✓	✓	✓														
Enclosure																																			
Envelop/Air Sealing Measures [5]	Plus	N/A	12	✓	N/A	N/A	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
Attic Insulation	Plus	N/A	12	✓	N/A	N/A	✓	Plus	N/A	16	✓	✓		✓	Plus	N/A	16	✓	✓		✓	Plus	N/A	1,16	✓	✓		✓	Plus	N/A	14,16	✓	✓	✓	✓
Kneewall Insulation								Plus	N/A	16	✓	✓		✓								Plus	N/A	1,16	✓	✓		✓							
Floor Insulation								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓							
Minor Home Repair [6]	Plus	N/A	12	✓	N/A	N/A	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
Evaporative Coolers Covers								Plus	N/A	16	✓	✓	✓	✓								Plus	N/A	1,16	✓	✓	✓	✓							
Storm Windows								Plus	N/A	16	✓	✓	✓		Plus	N/A	16	✓	✓	✓															

	Alpine							BVES							Liberty							PacifiCorp							Southwest Gas						
Measure	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*	*Proposed Tier*	*Special Segment*	*CZ*	*SF*	*MF*	*MH*	*Avail. To Renters*
Domestic Hot Water																																			
Water Heater Repair / Replacement								Plus	N/A	16	✓	✓	✓		Plus	N/A	16	✓	✓	✓		Plus	N/A	1,16	✓	✓	✓		Plus	N/A	14,16	✓	✓	✓	
Heat Pump Water Heater															Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓								
Thermostatic Shower Valve	Basic	N/A	12	✓	N/A	N/A	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	1,16	✓	✓	✓	✓	Basic	N/A	14,16	✓	✓	✓	✓
Combined Low-Flow Showerhead & Thermostatic Shower Valve								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	1,16	✓	✓	✓	✓							
Other Hot Water [9]	Basic	N/A	12	✓	N/A	N/A	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	1,16	✓	✓	✓	✓	Basic	N/A	14,16	✓	✓	✓	✓
Tank and Pipe Insulation [10]								Basic	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
Tub Spout / Tub Diverter								Basic	N/A	16	✓	✓	✓	✓															Basic	N/A	14,16	✓	✓	✓	✓
Lighting																																			
Vacancy Sensors (Occupancy Sensor)																						Basic	NA	1,16	✓	✓	✓	✓							
LED A-Lamps								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	NA	1,16	✓	✓	✓	✓							
LED Reflector Bulbs								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	NA	1,16	✓	✓	✓	✓							
LED Reflector Downlight Retrofit Kits								Plus	N/A	16	✓	✓	✓	✓								Plus	NA	1,16	✓	✓	✓	✓							
Interior Hard-wired LED Fixtures								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	NA	1,16	✓	✓	✓	✓							
Exterior Hard-wired LED Fixtures								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	NA	1,16	✓	✓	✓	✓							
LED Torchieres								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓														
LED Night Lights								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	NA	1,16	✓	✓	✓	✓							
Appliances																																			
Refrigerators [8]								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	NA	1,16	✓	✓	✓	✓							
Second Refrigerators															Plus	N/A	16	✓	✓	✓	✓														
High Efficiency Clothes Washers								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	NA	1,16	✓	✓	✓	✓	Plus	N/A	14,16	✓	✓	✓	✓
High Efficiency Dryer / Heat pump Clothes Dryer																						Plus	NA	1,16	✓	✓	✓	✓							
Microwave Ovens								Plus	N/A	16	✓	✓	✓	✓	Plus	N/A	16	✓	✓	✓	✓	Plus	NA	1,16	✓	✓	✓	✓							
Freezers															Plus	N/A	16	✓	✓	✓	✓														
Dishwashers															Plus	N/A	16	✓	✓	✓	✓														
Miscellaneous																																			
Tier 1 Smart Power Strips								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	NA	1,16	✓	✓	✓	✓							
Tier 2 Advanced Power Strips								Basic	N/A	16	✓	✓	✓	✓	Basic	N/A	16	✓	✓	✓	✓	Basic	NA	1,16	✓	✓	✓	✓							
Smoke & Carbon Monoxide Detectors	Plus	N/A	12	✓	N/A	N/A	✓								Plus	N/A	16	✓	✓	✓	✓								Plus	N/A	14,16	✓	✓	✓	✓

Table A-2 Footnotes:

1] **Table A-2** indicates the specific program measures that may be provided to participants for the ESA Program in accordance with the *IS Manual*. The climate zones referenced are developed by the CEC, and may be located at http://www.energy.ca.gov/maps/renewable/BuildingClimateZoneMap.pdf,

and are updated regularly at http://www.energy.ca.gov/maps/renewable/building_climate_zones.html.

2] In situations where there are questions regarding the interpretation of a certain measure, the SMJUs shall use D. 21-06-015 or subsequent superseding decision as the overriding authority.

3] Only owner-occupied units qualifying for gas furnace repairs and replacements, and only when necessary to mitigate NGAT fails and to make feasible the installation of infiltration-reduction measures. Gas water heater repairs and replacements are also provided only for owner-occupied units to mitigate NGAT fails or to replace leaking water heater tanks. Renter-occupied units are not eligible to receive appliance repair and replacement services.

4] HE Furnace is a High Efficiency central gas furnace (FAU) with an annual fuel utilization efficiency (AFUE) of ≥95%. A High Efficiency FAU may be installed when the existing FAU has failed NGAT and cannot be repaired (also known as "burnout"). A High Efficiency FAU may also be installed to replace an existing operational FAU, provided all the following conditions are met:

- The existing FAU has an AFUE ≤65%.
- The customer's winter season usage is 400 therms.
- The household qualifies for and receives ESA Program infiltration-reduction measures.

5] Envelope/Air Sealing Measures may include: Caulking, Cover Plates, Utility Gaskets, Evaporative Cooler Covers, Air-Conditioner Cooler Covers, Attic Access, and Door Weatherstripping.

6] There are multiple sub-measures included under minor home repairs. Minor home repairs are constituted by services that reduce infiltration (e.g., window repairs), mitigate a hazardous condition (e.g., CVA correction), or accommodate the installation of program measures (e.g., attic venting). For the purposes of qualifying a home for the ESA Program, all minor home repairs (combined) count as a single measure. Minor Home Repairs (to support efforts to weatherize a household and/or support infiltration measures) may include, but are not limited to, the following: ceiling, floor and wall repairs; cover plates; door jams; thresholds; door patching/plate, door replacement; lock sets (exterior doors); exhaust fan and venting repairs, replacements, and alignment (appliances and attics); exterior wall repair; foam wall patching; interior wall repair; window repair; glass replacement; glazing compounds; windowsill repair; and sash repair. Refer to Subsection 6.3 of this *P&P Manual* for Maximum Expenditures and Caps.

7] Electric furnace repairs and replacements are provided only to owner-occupied units and only when necessary to mitigate electrical hazard(s). Electric water heater repairs and replacements are provided only to owner-occupied units and only when necessary to mitigate electrical hazard(s) or to replace a leaking water heater tank. Renter-occupied units are not eligible to receive appliance repair and replacement services.

8] Refer to Subsection 2.6.2 and 7.2.10 of this *P&P Manual* for second refrigerator replacement policy.

9] Other Hot Water includes Low-Flow Showerhead and Faucet Aerator.

10] Tank and Pipe Insulation includes Water Heater Blanket and Water Heater Pipe Insulation.

Attachment B

Definitions of Reporting Categories and Segments

Table B-1: IOU Reporting Categories and Segments – Definitions and Methodologies (PY 2022-2026)[65]

Segment	Definition	Methodologies (Source for Tracking and Reporting)
Demographic		
Housing Type	Single family homes, multifamily dwelling units, and mobile homes are eligible to participate in the program. Duplexes, triplexes, and fourplexes will be qualified as single family homes. Multifamily complexes are defined as those with five (5) or more dwelling units. Mobile homes are defined by California Department of Housing and Community Development as having "over 320 square feet of gross floor area, more than eight feet in width, and more than 40 feet in length." A mobile home is a manufactured home regulated by the U.S. Department of Housing and Urban Development code (Sec. 3280) and built on a trailer chassis and designed for highway delivery to a permanent location, and it can be a single-, double-, or triple-wide home. (Derived from Statewide Energy Savings Assistance Program 2017-2020 Cycle Policy and Procedures (P&P) Manual p. 20)	Source from utility program database.
Renter vs. Owner	Owner: The individual or company that has owner's rights to the dwelling. Renter: The individual who pays rent for a dwelling and is not a dependent of anyone in the household.	Source from utility program database.
Previous vs. New Participant	The go back rule is eliminated pursuant to D.16-11-022 Ordering Paragraph 9 and D.18-08-020 Ordering Paragraph 4. Utilities are directed to conduct household retreatment based on household energy usage, prioritizing high energy users (D.16-11-022 COL 13). Utilities apply additional prioritization criteria within their territories consistent with guidelines in D.16-11-022.	Source from utility program database.
Senior	PG&E definition is age 60 years plus. (ESA - utility internal use) SDG&E definition is age 62 years or older. (ESA - utility internal use) SCE and SoCalGas definition is based on CPUC term "elderly" at age 65 years or over.	At this time, all the utilities may not currently request, track or report this data.

[65] As directed in Attachment 3 of D.21-06-015, the Joint IOUs submit the definitions for certain terms, many of which are derived from CPUC proceedings outside of this Low Income proceeding. To the extent a definition is modified pursuant to the relevant proceeding, the definitions submitted here are subject to change.

Segment	Definition	Methodologies (Source for Tracking and Reporting)
Veteran	A former member of the armed forces, unless dishonorably discharged. The IOUs do not have a standard definition for this segment.	At this time, the utilities do not request, track or report this data. Therefore, there is no methodology for identifying this segment.
Hard-to-Reach	The Commission's Energy Efficiency Policy Manual defines hard-to-reach residential customers as "those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a language, income, housing type, geographic, or home ownership (split incentives) barrier." Derived from D.18-05-041, p. 41-42.	Source from utility customer information systems, participating outreach contractors, program database, and other sources where applicable.
Vulnerable	CPUC adopts the staff definition of communities that are the most vulnerable to climate change and call such communities "Disadvantaged Vulnerable Communities" or DVCs. As discussed in the "Median Income" Section below, we modify the staff proposal to include state median income and not area median income: A DVC for purposes of this proceeding consists of communities in the 25% highest scoring census tracts according to the most current versions of the California Communities Environmental Health Screening Tool (CalEnviroScreen), as well as all California Tribal lands, census tracts that score in the highest 5% of Pollution Burden within CalEnviroScreen, but do not receive an overall CalEnviroScreen score due to unreliable public health and socioeconomic data, and census tracts with median household incomes less than 60% of state median income. D.20-08-046 at p. 12-13, dated August 27, 2020. (Decision on Energy Utility Climate Change Vulnerability Assessments and Climate Adaptation in Disadvantaged Communities [Phase 1, Topics 4 and 5]	At this time, the utilities do not request, track or report this data. Therefore, there is no methodology for identifying this segment.

Segment	Definition	Methodologies (Source for Tracking and Reporting)
Financial		
CARE	CARE legislation was codified in Public Utilities Code ("PUC") Sections 739.1 and 739.2 (low-income households with incomes at or below 200% of the federal poverty guidelines).	Source from utility customer information systems.
Disconnected	As approved by the CPUC for the utility-specific tariffs.	Source from utility customer information systems.
Arrearages	PG&E defines arrearages as overdue balances greater than 19 days. (Source is Rule 8.) SDG&E and SoCalGas defines arrearages as overdue balance greater than 30 days. (Disconnections D.18-12-013.) SCE defines arrearages as overdue balances greater than 20 days.	Source from utility customer information systems.
High Usage	Electric: PG&E and SDG&E - Usage of at least 400% of baseline at least three times in a 12-month period. (D.21-06-015.) Electric: SCE - Usage of at least 300% of baseline at least once in 12-month period. (D.21-06-015.) Gas: SoCalGas - Customers above 200% baseline quantity usage during non-winter periods. (D.17-12-009 at p. 287.)	Source from utility customer information systems.
High Energy Burden	Energy burden is the percentage of customers' annual income that is spent on their energy bills. (2019 LINA Study at p.v - dated 12/13/2019)	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.
SEVI	The Socioeconomic Vulnerability Index (SEVI) metric represents the relative socioeconomic standing of census tracts, referred to as communities, in terms of poverty, unemployment, educational attainment, linguistic isolation, and percentage of income spent on housing. This metric therefore considers how a rate change may affect one community's ability to pay more than another's. Source: 2019 Annual Affordability Report p. 16	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.
Affordability Ratio	The Affordability Ratio (AR) metric quantifies the percentage of a representative household's income that would be used to pay for an essential utility service after non-discretionary expenses such as housing	At this time, the utilities do not track or report this data. Therefore, there is

Segment	Definition	Methodologies (Source for Tracking and Reporting)
	and other essential utility service charges are deducted from the household's income. Source: 2019 Annual Affordability Report p. 14	no methodology for identifying this segment.
Location		
DAC	"Disadvantaged communities" refers to the areas throughout California which most suffer from a combination of economic, health, and environmental burdens. These burdens include poverty, high unemployment, air and water pollution, presence of hazardous wastes, as well as high incidence of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities all over the state. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged." Insert a city or town in the CalEnviroScreen map's search box here to see if it is considered a disadvantaged community in this context: https://oehha.ca.gov/calenviroscreen/sb535 (Pursuant to Section 39711 of the Health and Safety Code, the California Environmental Protection Agency [CalEPA] developed a means for identifying disadvantaged communities. (D.18-05-041, p. 39.)	Source from utility customer information systems.
Rural	The Goldsmith definition is used to determine rural and urban eligibility and participation for ESA and CARE Programs. Rural areas are defined as all population, housing and territory not included within an urbanized area or urban cluster. Census blocks are identified as urban if they have a density of 1,000 people per square mile. These blocks are then aggregated to define urbanized areas that contain 50,000 or more people and urban clusters are areas with at least 2,500 but fewer than 50,000 people. (Reflected in Athens Research annual eligibility update filed February 12 of each year (D.21-06-015)).	Source from utility customer information systems.
Tribal	Native Americans residing on federally recognized Tribal land within the IOUs service territory. (D.17-12-009 at p. 185.)	Source from utility customer information systems.

Segment	Definition	Methodologies (Source for Tracking and Reporting)
Climate Zone	California has a diversity of climates not seen in other states, and the statewide provisions adopted into the California Energy Code accounts for these variations using a set of sixteen California Energy Commission (CEC) climate zones. Several efficiency standards, such as those for envelope and fenestration (window and door) materials, depend on the specific climate zone that the building is located in. The climate zones referenced are developed by the CEC, and are updated regularly. (Derived from Statewide Energy Savings Assistance Program 2017-2020 Cycle P&P Manual p. 34 and p. 54)	Source from utility customer information systems.
CARB Community	Neighborhoods that have been identified by the California Air Resources Board (CARB) Community Air Protection Program, where they overlap with existing IOU DAC zip codes, as identified by Cal Enviro Screen 3.0 as being among the 20% most disadvantaged census tracts in IOUs territory.	Source from utility customer information systems.
PSPS Zone (Event)	Public Safety Power Shut-off: High Fire Threat areas where utilities may proactively cut power to electrical lines that may fail in certain weather conditions to reduce the likelihood that their infrastructure could cause or contribute to a wildfire. (D.20-05-051 De-Energization) SoCalGas: Not Applicable	The ESA Program does not track or report this data.
High Fire Threat District (also known as Wildfire Zone)	High Fire Threat District means those areas comprised of the following: (1) Zone 1 is Tier 1 of the latest version of the United States Forest Service and CAL FIRE's joint map of Tree Mortality High Hazard Zones. (2) Zone 2 is Tier 2 (Elevated) of the CPUC Fire-Threat Map. (3) Zone 3 is Tier 3 (Extreme) of the CPUC Fire-Threat Map. The CPUC Fire-Threat Map was developed under R.15-05-006 and adopted by the CPUCs Safety and Enforcement Division in January 2018. The most recent version is located at https://ia.cpuc.ca.gov/firemap/. PG&E defines its Wildfire Zone Needs State as: Customers residing in areas defined as extreme danger zones (ie., Zone 3) in CPUC Fire Threat maps available at https://ia.cpuc.ca.gov/firemap/ who are most likely to be turned off in the event of high fire danger.	Source from utility customer information systems.

Segment	Definition	Methodologies (Source for Tracking and Reporting)
Health Conditions		
Medical Baseline	Customers who are enrolled in the IOUs Medical Baseline Allowance program. (Utility-specific tariff)	Source from utility customer information systems.
Respiratory	The utilities do not have a definition for this segment.	The utilities do not have a methodology for identifying this segment.
Disabled	ESA customers who self-identify as having a disability. (D.12-08-044)	Data is captured on ESA enrollment application

Table B-2: SMJU Reporting Categories and Segments – Definitions and Methodologies (PY 2022-2026)[66]

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
Demographic	**Definition**	**Methodologies**	
Housing Type	Single family homes, multifamily dwelling units, and mobile homes are eligible to participate in the program. Duplexes, triplexes, and fourplexes will be qualified as single family homes. Multifamily complexes are defined as those with five (5) or more attached dwelling units. Mobile homes are defined by California Department of Housing and Community Development as having "over 320 square feet of gross floor area, more than eight feet in width, and more than 40 feet in length." A mobile home is a manufactured home regulated by the U.S. Department of Housing and Urban Development code (Sec. 3280) and built on a trailer chassis and designed for highway delivery to a permanent location, and it can be a single-, double-, or triple-wide home. (Derived from Statewide Energy Savings Assistance Program 2017-2020 Cycle Policy and Procedures (P&P) Manual p. 20)	Source from utility program database.	
Renter vs. Owner	Owner: The individual or company that has owner's rights to the dwelling. Renter: The individual who pays rent for dwelling and is not a dependent of anyone in the household.	Source from utility program database.	

[66] As directed in Attachment 1 of D.21-10-023, the Joint SMJUs submit the definitions for certain terms, many of which are derived from CPUC proceedings outside of this Low Income proceeding. To the extent a definition is modified pursuant to the relevant proceeding, the definitions submitted here are subject to change.

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
Previous vs. New Participant	The go back rule is eliminated pursuant to D.16-11-022 Ordering Paragraph 9 and D.18-08-020 Ordering Paragraph 4. Utilities are directed to conduct household retreatment based on household energy usage, prioritizing high energy users (D.16-11-022 COL 13). Utilities apply additional prioritization criteria within their territories consistent with guidelines in D.16-11-022.	Source from utility program database.	
Seniors	Pub. Util. Code § 779.1(c) (Phrasing of "residential customers who are 65 years of age or older" with "dependent adults" implying senior status for prior group); Cal. Civ. Code § 1761(f) ("'Senior citizen' means a person who is 65 years of age or older"); Cal. Civ. Code § 2944.8 (defining senior citizen as person 65 years of age or older); Cal. Bus. & Prof. Code § 17206.1 (defining senior citizen as person 65 years of age or older).	At this time, all the utilities may not request, track, or report this data.	PacifiCorp's definition is based on CPUC term "elderly" at age 65 years or over. Southwest Gas, Liberty, and BVES define an elderly person as one who is 62 years of age or older.
Veteran	A former member of the armed forces, unless dishonorably discharged. The SMJUs do not have a standard definition for this segment.	At this time, the utilities do not request, track, or report this data. Therefore, there is no methodology for identifying this segment.	
Hard-to-Reach	The Commission's Energy Efficiency Policy Manual defines hard-to-reach residential customers as "those customers who do not have easy access to program information or generally do not participate in energy efficiency programs due to a language, income, housing type, geographic, or home ownership (split	At this time, the utilities do not request, track, or report this data. Therefore, there is no methodology for	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
	incentives) barrier. Derived from D.18-05-041, pp.41-42.	identifying this segment.	
Vulnerable	CPUC adopts the staff definition of communities that are the most vulnerable to climate change and call such communities "Disadvantaged Vulnerable Communities" or DVCs. As discussed in the "Median Income" Section below, we modify the staff proposal to include state median income and not area median income: DVCs for the purposes of this proceeding consist of communities in the 25% highest scoring census tracts according to the most current versions of the California Communities Environmental Health Screening Tool (CalEnviroScreen), as well as all California Tribal lands, census tracts that score in the highest 5% of Pollution Burden within CalEnviroScreen but do not receive an overall CalEnviroScreen score due to unreliable public health and socioeconomic data, and census tracts with median household incomes less than 60% of state median income. Decision 20-08-046 at p.12-13 dated August 27, 2020. (Decision on Energy Utility Climate Change Vulnerability Assessments and Climate Adaptation in Disadvantaged Communities [Phase 1, Topics 4 and 5])	At this time, the utilities do not request, track or report this data. Therefore, there is no methodology for identifying this segment.	
Financial	**Definition**	**Methodologies**	
CARE	CARE legislation was codified in Public Utilities Code ("PUC") Sections 739.1 and 739.2 (Low-income households with incomes at or below 200% of the federal poverty guidelines).	Source from utility program database.	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
Disconnected	As approved by the CPUC for the utility-specific tariffs.	Source from utility program database.	
Arrearages		Source from utility program database.	Alpine, Liberty, PacifiCorp and Southwest Gas defines arrearages as past due balances greater than 30 days. BVES defines arrearages at 45 days.
High Usage		Source from utility program database. Not applicable to all SMJUs service territories.	BVES, Liberty and PacifiCorp – Usage of at least 400% of baseline at least three times in a 12-month period. D.21-06-015 and D.21-10-023 Alpine and Southwest Gas do not define or identify High Usage customers
High Energy Burden	Energy burden is the percentage of customers' annual income that is spent on their energy bills. (2019 LINA Study at p.v – dated 12/13/2019)	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.	
SEVI	The Socioeconomic Vulnerability Index (SEVI) metric represents the relative socioeconomic standing of census tracts, referred to as communities, in terms of poverty, unemployment, educational attainment, linguistic isolation, and percentage of income spent on	At this time, the utilities do not track or report this data. Therefore, there is no methodology for	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
	housing. This metric therefore considers how a rate change may affect one community's ability to pay more than another's. Source: 2019 Annual Affordability Report p. 16	identifying this segment.	
Affordability Ratio	The Affordability Ratio (AR) metric quantifies the percentage of a representative household's income that would be used to pay for an essential utility service after non-discretionary expenses such as housing and other essential utility service charges are deducted from the household's income. Source: 2019 Annual Affordability Report p. 14	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
Location	**Definition**	**Methodologies**	
DAC	Disadvantaged communities refers to the areas throughout California which most suffer from a combination of economic, health, and environmental burdens. These burdens include poverty, high unemployment, air and water pollution, presence of hazardous wastes as well as high incidence of asthma and heart disease. One way that the state identifies these areas is by collecting and analyzing information from communities all over the state. CalEnviroScreen, an analytical tool created by the California Environmental Protection Agency (CalEPA), combines different types of census tract-specific information into a score to determine which communities are the most burdened or "disadvantaged." Insert a city or town in the CalEnviroScreen map's search box here to see if it is considered a disadvantaged community in this context. https://oehha.ca.gov/calenviroscreen/sb535 (Pursuant to Section 39711 of the Health and Safety Code, the California Environmental Protection Agency (CalEPA) developed a means for identifying disadvantaged communities. See D.18-05-041 p. 39.)	Not applicable to all SMJUs service territories At this time, not all SMJUs track or report this data. Therefore, there is no methodology for identifying this segment	BVES, Liberty and PacifiCorp do not provide electric service to Disadvantaged Communities. Alpine does not provide natural gas service to Disadvantaged Communities. Southwest Gas serves the following DACs within its Southern California service territory: Adelanto, Barstow, Calico, North Barstow, Summit, and Victorville. Southwest Gas does not have DACs in its Northern California service territories
Rural	The Goldsmith definition is used to determine rural and urban eligibility and participation for ESA and CARE Programs. Rural areas are defined as all population, housing and territory not included within an urbanized area or urban cluster. Census blocks are identified as urban if they have a density of 1,000 people per square mile. These blocks are then	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
	aggregated to define urbanized areas that contain 50,000 or more people and urban clusters are areas with at least 2,500 but fewer than 50,000 people. (Reflected in Athens Research annual eligibility update filed February 12 of each year [D.21-06-015]).		
Tribal	The Commission's Tribal Consultation Policy defines "California Native American tribe" as a Native American Tribe located in California that is on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004. (See Public Resources Code Section 21073.) California Native American Tribes include both federally recognized and non-federally recognized Tribes.	At this time, the utilities do not track or report this data. Therefore, there is no methodology for identifying this segment.	Alpine does not have Tribal land in its service area. BVES does not have any Tribal lands in its service territory. Liberty and PacifiCorp provide electric service to customers residing on Tribal lands. Southwest Gas provides natural gas service to customers residing on Tribal lands.
Climate Zone	California has a diversity of climates not seen in other states, and the statewide provisions adopted into the California Energy Code accounts for these variations using a set of 16 California Energy Commission (CEC) climate zones. Several efficiency standards, such as those for envelope and fenestration (window and door) materials, depend on the specific climate zone that the building is located in. The climate zones referenced are developed by the CEC, and are	Source from utility program database.	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
	updated regularly. (Derived from Statewide Energy Savings Assistance Program 2017-2020 Cycle P&P Manual p. 34 and p. 54)		
CARB Community	Neighborhoods that have been identified by the California Air Resources Board (CARB) Community Air Protection Program, where they overlap with existing IOU DAC zip codes, as identified by Cal Enviro Screen 3.0 as being among the 20% most disadvantaged census tracts in IOUs territory.	Not applicable to SMJUs service territories	BVES, Liberty and PacifiCorp do not provide electric service to customers in CARB Communities. Alpine and Southwest Gas do not provide natural gas service to customers in CARB Communities.
PSPS Zone (Event)	Public Safety Power Shut-off: High Fire Threat areas where utilities may proactively cut power to electrical lines that may fail in certain weather conditions to reduce the likelihood that their infrastructure could cause or contribute to a wildfire. (D.20-05-051 De-Energization)	The ESA Program does not track or report this data.	Alpine is gas only
High Fire Threat District (also known as Wildfire Zone)	High Fire Threat District means those areas comprised of the following: (1) Zone 1 is Tier 1 of the latest version of the United States Forest Service and CAL FIRE's joint map of Tree Mortality High Hazard Zones. (2) Zone 2 is Tier 2 (Elevated) of the CPUC Fire-Threat Map. (3) Zone 3 is Tier 3 (Extreme) of the CPUC Fire-Threat Map. The CPUC Fire-Threat Map was developed under R.15-05-006 and adopted by the CPUCs Safety and Enforcement Division in January 2018. The most	Source from utility program database.	

Segment	Consistent Across SMJUs		Not Consistent Across SMJUs
	recent version is located at https://ia.cpuc.ca.gov/firemap/.		
Health Condition	**Definition**	**Methodologies**	
Medical Baseline	Customers who are enrolled in the SMJUs Medical Baseline Allowance program. (Utility specific tariff)	Source from utility program database.	
Respiratory	The utilities do not have a definition for this segment.	The utilities do not have a methodology for identifying this segment.	
Disabled	ESA customers who self- identify as having a disability. (D.12-08-044) Cal. Civ. Code § 1761(g) ("Disabled person" means a person who has a physical or mental impairment that substantially limits one or more major life activities.) ESA customers who self- identify as having a disability on their application.	Data is captured on the ESA enrollment application.	

Attachment D

Inspection Pass Rates

Table D-1: Expanded Inspection Pass Rate Tables

Pass Rate	Number of Homes Complete by Contractor											
	100	200	300	400	500	600	700	800	900	1000	1100	1200
70%	82	140	182	215	241	262	279	294	306	317	326	335
75%	78	129	164	190	210	226	238	249	258	265	272	278
80%	73	115	143	162	176	187	195	202	208	213	217	221
85%	66	98	117	129	138	145	150	154	158	161	163	165
90%	55	75	86	93	97	100	103	105	106	107	109	109
95%	37	45	48	50	51	52	53	53	54	54	54	54

Pass Rate	Number of Homes Complete by Contractor											
	1300	1400	1500	1600	1700	1800	1900	2000	2500	3000	3500	4000
70%	342	349	354	360	365	369	373	377	391	402	410	416
75%	283	287	291	295	298	301	303	306	315	322	327	331
80%	224	227	229	232	234	235	237	238	244	248	251	254
85%	167	168	170	171	172	173	174	174	178	180	181	182
90%	110	111	111	112	112	113	113	113	115	116	116	117
95%	55	55	55	55	55	55	55	55	56	56	56	56

Pass Rate	Number of Homes Complete by Contractor											
	4500	5000	5500	6000	6500	7000	7500	8000	8500	9000	9500	10000
70%	421	425	428	431	433	435	437	439	440	441	442	443
75%	334	337	339	340	342	343	344	345	346	347	348	348
80%	255	257	258	259	260	261	261	262	262	263	263	263
85%	183	184	185	185	186	186	186	187	187	187	187	187
90%	117	117	118	118	118	118	118	119	119	119	119	119
95%	56	56	56	56	56	57	57	57	57	57	57	57

Attachment E

Household Income Types

Table E-1: Household Income Types and Documentation

FULL DOCUMENTATION (NON-CATEGORICAL)
Alimony or child support
- Check or check stubs - Most recent court documents - Affidavit of income - Notarized document - Bank statement with direct deposit source (gross amount)
Capital or other gains
- Federal income tax filing with W2s and/or 1099s attached
Disability or unemployment
- Check or check stubs - Award letter/Notice of Action letter - Screen shot/print screen[1] from issuing agency with linking document(s) - Federal income tax filing with W2s and/or 1099s attached
Foster Care/VA Benefits/Workers Comp.
- Bank statement with direct deposit source (gross amount) - Check or check stubs - Award letter/Notice of Action letter
Gambling/lottery winning
- Case-by-case (ESA Program approval required)
General relief (cash assistance)
- Bank statement with direct deposit source (gross amount) - Award letter/Notice of Action letter - Copy of uncashed check(s)
Insurance/legal settlements[2]
- Bank statement with direct deposit source (gross amount) - Settlement document - Annuity letter - Check stub

CATEGORICAL[4]
Bureau of Indian Affairs
- Award letter or Notice of Action letter - Bank statement with direct deposit source (gross amount) - Screen shot/print screen[1] from issuing agency - Copy of uncashed check - Case worker may fax information to Program Representative
LIHEAP (Low Income Home Energy Assistance Program)
- CSD Form 43 - Proof of LIHEAP payment to utility
Medi-Cal
- 3rd party Medi-CAL card (LA Care, IEHP, HealthNet, etc.)[5] - Adoption Assistance or Foster Care award letter - Award letter or Notice of Action letter - Issuance History Printout Stamped by the County - 1095-B from the Department of Health Care Services - Benefits ID card (issued with 12 months) - Screen shot/print screen[1] from issuing agency - Screen shot/print screen[1] from website
Medi-Cal/Medi-Caid Assistance
- Award letter/Notice of Action letter - Benefits ID card with a valid issue date within past 12 months of enrollment date - Tax Form 1095-B
Medi-Cal for Families
- Award letter or Notice of Action letter - Current (<60days) premium statement (not past due) - Screen shot/print screen[1] from issuing agency

Interest/Dividends
- Bank statement with direct deposit source (gross amount) - Customer's investment statement(s) - Federal income tax filing with W2s and/or 1099s attached
Monetary gift(s)
- Bank statement with direct deposit source (gross amount) - Affidavit of income
Pension/401K(IRA) disbursement[2]
- Bank statement with direct deposit source (gross amount) - Check or check stubs - Award letter/Notice of Action letter - Federal income tax filing with W2s and/or 1099s attached - Form 1099
Rental income or royalty payments[3]
- Rental receipts - Rental agreement specifying rent amount AND affidavit - Federal income tax filing with Schedule E attached
School grants/scholarships/student aid/foreign exchange[2]
- Cancelled check(s) - Award letter/Notice of Action letter
Self-employment earnings[3]
- Federal income tax filing with Schedule C attached - Affidavit of income
SSA (Social Security)
- Bank statement with direct deposit source (gross amount) - Screen shot/print screen[1] from issuing agency showing current participation - Award letter/Notice of Action letter - Federal income tax filing with W2s and/or 1099s attached - Form 1099 - Uncashed check(s)
- Screen shot/print screen[1] from website - Tax Form 1095-B
NSLP (National School Lunch Program)
- Case-by-case (ESA Program approval required)
SNAP (Supplemental Nutrition Assistance Program) CALFRESH
- Award letter or Notice of Action letter - Screen shot/print screen[1] from issuing agency - Screen shot/print screen[1] from website (CA.gov) showing current participation - Case worker may fax information to Program Representative
SSI (Supplemental Security Income)
- Award letter or Notice of Action letter - Bank statement with direct deposit source (gross amount) - Form SSA-1099 - Screen shot/print screen[1] from issuing agency - Copy of uncashed check - Case worker may fax information to Program Representative
TANF (Temporary Assistance for Needy Families) CALWORKS
- Award letter or Notice of Action letter - Bank statement with direct deposit source (gross amount) - Screen shot/print screen[1] from issuing agency - Copy of uncashed check - Case worker may fax information to Program Representative
Tribal Headstart
- Award setter or Notice of Action letter
Tribal TANF
- Award letter or Notice of Action letter - Bank statement with direct deposit source (gross amount) - Screen shot/print screen[1] from issuing agency

- Case worker may fax information to the Program Representative
Union strike benefits
- Benefits payment stubs
Wages/salaries/commissions
- Federal income tax filing with W2s and/or 1099s attached - Payroll check stub(s) or deposit notice(s) - Affidavit from the employer (for cash wages only and only for one employer)

WIC (Women, Infants and Children)
- Award letter or Notice of Action letter - Grocery receipt with WIC phone app screen shot/print screen[1] - WIC phone app screen shot/print screen[1] - WIC shopping list

[1] Screen shot/print screen must clearly link customer to household.

[2]Not including loan proceeds.

[3] For rental income and self-employment income, only positive values of income are included. Negative net rents and negative self-employment income are ignored.

[4]Where not provided in cash distributions, participation in these public purpose programs is considered for categorical eligibility enrollment purposes only. Categorical eligibility enrollment requirements may differ across the utilities.

[5]Card must state that the customer is participating in Medi-Cal program.

Attachment F

Self-Install Measures

Table F-1: Self-Install Measures per Utility

Measure	Utility			
	PG&E	SDG&E	SCE	SoCalGas
Energy/Water Conservation Kit		X[1]		
Faucet Aerator				X
LED Light Bulb			X	
Showerhead				X
Thermostatic Shower Valve (TSV)				X

[1]May include items such as: LED light bulbs, low-flow faucet aerators and showerheads, and toilet leak detection tabs.

Attachment G

Electrification Policy for Main ESA Program

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Section A: Common Terms and Definitions

- **Auxiliary Measures --** Auxiliary measure is defined as new electrical equipment installed that directly facilitates the installation of fuel substitution measures and is distinguished from Remediation activities.
- **Co-Funding –** Some electrification measures may be co-funded between Main ESA/MFWB Programs and one (or more) other programs including non-rate payer funded programs. Main ESA/MFWB should perform due diligence to make sure that total co-funded payments for these measures do not exceed 100% of the measure cost.
- **Cost-Sharing –** Many co-funded measures require cost sharing agreements between landlord/property owners and the Main ESA IOUs or MFWB Implementers/Lead IOUs.
- **D.21-06-015 (Also called "the ESA Decision") –** The Decision on Large Investor-Owned Utilities' and Marin Clean Energy's California Alternate Rates for Energy (CARE), Energy Savings Assistance (ESA), and Family Electric Rates Assistance (FERA) Program Applications for Program Years 2021-2026, in Application 19-11-003 et al. (Also called "The ESA Decision").
- **Decarbonization –** "Building decarbonization" refers to the umbrella of methods to reduce greenhouse gas emissions from buildings. California buildings contribute approximately 24% of greenhouse gas emissions in the state. California has identified building decarbonization as a key strategy to meeting its long-term climate goals.
- **Deed Restriction** – Deed restriction, for the purposes of the Energy Savings Assistance (ESA) Program, will be defined consistent with Decision 17-12-009, which provides: "Eligible properties must meet the partial definition of deed-restricted in California Public Utilities Code Section 2852(a)(A) further modified here. For this ESA Program multifamily effort, a property must be a multifamily residential complex financed with low income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants." (D.21-06-015, OP.155. D.21-06-015 p.372, fn.969: *D.16-11-022, modified by D.17-12-009, p.212.*)
- **Electrification –** Electrification converts an energy-consuming device, system, or sector from non-electric sources of energy to electricity.[1] Building Electrification is the electrification of building end-use appliances that currently use natural gas, propane, or other fossil fuels to operate.
- **(The) ESA Decision (Also called "D.21-06-015") –** The Decision on Large Investor-Owned Utilities' and Main Clean Energy's California Alternate Rates for Energy (CARE), Energy Savings Assistance (ESA), and Family Electric

[1] https://www.energy.gov/electricity-insights/what-electrification

Rates Assistance (FERA) Program Applications for Program Years 2021-2026, in Application 19-11-003 et al.

- **ESA Measure Offering Proposal Protocols to Retire, Modify and Add New Measures –** The approved process by which ESA/MFWB measures (including electrification measures) may be retired, modified or added. This protocol requires measure retirements, modifications and additions be proposed and discussed through the ESA Policy & Procedures/Installation Standards Sub Working Group before being submitted to the ESA WG for approval. Once approved, ESA measure offerings are updated to the public through the ESA Monthly Reports.
- **Fuel Substitution –** Fuel substitution measures involve energy efficiency projects where all or a portion of a building's existing energy use is converted from one fuel to another (i.e., natural gas to electricity). Only equipment fueled by regulated natural gas fuels being replaced with electrically powered equipment provided by a CPUC-regulated investor-owned utility or a municipal utility are eligible to provide fuel substitution measures in this policy. (D.19-08-009, August 5, 2019, pp.12 and 53. In Rulemaking R1311005.) Fuel substitution measures as defined above must pass the Fuel Substitution Test (FST). The FST has two components, herein referred to as Part 1 and Part 2 of the FST: Part 1) The measure must not increase total source energy; and Part 2) The measure must not adversely impact the environment. Fuel substitution measures are allowed in the Main ESA Program.
- **Fuel Switching –** The replacement of equipment powered by non-utility (unregulated) fuels with electric measures for the same end use. Unregulated fuels include, but are not limited to, solid heating fuels, propane or fuel oil. Fuel switching measures may be allowed in the Main ESA Program as authorized by the Commission.
- **Main Distribution Panel (MDP) –** Receives power from the electrical grid supply feeder and distributes electricity to various circuits throughout the home**.**
- **Maximum Cost Cap per Home –** Limits on the cost that can be incurred for an individual home without the specific approval of the utility Program Manager.
- **Non-Deed Restricted Properties –** Also known as "Market Rate Properties." These are multifamily residential complexes that are *not* financed with low income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants. These multifamily properties can receive 100% of in-unit project costs and up to 50% for common area and whole building measures. (D.21-06-015, OP.138, and Section 7.9.4, p.362.)

1 Introduction

1.1 Overview and Decision Directive

In Decision (D.) 21-06-015—the Decision on Large Investor-Owned Utilities (IOUs)[2] and Marin Clean Energy's California Alternative Rates for Energy (CARE), Energy Savings Assistance (ESA), and Family Electric Rate Assistance (FERA) Program Applications for Program Years 2021-2026)—the California Public Utility Commission (CPUC or Commission) approved two SCE electrification pilots.[3] The Commission also declined to impose new restrictions on ESA investments in Electrification until more information was gathered from the San Joaquin Valley Disadvantaged Communities (SJV DAC) and SCE electrification pilots before considering adding additional electrification measures and directives to ESA beyond what the CPUC has already approved.[4]

However, D.21-06-015 allowed efficient electrification measures to be considered during the 2021-2026 program cycle following the mid-cycle progress report and/or results from the various ongoing pilots and studies.[5] The ESA Working Group (ESA WG) was tasked to consider any updates proposed by the IOUs, including regarding the role of electrification in the ESA Program.[6] D.21-06-015 approved specific fuel substitution and switching measures in SCE's Main ESA program, and all of the IOUs may use the current ESA Measure Offering Proposal Protocols to request to add, modify, or retire ESA measures, including electrification measures.[7]

These policies also apply to ESA projects where the electrification measures are being funded by external programs, such as TECH Clean CA, Equitable Building Decarbonization, DOE Weatherization Assistance Program (WAP), etc. In these cases where an external program is providing additional funding, but the project is overseen by ESA implementers as part of the ESA treatment, these ESA electrification policies apply.

[2] The IOUs are: Pacific Gas and Electric Company (PG&E), San Diego Gas and Electric Company (SDG&E), Southern California Edison Company (SCE), and Southern California Gas Company (SoCalGas).
[3] D.21-06-015, OP.163 and OP.164 approved SCE's Building Electrification (BE) and Clean Energy Homes pilots. See also Section 8.5.3.1, pp.386-387 and Section 8.6.2.1, pp.389-390.
[4] D.21-06-015, Section 6.5.8.6, pp.195-196).
[5] Ibid.
[6] D.21-06-015, Section 10.3.6.3, p.420.
[7] The ESA Working Group's ESA Measure Offering Proposal Protocols to Retire, Modify and Add New Measures is discussed in Section 9.2 of this Attachment/Appendix, and in the Main ESA Program Policies & Procedures Manual (Section 5.3, pp.33-34, and see fn.48).

This Main ESA Electrification Policy Attachment (*Electrification Policy*) was written by the Ad Hoc Electrification Policy Development Sub-Group of the ESA WG's Policy & Procedures/Installation Standards Sub-Working Group (PP/IS SWG). The Ad Hoc Sub-Group included representatives from the IOUs, Main ESA and MFWB Implementers, CPUC Energy Division, and RHA's Technical Division contracted to help draft and maintain the ESA and MFWB Program Policies & Procedures and Installation Standards Manuals. The policies in this Electrification Attachment focus on ESA policies that are unique to electrification. All other ESA policies described in this ESA P&P Manual apply.

The *Electrification Policy* describes electrification policies for the Main ESA program based on:

- Decision directives and Advice Letters
- Pilots, studies and reports
- Lessons learned and best practices (especially as identified in recent electrification and SJV DAC pilots)
- Innovation (including from other programs such as TECH, or CCA sponsored programs)

The results from these efforts (i.e., pilots, studies, SJV, TECH, etc.) should continue to shape the *Electrification Policy* to ensure safe and accessible electrification solutions for low-income customers. The *Electrification Policy* will be reviewed, updated and revised on an ongoing basis to keep it current.

Electrification policy for the Main ESA Program allows for the implementation of fuel substitution measures. (Fuel substitution is defined in Section A herein.) Fuel substitution measures involve energy efficiency projects where all or a portion of a building's existing energy use is converted from one fuel to another (i.e., natural gas to electricity). Only equipment powered by CPUC-regulated or municipal natural gas fuels being replaced with electrically powered equipment provided by a CPUC-regulated or a municipal utility are eligible to provide fuel substitution measures in this policy.[8] Fuel substitution measures as defined above must pass the Fuel Substitution Test (FST). The FST has two components, herein referred to as Part 1 and Part 2 of the FST: Part 1) The measure must not increase total source energy; and Part 2) The measure must not adversely impact the environment. Fuel substitution measures are discussed in Section 6 herein.

[8] D.19-08-009, August 5, 2019, pp.12 and 53. In Rulemaking R1311005.

1.2 Policy Scope

This policy applies to all fuel substitution measures installed in the Main ESA program as of the date of approval by the ESA Working Group. The policy does not apply to fuel substitution measures which have already been installed under the ESA Main program. Additionally, the policy does not apply to fuel substitution measures installed as a part of the CPUC approved ESA pilots implemented in the current program cycle. This policy does not apply to fuel switching measures other than as addressed in Section 6.3 herein.

1.3 Structure of this Attachment

Section A: Common Terms and Definitions includes the common terms and definitions pertaining to the ESA Program that are used in this *Electrification Policy*. The remainder of this *Electrification Policy* is organized as follows:

Section 2 describes Customer Eligibility.
Section 3 describes Impact on Customer Energy Bills.
Section 4 describes Treatment of Rental Units.
Section 5 describes Guidelines for Electrical System Assessment.
Section 6 describes Fuel Substitution Measures.
Section 7 describes Type of Remediation Allowed.
Section 8 describes Cost Maximums.
Section 9 describes Customer Education.
Section 10 describes Natural Gas Appliance Testing and Evaluation.

2 Customer Eligibility

2.1 Overview

This section discusses eligibility of individual households that is unique for electrification measures. All other matters of customer eligibility related to ESA are addressed in the *Main ESA P&P Manual*. A household's eligibility for electrification may depend on several factors, as detailed in the subsections below.

2.1.1 Active CPUC-Regulated Gas and/or Electric Account

To be eligible for electrification, a customer must be served by an active CPUC-regulated gas and/or electric account/meter (including a master meter).[9] [10]

2.1.2 Additional Fuel Substitution Eligibility Criteria

In addition to requiring that customers receiving electrification have an active CPUC-regulated gas and/or electric account, other requirements include:

- The property must be eligible to be served by the ESA Program
- There must be active CPUC-regulated or municipal natural gas service to the home[11]

Fuel substitution eligibility based on the existing space/water heating provider and post-retrofit electricity provider is shown in Table 2-1.

[9] *Main ESA P&P Manual*, V.1.3, Sections 2.3-2.7, pp.17-24.
[10] D.19-08-009, COL.2, p.53.
[11] D.19-08-009, COL.2, p.53 and FOF.3,p.50. See also Section 5.2, p.12.

Table 2-1: Provider Retrofits Eligible for Fuel Substitution

FROM	TO		
Space or Water Heating Provider	**Electric Provider**		
	IOU	SMJU	Municipality
IOU Gas	✓	✓	*
SMJU Gas	✓	✓	*
Municipal Gas	✓	✓	--
Propane/Other	--	--	--
Solid Fuel	--	--	--
No Gas	--	--	--
*When electricity is provided by a municipality, fuel substitution measures are allowable when funded via leveraged funds. ESA dollars may NOT be used.[12]			

[12] D.19-08-009, OP.5.

3 Impact on Customer Energy Bills

3.1 Overview

ESA Decision 21-06-015[13] requires program to reduce hardship on income-qualified customers, including impact on customer energy bills. Energy bill impact insights from ESA pilots[14] highlight the importance of careful consideration of the energy bill impacts of electrification measures.

In keeping with these directives and lessons learned, this section establishes the minimum requirements for estimating the potential impacts electrification measures may have on energy bills and educating consumers to make informed decisions when considering fuel substitution measures.

3.2 Estimating Energy Bill Impacts

Utilities are encouraged to evaluate the potential impact of fuel substitution measures on customer energy bills. When estimating the bill impacts resulting from installation of fuel substitution measures, multiple factors should be considered, including fuel source and costs, equipment efficiency, utility rates, climate and user behavior.

3.2.1 Estimating Utility Bill Impacts

The CPUC bill impact calculator should be used to estimate the impact the installation of fuel substitution measures may have on each customer's utility bill. Until this calculator is released for use, CPUC or utility approved calculators should be employed. During this program cycle, implementers/contractors may also use other utility approved tools or methodologies, such as the following:

- Billing Analysis: Measure workpapers establish savings for a measure based on pre-existing equipment, new equipment selected, climate zone, capacity and other factors. The savings from these workpapers may be used to estimate measure bill savings by using local utility fuel prices and individual utility rate plans.

[13] D.21-06-015, Section 6.5.8.6, p. 195-196.
[14] IOUs ESA Program Midcycle Progress Report, A.19-11-003, 12/20/2023.

- This method should be paired with analysis of the customer's Advanced Metering Infrastructure (AMI) measured interval meter data, billing tariffs, and/or utility bills to improve accuracy.

- Energy Modeling: Utility approved energy simulation modeling software may be used for estimating energy bill impacts of fuel substitution measures.

3.3 Mitigating Bill Impacts

The ESA Decision 21-06-015 does not require the ESA Program to guarantee that fuel substitution measures will not increase customer energy bills. It did authorize the approved ESA electrification pilots to offer some or similar bill discount guarantees offered in SJV DAC pilots to mitigate adverse changes to energy bills after fuel substation measures were installed. The findings from ESA pilots highlight the importance of mitigating potential impacts to energy bills.[15] This section outlines suggestions to mitigate both potential energy bill increases and ensure customers can make informed decisions about the fuel substitution measures proposed.

3.3.1 Energy Bill Impact Mitigation Tactics

Utilities should focus on incrementally reducing the potential for customers' negative bill impacts by taking actions to minimize the likelihood of increased annual energy bills as a result of fuel substitution measures. This will include tactics that address the following items:

1. Identify customer segments and profiles specific to the relevant utility's climate zones, building stock and household energy profile that are most likely to experience neutral bill impacts or bill savings. Develop customer targeting plans that prioritize these customer segments and specific customer profiles in outreach and enrollment efforts.
2. Educate contractors and outreach personnel on approved customer segments and appropriate measures to recommend for fuel substitution.
3. Verify customer existing conditions that align with defined profiles during assessment and enrollment.
4. Consider additional energy saving measures that would help to mitigate the bill and bundle these other measures with the electrification measures.

[15] (D.21-06-015, OP.124 and Sec. 7.9.2, p.359.)

3.3.2 Customer Education

Customer education related to the benefits of electrification and the potential impacts to energy bills shall be conducted. Customers shall be provided with additional resources and leave behind information specific to recommended and feasible measures.

Customer education should also include assistance and information to ensure customer selects an appropriate rate plan for their electrical consumption post-retrofit.

4 Treatment of Rental Units

Policies for treatment of rental units are included in Section 2.6 of the *Main ESA P&P Manual*. This section focusses on specific policies pertaining to electrification measures, including rental agreements (Split Incentives, Tenant Protection and other Rental Agreements), co-payments, and cost sharing agreements. Subsection 4.1 outlines requirements for split incentive agreements (rent protection for tenants) and the timing of tenant agreements. Section 4.2 discusses co-payment requirements.

4.1 Tenant Protection/Rent Affordability Agreement

In order for tenants to be eligible for fuel substitution measures, the property owner should agree to and sign a Split Incentive[16] Agreement – herein referred to as a "Tenant-Protection Agreement" (TPA) or "Rent Affordability Agreement" – provided by the utility or their contractor and co-signed by the property owner.[17] The Tenant Protection Agreement (TPA) is intended to provide protections to the tenant that prevent the property owner from significantly raising rent prices or evicting tenants as a result of the home improvements received through electrification for at least five years following installation of measures.[18] IOUs may choose to incorporate tenant protection agreement language in their existing Property Owner Authorization (POA)[19] instead of using two separate property owner forms. By signing the TPA (or revised POA), property owners demonstrate their intent to protect participating renters from significant rent increases or displacement post-treatment for five years through:

- Eviction limits, and
- A fixed cap on annual rent increases at 3.6 percent.

[16] Split Incentives are a type of economic barrier common to the multifamily sector that occurs when occupants or tenants pay their own energy bills. In these cases, the building's owner/operator has little incentive to invest in efficiency upgrades and may also bill the energy costs for common areas to tenants as part of their rent. (See D.17-12-009 (Atch 1 Modifying D.16-11-022), Sec.3.9.3, pp.180-181.)

[17] D.21-06-015, OP.163 required SCE to "utilize Resolution E-5043's Appendix B 'Split Incentives Agreement' that requires owners to agree for five years to eviction limits and a fixed cap on annual rent increases at 3.6% to protect participating renters from significant rent increases or displacement post-treatment. SCE must adjust the required signing parties to their BE pilot 'Split Incentives Agreement' to include the property owner, tenant, and either their implementer or the utility." The original TPA was revised and streamlined by Energy Division.

[18] D.21-06-015, OP.163 and Section 8.5.3.1, p.387 authorized SCE's Building Electrification (BE) Pilot.

[19] The Property Owner Authorization form must be signed by the owner of tenant-occupied homes (or their authorized agent) authorizing ESA Program participation services for that property. See: Main ESA P&P Manual, v.1.3 (July 1, 2024), Section 2.5.1, p.22.

4.1.1 Timing of Tenant Protection/Rent Affordability Agreement

The contractor should not conduct a home assessment nor perform any work on the home until after the TPA or revised POA has been signed by the landlord.

4.2 Co-Pay Requirement[20]

IOUs are currently allowed to charge property owners a nominal co-payment for certain measures and may also opt to provide electrification measures to rental units with a co-payment from the property owner. Utilities may also work out leveraging and cost sharing opportunities with other programs.

[20] *Main ESA P&P Manual*, Section 2.6.2, pp.23-24.

5 Guidelines for Electrical System Assessment

5.1 Overview

Electrical system assessments are an element of providing fuel substitution measures and are a multi-step process that includes an inspection of the home's electrical system including connection to the electrical transmission and distribution network (electrical grid), identification of remediation needs, and calculation of total electrical loads, including new electrical loads to be installed.

This section describes policies for conducting electrical system assessments when evaluating and recommending fuel substitution measures. Fuel substitution measures shall not be installed if the electrical system cannot safely support the installation of fuel substitution measures or correction cannot be made within the scope of allowable auxiliary measures and/or remediation. In this case, the measure shall be considered non-feasible.

5.2 Assessments and Data Collection

An on-site assessment of all homes being considered for fuel substitution shall be conducted by a qualified individual prior to recommending fuel substitution measures. The assessment must include both home electrical systems (behind the meter) and electrical service between the home and the point of connection to the electrical grid (front of meter). At a minimum, information necessary to assess measures and conduct calculations shall be captured in the following areas:

- Building Characteristics and information necessary to perform electrical load calculations
- Electrical loads
- Electrical distribution and safety system, including main distribution panel
- Existing gas appliances

5.3 Electrical Load Calculations

Building electrical load calculations shall be conducted for all homes being considered for fuel substitution measures. One or a combination of approved methods for calculating building electrical loads in single family homes may be used, as detailed in the California Building Codes. Homes that do not have sufficient load capacity to accommodate fuel substitution measures shall be deemed non-feasible when 1) they cannot be remediated via the allowable electrification auxiliary measures and remediation or 2) they violate individual utility policy.

5.3.1 Remediation of Existing Code Violations

When an on-site assessment identifies existing code violations, including the service drop from the MDP to the point of interconnection with the electrical grid, remediations may be required before fuel substitution activities can safely occur, building permits can be finalized, and compliance with local utility requirements can be met. If remediation is not feasible for identified code violations, the measure(s) may be deferred, deemed ineligible, or authorized with special approval.

5.4 Infrastructure Capacity and Utility Coordination

When the assessment of electrical infrastructure determines that the installation of fuel substitution measures will create additional load and increase demand from the electrical grid, Implementers must coordinate with local electric utilities to ensure compliance with the individual utilities' rules and regulations and verify available capacity. When sufficient capacity cannot be provided or requirements cannot be met, the measure(s) shall be considered non-feasible.

6 Fuel Substitution Measures

6.1 Overview

This section discusses the allowable fuel substitution measure categories by end use, provides measure descriptions, and provides a list of those fossil fuel-burning appliances approved for replacement. Subsection 6.2 includes policies for fuel substitution measure inclusion and adoption, and Subsection 6.3 describes fuel switching policies. Subsection 6.4 lists the fuel substitution measure categories by end use, and Subsection 6.5 discusses approved fuel substitution measures. Subsection 6.6 discusses replacement of inoperable appliances, and Subsection 6.7 includes policies for auxiliary measures.

6.2 Fuel Substitution Inclusion Policy

For a measure to be classified as a fuel substitution measure in the Main ESA Program, all or a portion of a building's existing energy use must be converted from one fuel to another (i.e., natural gas to electricity). Only equipment powered by natural gas fuels provided by a CPUC-regulated or a municipal utility are eligible for fuel substitution measures, as shown in Table 2-1.

Fuel substitution measures are allowable under the Main ESA Program if they have been approved in D.21-06-015 or through the ESA Measure Offering Proposal process.[21]

6.3 Fuel Switching Policy

Fuel switching measures are currently not allowed in the Main ESA Program, unless specifically authorized by the Commission. Fuel Switching is defined in Section A herein as "the replacement of equipment powered by non-utility (unregulated) fuels with electric measures for the same end use. Unregulated fuels include, but are not limited to, solid heating fuels, propane or fuel oil."

[21] This CPUC approved measure proposal process shows that the measure is compliant with this policy and is described in Section 5.3 of this *Main ESA P&P Manual*, fn.48, p.33. Following adoption and notice in the IOU Monthly Report, measure installation standards will be included in the *IS Manual*.

6.4 Appliance Categories by End Use

Table 6-1 includes fuel substitution measure categories by end use. Measure specific eligibility and feasibility requirements are detailed in the *IS Manual.*[22]

Table 6-1: Fuel Substitution Categories

Measure Category
Water Heating
Space Heating and Cooling
Combined Space and Water Heating
Cooking
Clothes Drying

6.5 Allowable Fuel Substitution Measures

Fuel substitution measures that have been approved by the CPUC and/or through the ESA Measure Offering Proposal process are eligible for installation under this policy. Specific measures and installation requirements are provided in the *IS Manual*.

6.6 Inoperable Appliances

Inoperable gas appliances may be replaced through fuel substitution when:

- All other appliances are electric or will be converted to electric through fuel substitution and the inoperable appliance is the last remaining gas appliance in the home, or
- The cost to repair the inoperable appliance is more than the cost to replace with a new gas appliance, as follows:
  - Central furnaces – 50% of replacement cost, or more.
  - Wall/floor/direct vent wall furnaces – 40% of replacement cost, or more
  - Water heaters – 50% of replacement cost, or more
  - Cooking appliances – 40% of replacement cost, or more

[22] ESA California Installation Standards Manual, Version 1.4, dated July 1, 2024.

6.7 Auxiliary Measures

Auxiliary measures include installation of new or upgraded electrical equipment required to facilitate fuel substitution measure(s) installation. In order to access funds for auxiliary measures, at least one fuel substitution measure must be installed. Auxiliary measures may include:

- New 120V and/or 240V Circuit: Installation of circuit breaker, conductors and outlet for new electrical appliance requiring a dedicated circuit.
- Sub-Panel: Installation of a new sub-panel to facilitate installation of one or more electrical appliances when the MDP has adequate capacity but lacks the necessary busbar terminals to install new circuits.
- Electrical Panel Replacement: Replacement of an existing MDP and circuit protection with the same ampacity as the existing electrical service.
- Electrical Panel and Service Upgrade: Replacement of existing electrical service drop and MDP with new equipment rated to the ampacity of the upgraded service drop (e.g. 100A upgrade to 200A service).
- Non-Coincident Load Sharing Devices: Installation of a load splitting device, or circuit breaker with load sharing capabilities as defined by CEC Section 220.6. This device allows for two non-coincident loads to share a single dedicated circuit.

Auxiliary measures funded through leveraged funding sources specifically for the installation of fuel substitution measures are allowable and subject to this policy.

7 Type of Remediation Allowed

7.1 Remediations Overview

This section addresses policies and procedures for remediations. Subsection 7.1.1 defines the types of remediation. Subsection 7.2 describes electrical remediation and the policy for allowable remediation activities. Subsection 7.3 describes building remediations, the allowable activities, and policy for conducting these activities. Subsection 7.4 describes the cost limits for remediation.

7.1.1 Types of Remediation

Remediations are defined as building improvements, outside the scope of standard measure installation procedures, necessary to facilitate safe and code compliant installation of fuel substitution measures. Remediations are divided into two categories: (a) Electrical remediations and (b) Building remediations.

- Electrical remediations are defined as electrical system repairs necessary to facilitate the safe and code compliant installation of electrification measures.
- Building remediations are defined as non-electrical repairs unique to the physical condition of the dwelling unit that must be completed to safely install electrification measures.

Note: Electrical system upgrades are listed as auxiliary measures in Section 6 herein and are distinct measures, not included in remediation activities.

7.2 Allowable Electrical Remediation Activities

Electrical remediations allowable under the ESA program to facilitate the installation of fuel substitution measures are listed in Table 7-1.

Table 7-1: Allowable Electrical Remediations

Electrical Remediation	Description
Electrical repairs for code compliance	Correction of code violations necessary to pass local and utility final inspections.
Electrical repairs to facilitate measure installation	Electrical repairs to existing electrical system necessary to facilitate the installation of fuel substitution measures.
Electrical Safety Hazards	Repair of other electrical hazards necessary to protect the health and safety of customers

7.2.1 Electrical Remediation Policy

These repairs may be undertaken in combination with auxiliary electrical measures as listed in Section 6 herein when:

- Customer does not have sufficient service capacity for fuel substitution measures to be installed.
- Customer has sufficient capacity but requires electrical remediation or auxiliary measures to bring electrical system into compliance with applicable codes and facilitate installation of fuel substitution measures.

7.3 Non-Electrical Building Remediations

This section describes the policies for building remediations necessary to facilitate the safe and code compliant installation of fuel substitution measures as defined herein. These remediations are distinct from Minor Home Repairs as defined in the Main ESA P&P[23] and MFWB P&P[24] documents. Building remediation does not include the repair of non-functional electrical appliances, or general building repairs not specifically required to facilitate installation of electrification measures. All building remediation shall be done in a manner that maintains accessibility for customers with access and functional needs or other observed disabilities. In order to access funds for remediation, at least one fuel substitution measure must be installed under Main ESA.

7.3.1 Allowable Building Remediations

Building remediations are allowed when necessary to achieve one or more of the following:

1. Create necessary physical clearances for the installation of a measure.
2. Repairs necessary to mitigate immediate observable hazards.
3. Remove obstacles or re-route plumbing and electrical infrastructure to accommodate the installation of a measure.
4. Repair or replace degraded, damaged or non-complaint components of a distribution system physically attached to an electrification measure. Examples include but are not limited to plumbing repairs, removal of hazardous materials (within program limits), non-structural blocking and other miscellaneous repairs of distribution systems not covered under Minor Home Repair.

[23] Statewide ESA P&P Manual V1.1
[24] Statewide ESA Multifamily Whole Building P&P V1.0

5. Minor repairs to finishes are allowed when installation of fuel substitution measures or auxiliary measures requires the removal of finishes. Finishes may include non-structural blocking, drywall, tape, texture and primer/sealer, interior trim or wood paneling.

7.4 Cost Limits on Remediation

There are two types of limits on costs incurred for electrical and building remediation. Cost limits in this section do not include costs associated with auxiliary measures described in Section 6 herein.

Cost limits for remediation as determined in this section may be increased or decreased with special written approval from the funding utility.

7.4.1 Average Cost Limits

These are limits on the average cost of categories of service across all ESA homes receiving at least one electrification measure. They are designed to provide overall cost control for the provision of these services. Average Cost Limits have not yet been recommended by the ESA Working Group and will be revisited once sufficient remediation cost metrics have been acquired through the implementation of fuel substitution measures in the ESA program. Until statewide cost limits are in place, each investor-owned utility should establish their own cost limits.

7.4.2 Individual Home Limits

These are defined as limits on the cost that can be incurred for an individual home when installing at least one fuel substitution measure, without the specific approval of the utility Program Manager. Individual Home Cost Limits have not yet been recommended by the ESA Working Group and will be revisited once sufficient remediation cost metrics have been acquired through the implementation of fuel substitution measures in the ESA program. Until statewide cost limits are in place, each investor-owned utility should establish their own cost limits.

8 Cost Maximums

This section includes cost controls for fuel substitution measures only, and NOT for remediation and/or repairs required before fuel substitution measures can be installed. The cost caps for remediation are set forth in Section 7 herein. Subsection 8.1 addresses the maximum cost cap per home.

8.1 Maximum Cost Cap Per Home

Maximum cost caps are defined as limits on the cost that can be incurred for an individual home without the specific approval of the utility Program Manager. Cost limits have not yet been recommended by the ESA Working Group and will be revisited once sufficient remediation cost metrics have been acquired through the implementation of fuel substitution measures in the ESA program. Until statewide cost limits are in place, each investor-owned utility should establish their own cost limits.

In the event that a contractor requests permission from the utility Program Manager to exceed their utility's maximum cost cap per home for fuel substitution, the Program Manager should consider 1) the savings and health safety benefit to the customer, 2) the estimated cost of the contractor's proposed measure, and 3) the remediation and repairs associated with the measure. If the Program Manager deems it necessary to limit expenditures on the home, measures may be prioritized using the following general priority list:

- Effect the measure will have on the customer's bill (see also Subsections 3.2 and 3.3 herein regarding bill impact analysis and estimation)
- The greenhouse gas offset by the installation
- The amount of remediation required for the installation
- The extent to which the home will result in a complete electrification

9 Customer Education

Customer education is critical to the customer's understanding of how to operate newly installed equipment, and the resources available to them for any questions that they may have, how fuel substitution may affect their energy costs, and how to maximize the benefits of electrification. This section summarizes the topics that must be included as part of customer education for fuel substitution customers. Subsection 9.1 discusses providing equipment operation and performance education to customers. Subsection 9.1.1 discusses educating customers regarding the benefits and impacts of electrification and Subsection 9.1.2 addresses systems maintenance requirements. Subsection 9.2 discusses providing rate education to customers to ensure they are on the most optimal rate to benefit from their new equipment. (Additional detail on customer education is provided in Subsection 3.3.2.)

9.1 Equipment Operation and Performance

Customers shall be provided with education to ensure that they understand and can correctly operate their new technology. Leave behind collateral material that may be used to supplement face to face education. This may include answers to frequently asked questions, details reinforcing what the contractors have told them, and helpful contact information.

9.1.1 Benefits and Impacts of Electrification

As part of the standard assessment, Contractors should make sure that the customer will benefit from electrification. Customer education should encompass the benefits of electrification and the potential impacts to energy bills based on the assessment. Contractors should provide customers with additional resources and leave behind information.

9.1.2 Fuel Substitution Equipment Maintenance Education

Contractors should review equipment maintenance requirements with the customer. Equipment manufacturer maintenance, warranty, and instructional documentation should be included in the collateral material left behind along with contact information and helpful web links.

9.2 Utility Rate Review

When fuel substitution measures are considered and/or installed, rate options should be reviewed with the customer, ensuring that the customer will be enrolled in or educated on the optimal rate structure for their home post retrofit. Customers, at a minimum, should also be provided with collateral that includes information on rates and contacts.

10 Natural Gas Appliance Testing (NGAT) and Evaluation

This section summarizes statewide policy for the Main ESA Program's natural gas appliance testing and evaluation requirements when installing electrification measures. Subsection 10.1 discusses when such testing/evaluation shall be conducted. Subsections 10.2 and 10.3 present the general protocol for pre- and post-electrification activities.

10.1 Applicability of Natural Gas Appliance Testing and Evaluation

In general, natural gas appliance testing or evaluation will be conducted for all homes that receive infiltration reduction measures and that have at least one natural gas appliance affecting the living space.[25]

Additionally, when electrification measures are installed, regardless of the installation of infiltration reduction measures, a combustion appliance safety test is required if:

- Natural gas appliances are still present and affect the living space[26], and
- The newly installed electric appliance changes the air dynamics within the living space

The air dynamics of the living space are affected when the electric appliance is installed in a manner that 1) depressurizes conditioned space, or 2) reduces the amount of combustion and ventilation air (CVA) provided to a combustion appliance. More detailed examples are provided in the contractor guide "Electrification's Effects on the Air Dynamics of the Home."

10.2 Pre-Electrification Check of Gas Appliances

In order to avoid cases in which post-electrification NGAT would discover nonconforming conditions that (a) preclude installation of electrification measures, and (b) cannot be corrected within the scope of the program, some pre-installation checks of gas appliances are performed as part of the electrification assessment.

[25] The NGAT section of the IS Manual describes the conditions under which an appliance is determined to affect the living space.
[26] Refer to the *IS Manual* (v. 1.3), Section 24: NGAT, Item 2, page 24-2 for a description of "Natural Gas Appliances Affecting the Living Space"

The customer will be informed of conditions that prevent the installation of electrification measures and cannot be remedied by the ESA Program. These items include, but are not limited to:

- Inadequate CVA for the remaining appliance
- Gas dryers vented to the inside
- Improper/unsafe gas appliance that will not be removed or repaired
- Appliances using combustion fuel other than IOU natural gas

10.3 Post-Electrification NGAT

After completion of the installation of electrification measures, post-NGAT is performed for all natural gas appliances affecting the living space if the newly installed electric appliance also affects the air dynamics of the living space.

Exhibit 54

Decision 12-08-044 August 23, 2012

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of its 2012-2014 California Alternate Rates for Energy (CARE) and Energy Savings Assistance Programs and Budgets.	Application 11-05-017 (Filed May 16, 2011)
And Related Matters.	Application 11-05-018 Application 11-05-019 Application 11-05-020

DECISION ON LARGE INVESTOR-OWNED UTILITIES' 2012-2014 ENERGY SAVINGS ASSISTANCE (ESA) (FORMERLY REFERRED TO AS LOW INCOME ENERGY EFFICIENCY OR LIEE) AND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) APPLICATIONS

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DECISION ON LARGE INVESTOR-OWNED UTILITIES' 2012-2014 ENERGY SAVINGS ASSISTANCE (ESA) (FORMERLY REFERRED TO AS LOW INCOME ENERGY EFFICIENCY OR LIEE) AND CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) APPLICATIONS

1. Summary

Today, we approve approximately $5 billion to continue our two energy-related low income programs, the Energy Savings Assistance (ESA) (formerly known as Low Income Energy Efficiency (LIEE)) and the California Alternate Rates for Energy (CARE) Programs for Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas), (collectively IOUs or Utilities) for the 2012-2014 program cycle. The ESA Program budget now exceeds $1 billion, and the CARE Program budget total is just under $4 billion for the Utilities' next program cycle.

The ESA and CARE Programs are the Commission's two main low income energy assistance programs administered by the IOUs. Both programs are funded by non-participating ratepayers as part of a statutory "public purpose program surcharge" that appears on their monthly utility bills.[1] For each budget cycle, the Commission approves budgets for and directs the IOUs' administration of the ESA and CARE Programs for the next program cycle. The Commission also monitors these programs to ensure that they deliver the benefits envisioned in the California Long-Term Energy Efficiency Strategic Plan (Strategic Plan); that the ESA Program effectively evolves into a resource program that garners significant energy savings in our state, while providing an

[1] California Public Utilities Code Section 382. All references to Code hereinafter refer to California Public Utilities Code.

improved quality of life for California's low income population;[2] and that the CARE Program continues its current and successful course of effectively providing the necessary assistance to those eligible customers.

We realize that while the ESA Program is a low income program that contributes to the quality of life of low income communities, we confirm that, at its core, it is an energy efficiency program. Thus, the program must be directed, administered and delivered in a manner so as to yield significant energy savings. To achieve optimal energy savings, the ESA Program must be administered cost-effectively to yield maximum energy savings at reasonable costs.

We also recognize that due to the economic recession, the need for the assistance and relief provided through the CARE Program is more critical now than ever, and the challenge for the Commission in this decision is to make certain the CARE Program is efficiently and effectively administered and delivered in ways that ensure that the benefits (CARE discount rate) are delivered to the maximum number of eligible households.[3]

As we approve these sizable ratepayer funded program budgets, we also remind ourselves of our duty to those ratepayers and are committed to the careful oversight of the IOUs' administration of these programs in the upcoming cycle, as well as monitoring the attendant management and expenditure of those funds we direct.

---

[2] D.08-11-031 at 2.

[3] In this decision the terms household and home (or dwelling unit or unit) may be used interchangeably, as the program enabling terms provide eligibility based on household-based criteria and the actual measures are delivered to homes, dwelling units or units.

In this decision, we examine the ESA Program and its next program cycle. In doing so, we are guided by the 2005 Commission and California Energy Commission's Energy Action Plan[4] (Action Plan) as well as our Strategic Plan[5] which set forth:

> … a roadmap for energy efficiency in California through the year 2020 and beyond. It articulates a long-term vision and goals for each economic sector and identifies specific near-term, mid-term and long-term strategies to assist in achieving those goals.[6]
>
> … [The] goal is for California's energy to be adequate, affordable, technologically advanced, and environmentally-sound …[C]ost effective energy efficiency is the resource of first choice for meeting California's energy needs. Energy efficiency is the least cost, most reliable, and most environmentally sensitive resource, and minimizes our contribution to climate change.[7]

Particularly in these challenging economic times, we must remain steadfast in our vision and remind ourselves of the vision that the Commission adopted for the low income communities in our Strategic Plan that "By 2020, 100 percent of eligible and willing customers will have received all

---

[4] *See* Energy Action Plan II, Implementation Roadmap for Energy Policies II, California Energy Commission and California Public Utilities Commission, September 21, 2005. Available at: http://docs.cpuc.ca.gov/word_pdf/REPORT/51604.pdf.

[5] *See* Strategic Plan (http://www.cpuc.ca.gov/NR/rdonlyres/D4321448-208C-48F9-9F62-1BBB14A8D717/0/EEStrategicPlan.pdf); see also January 2011 Update to Strategic Plan (http://www.cpuc.ca.gov/NR/rdonlyres/A54B59C2-D571-440D-9477-3363726F573A/0/CAEnergyEfficiencyStrategicPlan_Jan2011.pdf).

[6] *Ibid.*

[7] *Ibid.*

cost-effective [Energy Savings Assistance Program] … measures."[8] This vision was also echoed and codified by the legislature.[9] To realize that vision, Strategic Plan sets these goals for the ESA Program:

1. By 2020, all eligible customers will be given the opportunity to participate in the ESA Program.
2. The ESA Program will be an energy resource by delivering increasingly cost-effective and longer-term savings.[10]

In this decision, as we also examine the CARE Program and its next program cycle, we acknowledge the progress the CARE Program has made over the past cycle including the IOUs' showings of impressively high penetration rates during the 2009-2011 program cycle of reaching, more or less, the 90% CARE penetration goal set in Decision (D.) 08-11-031 by the Commission.

1.1. Adopted Budgets for 2012-2014 Energy Savings Assistance and California Alternate Rates for Energy Programs

This decision acts on the 2012-2014 ESA and CARE applications of the four major investor-owned utilities, PG&E, SCE, SDG&E, and SoCalGas, (collectively IOUs or Utilities). We adopt the following ESA and CARE budgets for the IOUs:

---

[8] *Ibid.*

[9] Code Section 382 (e) provides, *inter alia*: The commission shall, by not later than December 31, 2020, ensure that all eligible low-income electricity and gas customers are given the opportunity to participate in low-income energy efficiency programs, including customers occupying apartments or similar multiunit residential structures. The commission and electrical corporations and gas corporations shall make all reasonable efforts to coordinate ratepayer-funded programs with other energy conservation and efficiency programs and to obtain additional federal funding to support actions undertaken pursuant to this subdivision.

[10] *Id* at 1.

Adopted Budget Summary 2012-2014				
	ESAP			
Utility	2012	2013	2014	Cycle Total
PG&E	$150,982,212	$156,363,352	$161,862,111	$469,207,675
SCE	$72,461,946	$72,640,016	$72,736,631	$217,838,592
SDG&E	$21,716,006	$22,140,542	$22,515,618	$66,372,165
SoCalGas	$113,292,891	$117,559,854	$120,506,165	$351,358,910
Total	**$358,453,054**	**$368,703,763**	**$377,620,525**	**$1,104,777,343**
	CARE			
	2012	2013	2014	Cycle Total
PG&E	$675,989,667	$647,446,512	$620,716,512	$1,944,152,691
SCE	$342,557,000	$389,156,000	$429,212,000	$1,160,925,000
SDG&E	$79,108,350	$87,972,980	$89,010,739	$256,092,069
SoCalGas	$145,516,024	$145,870,266	$147,360,024	$438,746,314
Total	**$1,243,171,041**	**$1,270,445,759**	**$1,286,299,275**	**$3,799,916,075**

2008 was the year we set these programs on their current and broad directions with D.08-11-031 for program cycle 2009-2011. Today, with this decision, we embark on the next phase of this proceeding and a challenging and working program cycle, 2012-2014, to actively fine tune these successful programs toward continued program successes.

To do so, we (1) resolve numerous poised issues in this decision based on the record of this proceeding, including the directions and budgets necessary to continue the ESA and CARE Programs during the 2012-2014 program cycle, and (2) direct several of the more complex issues be further investigated, examined, explored, debated and brought back to the Commission through the frameworks we set in this decision during the second phase of this proceeding, including the working groups and studies.

The issues that will be examined further during the second phase of this consolidated proceeding are: a comprehensive multifamily segment strategy (see Section 3.10.6.4. of this decision) including the review of potential expedited enrollment process, ESA Program cost-effectiveness methodology (see Section 3.5.4. of this decision), several critical low income program studies and reports

(see Sections 5.2.5, 5.2.6 and 5.2.7.) as well as review of any pilot program evaluation and several other working groups ordered in this decision (see Sections 3.5.4., 3.11.5.4., 3.11.5.5., and 5.3.8.).

1.2. Key Highlights of 2012-2014 Energy Savings Assistance Program

In this decision, we begin with the general and broad directions we set out in D.08-11-31 following the Strategic Plan and begin to further refine the ESA Program. As a mature and largely successful program, the Commission finds it imprudent to make whole-sale changes to this program, unless the proposed changes are likely to yield significantly more benefits and the costs associated with those same changes are outweighed by those likely benefits to be attained. We note, it is not the intent of the Commission to redesign and overhaul program each program cycle nor would such administrative and delivery disruptions and program uncertainty truly benefit the overall program goals or the low income population this program must serve. The approach, going forward therefore, will be to build upon the successes to date while actively refining the program to enhance program success, based on the experiences and lessons we learned during the preceding program cycle.

We do so, with forward looking vision, smarter and streamlined program implementation, by increasing consistency and coherence in delivery of demand side programs, and by promoting and encouraging creativity, innovation and efficiency through tailored, adaptable and flexible program delivery.

- **Forward looking**: As we look to the remaining eight years of the ESA Program, toward 2020, we must approach our next set of strategies with that ultimate overall vision and we should plan, set and take purposeful actions with such forward looking vision.

- **Smarter and streamlined**: Rather than focusing solely on new ideas and pilots, we must not lose sight of the ESA Program success to date and work together to share the numerous best practices, lessons learned and focus on creative and innovative ways to continue to do things better and refine program components to heighten program success.
- **Consistency and coherence:** The ESA Program approach going forward must achieve consistency, where possible, with the Commission's demand side programs to effectuate a cost-effective, efficient, integrated and coherent delivery of those programs.
- **Tailored**: The approach going forward must comprise of purposeful program strategies that understand the low income communities and must be tailored to that remaining ESA Program eligible and untreated households.[11]
- **Adaptable**: The ESA Program is squarely in the throes of the ever changing landscape of energy, with countless local, State and federal governmental and non-governmental programs and efforts directed at energy use, energy savings, energy education, and other energy-related efforts. The ESA Program must look to and creatively integrate, leverage and partner with those efforts, wherever possible.
- **Flexible**: The IOUs and other ESA Program stakeholders have achieved great program success and have gained incredible experience in the low income communities while implementing the ESA Program for over two decades. We have learned that the IOUs seem to work best when they are given guidance and directions with discretion rather than rigid prescriptive directions. Such approach should continue.

[11] *See supra* footnote 3.

With that, some key highlights of the changes we make to the ESA Program for 2012-2014 are:

- **Integration:** The IOUs are reminded and directed to continue all their ongoing integration efforts amongst the IOUs' ESA Program, CARE Program, Energy Efficiency programs, Demand Response programs, California Solar Initiative, and any other of the IOUs' demand side programs.
- **Leveraging:** We approve the IOUs' proposed leveraging efforts and direct the IOUs to continue their current leveraging efforts, with the exception of the California Advanced Homes Program. We also direct the IOUs to proactively explore, find and take advantage of all potential leveraging opportunities for the ESA and CARE Programs with other programs offered in California by coordinating actual program delivery to promote long term enduring energy savings and cost efficiency. Going even a step further, the IOUs must actively share their successful leveraging models and to try and duplicate the successes of other IOUs' leveraging efforts, where possible.

  The IOUs are directed to begin immediate coordination with the Energy Division to convene and begin discussions, on as-needed frequency, with California Department of Community Services and Development (CSD) to develop and implement an effective leveraging plan between the ESA Program and CSD and shall continue their current efforts of utilizing dual providers for ESA and CSD in program delivery, where feasible. For this 2012-2014 cycle, the IOUs shall focus their leveraging effort with CSD in refining the data sharing activities with CSD's Low Income Home Energy Assistance Program/Weatherization Assistance Program (LIHEAP/WAP) and to devise a CSD leveraging plan.

- **Marketing, Education & Outreach (ME&O):** We encourage the IOUs to use ESA and CARE Programs' ME&O strategies that embrace and recognize the importance of community, local, regional, ethnic as well as ethnically-owned media as ways of effectively reaching and penetrating some of the most difficult to reach pockets of the low income communities. The IOUs should track and report on the progress of these outreach efforts in their annual report, and the reporting should indicate specific activities and contracts, actual expense, as well as qualitative and quantitative attributes of resulting enrollment from each effort, to illustrate which efforts result in effective outreach and penetration of the most difficult to reach pockets of the low income communities.

  We direct the IOUs to continue to conduct their current overall ESA and CARE Programs' ME&O efforts as directed in this decision but to anticipate and make some ME&O mid-cycle adjustments to participate in and align with the overall statewide ME&O activities resulting from D.12-05-015, the recently issued guidance decision in the general energy efficiency docket, Rulemaking (R.) 09-11-014. We direct the IOUs to file their statewide ME&O applications incorporating low income programs' ME&O issues by August 3, 2012 as ordered in D.12-05-015.

- **Program Delivery and Design:** Without overhauling the ESA Program delivery model, we direct the IOUs to implement the delivery enhancements we approve in this decision based upon lessons learned to date and the recommendations from the 2009 Process Evaluation Report, including review and update of the property owner waiver and co-pay forms. The property owner waiver and co-pay forms should be simplified, made uniform among the IOUs and made available in languages other than English, if there is sufficient need justifying such expenditure. Once fully implemented, SCE should report to the other IOUs on the effectiveness of its integrated schedule manager and routing tool for possible statewide adoption. These process and delivery enhancements should help the ESA Program (1) move towards paperless

operations, and (2) provide outreach and assessment contractors with more information before getting into a home to better prepare and enable them to understand that household and tailor measures to the household, while also reducing visits, wherever feasible, to complete installations in a single visit.

The IOUs are directed to integrate their Home Energy Efficiency Surveys programs and the California Integrated Customer Energy Audit Tool into the ESA Program so that ESA contractors can use this information for easier enrollments and assessments.

- **Working Groups (ESA Program Workforce Education & Training (WE&T) Working Group and Mid-Cycle Working Group):** Within 60 days of the effective date of this decision, the Energy Division is directed to form an ESA Program WE&T Working Group and a Mid-Cycle Working Group to review those components of the Commission's ESA and CARE Programs to make recommendations for refinements to improve, wherever possible, the design, administration, delivery and ultimate success of these programs. Final Report and Recommendation by the ESA Program WE&T Working Group and Mid-Cycle Working Group are due July 15, 2013.

- **Cost-effectiveness Working Group:** Within 60 days of the effective date of this decision, the Energy Division is directed to form an ESA Program Cost-effectiveness (CE) Working Group. By February 15, 2013, the Energy Division must issue a white paper on the subjects of the ESA Program's cost-effectiveness methodology as well as framework.

  By March 15, 2013, the CE Working Group shall convene a minimum of two public workshops and/or meetings, and by July 15, 2013, the CE Working Group shall submit to the assigned Administrative Law Judge (ALJ) its Final Proposal and Recommendation. The ALJ thereafter shall circulate the Recommendation for comments to the service list of this proceeding. The final Recommendation for any

proposed revised cost-effectiveness methodology and framework must be forward looking and shall take into account the ESA Program goals and the goals of the Strategic Plan.

- **Refrigerator Replacement Criteria:** We approve the proposed change to the ESA Program refrigerator replacement criteria from pre-1993 units to pre-1999 units.
- **Eight Immediate Multifamily Segment Strategies:** As the first prong of a parallel, two-pronged approach, we direct the IOUs to immediately begin improving their penetration of the multifamily segment of the low income population, with the eight immediate Multifamily Segment Strategies, including additional measure offerings. The IOUs are directed to immediately roll out the following strategies: (1) Whole Neighborhood Approach; (2) Property Owner Waiver Update; (3) Updated Marketing Approach to Multifamily Homes; (4) EUC/MIDI/MFEER Coordination; (5) Single Point of Contact; (6) Same Day Enrollment, Assessment, and Installation; (7) Streamline Practice and Service Delivery; and (8) Providing Feasible Measures for Multifamily Segment Including Retention of Certain Measures Proposed for Retirement for program cycle 2012-2014.
- **Comprehensive Multifamily Segment Strategies**: As the second and complementary part of this parallel, two-pronged approach, we direct the IOUs to take the following planning activities during the second phase of this proceeding toward developing a set of comprehensive Multifamily Segment Strategies. The IOUs must establish a consultant budget, authorized at $400,000, and provide a framework and directions to contract a consultant for immediate and full examination of the Multifamily Segment issue to devise a full set of comprehensive Multifamily Segment Strategies. Specifically, the IOUs are directed to begin developing and advancing more long-term and comprehensive multifamily segment strategies as ordered in this decision. A consultant shall be hired, and final report is due prior to June 14, 2013, with recurring

stakeholder workshops held throughout and leading to its development.

- **Expedited Enrollment Proposal, Housing Subsidy and Income Definition:** In addition to the two-pronged multifamily approach we order in this decision and while the multifamily consultant process during the second phase of this proceeding is underway, the Commission intends to further examine and develop an informed record regarding National Consumer Law Center, Inc. (NCLC)'s proposed multifamily expedited enrollment process, including identifying and examining relevant legal and operational hurdles (e.g., housing subsidy and definition of income, and potential need for memorandum of agreement or understanding with other potential partner agency(ies)), toward development of feasible expedited enrollment process. The ALJ has already made an expedited request for staff's legal analysis and recommendation to lay the foundation for this examination and anticipates issuance of a ruling setting briefing schedule after the decision is issued.
- **Energy Education Study:** We approve the request for a $300,000 for shared energy education evaluation study by the IOUs.
- **Leave-Behind Energy Education DVD:** We approve SoCalGas' request for $65,000 for leave-behind energy education DVDs.
- **New Joint Impact Evaluation:** We approve and authorize a budget and framework for the joint Impact Evaluation, as proposed and described in SCE's testimony, and direct that the Energy Division and the IOUs take all actions reasonably necessary to ensure that by no later than August 31, 2013, the Final Impact Evaluation Report is posted on Energy Division's Public Download Area website: http://www.energydataweb.com/).
- **New Low Income Needs Assessment Study:** We direct and authorize a budget and framework for an updated Low Income Needs Assessment Study and direct that the Energy Division and the IOUs take all actions reasonably

necessary to ensure that by no later than August 31, 2013, the Final Needs Assessment Study is posted on Energy Division's Public Download Area website: (http://www.energydataweb.com/).

- **IOUs' Quarterly Public Meetings:** The IOUs' Quarterly Public Meetings which had initially been mandated by D.06-12-038, shall be modified as follows: (1) The IOUs are relieved of the Quarterly Public Meetings ordered in D.06-12-038; (2) The IOUs shall convene a minimum of one public meeting per year, within 60 days of their filing of the annual report, and other public meetings as deemed necessary by the IOUs, the Energy Division, the ALJ, or the Commission; and (3) In the upcoming 2012-2014 program cycle, IOUs are directed to use the IOUs' public meetings as a forum to host the working groups ordered in this decision.

1.3. Key Highlights of 2012-2014 California Alternate Rates for Energy Program

In this decision, we reexamine the CARE Program. We are at the heels of great program success over the past cycle including the IOUs' showings of impressively high penetration rates during the 2009-2011 program cycle of reaching, more or less, the 90% CARE penetration goal set in D.08-11-031 by the Commission. Some of the major lessons learned during the last program cycle suggest that the CARE Program experiences an extremely high attrition rate and the program design may need to be tightened to ensure the CARE discount rate and subsidy are not being unlawfully diverted to ineligible customers at the expense of the ratepayers.

With that, in this decision, we update the CARE Program in several respects and some key highlights of the changes we make to the CARE Program for 2012-2014 are:

- **Enrollment Review:** We retain the 90% CARE penetration target we established in D.08-11-031. However, we emphasize, that in this cycle and going forward, the IOUs shall enhance their Post Enrollment and Post Re-certification Income Verification as directed in this decision and direct their CARE enrollment activities toward ensuring and delivering the CARE Program benefits to only those eligible customers for whom it was designed.
- **Aggressive and Tailored Outreach:** We recognize and therefore direct the IOUs to employ more focused and aggressive outreach strategies to maintain and increase the current penetration rates to offset the number of customers lost through attrition factors, and to further streamline the program administration toward cost-effectively identifying, targeting and reaching the remaining hardest to reach CARE eligible population.
- **Categorical Eligibility and Enrollment Program:** The IOUs are directed to retain and follow our current Categorical Eligibility and Enrollment Program to continue to allow continued ease of access for enrolling customers into the CARE Program. The IOUs are also directed to jointly review and submit, by Tier 2 Advice Letter, a list of proposed categorical eligibility low income programs with income thresholds consistent with the CARE and ESA Programs annually by January 31st, and the Energy Division will review the proposed list and issue an annual letter listing approved categorical eligibility programs along with the annual CARE income guideline letter on April 1st each year.
- **Post Enrollment and Post Re-certification Income Verification:** The IOUs are directed to develop and implement interim and long term stratified probability Post Enrollment and Post Re-certification Income Verification models as directed in this decision to cost-effectively identify and income verify those enrollees who have the probability of being ineligible in the program, while tailoring the models to each of the IOUs' territory that incorporate basic probability factors, inputs,

populations and costs. Each IOU shall develop and begin implementing its interim probability model within 60 days of this decision. The IOUs are directed to track, monitor and report the number and specific reasons for each CARE customer de-enrolled during the Post Enrollment and Post Re-certification Income Verification process (e.g. customer non-response to the IOUs' request for income verification, deemed ineligible for the program, etc.) as well as how that customer was initially enrolled in the CARE Program (e.g., capitation agency, self-certification, categorical enrollment, etc.). Each IOU shall, based on the lessons learned through implementation of the interim models, devise a long term Post Enrollment and Post Re-certification Income Verification probability model as well as optimal verification rate and submit them for review by September 2013, by Tier 2 Advice Letter.

- **Income Verification/Documentation:** In lieu of providing income documentation, CARE customers who have been income verified by a qualifying categorical eligible low income program may submit proof of enrollment in an approved categorical eligibility program. The IOUs are also directed to explore and employ all reasonable methods of easing the documentation presentation by the enrollees during any verification processes, such as being able to submit documentation via email, facsimile transmission, etc.

- **Cooperation with Income Verification Process:** We approve SCE's request for CARE customers who fail to respond to an income verification request be barred from self-certified re-enrollment in the CARE Program for 24 months. However, if at any time during the 24 months a de-enrolled customer verifies income eligibility, they must be placed back on the CARE rate. After 24 months, those de-enrolled customers may be able to enroll in CARE by again self-certifying their household and income eligibility. To ensure consistency statewide, all of the IOUs are directed to implement this CARE Program rule change proposed by SCE.

- **Capitation Fee Increase:** We approve an increase in the capitation fee from "up to $15.00" to "up to $20.00" for each new CARE enrollment for program year 2012-2014, and similarly approve that increased capitation fee cap to apply statewide to all IOUs.
- **CARE High Usage Customers:** We approve PG&E's proposed CARE Program changes, as modified below, to address the electric users on the CARE rate whose usage exceeds 400% of the baseline in any monthly billing cycle, and direct all of the electric IOUs (PG&E, SCE, and SDG&E) to implement the statewide program changes, which includes the following new rules:

(1) **600% or more above baseline users:** CARE electric customers with electric usage above 600% of baseline in any monthly billing cycle will have 90 days to drop usage substantially or be de-enrolled and barred from the program for 24 months. In addition, to continue to stay in the program, these customers must undergo Post Enrollment Verification and apply for the Energy Savings Assistance Program within 45 days of notice. We also direct the IOUs to develop an expedited appeals process so that customers with legitimate high usage can demonstrate the need for their usage levels.

(2) **400% - 600% baseline users:** CARE electric customers with electric usage at 400%-600% of baseline in any monthly billing cycle must undergo Post Enrollment Verification and, if not previously enrolled in the program, apply for the ESA Program within 45 days of notice.

2. Overview and Background

According to the KEMA Final Report on Phase 2 Low Income Needs Assessment, dated September 7, 2007,[12] (KEMA Needs Assessment), one in three of California's households, or approximately 4.1 million of the 12.53 million households in California are low income households. For more than two decades, the two Commission's low income energy assistance programs, the Energy Savings Assistance (ESA) (formerly known as Low Income Energy Efficiency or LIEE) and the California Alternate Rates for Energy (CARE) Programs, provided and continue to provide significant relief in reducing the hardships of low income families across California.

2.1. ESA Program Overview

The ESA Program began in the 1980s as a direct assistance program provided by some of the IOUs, and was formally adopted by the legislature in 1990.[13] This program has for many years been referred to by its common title "the Low Income Energy Efficiency Program" or "LIEE Program." In 2010, it was renamed, and it is now referred to as the Energy Savings Assistance Program or the ESA Program.

The Commission, in the California Long-Term Energy Efficiency Strategic Plan (Strategic Plan),[14] affirmed that the ESA Program is a resource program designed to garner significant energy savings in California. Thus, in Decision (D.) 08-11-031, the Commission gave unequivocal direction to the Pacific Gas and

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[12] *See* KEMA Needs Assessment, at 1-3. This document can be viewed at (http://docs.cpuc.ca.gov/published/Graphics/73106.PDF).

[13] California Public Utilities Code Section 2790. All References to Code, hereafter in this decision, will be to California Public Utilities Code.

[14] *See* www.californiaenergyefficiency.com.

Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas), (collectively IOUs or Utilities) that the ESA Program "must evolve into a resource program that garners significant energy savings in our state while providing an improved quality of life for California's low income population."[15]

The ESA Program has also been designed to provide an improved quality of life[16] for the low income population by delivering no-cost[17] home weatherization services and efficiency measures to low income households to help: (1) conserve energy; (2) reduce their energy costs; and (3) improve their health, comfort, and safety. Installing no-cost energy efficiency measures helps those customers reduce their energy consumption by delivering energy savings while also producing bill savings and reduced energy consumption.

In addition, the ESA Program provides information and energy education that promote energy-efficient practices and behaviors and is part of a long term energy savings investment toward educating energy saving behaviors for future generations of energy users. The ESA Program's goal for its energy education component is to ensure long term energy savings by effectively raising awareness and changing the culture of energy consumption in low income communities.

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[15] *Ibid.*

[16] *Id.* at 184; *see also* Strategic Plan which provides "The complementary objectives of the … [ESA Program] are to provide an energy resource for California and to produce energy savings, while reducing low-income customer bills." *Id.* at 25.

[17] Generally, the energy efficiency measures are provided at no cost to the resident, with the exception of a few measures owned by the landlords. In those instances, the landlord must make a co-pay.

The ESA Program is administered by the IOUs. Each IOU in its respective service territory is responsible for the installation of energy savings measures and providing quality assurance to the Commission. The approved ESA Program measures are generally selected based on cost-effectiveness evaluation and vary by IOU territory and other factors, such as climate zone and housing type. The ESA Program's cost-effectiveness approach is designed to ensure that most efficient use is made of finite ratepayer funds to yield optimal ESA Program success and energy savings.

Today we can report that the ESA Program has made great strides in the recent years and is now several steps closer to the Commission's Strategic Plan[18] vision that by 2020, 100 percent of eligible and willing customers will have received all cost-effective low income energy efficiency measures. The IOUs have vigilantly administered the ESA Program over the years and have successfully treated over 1 million low income households and gained 16,132,316 kilowatt hour (kWh) savings and 232,979,182 therms savings during the 2009-2011[19] program years. These successes are in part due to the program's focus on the programmatic cost-effectiveness as well as cost-effectiveness of installed measures, promoting and encouraging workforce, education and training, using smarter, flexible and creative approaches towards outreach (including a whole neighborhood approach), and, where appropriate, focusing on customers with high energy use, burden and insecurity. Lastly, the program has been successful by putting a greater emphasis on long term and enduring savings rather than quick fixes.

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[18] Strategic Plan, updated January 2011 at 23.

[19] These figures are from the IOUs' annual reports and Applications.

Many of these ESA Program strategies should therefore continue, where appropriate, as they have proven effective in the program. Moving forward, however, we are committed to even greater program successes. We are not satisfied with a good program but will work to build even better program and envision some additional strategies to do this and to help anticipate and overcome some difficult new challenges, including:

(1) how to strike the proper balance between achieving cost effective energy savings versus providing health, comfort, and safety benefits;

(2) how to effectively leverage and integrate the program with other utility core energy efficiency programs and other State, Federal and local programs to streamline and improve program delivery and achieve maximum energy efficiency savings;

(3) how to deliver energy education in a manner that yields optimal energy efficiency benefits and forms long term conservation behaviors;

(4) how to better reach and serve the remaining eligible low income population, including those residing in low income multifamily households;

(5) how to develop an effective strategy to meet the workforce, education and training needs to support the most effective and readied workforce to yield success of the program by 2020;

(6) how to streamline the program to ensure program dollars are spent most efficiently and effectively to yield maximum success of the program; and

(7) how to refine the program in a way towards removing unnecessary barriers and improving its effectiveness based on lessons learned to date.

To proactively begin to tackle these challenges in this cycle, in this decision we initiate several significant efforts during the second phase of this proceeding, including several working groups, studies and other constructive and collaborative efforts. Each of these efforts along with the various monitoring, tracking and reporting requirements ordered in this decision are specifically designed to lay the foundation for meaningful program review and improvements where needed in the years to come.

2.2. CARE Program Overview

The CARE Program is a low income energy rate assistance program that dates back to 1980s and is aimed at providing eligible low income households with a 20% discount on their electric and natural gas bills. Over the years and particularly through the recent economically challenging times, the CARE Program has delivered the much needed energy-related bill savings through CARE discount rate to a significant number of low income households, as illustrated by the last program cycle's CARE enrollment figures.

We attribute this CARE Program success to the commitment and cooperation amongst the IOUs and all of the stakeholders who, together, streamlined and fine-tuned every aspect of the program's components toward achieving the 90% penetration target rate as directed in D.08-11-031. As of December 2011, the IOUs submitted reports showing very high CARE Program penetration rates, as shown below.

CARE Enrollments and Penetration Rate (December 2011)

IOU	Participants Enrolled	Eligible Participants	Penetration rate
PG&E	1,532,692	1,699,660	90.2%
SCE	1,437,537	1,451,325	99%
SoCalGas	1,716,495	1,847,296	92.9%
SDG&E	308,596	362,551	85.1%

Much of the CARE Program success has been achieved by increasing the enrollment efficiencies through streamlining the screening, eligibility, and retention of participants in the CARE Program without substantial increase in the CARE outreach budget in the last budget cycle. Looking ahead however, the CARE Program does face some challenges. With the lessons learned over the years, however, we are well poised to tackle them here.

For the 2012-2014 budget cycle, we will maintain the 90% CARE penetration goal. However, in this cycle and going forward, the Commission directs the IOUs to update their activities to focusing and improving their strategies to aggressively implement their outreach efforts to maintain and increase the current penetration rates, wherever feasible.

As this program does experience high attrition rates and to maintain and even build on the current penetration rates, the IOUs must aggressively and creatively outreach to enroll more customers each program year to offset the number of customers lost through various attrition factors. Such aggressive strategies must also be designed to ensure that the CARE Program serves the maximum number of eligible households while ensuring those enrolled in the program are in fact eligible. We also will focus on strategies to further streamline the program administration toward cost-effectively identifying, targeting and reaching the remaining CARE eligible population.

Some suggest that much of the remaining percentage of the CARE eligible households may be unwilling or unlikely to participate in CARE Program. We recognize and acknowledge that the per-household efforts and associated costs to identify, target and reach the remaining CARE eligible population (ranging from 1% in SCE territory to approximately 15% in SDG&E territory) will invariably be more difficult and costly.

2.3. Procedural Background

In D.07-12-051 and our Strategic Plan, we stated our long-term vision for the ESA Program, as follows:

> By 2020, 100% of eligible and willing customers will have received all cost effective Low Income Energy Efficiency measures.[20]

With that, in 2008, we issued D.08-11-031 to set the ESA Program on its current course with general framework. Likewise, in D.08-11-031, the Commission set a 90% penetration goal for the CARE Program for program cycle 2009-2011. During the 2009-2011 program cycle, we made significant progress towards that long-term Strategic Plan vision and learned a great deal from the myriad of studies and pilots. Also during the 2009-2011 program cycle, the stakeholders informed the Commission on the intricacies of the operational constraints and the experiences they gained through their varying roles as well as implementation trials, errors and successes on the administration and delivery of the programs. In this decision, we use this information to fine tune the ESA and CARE Programs in this upcoming 2012-2014 program cycle.

On March 30, 2011, the assigned Commissioner issued an Assigned Commissioner's Ruling (Guidance Ruling) providing guidance to the IOUs for their upcoming 2012-2014 CARE and ESA Programs and Budget applications (Applications). The Guidance Ruling also directed the IOUs to file the Applications by May 15, 2011, and to immediately roll out the new Energy Savings Assistance Program title and logo, which was part of the

[20] Strategic Plan at 25.

recommendation that resulted from the statewide marketing education and outreach efforts.

The IOUs filed their Applications on May 15, 2011, and for the 2012-2014 program cycle. The IOUs proposed the following ESA and CARE Program budgets and goals:

IOU Proposed Budgets 2012-2014				
	ESAP			
Utility	2012	2013	2014	Cycle Total
PG&E	$137,904,000	$167,525,000	$173,422,000	$478,851,000
SCE	$53,289,000	$59,859,000	$58,235,000	$171,383,000
SDG&E	$22,044,929	$22,462,163	$22,832,030	$67,339,122
SoCalGas	$99,909,056	$82,121,475	$84,178,885	$266,209,415
Total	**$313,146,984**	**$331,967,638**	**$338,667,915**	**$983,782,537**

	IOU Proposed Number of Homes to be Treated			
Utility	2012	2013	2014	Total Cycle
PG&E	125,000	125,000	125,000	375,000
SCE	68,200	77,000	74,800	220,000
SDG&E	20,000	20,000	20,000	60,000
SoCalGas	129,106	100,249	100,249	329,604
Total	**342,306**	**322,249**	**320,049**	**984,604**

The IOUs proposed the following CARE Program budgets for 2012-2014 program cycle:

The Commission's Division of Ratepayer Advocates (DRA), National Consumer Law Center (NCLC), The East Los Angeles Community Union, Association of California Community and Energy Services, and Maravilla Foundation (collectively, TELACU et al.), California Housing Partnership Corporation (CPHC), The Donald Vial Center on Employment in the Green Economy, NRDC, The Greenlining Institute (Greenlining), Synergy Companies (Synergy), the Energy Efficiency Council (EEC) filed protests and responses. The IOUs filed replies.

On July 21, 2011, the assigned Administrative Law Judge (ALJ) issued a ruling consolidating all of the Applications into a consolidated proceeding and setting a consolidated prehearing conference (PHC) hearing.

Two PHCs were held on August 8, 2011 and September 6, 2011. On September 26, 2011, the assigned Commissioner and ALJ jointly issued the Scoping Memo Ruling setting the scope and schedule for the consolidated proceeding, explicitly anticipating the need for a bridge funding decision in the ESA and CARE Programs to cover January 1-June 30, 2012 while reviewing some of the more complex issues raised by the parties in the consolidated proceeding. The Scoping Memo Ruling ordered eight workshops on the following issues to begin laying the groundwork to review studies and reports from the preceding cycle with the stakeholders and begin preliminarily examining and assessing the merits and status of the issues:

> Workshop #1 [Overview of Lessons Learned]: Review of major ESA and CARE Programs related studies, pilots and reports since D.08-11-031, including (1) Final Report on Low Income Energy Efficiency Program, 2009-2010 Process Evaluation (The 2009 Process Evaluation), and (2) Final Report on Impact Evaluation of the 2009 California Low Income Energy Efficiency Program (The 2009 Impact Evaluation).

Workshop #2 [Review of ESA Program]: Review of overall effectiveness of the ESA Program in reaching the energy saving Strategic Plan goals, and cost effectiveness of ESA Program, including examination of potential barriers to energy savings, methods of removing barriers to energy savings and review of delivery models.

Workshop #3 [Cost Effectiveness Methodology and Measures]: Discussion and review of cost effectiveness at the measure level, including discussion on cost effectiveness methodology and what and how measures are added, deleted, etc.

Workshop #4 [Multi-Family Sector Issues]: Review of multifamily sector needs, proposals, and any related operational and legal concerns.

Workshop #5 [Workforce, Education and Training]: Review of workforce, education and training issues, including review of current contractor selection and bidding process.

Workshop #6 [Outreach and Enrollment]: Review of current ESA Program outreach and enrollment practices/efforts and ways to improve them to reach the Strategic Plan goals, including any energy education proposal.

Workshop #7 [Review of CARE Program]: Review of current CARE Program, including re-certification, categorical eligibility, high usage customers and CARE Program complaint and oversight.

Workshop #8 [Working Groups, Pilots and Studies]: Review of potential ongoing working groups, pilots and studies to improve the ESAP and CARE Program in the near-term and longer term, including standardizing Utilities' various reports.

In October 2011, the parties participated in all eight ordered workshops. On November 9, 2011, the assigned ALJ issued a ruling tentatively setting the evidentiary hearing dates, adjusting the proceeding schedule and directing parties to file statements of material disputed facts. On November 9, 2011, the ALJ also issued a ruling to recirculate the March 30, 2011 Guidance Ruling and related attachments and the updated Energy Division template for the presentation of pilot proposals.

As anticipated in the September 26, 2011 Scoping Memo Ruling, on November 10, 2011, we adopted a bridge funding decision[21] for the IOUs to expend an amount not to exceed 50% of their respective 2011 budget levels, from January 1, 2012 until June 30, 2012 to continue their ESA and CARE Programs until the Commission adopts a decision on the IOUs' ESA Program and CARE Program Budget Applications for 2012-2014.

On December 23, 2011, the ALJ issued a ruling cancelling the tentative evidentiary hearing dates and revising the proceeding schedule.

On December 28, 2011, the ALJ issued a ruling seeking comments from the parties on 39 detailed questions (December 2011 Ruling), as a follow-up to the October 2011 workshops to create a record on certain issues, where feasible. In January 2012, detailed comments and responses were filed by San Francisco Community Power (SFCP), TELACU et al., Center for Accessible Technology (CforAT), Brightline Defense (Brightline), Green for All (G4A), Proteus, Inc.

[21] D.11-11-010, the bridge funding decision, also authorized $6.06 million in additional bridge funding for SoCalGas, for the bridge funding period based upon SoCalGas' projections.

(Proteus), SDG&E[22], PG&E, SoCalGas, SCE, The Utility Reform Network (TURN), Niagara Conservation Corporation (Niagara), EEC, La Cooperativa De Campesina (La Cooperativa), The Black Economic Council, National Asian American Coalition, and the Latino Business Chamber of Greater Los Angeles (collectively, the Joint Parties), DRA, CHPC, National Housing Law Project (NHLP), NCLC, Greenlining, California Large Energy Consumers Association (CLECA), National Resources Defense Council (NRDC), and Opower, Inc.

On January 26, 2012, the assigned Commissioner and the ALJ issued a joint Amended Scoping Memo Ruling revising the schedule for the consolidated proceeding.

In February 2012, opening briefs were filed by SoCalGas, SDG&E, PG&E, SCE, CforAT, SFCP, Greenlining, CHPC, NCLC, NHLP, TURN, Niagara, DRA, TELACU et al., Joint Parties, CLECA, NRDC, and EEC. Reply briefs were filed by PG&E, CforAT, Greenlining, CHPC, NCLC, NHLP, TURN, Niagara, TELACU et al., Joint Parties, NRDC, and Brightline.

On February 16, 2012, the ALJ issued rulings identifying and admitting all testimonies served in the consolidated proceeding and certain data requests and reference documents.

On June 21, 2012, we adopted a second bridge funding decision approving a month-to-month extension of bridge funding, starting July 1, 2012 to continue the ESA and CARE Programs until the Commission adopts a decision on the

[22] On February 13, 2012, SDG&E filed an amended response to its prior response to the December 2011 Ruling.

IOUs' ESA Program and CARE Program Budget Applications for 2012-2014.[23] That month-to-month bridge funding decision is currently in effect.

In the following sections of this decision, we resolve majority of the issues, including the authorization of overall budgets, necessary to continue the ESA and CARE Programs during the program cycle 2012-2014. We also establish working groups and a framework for the several significant issues we must consider during the second phase of this consolidated proceeding.

3. ESA Program

During the 2009-2011 program cycle, the IOUs treated well over a million low income homes[24] and produced approximately 233,000,000 kWh and over 16,000,000 therms in energy savings.[25] The IOUs estimate they would treat over 980,000 homes in the 2012-2014 program cycle, 1/3 of the total estimated numbers of homes remaining to be treated till end of 2020. This 1/3 projected homes to be treated estimate accounts for the fact that there are three program cycles remaining until 2020, including this 2012-2014 cycle, to meet the 2020 100% vision. (See table below for the IOUs' projections.)

IOUs' Figures for
PY 2009-2011 Homes Treated v. PY 2012-2014 Homes Projected for Treatment[26]

	2009-2011 Cycle Homes Treated	2012-2014 Cycle Homes Projected for Treatment

[23] D.12-06-030.

[24] *See supra* footnote 3.

[25] 2009-2010 energy savings figure is based on the IOUs' annual reports and 2011 energy savings figure is based on the IOUs' December 2011 monthly reports, since 2011 annual reports are not due for filing until May 1, 2012.

[26] 2009 and 2010 homes treated figures are based on the IOUs' annual reports, and 2011 homes treated figures are based on the IOUs' December 2011 monthly reports, since 2011 annual reports are not due for filing until May 1, 2012.

IOU	2009	2010	2011	2012	2013	2014
PG&E[27]	81,308	133,329	128,071	125,000	125,000	125,000
SCE	62,624	121,868	93,771	68,200	77,000	74,800
SDG&E	20,924	21,593	22,575	20,000	20,000	20,000
SoCalGas	83,493	120,358	161,020	129,106	100,249	100,249
CYCLE TOTALS	**1,050,934**			**984,604**		

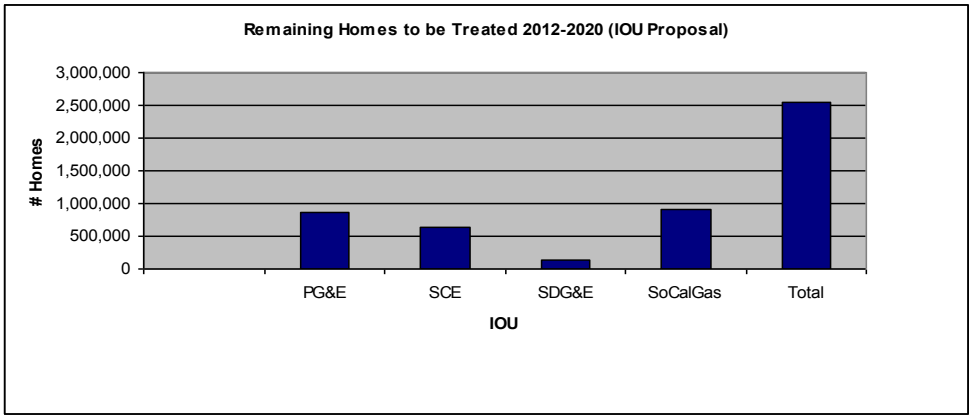
Some notable lessons learned from the last program cycle are that:

1. The ESA Program is armed with a more experienced and poised administration and workforce, ready and "fully ramped up" in most of the IOUs' territories. During the last program cycle, the treated homes numbers steadily climbed, and in some instances, more dramatically climbed, to confirm this observation; and
2. The IOUs' impressive 2011 treated homes figures also illustrate that the ESA Program has the capacity to treat more homes than the above conservative 2012-2014 projections proposed by the IOUs.

Projection of Remaining Homes to be Treated by IOUs for PY 2012-2020[28]

[27] PG&E updated its homes treated projections in its reply testimony. Program cycle total is unchanged but year by year projections were modified.

[28] The variance between the IOUs' projections and the Commission's projections reflect the difference between the IOUs' estimates of eligible but unwilling low income homes which are higher than the Commission's estimates for that population. IOUs' estimate for that sector of low income household is 7% and the Commission's estimate is 5%. See section 5.3.1 of this decision generally discussing the Commission's 5% estimate.



It seems reasonable to proactively anticipate that as we near the 2020 date, the final remaining homes to be treated will be increasingly tougher to identify, target and perhaps even more costly to treat. That said, we challenge the IOUs in this program cycle with the strategies, directions and significant budgets we provide in this decision to take advantage of the current program momentum and available workforce to find smarter ways (e.g., integration, leveraging, etc.) to treat significantly more than their proposed and projected number of homes to be treated during the 2012-2014 cycle. Based on our observations of the IOUs' successes during the last cycle, this challenge is reasonable, and such a raised goal is fully in the IOUs' reach. By treating more homes in the 2012-2014 than currently projected, the IOUs would be ready to apply even more focus to tailor their programs to the remaining and more difficult to reach untreated low income households during the final two cycles, 2015-2017 and 2018-2020.

This decision adopts a goal of homes to treat during the 2012-2014 cycle that forwards our ultimate goal of treating all eligible and willing homes by 2020. However, the number of homes to be treated annually by each IOU (shown in Appendices A and F) are included as benchmarks to monitor their annual progress toward achieving the total homes-treated goals adopted for each IOU for this three-year cycle.

Some parties suggest that perhaps the ESA Program should place less emphasis on the homes treated figures. Instead those parties argue that energy savings and bill savings should be given higher profiles/priorities in the ESA Program's design and delivery model. We remind these parties that this is an issue we resolved only a few years ago, when we ambitiously vowed in our adoption of Strategic Plan to "By 2020, 100 percent of eligible and willing customers will have received all cost-effective [Energy Savings Assistance Program] … measures."[29] Then again, in 2008, we adopted these ESA Program goals in D.08-11-031.

With those goals we previously adopted, it is reasonable and necessary to track the number of homes treated as that is one of the main ESA Program goals we set out. With those same goals, it is also reasonable and necessary to maintain the current program design and delivery model that establish both program- and measure-based cost-effectiveness mechanisms, discussed in Sections 3.6.2 (Measure Cost Effectiveness Test) and 3.7 (modified 3MM Rule) of this decision.

That said, in the second phase of the proceeding, we intend to carefully examine the Program's cost-effectiveness methodology (Section 3.5.4); we are also taking at detailed review at the low income multifamily segment to understand and devise comprehensive strategies (Section 3.10.6.4); we are also looking at assessing the California's low income population energy and measure needs in the new Needs Assessment Study (Section 5.2.7); and we are proactively undertaking several other studies and working groups. These efforts are the proper necessary next steps to meaningfully inform the Commission as to if

[29] *See* Strategic Plan.

and/or how the current Program approaches may and/or should be modified, if at all, to reach the program goals and best serve the low income population.

3.1. Integration of Low Income Programs with Other Utility Demand-Side Programs

3.1.1. Introduction

Integrating demand side program offerings has been an objective of the Commission since 2007.[30] We reemphasize and direct the IOUs to continue all their ongoing integration efforts amongst the IOUs' ESA Program, CARE Program, Energy Efficiency programs, Demand Response programs, California Solar Initiative, and any other of the IOUs' demand side programs.

The current general Integrated Demand Side Management Taskforce (IDSM Taskforce) efforts, being undertaken in the general energy efficiency docket pursuant to D.09-09-047, are more broadly focused. We therefore direct the IOUs and the Energy Division actively work with the ISDM Taskforce during this cycle to ensure that ESA Program and low income population's concerns are adequately injected and considered in the ISDM Taskforce's efforts. We also direct the IOUs to develop and plan to submit an ESA Program integration plan with their next cycle applications including a timetable for introducing any refinements and/or additional low income specific integration activities toward ultimately achieving full program integration stage during the 2015-2017 cycle.

[30] In this decision, use of the terms and acronyms "integrated demand side management," "IDSM," "DSM," and integrated "Demand Side Resources" refer to all three primary demand side energy resources: energy efficiency (including low income programs), demand response, and distributed generation, and also to energy storage, where appropriate.

3.1.2. Background

Since 2007, the Commission has provided consistent direction to the IOUs to streamline the disparate approaches and offerings of energy efficiency, demand response, and distributed generation programs, where appropriate, toward a more integrated format. On October 19, 2007, the Commission issued D.07-10-032 outlining its objective of achieving maximum savings by providing integrated customer demand-side programs. The Commission reaffirmed this policy and program guidance specifically for the ESA Program in D.07-12-051, including the following integration goal:

> … [ESA] programs should be integrated with other energy efficiency programs to allow the utilities and customers to take advantage of the resources and experience of energy efficiency programs, promote economies of scale and scope, and improve program effectiveness.[31]

Specifically, we directed the IOUs in their ESA Program to "emphasize long term energy savings that … are, to the extent cost effective and practical, integrated with other demand-side programs, such as energy efficiency programs, solar installations, demand response and other programs."[32] In D.07-12-051, the Commission specifically directed the IOUs to integrate the ESA Program "with other demand-side programs, such as energy efficiency programs, solar installations, demand response and other programs."[33]

In D.09-09-047, a decision in the general mainstream energy efficiency docket, the Commission directed the IOUs to establish the IDSM Taskforce to

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[31] D.07-12-051 at 11.

[32] *Id.* at 88.

[33] D.07-12-052, Conclusion of Law 7.

coordinate, influence, and work with other utility staff and subject matter experts.[34] That taskforce was directed to develop a clear plan for how they would interact with the utility market sector and with workforce, education and training and emerging technology programs; engage external subject matter experts, outside stakeholders, and Commission staff on the taskforce; and disseminate best practices and lessons learned to promote demand side integration. Specifically, in that proceeding, the IOUs were directed to:

- Pursue integrated marketing, education, and outreach for demand side programs to better leverage ratepayer funding for more effective results by developing marketing messages that offer bundles of DSM programs targeted to specific customer groups as well as a statewide integrated marketing plan.
- Initiate integrated pilot programs to test integrated marketing strategies.
- Promote operational improvements (i.e., integrated audits recommending the full range of DSM options available to the customer).
- Promote optimization via emerging technologies that support integration at the customer's site, test integrated cost-effectiveness and attribution methodologies.

[34] Under the auspice of the energy efficiency budget proceeding, Application (A.) 98-07-021, et al., the Commission authorized the IDSM Taskforce. *See* D.09-09-047 at 215, Ordering Paragraph (OP) 33.

- Develop an online integrated tool that includes several characteristics such as comprehensiveness (including gas and electric DSM technologies and integration optimization technologies), site-specific, verifiable, and compatible with the statewide California Solar Initiative program.

Energy Division was directed to supervise an independent third party evaluator to assess the success of the IDSM Taskforce efforts in the 2010–2012 general energy efficiency portfolio to develop lessons learned for consideration of DSM integration efforts in future program cycles.

Consistent therewith, in D.07-12-051, the Commission directed the IOUs to integrate the ESA Program with other Energy Efficiency programs administered by the IOUs. D.08-11-031 explicitly reaffirmed the need for integration and set clear definitions, metrics, strategies and reporting requirements for such integration efforts envisioned for the ESA Program. To that end, in D.08-11-031, the Commission defined the term "integration" in the context of the ESA Program, as follows:

> Integration constitutes an organization's *internal* efforts among its various departments and programs to identify, develop, and enact cooperative relationships that increase the effectiveness of customer demand side management programs and resources. Integration should result in more economic efficiency and energy savings than would have occurred in the absence of integration efforts.

The Commission, in D.08-11-031, also set forth the below metrics to evaluate an integration effort noting that an integration effort must accomplish at least two of the following four goals to be deemed successful:

(i) *Interdepartmental Coordination:* Increased coordination in work efforts between departments within the utility. This type of integration results in cost and/or resource savings as well as one or both of the following:

a. Consolidation of work efforts; and

b. Elimination of overlapping and/or repetitive tasks.

(ii) *Program Coordination:* Increased coordination between multiple programs managed by the utility. This type of integration results in cost and/or resource savings as well as one or both of the following:

a. Increased services provided to customers; and

b. Greater number of customers served by a program.

(iii) *Data Sharing:* Increased information and data sharing between departments within the utility and/or multiple programs managed by the utility. This type of integration results in cost and/or resource savings as well as one or both of the following:

a. Greater number of customers served; and

b. Consolidation of work efforts.

(iv) *ME&O Coordination:* Consolidation of marketing, education and outreach for multiple programs managed by the utility. This type of integration results in cost and/or resource savings as well as any or all of the following:

a. Greater number of customers reached;

b. More cost effective marketing, education and/or outreach to customers; and

c. Elimination of customer confusion.

In their Applications and all of the responses to the December 2011 Ruling, the IOUs provided details of their active and continuing integration efforts, which are further elaborated in the various reports issued by the IDSM Taskforce.

3.1.3. Parties' Positions

There is a general agreement among the parties that the integration of the ESA Program with the Energy Efficiency, Demand Response and Distributed Generation efforts provides more opportunities for energy savings and greater occasion for low income customers to save money, energy, and improve their health, comfort and safety.

However, several parties questioned the pace and/or direction of the IDSM Taskforce efforts, especially as they affect the ESA Program and the low income communities. For instance, TELACU et al. point out that many low income customers in particular do not understand the concept of demand response and therefore many of them are not participating in the programs such as the air conditioner cycling program because, "[t]o date little if any effort has been focused on providing low income, hard-to-reach, non-technical ratepayers with appropriate information" on the program.

NRDC states that integration can only move forward if the Commission provides a clear policy of aligning the ESA Program's success metrics, and cost-effectiveness tests with those of other demand-side programs.

TURN believes there is not yet enough information about issues such as the specific barriers to participation faced by low income customers and the extent to which low income customers are currently participating in programs such as air conditioner cycling. TURN suggests the IOUs develop integrated marketing targeted to low income customers and recommends we focus on information gathering during the 2012-14 cycle.

La Cooperativa states that "ESAP should be redesigned as an evolving program of services and smart infrastructure producing a wide array of benefits to qualified low income customers" and the organization supports a redesigned integrated delivery model with "... a single service provider to offer and install

all demand side measures, rate assistance services and efficiency education even though each service may be sponsored by different utilities."

3.1.4. Discussion

We re-emphasize our stated objective for integration of programs and direct the IOUs to continue all their ongoing integration efforts among the IOUs' ESA Program, CARE Program, Energy Efficiency programs, Demand Response programs, California Solar Initiative, and any other IOU demand side programs. We acknowledge the parties' concerns that low income communities and the ESA Program present unique concerns relative to integration and that there must be due consideration given to how effectively and appropriately the ESA Program can realize a thoughtful integration with those other programs.

TELACU et al. make an excellent point that some low income customers may not understand the concept of demand response, and that could prove to be a notable barrier for success of the integration effort for the low income communities. As suggested by many parties in this proceeding, we believe that the solution to such barriers lie in the effective delivery of information, specifically tailored to low income communities. This is an important point, since the overall approach currently taken in the IDSM Taskforce is often without much consideration of the low income population's more particularized concerns, including certain participation barriers (e.g. distrust, language and cultural barriers, etc.).

That said, rather than having to "start from scratch" by developing new programs and pilots just for ESA Program integration, we can combine the lessons learned from our experiences to date with overall direction and efforts of the IDSM Taskforce and explore more low income segment specific program enhancements, consistent with the overall integration goals. Such efforts could

include refining the IOUs' current ESA Program integration efforts or adding new integration activities, where appropriate.

We therefore direct that the IOUs and the Energy Division actively work with the ISDM Taskforce in the general energy efficiency proceeding to ensure that ESA Program and low income population concerns are adequately injected and considered in that Taskforce's efforts.

We also direct the IOUs to develop and plan to submit ESA Program integration plan with their next cycle applications including a timetable for introducing any refinements and/or additional low income specific integration activities toward ultimately achieving full program integration stage during the 2015-2017 cycle. The plan should also include, at a minimum, a specific list of activities that the ESA Program must engage in and when, a plan for any needed training for ESA Program providers, a research plan, any additional metrics needed to measure success, an evaluation plan and a list of regulatory changes and attendant funding that would be needed.

We require the IOUs to continue their tracking and reporting to update the Commission on the status of their ESA Program specific integration efforts, using the general guidance we set forth in D.08-11-031 and to devise and refine such efforts, as necessary. To minimize unnecessary or otherwise duplicative reporting, the IOUs are directed to coordinate their filings and streamline, wherever possible, to avoid unnecessary duplications in the energy efficiency docket and the ESA Program docket. The IOUs are directed to continue to present the results of their integration and ISDM Taskforce efforts in their annual reports submitted to the Commission each May. In cases where the ESA Program's integration effort does not meet at least two of the above four goals, the IOUs shall provide a reasonable explanation in their annual report.

We direct the Energy Division to review the reports and work with the IOUs to enhance integration during the cycle if our metrics are not met. The IOUs are directed to cooperate with the Energy Division's guidance or recommendations on the integration efforts, as appropriate. Energy Division shall make recommendations to the Commission if the IOUs' integration efforts are failing to meet the above metrics, and the IOUs shall cooperate with the Energy Division, as necessary, to follow through with the Energy Division's request for assistance in development of recommendations.

3.2. Leveraging Low Income Programs

3.2.1. Introduction

The IOUs are directed to find and take advantage of all leveraging opportunities for ESA and CARE Programs with other programs offered in California, as discussed here.

3.2.2. Background

We defined leveraging in D.08-11-031, as follows:

> …an IOU's effort to coordinate its … [ESA Program] with programs outside the IOU that serve low income customers, including programs offered by the public, private, non-profit or for-profit, local, state, and federal government sectors that result in energy efficiency measure installations in low income households.

During the past program cycles, we learned that the IOUs' leveraging efforts resulted in partnerships and other collaboration with non-IOU sources, and most importantly, resulted in dollar savings, energy savings and benefits, and/or increased program enrollment. We required these efforts be demonstrable to ensure that only those leveraging efforts that yield direct benefits to low income households and the ESA Program overall are undertaken.

Specifically, we required the IOUs' leveraging projects to meet one or more of the following three objective criteria:

(1) Increase energy savings;
(2) Result in new customer enrollments; or
(3) Reduce program costs.

In setting forth a strategic direction for energy efficiency, D.07-10-032 emphasized the need to leverage resources by looking beyond the boundaries of utility territories, Commission jurisdiction, and even other non-Commission energy efficiency programs. In D.07-12-051, the Commission reiterated this same emphasis for the ESA Program and required the IOUs to think outside the box to broaden the scope of their efforts and coordinate with other agencies and businesses in designing, delivering and implementing the ESA Program.

In the Strategic Plan, we again set the strategy of increasing collaboration and leveraging of other low income programs and services as one of the key tools toward making the ESA Program an energy resource. We direct the IOUs to work with various participants in the industry to identify key areas where data sharing is possible and advantageous; seek legislative changes to ease barriers to data sharing between agencies; and develop partnerships with community organizations and other agencies to leverage resources available from local governments, federal, state, and private funding sources.

3.2.3. Leveraging with California Department of Community Service and Development (CSD)

One of the most obvious leveraging opportunities the Commission previously identified was and still is the federal Low Income Home Energy Assistance Program (LIHEAP) and the Department of Energy (DOE) Weatherization Assistance Program (WAP), administered by the California Department of Community Services and Development (CSD).

On March 17, 2009, the Commission and CSD executed a Memorandum of Understanding (MOU) with the mutual goal of effective leveraging to decrease duplications and increase the total number of low income households in California treated under both programs through increased coordination between the agencies. Among other efforts, the Commission and CSD agreed to facilitate collaboration between the IOUs and the Local Service Providers to accomplish one or more of the following objectives:

- Promote education, information sharing and collaboration between the administrators and providers of both programs to facilitate awareness of opportunities for leveraging and coordination;
- Minimize the differences between the ESA Program and LIHEAP and DOE's WAP programs in eligibility and allowable measures;
- Coordinate outreach and related activities of each program to maximize the penetration and impact in low income communities and among vulnerable populations;
- Develop a universal eligibility and intake assessment form;

- Develop a database of information about administration, scheduling and service delivery that both ESA Program providers and Local Service Providers can use to coordinate services to eligible homes where possible and coordinate funding streams to maximize the number of energy saving and health and safety measures installed in low income households;
- Develop a referral and/or credit system between the programs;
- Develop and implement pilot projects for partnerships that can be replicated throughout the state, that demonstrate measurable outcomes; and
- Develop and implement data logging projects to measure energy consumption, renewable energy generation and carbon emissions.

Following the signing of the MOU and based upon the reviews of the IOUs' reports, we learned that progress has been less than ideal due, in part, to the following factors:

- Data sharing among the IOUs and corresponding Local Service Providers proved difficult with different tracking systems, software and data reporting requirements; and
- CSD was unable to give this leveraging issue its highest priority as the American Recovery and Reinvestment Act of 2009 suddenly awarded CSD a huge increase in funds for efficiency services to deploy in a short 2-3 year timeframe, requiring CSD to redirect staffing resources to those activities and away from the MOU leveraging process-improvement targets.

Despite the challenges we experienced during this last program cycle, the Commission is still committed to the important objectives of the MOU.

3.2.4. IOUs' Leveraging Proposals

3.2.4.1. PG&E

PG&E proposes to continue leveraging resources with LIHEAP/WAP by continuing to coordinate the ESA Program's modified 3 Measure Minimum Rule (modified 3MM Rule), supporting federal legislation, and continuing the refrigerator leveraging program. PG&E proposes strategies to change the ESA Program and LIHEAP/WAP home weatherization rules concerning ways to qualify a home for treatment. PG&E expresses its willingness to waive the modified 3MM Rule with the Commission's approval, which would allow households, referred from LIHEAP/WAP, to receive additional measures feasible under the ESA Program, and to work with CSD and the DOE so that this rule may be waived for LIHEAP/WAP agencies receiving referrals from PG&E.

PG&E also proposes to continue its successful refrigerator leveraging program with LIHEAP/WAP providers. Under this program, interested LIHEAP/WAP agencies that are not ESA Program contractors may contract with PG&E to provide refrigerators to eligible low income PG&E customers. By providing the refrigerator under ESA Program funding, the LIHEAP/WAP agencies can cost-effectively offer more services to more households. PG&E will pay for the replacement refrigerators and recycling at the same negotiated discount cost that it pays for refrigerators under the ESA Program.

Additionally, in 2010, PG&E implemented a leveraging pilot (the Avenues Weatherization Project) with Community Resource Project, Inc. and Sacramento Municipal Utility District and proposes to work with CSD and the Commission to initiate more efficient leveraging strategies.

3.2.4.2. SCE

SCE proposes no new efforts other than to continue its current course. Over the 2009-2011 program years, SCE has provided LIHEAP/WAP contractors the ability to utilize SCE's ESA Program workflow database (Energy Management Assistance Map System or EMAPS) to identify previously serviced customers with an enhancement to the Duplicate Measure Research Inquiry function. This has streamlined processes and has helped contractors avoid visiting a previously participating customer's home.

SCE states that until CSD establishes a database of all households treated and measures installed, coordination cannot effectively be implemented between the two agencies' programs. SCE also notes that because the Commission has no jurisdiction over CSD, this database coordination plan has been and will be exceedingly difficult without CSD's cooperation. SCE requests that the IOUs be afforded a place at the table in future discussions about this issue between the Commission and CSD.

SCE proposed, for the 2009-2011 program cycle, to leverage the ESA Program with the mainstream energy efficiency California Advanced Homes Program (CAHP), where SCE would pay the full incremental cost of installing higher-efficiency equipment, such as 16.0 SEER Heating Ventilation and Air Conditioning (HVAC) systems and refrigerators in units designated by the builder for low income occupants meeting the ESA Program's income guidelines. SCE found this leveraging effort to be unsuccessful due in large part to changed economic conditions resulting in a near stoppage of residential new construction in SCE's service area. Due to the ongoing slowdown in residential construction, SCE does not propose to continue this initiative in the 2012-2014 program cycle. SCE also seeks approval to provide appliances at no cost to LIHEAP providers, consistent with its 2009-2011 practices.

3.2.4.3. SoCalGas

With respect to CSD, SoCalGas proposes to continue to participate in discussions toward developing a data sharing framework. SoCalGas states that it was successful in creating a LIHEAP/WAP leveraging model by working closely with select LIHEAP/WAP agencies that also provide ESA Program services, and implementing the developed framework. SoCalGas intends to expand the LIHEAP/WAP leveraging model, not only to continue leveraging available resources, but to also assist SoCalGas in meeting the modified 3MM Rule and increasing customer enrollment.

3.2.4.4. SDG&E

Two of SDG&E's contractors received federal energy efficiency funds and have been able to expand their outreach efforts through the CSD programs, allowing for additional leveraging across the ESA Program and CSD programs as these agencies have funding available to provide more measures and services to customers. SDG&E states that its collaboration with these contractors has allowed for more customers to receive as many measures as possible between the programs, while increasing transparency and reducing the number of customer home visits.

3.2.5. Discussion

In general, the IOUs and the ESA Program contractors are to be commended for the diverse leveraging efforts they each undertook during the 2009-2011 program cycle. Each of the IOUs worked with and around various constraints, employed versatility and creativity, and figured out different ways to stretch the ESA Program dollars through these successful leveraging efforts. As for some that were not as successful and have experienced some setbacks, the IOUs should still take away the lessons learned from those efforts.

With that, as proposed by the IOUs, we approve and direct the IOUs to continue their current leveraging efforts through the program 2012-2014, except CAHP. We approve SCE's request to discontinue its current efforts to leverage the ESA Program with CAHP. Moreover, in this cycle, we challenge and direct the IOUs to go even a step further:

- To share successful leveraging models and to try and duplicate the successes of other IOUs' leveraging efforts; and
- To actively explore new opportunities and coordinate actual program delivery to promote long term enduring energy savings and cost efficiency.

We reiterate that the leveraging efforts and associated benefits must be measurable. We will continue to measure the success of each leveraging effort, by employing the three criteria we set forth in D.08-11-031:

(i) *Dollars saved.* Leveraging efforts are measurable and quantifiable in terms of dollars saved by the IOU (Shared/contributed/ donated resources, elimination of redundant processes, shared/contributed marketing materials, discounts or reductions in the cost of installation, replacement, and repair of measures, among others are just some examples of cost savings to the IOU).

(ii) *Energy savings/benefits.* Leveraging efforts are measurable and quantifiable in terms of home energy benefits/ savings to the eligible households.

(iii) *Enrollment increases.* Leveraging efforts are measurable and quantifiable in terms of program enrollment increases and/or customers served.

We will continue to require that the IOUs measure each of the existing and proposed leveraging efforts listed in their Applications using these metrics and continue to report the status of each in their annual reports provided each May to the Commission. The IOUs, therein, shall identify the level to which the proposed leveraging efforts meet each criterion, to the extent possible, and in cases where the leveraging effort or relationship does not meet a criterion, shall provide a reasonable explanation and discussion of the lessons learned. Energy Division shall make recommendations to the Commission if the IOUs' leveraging efforts are failing to meet the objective metrics we establish here. The IOUs shall cooperate with the Energy Division, as necessary, to assist the Energy Division in making its recommendations.

In the current landscape of so many exciting energy efficiency efforts, these types of leveraging efforts are essential, and even critical, to transforming the ESA Program into a more effective resource program that yields household energy benefits to the low income community while also creating cost savings for the IOUs and ratepayers. As identified in the Strategic Plan, successful leveraging is one of the goals that will in the end, help streamline and improve customer identification and program delivery. We therefore provide the above criteria to act as guide posts and to encourage and support the continued and improved beneficial leveraging partnerships, where appropriate.

Looking at the accomplishments during the 2009-2011 program years, the IOUs' leveraging strategies are generally on the right track, but there is always room for improvements to achieve optimal leveraging with CSD and many other new and existing governmental and non-governmental programs.

D.08-11-031 initiated the execution of the MOU between the Commission and CSD which memorialized the shared commitment to effectively leverage and coordinate between both the state and local levels as well as facilitating collaboration between the IOUs and the local service providers. D.08-11-031 also directed the IOUs to address the database sharing issue and to use whatever means available to them to close data gaps,[35] but to date, little has been accomplished.

Some of the same barriers continue to exist today as they did three years ago where service providers still do not always know if a household has had any previous weatherization treatment until they arrive at the home. This wastes time, effort and outreach resources. Based on the record and the IOUs' reports, this limited leveraging progress with CSD in 2009-2011 program cycle does not appear to be entirely due to the IOUs' lack of effort. As SCE correctly points out, CSD has yet to develop a central database with the pertinent information, or at least one that has been shared with the IOUs. As such, we cannot place full responsibility on the IOUs to gather information that does not exist for them.

Moving ahead, the IOUs, CSD, and the Commission must reiterate and reinvigorate a joint commitment to the programmatic goals to leverage and cooperate as outlined in our 2009 MOU. As stated in the Applications, the IOUs will continue their current efforts of utilizing dual (CSD and ESA Program) providers in program delivery. The IOUs, not currently utilizing dual (CSD and ESA Program) providers in program delivery, should explore ways to do so in the next cycle, where feasible. In this program cycle, the IOUs shall focus their leveraging efforts with CSD in refining the data sharing activities with

[35] D.08-11-031 at 131-132.

LIHEAP/WAP and to devise a CSD leveraging plan, which at a minimum includes:

1. Entering into agreement with CSD to develop a comprehensive statewide database system or bidirectional data sharing exchange that will enable the identification of households served under the LIHEAP/WAP program; and
2. The design and implementation of a partnership effort that will effectively combine the resources and benefits of the LIHEAP/WAP programs with those of the ESA Program.

The IOUs are directed to begin immediate coordination with the Energy Division to convene and begin discussions, on an as-needed frequency, with CSD representatives to aide in this invaluable leveraging opportunity and to develop and implement an effective leveraging plan between the ESA Program and CSD's programs. While the focus this cycle should remain on data sharing activities, the IOUs should also use these discussion opportunities with CSD representatives and the Energy Division to leverage the ESA Program's lead safety practices and training, where feasible, with those of CSD.

3.3. Program Design and Delivery Model

The IOUs' Applications largely propose continuing the current ESA Program design and delivery model as one which provides prescriptive, direct-install measures for income qualified customers. The current model involves outreaching and marketing to potential customers, determining and enrolling eligible customers and assessing their households for eligible cost-effective measures in compliance with program rules, installing measures, and in some instances, inspecting those installations at a later time.

This model has been designed specifically to give the necessary guidance to the contractors while also affording contractors, including the assessment contractors, a level of flexibility and operational discretion to best adapt their

program delivery to each household. This model allows the assessment contractors to assess each household to determine and tailor measures offerings for individual households in accordance to program rules as well as to devise and deliver tailored energy education. Utilizing each IOU's sophisticated workflow database, installation contractors are then dispatched to customer households to install energy efficiency measures.

Most importantly, this delivery model may have some critics but this model has been designed specifically to reach our ambitious Strategic Plan goals and commitment to "By 2020, 100 percent of eligible and willing customers will have received all cost-effective [Energy Savings Assistance Program] … measures."[36] It tracks the number of homes treated as that is one of the main ESA Program goals we set out and establishes both program- and measure-based cost-effectiveness mechanisms, discussed in Sections 3.6.2 (Measure Cost Effectiveness Test) and 3.7 (modified 3MM Rule) of this decision.

We also note, the myriad of efforts we direct during the second phase of the proceeding are proper necessary next steps to meaningfully inform the Commission as to if and/or how the current Program design and delivery approaches may and/or should be modified, if at all, to reach the program goals and best serve the low income population.

3.3.1. Parties' Positions

3.3.1.1. DRA

In its protest, DRA questions whether the current ESA Program design and delivery model, using the traditional comprehensive whole house approach, can adequately deliver enough benefits at the household level to make the program

[36] *See* Strategic Plan; *see also* D.08-11-031.

sufficiently cost-effective. DRA therefore suggests that there should be a discussion of other potential program delivery models or approaches that may better suit the mix of products and services proposed in this program. DRA believes the Applications do not explore and discuss the advantages of other potential delivery approaches as compared to the ESA Program delivery approach and that the record therefore should be developed to explore alternative delivery approaches with regard to the merits of other potential delivery approaches.

As a possible alternative model, DRA's opening testimony proposes a "Tangible Bill Saver" design and delivery model. In general, DRA suggests that since the most tangible benefits provided by the ESA Program are bill savings, and that the program design should perhaps be reviewed with this in mind to allow the IOUs to increase delivery of measures such as lighting, refrigerator replacement and water conservation for the 2012-2014 cycle, while at the same time restricting the delivery of measures that provide very low bill savings to only high energy users and/or extreme climates. DRA believes that its proposed model should yield higher, more tangible bill savings. As part of this proposed model, DRA proposes that we replace the modified 3MM Rule with a savings target schema that tailors, by household, a measure mix that delivers an estimated energy savings rate of 4% of that household's average annual CARE use. To do this, DRA proposes utilizing energy audit software in the ESA Program to facilitate this energy savings analysis and delivery.

DRA's proposed model anticipates that the ESA Program outreach and assessment contractors install more measures during the initial outreach and assessment visit, including domestic hot water measures, lighting measures, and possibly other measures, such as smart power strips, etc. DRA also suggests that

the Commission determine if and when utilizing energy audit software, modeling or diagnostic tools would be merited to improve savings for participants. In addition, DRA recommends that the IOUs "borrow" from their own approved Whole House Retrofit program approaches such as utilizing the Home Energy Efficiency Surveys (HEES)[37] as an entry point to identify opportunities for energy efficiency improvements and develop additional criteria based on energy usage and/or climate zone. In its opening brief, DRA also notes that "there may be other measures" that should also be included in the package of "Tangible Bill Savers" than those DRA had referenced to date.

In its response to the December 2011 Ruling, DRA clarifies that the outreach and assessment contractors retraining to implement DRA's proposed program model could occur in conjunction with the IOUs' proposed expansions of outreach worker tasks (i.e., Smart Meter technology education, etc.). DRA, noting SDG&E's difficulties in teaching outreach specialists about the In-Home Display (IHD) Pilot[38] and delivering that information to ESA Program customers,

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[37] HEES programs are administered by the IOUs and provide customers with information to help them become familiar with ways to control and reduce energy and water usage in their homes by offering customers up to four options (mail-in survey, on-line survey, phone survey, and in-home survey) in multiple languages, including an action plan for implementation. The program also provides survey results to enable participants to understand how their energy use varies throughout the year and how their household compares with similar households. The "official" program implementation plan can be found at the attached link. (http://www.cpuc.ca.gov/NR/rdonlyres/3A357638-9BF5-4A64-A073-5462B40AD1AE/0/SCESWResAudit.pdf)

[38] SDG&E's IHD Pilot was designed to test technology that could provide real-time energy use and billing information to qualified low income customers. However, recruitment and fielding for the pilot became an issue as ESA outreach specialists did not have the technical expertise to discuss the product with customers due to the complexity and uniqueness of the technology being offered.

Footnote continued on next page

modified its proposed alternative delivery model such that outreach specialists and the installation contractors would be sent to the home for a joint initial assessment visit.

3.3.1.2. NRDC

NRDC generally supports the IOUs' overall movement away from the paper-based operation of the ESA Program, as set forth in their Applications, as well as DRA's proposal which puts "refocus" on bill savings relative to costs.

3.3.1.3. TELACU et al.

In their reply testimony, TELACU et al. argue that DRA's proposed model would "effectively dismantle the current program, turning it in to an appliance delivery service" that omits consideration of non-energy benefits, including job creation, economic development, and greenhouse gas (GHG) reductions. TELACU et al. assert that since "a substantial portion of unit costs" are associated with finding and qualifying ESA Program eligible homes, there is little program savings in shifting to the current delivery model to DRA's proposed model with a 4% energy savings threshold. TELACU et al. continue that the cost of requiring DRA's proposed energy audit diagnostic tool will also add costs (of roughly $120-$360, or up to $800) to the cost of treating a household, which then further confounds the program cost effectiveness issue. TELACU et al. point out that DRA completely fails to consider these significant logistical and operational issues in their proposal.

In their response to the December 2011 Ruling, TELACU et al., also share and underscore the concerns of EEC, explaining that outreach and enrollment

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(https://www.pge.com/regulation/LowIncomeProgramPY12-14/Other-Docs/SDGE/2012/LowIncomeProgramPY12-14_Other-Doc_SDGE_20120201_228591.pdf.)

contractors do not have the specialized skills and licensing needed to install measures, as even showerhead installation can require repair skills.

3.3.1.4. EEC

In its opening testimony, EEC contends that the ESA Program has an undue reliance on paperwork and that further paperwork reduction is necessary. EEC, therefore, recommends Commission's authorization for (1) the purchase of related hardware and expenses from program funds to further the use of paperless forms, (2) the development of a leave behind energy education DVD, and (3) energy education and Compact Fluorescent Lamps (CFL) be allowed at the time of enrollment regardless of the modified 3MM Rule.

EEC, in its reply testimony, opposes DRA's proposal to modify the ESA Program delivery schema to the proposed "tangible bill savers" model, arguing that the layoffs and reorganization required by DRA's proposal would be cataclysmic for the current ESA Program workforce. Furthermore, EEC contends that the proposed "tangible bill savers" model with its 4% energy savings design would introduce disruption and delays into the program from restructuring and retraining that would be necessary, and as proposed, would leave out energy savings measures.

In their response to the December 2011 Ruling, EEC agrees with TELACU et al. and explains that outreach and enrollment contractors do not have the specialized skills and at times, the licensing required to install measures. They both indicate that the sales skills of outreach and assessment contractors do not overlap with installers. Both groups note that the DRA's proposed model also does not address licensing requirements and that delivering and installing refrigerators at the time of enrollment is infeasible.

3.3.1.5. TURN

In its opening testimony, TURN recommends that the Commission require that the IOUs use the same contractors for overlapping territories and that the IOUs expand contractors' skill sets so that one contractor can perform additional weatherization and retrofit services. TURN also recommends the Commission consider certain concepts recently introduced by the Local Government Sustainable Energy Coalition, which includes a "Cash for Energy Savings" program[39] providing rebates equal to the electric and natural gas energy bill savings.

In its reply testimony, TURN supports DRA's "refocus" on bill savings relative to costs. TURN supports a program model that provides those least bill saving measures only to customers with higher energy use and/or live in extreme climates. TURN supports DRA's recommendation that the ESA Program use modeling or diagnostic energy audit software and reduce overall paperwork requirements in the program.

In response to the December 2011 Ruling, TURN recommends that utility billing and energy use data required for the DRA's "tangible bill saver" model should be provided to the contractor enrolling customers prior to the installation of any measures so that contractor could perform (or be trained to perform) this analysis prior to these initial installations.

[39] TURN describes this concept as a program that provides rebates to customers. The rebate amount would equal the electric and natural gas energy bill savings a customer achieves. TURN claims such program would have no minimum energy savings threshold to participate and no cap on the amount of rebate paid.

In its brief, TURN restates its recommendation in support of the program model that utilizes (1) paperless enrollments, (2) use of energy audit software, and (3) same contractors be used in the IOUs' overlapping territories. TURN also introduces a new suggestion of having one contractor install all energy efficiency measures at one visit.

3.3.1.6. Joint Parties

In its reply testimony, the Joint Parties generally support DRA's proposed "tangible bill savers" model.

3.3.2. IOUs' Positions

In their opening testimonies, the IOUs indicate that they plan to integrate several service improvements gleaned from the lessons learned during the previous program cycle and the various studies into the program. Such improvements include: using customer testimonials in marketing efforts, revising property owner waiver forms for easier program access, instituting standardized pre-appointment letters or calls to remind customers of installation appointments, and reducing the overall program paperwork requirements, among other new initiatives.

3.3.2.1. SCE

In its reply testimony, SCE argues that instead of instituting energy audit software as proposed by DRA as part of the "tangible bill savers" model, it would be more appropriate for the ESA Program to use the California Integrated Customer Energy Audit Tool (CA-ICEAT) that is currently under development by the IOUs to be hosted on each IOU's website and would be free of charge.

In their response to the December 2011 Ruling, SCE argues that their current service model already delivers easy-to-install measures such as CFLs, smart power strips, etc. at the time of assessment and enrollment. SCE agrees with EEC that it is simply infeasible to install measures such as refrigerators during an initial visit.

3.3.2.2. SoCalGas

SoCalGas' reply testimony argues that DRA's request to focus program delivery on high usage customers runs counter to directives in D.08-11-031 that customers not be segmented by energy use in the direct installation of measures. SoCalGas notes that it would take additional funding and at least six months to rewrite current contracts, retrain contractors, and update its current Home Energy Assistance Tracking (HEAT)[40] database to implement DRA's proposal.

3.3.2.3. SDG&E

SDG&E's reply testimony too argues that DRA's request to focus program delivery to high usage customers runs counter to directives in D.08-11-031 that customers not be segmented by energy use in the direct installation of measures. In their response to the December 2011 Ruling, SDG&E reiterates the Commission directive of providing all eligible measures to all customers and adds that the ESA Program database currently used is designed as a workflow management system for the current program delivery schema and that integrating energy consumption data into that database would be complex and costly.

[40] The HEAT System is SoCalGas' ESA Program workflow database used to track program activity and expenditures.

3.3.2.4. PG&E

In their response to the December 2011 Ruling, PG&E also emphasizes that it is infeasible to install refrigerators during an initial visit. While PG&E does not note any potential problems with retraining its Energy Specialists, with the exception of refrigerators, PG&E does project that it would need an unknown amount of additional funding for its Training Centers to significantly revamp its training requirements to adapt to DRA's proposed "tangible bill savers" model.

3.3.3. Discussion

We agree that the ESA Program, as with all mature programs and changing times, can always benefit from design and delivery improvements. We therefore commit to an ongoing focus on program improvements, and one of several steps we initiate in this proceeding was to fully engage the stakeholders and tap into their expertise through proceeding participation and through that effort the proceeding record has seen historic, robust and informative contributions from each of the stakeholders.

As a next step, we have ordered three significant working groups. Two of those groups are charged with reviewing issues designed specifically to better inform the Commission on the ESA Program design and delivery improvements going forward. Mid-cycle Working Group's charge includes an ongoing program review and improvements. Cost-effectiveness Working Group will be reviewing the ESA Program's approach to cost-effectiveness in balancing and prioritizing competing values in the ESA Program which will likely impact program design and delivery.

Additionally, we are reviewing the ESA Program, its program measures, the needs of the low income population, etc. in several studies to better inform the Commission on how best the Commission can direct the ESA Program toward the Commission's Strategic Plan goals and deliver the ESA Program to meet the low income population's true needs.

Finally, there are several program delivery improvements recommended in the 2009 Process Evaluation of the ESA Program that the ESA Program should incorporate immediately. As discussed below, we are persuaded by those recommendations.[41] The 2009 Process Evaluation correctly describes the ESA Program as "a mature program with protocols at each step of the process: marketing and outreach, enrollment and assessment, installation, and inspection" and recommends several areas where some improvements can be made, as follows:

- The IOUs should look into creating forms and updating databases to allow for more robust descriptions of customer homes so that enrollment and assessment contractors can better document special circumstances or potential problems in a home in order to better prepare the installation contractors for their initial visit and reduce the chance for a second visit.
- The IOUs should consider further upgrades to their databases to potentially allow contractors to edit information after uploading it.
- The IOUs that share territories should look into using single intake forms and list the same requirements for proof of income.

[41] Final Report: Low Income Energy Efficiency Process Evaluation, dated June 10, 2011 (2009 Process Evaluation).

These recommendations also coincide with some key points made by the parties to this proceeding that (1) the program should move towards paperless operations, and (2) the program should provide outreach and assessment contractors with more information before getting into a home to better prepare and enable them to understand that household and tailor measures to the household, while also reducing visits, and wherever feasible, complete installations in a single visit.

We direct the IOUs to implement the above 2009 Process Evaluation recommendations. Such efforts should include review of the property owner waiver and co-pay forms. As we point out in 3.10.6.3 of this decision, the property owner waiver and co-pay forms should be simplified, made uniform among the IOUs and made available in languages other than English, if there is sufficient need justifying such expenditure. Furthermore, once fully implemented, SCE should report to the other IOUs on the effectiveness of its integrated schedule manager and routing tool[42] for possible statewide adoption.

We also direct the IOUs to review the training curriculum and licensing requirements of the outreach and assessment contractors to evaluate and report to the Energy Division, each IOU's projected budget necessary to train and

[42] SCE is in the process of implementing automated routing and scheduling functionality into its central database. This functionality will provide proximity-based scheduling of jobs, mileage and time calculations, and route maps to and in between appointments allowing contractors to utilize the program's database as their single reference tool for scheduling jobs. This will improve customer service by allowing any one person speaking to the customer to respond to appointment inquiries. This technology will also enable ESA Program field crews to receive and close out new work orders through their smart phones. The use of this technology will result in faster response times and potentially reduce phone calls, paperwork and overhead costs. *See* SCE's Budget Application at 8-9.

otherwise enable those contractors in their initial visit, to install simple measures such as smart power strips to income qualified customers who have passed the modified 3MM Rule.

In its present form, we do not approve with the DRA's "tangible bill savers" model proposal which would overhaul the current ESA Program design and delivery model. First and foremost, as SoCalGas and SDG&E correctly point out, DRA's request to focus ESA Program delivery to high usage customers, by its proposed "tangible bill savers" model, goes directly against our own directives in D.08-11-031 that customers not be segmented by energy use in the direct installation of measures. Moreover, as the parties note, there are too many operational and licensing concerns that DRA's proposal fails to fully explore and address. Some of the notably overlooked aspects of the DRA's proposal, such as the retraining and skill sets of the current workforce and licensing requirements are significant issues and without full consideration of those concerns, DRA's delivery overhaul proposal is premature to even begin to consider it as a potentially viable alternative delivery model, let alone one that would better serve the ESA Program.

Furthermore, we must acknowledge that the IOUs and the parties who implement the ESA Program have unequivocally spoken and confirmed that the current workforce cannot reasonably be expected to execute DRA's "4% tangible bill saver" model in this cycle because such a program concept/model is such a significant departure from the current model.

Finally, as pointed out by the IOUs and several other parties, the current ESA Program database is designed as a workflow management system for the current program delivery schema toward reaching the 2020 Strategic Plan goals. To abruptly switch that format to the "tangible bill savers" model type of

delivery format would cause huge delivery disruption to the ESA Program customers and require complex and costly administrative efforts. At the very least, such transitional efforts would include integration of energy consumption data into that database, developing new training models and retraining the enrollment contractors, and increasing licensing requirements for those enrollment contractors. To then finally roll out this new delivery model, perhaps following many months disruption and inconvenience to the ESA Program, ESA Program customers and the lives of many hard working Californians (including their families) who currently deliver the ESA Program each day under the current delivery schema, is unacceptable.

Based on the foregoing, we find that DRA has not demonstrated and we are not convinced of the sufficient showing of need or the benefits of such overhaul at this point in the proceeding to justify the foreseeable and anticipated disruption to the program and the workforce. In addition, DRA's proposal impacts the current overall ESA Program cost-effectiveness framework, being reviewed through the Cost-effectiveness Working Group, and even touches on what we must learn from, *inter alia*, the New Impact Evaluation Study and the New Low Income Needs Assessment Study, all of which is being ordered in the second phase of this proceeding. These efforts will inform the Commission and therefore aid us in thoughtfully refining the delivery approach, as appropriate.

We agree, in part, with some of the components of the DRA's "tangible bill saver" model concept. First, we should explore how we should prioritize and/or approach bill saving and energy saving in the overall ESA Program cost-effectiveness framework and approach, as part of the Coast-effectiveness Working Group efforts. Second, we also agree with part of DRA's recommendation and therefore direct the IOUs to integrate their HEES programs

and the CA-ICEAT into the ESA Program so that ESA contractors can use this information for easier enrollments and assessments.

3.4. Marketing Education and Outreach (ME&O)

We have gained significant experience over the years in how to reach the low income communities, both effectively and cost effectively, which enables us to ultimately reach more low income customers to deliver the program benefits. Through the IOUs' creative and innovative outreach efforts during prior program cycles, one of the most notable barriers in effective penetration was identified as lack of trust in the low income communities which was further compounded by cultural and language barriers that stifled the low income communities' understanding of the ESA and CARE Programs.

To overcome these barriers and to reach the hardest to reach low income customer segments, we found that community, local and ethnic contacts, community leaders and venues often helped facilitate the breakdown of those trust barriers. We therefore believe that an effective media outreach efforts in the low income programs should likewise include community, local and ethnic media to better engage these communities and be tailored to the particular low income communities that are the hardest to reach. This can be done by effectively combining the IOUs' current efforts with, *inter alia*, the use of the community, local, regional, ethnic and ethnically-owned media, such as newspapers, radio, and television.

Consistent therewith, the IOUs' ME&O strategies should embrace and recognize the importance of community, local, regional, ethnic as well as ethnically-owned media as ways of effectively reaching and penetrating some of the most difficult to reach pockets of the low income communities. There are ready and available tools that are clear and direct gateways to many of these low

income communities to help tear down some of these identified barriers. The IOUs should track and report on the progress of these outreach efforts in their annual reports, and the reporting should indicate specific activities and contracts, actual expenses, as well as qualitative and quantitative attributes of resulting enrollment from each effort. We direct the IOUs to continue to conduct their current ME&O efforts as directed in this decision.

Similarly, the Commission also encourages the IOUs to utilize, where appropriate, community based organizations as a resource in the outreach efforts. Many community based organizations have proven track records within the low income communities and have earned the low income communities' trust. Information from those trusted community based organizations with proven track records will therefore likely be received in that community with more trust and confidence since it is coming from local and trusted community sources. Such coordination with community based organizations will also yield the added benefit of creating jobs within those communities. As such, the Commission supports those efforts to partner with community based organizations that have proven track records with the IOUs' outreach efforts and a trusted grassroots presence in the community.

We find the above ME&O approach completely consistent with the Legislature's long standing support for encouraging greater economic opportunity for women, minority, and disabled veteran business enterprises.[43]

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[43] Code §§ 8281 *et seq.* which provides: "it is the declared policy of the state to aid the interests of women, minority, and disabled veteran business enterprises in order to preserve reasonable and just prices and a free competitive enterprise, to ensure that a fair proportion of the total purchases and contracts or subcontracts for commodities, supplies, technology, property, and services for regulated public utilities, including, but not limited to, renewable energy, wireless telecommunications, broadband, smart grid,

Footnote continued on next page

Likewise, we find the above ME&O approach consistent with our continued commitment we set forth in General Order 156 as well as its amendment, in support of encouraging greater economic opportunity for women, minority, and disabled veteran business enterprises.[44]

In addition, in the recent years, Commission has stressed the need for the IOUs to integrate and coordinate marketing messages for customers. In D.07-12-051 and D.08-11-031, the two preceding low income energy efficiency proceeding dockets, the Commission took detailed steps, aligned with the general energy efficiency proceeding dockets, to direct the IOUs to integrate statewide energy efficiency and demand response marketing by reducing redundancies in marketing efforts and to have one contract with a single marketing agency for both statewide marketing campaigns.

Between 2009 and 2010, the Commission engaged in a careful evaluation of prior statewide marketing and branding efforts as well as market and demographic research to understand how best to encourage energy awareness as well as energy efficiency action. Much of this work and research is still extremely relevant to tailoring education and outreach messages to certain communities and groups.

Residential (including low income) and small business consumers are also typically, as a group, less informed about the particulars of program offerings available from the IOUs and third parties to help meet their energy needs. Part of the Commission's goal for some time with our statewide ME&O efforts,

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and rail projects, are awarded to women, minority, and disabled veteran business enterprises, and to maintain and strengthen the overall economy of the state."

[44] D.11-05-019.

particularly in the most recent energy efficiency and demand response program and budget proceedings, is to develop one integrated approach that includes multiple demand-side options depending on the needs of the consumer.

Our ultimate plan is a unified approach to statewide ME&O. Yet our efforts to deliver an integrated statewide message have been hampered by differing program cycles and proceedings among energy efficiency, demand response, distributed generation, and low income programs, among other reasons.

To help bring these efforts together under one umbrella with one unified statewide ME&O approach, the Commission, for the first time in D.12-05-015, directed the IOUs in its general energy efficiency docket, Rulemaking (R.) 09-11-014, to file separate Applications outlining their approach to statewide ME&O for all demand-side programs as well as generalized energy education (Statewide ME&O Applications). We recognize that some programs such as low income programs will need to retain substantial program specific ME&O direction with tailored program specific strategies. However, we also realize that some overall alignment with the statewide ME&O activities is both necessary and beneficial.

At this time, we direct the IOUs to carefully balance the program specific ME&O needs, comply with the current statewide ME&O course and directions in D.12-05-015, prepare and file of their statewide ME&O applications by August 3, 2012 as ordered in OP 117 of D.12-05-015 and remain poised to follow any other applicable ME&O directions by the Commission, applicable to the low income programs. The IOUs are directed to ensure that such filings meaningfully incorporate low income programs' statewide ME&O needs, concerns and issues consistent with the directions in this decision and any future

directions in this proceeding. In the meantime, we direct the IOUs to continue to conduct their approved ME&O efforts for the ESA and CARE Programs so not to lose any momentum and progress being made through the current and ongoing low income ME&O efforts.

For each utility, the proposed and adopted ME&O budgets are set forth and attached in Appendix B-E to this decision.

3.5. ESA Program and Cost-Effectiveness

3.5.1. Introduction

Following the Strategic Plan, in D.07-12-051 and D.08-11-031,[45] the Commission outlined the current cost-effectiveness framework for the ESA Program, including overall cost-effectiveness methodology applying a measure based analysis with two tests, threshold values and exceptions for certain circumstances. Consistent therewith, for this 2012-2014 cycle, we direct the IOUs to continue the current course and focus on providing cost-effective measures within this ESA Program cost-effectiveness framework, as discussed below.

3.5.2. Background

The Commission, in D.02-08-034, first established its overall methodology for the ESA Program cost-effectiveness analysis, set forth applicable general principles, and adopted two tests. The first was the Modified Participant Cost (PCm) Test, a test that emphasizes measures benefits to participating customers and the total costs of the ESA Program, and the other was the Utility Cost Test (UCT), a test that measures a utility's resource costs and the resulting benefits,

[45] D.09-06-026 clarified D.08-11-031.

including non-energy benefits of the program.[46] Both tests incorporate non-energy benefits[47] as well as direct energy-related benefits.

Based on the two tests and measure-based evaluation, in D.08-11-031, the Commission held a measure is deemed to have "passed" the ESA Program cost-effectiveness test if its benefit-cost ratio, according to the UCT and PCm tests, is greater than or equal to the 0.25 benefit-cost ratio benchmark for that utility. The Commission also noted that, under certain circumstances, exceptions would be made. Parties have consistently questioned this measure based evaluation approach as well as the overall cost-effectiveness framework and have raised concerns that the Commission re-examine them.

[46] Issued August 9, 2002 in R.01-08-027.

[47] Non-energy benefits capture a variety of effects, such as changes in comfort and reduction in hardship, that are not captured by the energy savings estimates derived from load impact billing evaluations, and are ignored in more traditional cost effectiveness approaches like the Total Resource Cost (TRC) Test.

3.5.3. Parties' Concerns

During the last program cycle and in this current proceeding, some parties raise the concern that the current benefit-cost methodology does not adequately reflect the social equity values promoted by the ESA Program, such as health, comfort and safety. Others also suggest benefit-cost calculations should give more consideration to avoided costs and non-energy benefits, such as environmental benefits in addition to energy savings over the life of a measure's installation. Some parties suggest potential refinements to the current methodology such as adopting a portfolio based cost-effectiveness analysis instead of the current measure-by-measure analysis. There are yet others who question the overall effectiveness of the current cost-effectiveness framework as a way of achieving significant energy savings.

On October 24, 2011, the Commission held a workshop on this topic. The workshop yielded robust and thoughtful discussion among the parties. Most parties, in their responses to the December 2011 Ruling, restated that the cost-effectiveness framework currently used to evaluate the ESA Program measures needs to be revisited. In essence, while parties acknowledge that the ESA Program has been an energy resource program, as set forth in the Strategic Plan, and that achieving significant energy savings is an essential part of such cost-effectiveness framework, they also argue that it is an equity program. That the current framework inadequately factors in the equity considerations.

The parties are timely raising this fundamental and ripe issue in this proceeding. The ESA Program has a 20-year history and began as pure equity program (direct assistance programs). Over time, the Commission introduced in the ESA Program the resource emphasis with the goal of achieving energy savings. In our recently adopted Strategic Plan and again in D.08-11-031, we reiterated our direction that the ESA Program "must evolve into a resource

program that garners significant energy savings in our state while providing an improved quality of life for California's low income population."[48]

This ESA Program directional evolution now brings us to the current program with dual purposes/objectives of energy savings and equity factors. While the current ESA approach attempts to strike a proper balance of those factors, it is time for the Commission to thoroughly review this issue, examine the findings and recommendations from the second phase of the proceeding activities, and based thereon provide guidance and update program, striking the needed balance on these challenging aspects of the program.

Toward refining the ESA Program's current cost-effectiveness framework, if appropriate, the Commission will endeavor to explore ways of stretching the limited ratepayer funds toward (1) producing significantly more energy savings than today and (2) also significantly increasing the low income households' energy bill savings than today. We also will endeavor to review and refine the cost-effectiveness framework to ensure that it strikes a proper balance between the dual program purposes of energy savings and equity factors.

As several parties rightly point out, there is no magic formula in striking this balance between energy savings and numerous, and often difficult to value, equity factors (including non-energy benefits). With the number of parties to this proceeding, each would suggest different outcome based on their different views of what factor or factors should be given priority or prominence in this balancing effort. However, we are committed to exploring this issue in depth in the second phase of this proceeding by examining the current framework, review

[48] D.08-11-031.

alternatives, reviewing low income population's true needs, etc. in various second phase activities.

The parties generally support the concept of a working group, to be led by the Commission's Energy Division, and formed to fully explore this issue in depth toward formulating a cost-effectiveness framework that balances and recognizes the ESA Program as both a resource and an equity program. Most parties agree such an in-depth review should be undertaken during the 2012-2014 cycle to yield a report, findings and recommendations to be ready in time for 2015-2017 cycle applications preparation.

3.5.4. Working Group on Cost-Effectiveness (CE) Methodology Review

Because the program stakeholders bring decades of program implementation expertise as well as invaluable program insight and perspective to the proceeding, we must accord these stakeholders' comments due deference. Based on their comments, we therefore find that the current CE framework used in the ESA Program should be reviewed in this cycle. This review can only help the program by better informing the Commission and the parties and perhaps even lead to thoughtful and meaningful change, if such change is found to be needed to garner greater energy savings and provide greater health, safety and comfort benefits to the low income community in the most cost-effective way possible.

Moreover, this review is the logical next step following the completion of 2010 study and report titled *Non-Energy Benefits: Status, Findings, Next Steps, and Implications for Low Income Program Analyses in California* (NEB Study).[49] The NEB Study set the stage for our review of how health, safety and comfort related non-energy benefits could and should be approached by the Commission in the future. Until now, health, safety and comfortable benefits have largely been approached as an exception to the CE Test (as add back measure). In our review, we should reevaluate this approach and consider potential alternative approaches.

While there was little agreement among parties about the merits of their varying proposals and what specific changes should be made, there does seem to be a consensus among parties on the questions that a working group should examine the ESA Program's CE methodology to review the following:

(i) What type of cost-effectiveness framework should the ESA Program use? Should the CE analysis of the ESA Program be determined by CE evaluation of the entire program? Should such CE analysis be done solely at the individual measure level to evaluate the CE of the individual measure to determine the approval of individual measure? Should such analysis be done using some type of hybrid approach, looking at both the CE of the program and its measures? Should such analysis be done using any other potential approach? And if so, what and how?

(ii) Should the Commission continue to use the Modified Participant Test (PCm) and the Utility Cost Test (UTC) to measure the ESA Program CE, or should the Commission instead (or additionally) use the Total Resource Cost (TRC)

[49] http://www.liob.org/docs/Non%20Energy%20Benefits%20Study%20-%20SERA%20Inc%20%202010.pdf.

test? Do these tests require any modification to be better suited for use by the ESA Program?

(iii) Should all measures, both equity (including health, safety and comfort measure) and resource measures, be subject to CE analysis? How do we define which measures are considered resource measures and which are considered equity measures? Should they be treated differently? Should we have specific goals or metrics for equity measures? How should those goals or metrics be defined?

(iv) What is the appropriate role of non-energy benefits, including equity factors such as health, safety and comfort issues, in the CE analysis for the ESA Program? Which CE tests should include which non-energy benefits? How should the various non-energy benefits be measured and treated? Are there additional non-energy benefits which should be included, or current non-energy benefits which should be excluded?

We find this working group approach reasonable and sound, and we direct the Energy Division to promptly allocate resources toward convening the ESA Program cost-effectiveness working group (CE Working Group). The CE Working Group should comprise of the IOUs' representatives, Energy Division staff and representatives from other interested parties in the ESA Program proceeding. To manage the size and therefore productivity as well as to achieve balance and optimize the benefits of the cost-effectiveness expertise among parties, the CE Working Group should be made of no more than two representatives from each segment of the parties (contractors, community based organizations, DRA, consumer advocates, other special interest groups), and one representative from each IOU, that have the expertise in the issues relating to cost-effectiveness tests and methodology.

The process the CE Working Group will use to develop a proposal and recommendation for a feasible cost-effectiveness framework will be as follows:

1. The Energy Division will take the lead role in the CE Working Group.
2. In addition to one representative from each of the IOUs in the CE Working Group, The Energy Division will send a request to the service list of this proceeding to solicit the remaining CE Working Group members as soon as practicable after this decision is issued to form the CE Working Group consistent with the directives in this decision, including the directions for the makeup of the CE Working Group. In response, no more than two representatives from each segment of the parties (Contractors, community based organizations, DRA, consumer advocates, other special interest groups) should be nominated and those nominees should have expertise and/or knowledge to be able to contribute substantially to the CE Working Group process.
3. The Energy Division will select the members of the CE Working Group based on its review of the industry representatives who can provide helpful insight and expertise on the subject, subject to reasonable guidelines established by the ALJ, to ensure the CE Working Group's size and composition do not work against thoughtful and meaningful discussion and examination of the issues.
4. By February 15, 2013, the Energy Division staff, in coordination with the CE Working Group, will issue a white paper on the subject of the CE Working Group.
5. The white paper will examine the suggestions and comments made by parties in this proceeding and outlined in this decision, and present a proposal and recommendation for a revised cost-effectiveness framework for parties to comment on.
6. CE Working Group shall review all comments and thereafter develop a final proposal and recommendation for a revised cost-effectiveness framework.

7. By March 15, 2013, the CE Working Group shall convene a minimum of two public workshops and/or meetings. Additional workshops or meetings may be held at Energy Division's discretion.
8. By July 15, 2013, the CE Working Group shall submit its Final Proposal and Recommendation (Recommendation) to the ALJ. The ALJ thereafter shall circulate the Recommendation for comments to the service list of this proceeding. The final Recommendation for any proposed revised cost-effectiveness framework should be forward looking and shall take into account the ESA Program goals and the goals of the Strategic Plan.
9. If adequate cost-effectiveness justification consistent with the overall Strategic Plan vision supports such Proposal and Recommendation for cost-effectiveness framework, it may thereafter be adopted in a decision with directions to the IOUs to use the framework as they design their portfolio for subsequent program applications for program cycle 2015-2017.

3.6. Approved ESA Program Measures

3.6.1. Introduction

The Strategic Plan requires that ESA Program serve as an energy resource for California, while continuing to enhance low income customers' quality of life. Goal 2 of the Low Income Residential Segment of the Strategic Plan explicitly provides that the ESA Program be an energy resource by delivering increasingly cost-effective and longer-term savings.[50] These are competing program objectives that need to be balanced.

To better balance these competing objectives, in the second phase of this proceeding, we are reviewing the ESA Program cost-effectiveness framework and methodology through the CE Working Group process outlined in the

[50] Strategic Plan at 24.

forgoing section. The CE Working Group is specifically tasked to examine and begin to develop a record for the foundational elements and discussions to set the stage for more informed direction for the ESA Program's long term vision toward striking the proper balance between achieving cost effective energy savings versus providing health, comfort, and safety benefits.

Until changes, if any, are made to the current cost-effectiveness framework, in this 2012-2014 budget cycle, the IOUs must continue to diligently ensure installation of the list of measures we approve today which is based on the current cost-effectiveness framework.

3.6.2. ESA Program Measure Cost-Effectiveness Test

D.08-11-031 set out the current measure-by-measure CE Test for the ESA Program to determine whether a specific measure is cost effective (taking into account the housing type as well as climate zone) and set forth an approach to screening each measure for cost-effectiveness. The IOUs followed that CE Test and applied it to each measure they propose for the ESA Program measure portfolio for approval here in their 2012-2014 ESA Program measure portfolios. Today, we adopt and apply the same methodology, outlined in D.08-11-031, for this cycle for evaluating cost-effectiveness of each proposed measure (taking into account the housing type as well as climate zone), including when we grant exceptions to such CE Test as follows:

> CE Test: Measures that have both a PCm and a UCT benefit-cost ratio greater than or equal to 0.25 (taking into consideration the housing type and climate zone for that measure) for that utility pass the CE Test and shall be included in the ESA Program. This rule applies for both existing and new measures.
>
> Two exceptions to CE Test are:

(1) Existing measures that have either a PCm or a UCT benefit-cost ratio less than 0.25 (taking into consideration the housing type and climate zone for that measure) is deemed to have passed the CE Test and shall be retained in the ESA Program; and

(2) Existing and new measures with both PCm and UCT test results less than 0.25 (taking into consideration the housing type and climate zone for that measure) for that utility may be included in the ESA Program for health safety and comfort reasons as add back measures, by first securing Commission's approval for such exception; and all approved add back measures are subject to additional reporting requirements.[51]

Under the add back measures provision, 2 above, we allow the IOUs to offer certain measures that fall below the 0.25 threshold, with additional attendant reporting requirements to track and report to better inform the Commission on those add back measures' impact to the program budget and energy savings.

The additional reporting we require for the add back measures will occur in two steps. First, within 30 days of the effective date of this decision, the IOUs

[51] Currently, the Commission only allows central air conditioning in climate zones 14 and 15, consistent with our prior decisions. Additionally, the Commission does not allow furnace repair and replacement or water heater repair and replacement work, consistent with our conclusions in D.07-12-051 and D.08-11-031, in rented housing as the Commission, time and again, found those should not be the responsibility of ratepayers but in fact should remain the responsibility of the landlord, consistent with landlord's habitability responsibility. *See* D.08-11-031 at 53; and *See Green v. Superior Court* (1974) 10 Cal.3d 616 [111 Cal.Rptr. 704], which held that all residential leases and rental agreements contain an implied warranty of habitability. Under the implied warranty, the landlord is legally responsible for repairing conditions that seriously affect the rental unit's habitability. That is, the landlord must repair substantial defects in the rental unit and substantial failures to comply with state and local building and health codes.

shall forecast, for 2012-2014 (per year and for the full three year period), for all add back measures included in the program the following:

1. The housing type and climate zone;
2. The quantity of each add back measure the IOU anticipates installing in 2012-2014 in each by climate zone;
3. The budget of each add back measure; and
4. The energy savings impacts of each add back measure, based on the assumption that installation of measures that do not already exist in a home will increase, rather than decrease, energy usage.

Second, the IOUs would also report in their annual reports, due in May of each year, the actual figures in each of the foregoing four categories. If the add backs will compromise the IOUs' ability to meet the 2020 Strategic Plan goal that 100% of eligible and willing customers will have received all cost effective ESA Program measures, they should include a narrative in their annual reports on how they propose to address the shortfall in other parts of their ESA Program.

3.6.3. IOUs' ESA Program Measure Portfolio Proposals

The IOUs propose to add new measures that pass the CE Test, retire other measures that do not meet the CE Test, and propose several add back measures, as detailed below.

3.6.3.1. PG&E

Proposed New Measures (PG&E)

Thermostatic Shower Valve Measure	Passes the 0.25 CE Test Threshold
Smart Air Conditioner Fan Delays	Passes the 0.25 CE Test Threshold
1993-1998 Refrigerator Replacements	Passes the 0.25 CE Test Threshold
Microwaves	Passes the 0.25 CE Test Threshold

Proposed Measures to be Retired (PG&E)

Duct Test and Seal (DTS)	Failed CE Test Threshold and show very

	low savings in the 2009 Impact Evaluation

Proposed Add Back Measures (PG&E)

Attic Insulation	2009-11 status quo basis with addition of climate zone 14 for single family.
Envelope and Air Sealing Measures	In all Climate Zones and housing types. Includes outlet cover plate gaskets, attic access weatherization, door weather-stripping, caulking and minor home repairs. Although they provide low savings, they are also low-cost.
Water Conservation Measures	In all housing types for multifamily. Includes low-flow showerheads, water heater blankets, water heater pipe insulation, and faucet aerators. Exceeded the CE threshold for all housing types except multifamily. These measures are Low-cost and are often the easiest to provide measures available to multifamily.
Furnace and Water Heater Repair/Replacement	These two measures have never been cost-effective, and have always been included for homeowners based on comfort, health and safety. Furnaces and water heaters are repaired or replaced when the existing measure fails natural gas appliance test and is in a hazardous condition. PG&E proposes to continue this safety element for homeowners.

3.6.3.2. SCE

Proposed New Measures (SCE)

Smart Power Strips	Measure eliminates "vampire load" which is estimated to account for 4%-11% of a household's total energy usage. This measure is Inexpensive, simple to install, and require no landlord approval.
Variable-Speed Pool Pumps	SCE proposes to replace existing pool pumps with highly efficient variable-speed pool pumps.

Proposed Measures to be Retired (SCE)

Evaporative Coolers Maintenance	During the 2009-2011 program cycle, SCE offered evaporative cooler maintenance to customers to help ensure the units previously installed by SCE would continue to operate at peak efficiency and operate effectively throughout the

	expected life span of the units. In the 2012-2014 program cycle, SCE will retire this measure in order to focus delivery of program services to customers who have not received services through the ESA Program in order to continue progress toward achieving the Commission's Programmatic Initiative.
Air Conditioner Service	SCE intends to retire the Central Air Conditioner service measure by which ESA Program contractors go back to maintain Central Air Conditioners previously installed by the ESA Program. This retirement will help to maintain program costs while still allowing for the continued replacement of the oldest, most inefficient Central Air Conditioners.

Proposed Add Back Measures (SCE)

Envelope and Air Sealing	Provides health, safety, and comfort benefits, and reduces infiltration.
Room Air Conditioner	For all housing types in climate zones 10, 13, 14, and 15.
Central Air Conditioner	For single family climate zones 14-15, and multifamily in climate zone 14.
Heat Pumps	For single family climate zone 15, multifamily climate zone 15.

3.6.3.3. SoCalGas

Proposed New Measures (SoCalGas)

Thermostatic Shower Valve Measure	Reduces hot water flow to a trickle when the water temperature reaches a specific temperature, resulting in energy savings and decreased water usage.

Proposed Measures to be Retired (SoCalGas)

Tankless Water Heater	Failed CE test, installation costs can be significant and also the yearly maintenance of the system is burdensome for low income customers. Also poses onerous installation and maintenance requirements heavily outweigh the long-term benefits.
Duct Seal and Test	Failed CE test in all climate zones and dwelling types. SoCalGas notes that the elimination of this measure increases the challenge of meeting the modified 3MM

	Rule, But anticipates only minimal impacts to program delivery based on the frequency of installations.

Proposed Add Back Measures (SoCalGas)

Furnace and Water Heater Repair and Replacement	Provides health, safety, and comfort benefits, and reduces infiltration.
Envelope and Air Sealing Measures	Provides health, safety, comfort benefits, and reduces infiltration. Additionally, removing these measures will negatively impact SoCalGas' ability to meet the 3MM rule, specifically for multifamily.

3.6.3.4. SDG&E

Proposed New Measures (SDG&E)

Smart Power Strips	SDG&E proposes the inclusion of the smart strip measure into the mix of measures currently authorized by the Commission for the ESA Program. The smart strip will allow customers to shut off vampire loads on electronic devices with one switch. The relevant cost effectiveness of the measure is shown in Attachment A-7.

Proposed Measures to be Retired (SDG&E)

Central Air Conditioner	Failed CE test in all climate zones and dwelling types. In addition, this measure is being retired rather than added back, because during the 2009-2010 program years, there were no low income households that required a Central Air Conditioner.
Duct Testing and Sealing	Failed CE test in all climate zones and dwelling types. In addition, this measure is being retired rather than added back, because during the 2009-2010 program years, its expenditures only 1% of the total program expenditures.
Evaporative Cooler Cover	Failed CE test in all climate zones and dwelling types. In addition, this measure is being retired rather than added back, because of low customer demand. During the 2009-2010 program years, no evaporative coolers were installed in the program.

Proposed Add Back Measures (SDG&E)

Furnace and Water Heater Repair and Replacement	Provides health, safety, and comfort benefits.
Room Air Conditioner	For single family, multifamily climate zone 10 provides health, safety, and comfort benefits.

3.6.4. Parties' Positions

3.6.4.1. EEC

EEC, in its protest, recommends increasing the minimum required R-value[52] level to receive attic insulation from R-19 to R-38, under the program; likewise, EEC proposes to increase the program cap which sets the maximum allowed for installation of the attic insulation. EEC contends that its research found no program where the recommended level of ceiling insulation is adequate at R-12. EEC instead claims that most programs they found require the home to be insulated to an R-value of 38 to receive a rebate or performance payment.

EEC recommends air sealing and envelope measures for all housing types, and recommends that all IOUs add this measure back in all climate zones where it was removed in the 2009-2011 cycle. Likewise, EEC recommends water conservation measures for all housing types, regardless of whether it passes the CE Test.

EEC opposes retirement of Duct Testing and Sealing arguing that it is a measure required by the California Energy Commission (CEC) to be Title 24 compliant when installing a new furnace. EEC also opposes retirement of central and room air conditioning measure. EEC recommends directing PG&E

[52] R-value indicates insulation's resistance to heat flow -- the higher the R-value, the greater the insulating effectiveness.

to offer furnace tune up and clean as a measure and recommends lifting the current program cap of 5 CFLs per household and reinstitution of installing CFLs during the enrollment and education stage of the process.

3.6.4.2. TELACU et al.

TELACU et al. recommend adding back all measures being proposed by the IOUs to be retired.

3.6.4.3. NRDC

NRDC opposes the retiring of any measures as proposed by the IOUs, and urges the Commission to revisit the methodology for how measures are introduced, retired, and evaluated for their cost-effectiveness. NRDC recommends that PG&E be directed to add smart power strips to its program. NRDC also recommends that Duct Testing and Sealing should be considered separately and the IOUs' Weatherization Installation Standards (WIS) manual should be updated to match Title 24 standards. NRDC supports a change to the current prohibition of using the ESA funds to work on heating and hot water systems in tenant housing, while recognizing that the ESA Program may not or should not shoulder the full replacement costs for such measure, if they are allowed in the program.

3.6.4.4. Synergy

Synergy recommends that SoCalGas be required to add back infiltration measures in climate zones where the measure did not rate high enough in multifamily dwellings. Synergy recommends increasing the levels of the minimum threshold requirements for receiving attic insulation, up to a minimum of R-value of R-38, from R-12, under the program; likewise, Synergy proposes to increase the program cap which sets the maximum allowed for installation of the attic insulation. Synergy recommends that all IOUs should add: (1) air sealing

and envelope measures for all housing types, and all climate zones where it was removed in the 2009-2011 cycle, and (2) water conservation measures for all housing types, regardless of whether it passes the CE Test.

Synergy opposes retirement of Duct Test and Seal and Central and Room Air Conditioner.

3.6.4.5. CHPC, NCLC, NHLP (CHPC et al.)

CHPC et al.'s recommendation centers on measures and other concerns relating to the multifamily segment of low income population. In general, CHPC et al. seeks Commission's revision of various aspects of the ESA Program to include measures for multifamily units such as:

- Whole-building, investment-grade energy audits;
- HVAC—Heating Systems, repair and replacement: (Boiler/heater repair and replacement, Heating pipe insulation, Boiler plant controls, Boiler blankets, Heat pumps);
- Thermostats and Thermostatic Radiator Valves;
- Water Heater, repair and replacement: (Domestic hot water heater repair and replacement, Domestic Hot Water Pipe Insulation, High Efficiency Pump Motors/Heating Loop Pump, Recirculation Controls, Water Heater blankets);
- Common Area Lighting; and
- Roof/Attic Insulation.

3.6.4.6. DRA

DRA recommends that air sealing and envelope measures which produce very low bill savings and have low health, safety and comfort benefits should only be allowed for high energy users and/or users in extreme climate zones. DRA recommends the refrigerator replacement criterion should be modified to pre-2001 levels, not pre-1999 levels as proposed by the IOUs in their

Applications. DRA recommends that smart power strips should be introduced by PG&E, SCE, and SDG&E as pilots until the next Impact Evaluation provides a more consistent and accurate estimate, because the energy savings estimates provided by SCE (29.35 kWh) and SDG&E (75.00 kWh) vary and may not be accurate. DRA supports the addition of high efficiency forced air units (FAU) to all IOUs' portfolios based on SoCalGas pilot results. DRA recommends approval of repair and replacement of non-operable furnaces and water heaters in renter-occupied households, so long as landlords are required to contribute 50% of the cost of these measures in tenant occupied dwellings. DRA recommends that homes with potential for lighting savings receive a larger number of the current types of CFLs.

3.6.4.7. Niagara

Niagara supports including ultra-high efficiency (1 gallon or less) showerheads, faucet aerators, and toilets to the program as approved measures.

3.6.4.8. TURN

TURN opposes any retirement of measures, but recommends that while a full menu of measures should be available, only measures that make reasonable economic sense be installed.

3.6.5. Discussion

D.08-11-031 adopted the current CE Test for determining whether a specific measure is cost effective (taking into account the housing type as well as climate zone) and set forth an approach to screening each measure for the ESA Program, including some exceptions. While the parties seem to object to most of the proposed retirement of several measures that do not meet the current CE Test, the essence of their objections seem to lie with the underlying ESA Program CE methodology, CE Test and the overall vision of the portfolio which are being

reviewed in the next phase of this proceeding. We, therefore, reserve these objections for further review and consideration in a potential subsequent decision in the context of our CE framework review. In the meantime, in this decision, we address the specific measures at issue in the upcoming cycle, so that the IOUs are able to proceed with uninterrupted implementation of the ESA Program for the 2012-2014 cycle.

3.6.5.1. Retirements and Add Back Measures

3.6.5.1.1. Attic Insulation (PG&E)

PG&E proposes to add back the attic insulation measure. This measure did not pass the CE Test in PG&E service territory. In part, PG&E attributes this to the low savings figures from the 2009 Impact Evaluation Study. PG&E speculates that another reason for such low savings may be based on low income customers' energy use pattern. PG&E refers to the 2007 KEMA Needs Assessment and other research to illustrate that low income energy users generally wear warmer clothes instead of turning up their heat and similarly turn to less layers to cool down instead of turning on cooling measures.

We recognize that bill and energy savings and related non-energy benefits to the low income household associated with attic insulation measure are variable. In fact, those benefits are directly linked to the amount of energy use, which varies from household to household. That said, those household with more energy uses will receive and see more discernible energy and bill savings through a lower bill when provided such measure.

Conversely, those households that do not use significant energy by heating or cooling in an effort to save money on their bills, even if they are provided the same insulation measure, will not see significant bill and energy savings benefits (reflected in their bills). In the end, however, all those households should receive

and feel the direct non-energy benefit of increased comfort due to the decreased draft. As noted by PG&E, we question whether the non-energy benefits for attic insulation may be greater than what is captured in the current cost-effectiveness analyses. PG&E therefore proposes attic insulation that was included in the 2009-2011 ESA Program be retained in the 2012-2014 cycle.[53]

EEC and Synergy both recommend raising the ESA Program's minimum R-value to receive attic insulation from R-19 to R-38, as well as increasing the maximum level to be installed under the program. They state that R-12 is not considered an adequate level of insulation by the CEC standards, Department of Energy (DOE) standards or the insulation and energy conservation industry.[54] Moreover, both parties claim that they cannot find any program where the recommended level of ceiling insulation is deemed adequate at the R-12 threshold. They assert that most programs require a home be insulated to an R-value of 38 to receive a rebate or performance payment.

Although the attic insulation measure does not meet the CE Test, we are persuaded that PG&E should be allowed to add back attic installation in the climate zones and housing types approved for the 2009-2011 program year with the addition of climate zone 14 for single family homes. We agree that one of the contributing factors leading to this measure not accruing or showing large energy savings may be due of the low energy consumption of low income customers for heating and cooling.

Because attic insulation is a measure whose savings derive specifically from energy use, it does make sense that we may not be able to see all the

[53] PG&E Testimony at 1-77 - 1-78.

[54] EEC Protest at 11-13 and Synergy Protest at 5-6.

savings benefiting from its installation, including the direct non-energy benefits of increased comfort due to the decreased draft. In addition, we agree that the non-energy benefits for attic insulation may be greater than what is captured in the current CE Test and analysis. For the 2012-2014 ESA Program, we therefore approve adding back this measure in the housing types and climate zones as previously approved in the 2009-2011 and also approve adding back this measure in climate zone 14 for single family homes in PG&E's service area.

With regard to increasing the minimum standards of the installation of attic insulation, we deny EEC's and Synergy's proposal. We find EEC's and Synergy's claim that the IOUs' installation standards are not in line with the CEC and DOE standards somewhat misleading. The Commission has reviewed the ceiling insulation criteria in the following standards: IOUs' WIS Manual, CSD Weatherization Installation Standards (CSD WIS Manual), and the Title 24 Building Energy Efficiency Standards Residential Compliance Manual. Upon this review, we understand that all three standards specify the same minimum "Total R-values," which are: R-30 in climate zones 2-15, and R-38 in climate zones 1 and 16.

The only difference between the programs lies in the "threshold" at which retrofit ceiling insulation is added. The IOUs' and CSD's standards, although having different thresholds, both utilize cost-effectiveness analyses to determine at what existing R-values it is feasible to add insulation. Title 24 does not state a threshold. It requires ceiling insulation to be brought up to the specified "Total R-values" but only when an alteration of the attic occurs (as in a new installation). Below is the summary of the comparison:

Standards Comparison Summary

Standard	Climate Zone	Existing R-value	Bring Attic Up To ("Final" R-value) [1]
IOU IS	**2 – 15**	**≤ R-11**	**R-30**
	1 & 16	≤ R-19	R-38
CSD WIS	**2 – 15**	**≤ R-19**	**R-30**
	1 & 16	≤ R-27	R-38
CEC Title 24	**2 – 15**	**Any**	**R-30** [2]
	1 & 16	Any	R-38 [2]

[1] "Final" R-value is the R-value of the existing insulation plus R-value of added insulation.

[2] These Title 24 minimum R-values are required only when insulation is installed as part of an Addition or Alteration. Retrofit weatherization programs do not involve attic alteration, so there is no Title 24 requirement to add insulation.

Installation at current levels greater than R-11 to bring the final R-value to R-30 for climate zones 2-15 or installation at levels greater than R-19 for climate zones 1 and 16 has shown not to be cost effective in the ESA Program. It may also significantly increase program expenditures. We recognize that the IOUs and CSD currently utilize different "thresholds" at which an attic insulation retrofit can be performed and that the ESA Program and CSD utilize different cost-effectiveness methodology as well as different program standards. We further recognize that each program operates with differing budgetary priorities and allowances for such measures. Nonetheless, the IOUs should revisit the cost-effectiveness analyses used to determine whether there is adequate justification to raise the current R-values to be in line with the CSD standards. Such consistency in standards, where appropriate, will lend itself to improved leveraging between ESA Program and CSD going forward.

Therefore, at this time we do not accept changing the current standards but direct the IOUs to review its cost-effectiveness as part of their next round of annual updates to the IOUs' WIS Manual. Any potential changes in the R-value

threshold should be brought forth to the Commission as a recommendation from the Mid-cycle Working Group and a proposed new or revised measure standard in the next budget application cycle.

3.6.5.1.2. Envelope and Air Sealing Measures (PG&E, SCE, and SoCalGas)

PG&E, SCE, and SoCalGas propose that the Air Sealing and Envelope measures be added back, for many of the housing types and climate zones, even though they do not pass the program's current CE Test. This measure group includes the following individual elements: outlet cover plate gaskets, attic access weatherization, door weather-stripping, caulking and minor home repairs. Minor home repairs are predominantly door jamb repair or replacement, door repair, and window putty. These measures, as proposed, are approved as add back measures.

EEC and Synergy both recommend that these be approved as added back measures for all housing types, and that they be expanded to all climate zones. DRA, on the other hand, believes that such measures produce relatively low bill savings and opine, in their view, that they produce very low health, safety and comfort benefits. As such, DRA argues that such measure should only be provided to high energy users and/or users in extreme climate zones.

While these measures fall below the current CE Test threshold, and statistically show lower energy savings, we are persuaded that they are often relatively lower-cost, easy to install, and they may yield other hard to quantify non-energy benefits of adding to the health, comfort and safety of a low income household with reduced draft in the home and reduced heat loss and energy waste due to the benefits of these measures. The difficulty with measures such as these is how to measure and gauge the level of health, safety and comfort

benefits conferred to the customers. This is the challenge we are looking forward to reviewing in the second phase of this proceeding.

What we do know is, in general, these measures are mid-range measures, viewed from a cost perspective. They cost anywhere from $200-$300 per installation depending on the IOU. Some lower costs measures include lighting and some minor domestic hot water measures which are generally under $100 per installation. Much higher cost measures are central systems, attic insulation, and refrigerators which could cost anywhere from $700-$4000+ per installation, (depending on IOU and measure).

In adding this measure back to the current cycle measure portfolio, we also look to better meet the level of low income population's real need. According to the IOUs' applications, the majority of the low income population and the dwelling units they occupy served would need and be eligible for this measure. PG&E estimates that they would be providing this measure to almost 100% of their homes treated target for the 2012-2014 cycle. SoCalGas estimates approximately 95%, SDG&E estimates approximately 65%, and the only exception would be SCE, estimating only approximately 1% of their homes treated target. However, for SCE, this measure only accounts for 0.47% of the measures costs.

On balance, we are persuaded that the low income population we are committed to serving and the dwelling unit types the program is designed to treat predominately needs this measure. We are persuaded that there may be hard to quantify non energy benefits to this population that can be delivered with this measure. We are further persuaded that, approving this measure would also have the ancillary benefit of assisting the IOUs toward reaching more multifamily units by easing the potential barrier in meeting the 3MM rule. We

also note that as part of the traditional "Big Six" weatherization measures that are the foundation of low income programs throughout the country, these measures provide proven and worthwhile benefits to this population and should continue to be provided to all qualifying customers as proposed by PG&E, SCE, and SoCalGas. We therefore approve Envelope and Air Sealing measures as add back measure.

3.6.5.1.3. Water Conservation Measures (PG&E)

PG&E proposes to add back water conservation measures (low-flow showerheads, water heater blankets, water heater pipe insulation, and faucet aerators). These measures, as proposed, are approved as add back measures for PG&E.

These measures exceed the 0.25 cost-effectiveness threshold for all housing types and pass the CE Test, except in multifamily housing type, in PG&E's territory. PG&E believes that these measures should be available to qualifying multifamily housing type. PG&E contends these water conservation measures are generally low-cost and are often the only measures available to multifamily housing type. PG&E contends that if such measures are not made available to low income multifamily housing type, under the 3MM rule, the ESA Program may essentially be unavailable to many of PG&E's low income customers residing in multifamily housing.

EEC and Synergy recommend that the Commission approve water conservation measures for all housing types, regardless of CE Test. Niagara proposes that the Commission require ultra-high efficiency (1 gallon or less) showerheads, faucet aerators, and toilets in the program.

Although water conservation measures do not pass the CE Test in PG&E territory for multifamily housing type, we understand the same measures pass the CE Test in other IOUs' territories for both single family and multifamily

housing types. We also note that often these measures prove to be low-cost and easy to install, and assist the IOUs in meeting the modified 3MM Rule, which is discussed in section 3.7.1 to this decision, to treat many homes that otherwise would not be eligible. Therefore, given our commitment to serving more multifamily housing units, we approve the PG&E's proposal to add back the water conservation measures for its multifamily households and approve other IOUs' existing water conservation measures which pass the CE Test to be provided to all qualifying customers, including those in multifamily households. Consistent with this approval, we also approve faucet aerators for multifamily households in SoCalGas' territory. This action will help all the IOUs meet the modified 3MM Rule and reach multifamily customers more easily.

We do not approve providing only the ultra-high efficiency measures as proposed by Niagara. Without further evidence on how this would affect the ESA Program budget, homes to be treated, change in energy savings goals from the current water conservation portfolio mix, and the overall cost-effectiveness of the program, we are not persuaded by the value of Niagara's proposal and therefore reject it.

We note, pursuant to a prior low income decision, D.07-12-050, the IOUs have already begun their review of the water-energy nexus issue, formed a partnerships with water agencies[55] and completed some pilot programs and reviews.[56] The final evaluation and report of those pilot programs,

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[55] *See also* D.11-05-020 which directs the energy utilities in this proceeding to begin data sharing with the water utilities.

[56] "*Order Approving Pilot Water Conservation Programs Within the Energy Utilities' Energy Efficiency Programs*" in A.07-01-024.

Embedded Energy in Water Pilot Programs Impact Evaluation: Final Report, dated March 9, 2011 (Embedded Energy Report), found that most of the pilot program evaluations provided useful information about embedded energy savings to inform future analyses of cost-effectiveness and program continuation.[57] However, the Embedded Energy Report also found notable data limitations.

Since the Embedded Energy Report, the CPUC continues to work closely with the water Utilities to investigate promising energy efficiency programs and policies to reduce energy used in the delivery and treatment of water utility service. Consistent with that direction, as next step in this ESA Program, the cost-effectiveness methodology is under review and the new ESA Program Impact Evaluation study and report is ordered this decision. These efforts should complement one another and help lay additional foundation for more meaningful evaluation of this complex water-energy nexus issue at a later time.

3.6.5.1.4. Furnace and Water Heater Repair/Replacement (PG&E, SoCalGas, and SDG&E)

PG&E, SoCalGas, and SDG&E propose to add back furnace and water heater repair/replacement measures for eligible owner-occupied homes. These measures do not pass the CE Test but have historically been approved as add back measures on health, safety and comfort basis. These measures, as proposed, are approved as add back measures.

Consistent therewith, for PG&E, furnace and water heater repair/replacement measures for eligible owner-occupied homes should be

[57] *See* http://www.cpuc.ca.gov/NR/rdonlyres/FB6B2D95-CCC7-4C7B-B22E-00C2624C6E0F/0/EmbeddedEnergyinWaterPilotEMVReport_Final.pdf.

included for all housing types to ensure that they may be replaced wherever feasible, in electric and gas fueled homes. While these measures were not part PG&E's original measures list and application, PG&E in its comments since acknowledged the inadvertent omission. The current policy applicable to these measures, in owner-occupied homes, is that they would be added back for all housing types and climate zones.

Therefore, these measures are approved, and we direct PG&E to update their measures list to add back furnace and water heater repair/replacement measures for in eligible owner-occupied homes for all housing types, and for both electric and gas fueled homes.

With regards to the tenant-occupied homes, or specifically renter-occupied multifamily units, CHPC et al. propose that the Commission reverse its prior decisions and mandate the inclusion of heating, cooling, and hot water systems as well as common area and other whole-building energy efficiency improvements as ESA Program eligible measures for multifamily units. CHPC et al. state that excluding multifamily and rental units from heating system and hot water system repair and replacement creates an unnecessary and discriminatory distinction among classes of ESA Program-eligible households.

Similarly, they argue that this policy ignores a significant energy efficiency opportunity that can reduce GHG emissions and defeats the whole-building approach before it has begun. CHPC et al. also contend that not allowing such heating and hot water systems to multifamily units would miss "energy savings opportunities" and that in virtually all climate zones, improvements to one or more central systems can save considerable amounts of energy, improve household comfort, health and safety and be cost-effective. CHPC et al. therefore

propose several central systems[58] be approved in the ESA Program for multifamily units.

NRDC also supports removing the prohibition of using ESA funds for heating and hot water systems in multifamily rental units; however, NRDC does not support a schema that would have the ESA Program be the sole source to fully fund such costly central system measures.

[58] Central systems measures CHPC et al. propose include: (1) Whole-building, investment-grade energy audits; (2) HVAC—Heating Systems, repair and replacement: (Boiler/heater repair and replacement, Heating pipe insulation, Boiler plant controls, Boiler blankets, Heat pumps); (3) Thermostats and Thermostatic Radiator Valves; (4) Water Heater, repair and replacement: (Domestic hot water heater repair and replacement, Domestic Hot Water Pipe Insulation, High Efficiency Pump Motors/Heating Loop Pump, Recirculation Controls, Water Heater blankets); (5) Common Area Lighting; and (6) Roof/Attic Insulation.

In response to the December 2011 Ruling, the IOUs provide some examples of estimated costs for providing just the repair or replacement of functioning furnaces and water heaters in the multifamily units,[59] as proposed by CHPC et al.:

	Annual Cost	2012-2014 Total Cost
PG&E	$ 4,900,000.00	$ 14,700,000.00
SDG&E	$ 940,000.00	$ 2,820,000.00
SoCalGas	$ 8,033,333.33	$ 24,100,000.00
Total	**$ 13,873,333.33**	**$ 41,620,000.00**

CHPC et al. also present their more comprehensive cost estimates using their own cost-effectiveness methodology[60] for the various measures they propose for the multifamily units, as follows.[61]

[59] PG&E estimates are based on its Response to ALJ December 2011 Ruling at 24; SDG&E's estimates are based on their 2011 data which shows that contractors repaired and/or replaced 945 space heaters and 152 hot water heaters in owner occupied units. In 2011, SDG&E enrolled approximately 22,751 homes of which 71% were rental units. This estimate assumes a consistent ratio of homes requiring this service, (SDG&E's Response to ALJ December 2011 Ruling at 13); and SoCalGas estimated number of appliance installations was calculated by applying the same rates of furnace and water heater repairs and replacements in owner-occupied units from 2009 through November 2011 to the projected number of rental units to be treated during the 2012-2014 period, (SoCalGas' Response to ALJ December 2011 Ruling Response at 1).

[60] These figures are based on a different cost-effectiveness methodology used by CHPC for their projects. The CHPC's methodology is not consistent with the ESA Program's current cost-effectiveness methodology.

[61] Measures (based on whole-building investment-grade audits for almost four dozen properties from across the state), Ruling Response at 10.

Measure	Range of Property Size	Range of Cost Per Unit	Range of Savings to Investment Ratio (SIR)
HVAC—Heating Systems, repair and replacement	30-306 units	$140-$1824	0.5-1.5
Heat Pumps	48-81 units	$600-$1599	1.0-3.3
Thermostats and Thermostatic Radiator Valves	58-98 units	$390-$438	1.1-1.6
Water Heater, repair and replacement	24-348 units	$75-$931	0.7-2.5
Common Area Lighting	32-98 units	$5-$97	0.7-2.1
Roof/Attic Insulation	32-177 units	$114-$510	0.8-1.2

Measure	Range of Property Size	Range of Cost Per Unit	Range of Savings to Investment Ratio (SIR)
HVAC—Heating Systems, repair and replacement	30-306 units	$140-$1824	0.5-1.5
Heat Pumps	48-81 units	$600-$1599	1.0-3.3
Thermostats and Thermostatic Radiator Valves	58-98 units	$390-$438	1.1-1.6
Water Heater, repair and replacement	24-348 units	$75-$931	0.7-2.5
Common Area Lighting	32-98 units	$5-$97	0.7-2.1
Roof/Attic Insulation	32-177 units	$114-$510	0.8-1.2

DRA recommends a compromise solution. Similar to NRDC's recommendation that ESA Program should not fully fund such measures, DRA suggests that the Commission consider extending SDG&E's current co-pay policy for refrigerators and air conditioner replacements, which require the landlord to contribute 50% of the cost of the appliance, to be applied to replacements of water heaters and furnaces in tenant-occupied dwellings.

According to the IOUs, providing these central measures (e.g. repair or replace functioning furnaces and water heaters) at no-cost to multifamily units would cost an additional $41.6 million over the 2012-2014 program cycle. This represents a 31% budget increase from the currently proposed HVAC and Domestic Hot Water budgets (from $134 million to $175 million over the 2012-2014 program years). In fact, projecting from CHPC et al.'s own estimates, the costs could be substantially greater if looking towards the higher end of the data

provided.[62] For instance, the inclusion of centralized heating, cooling, and hot water system measures in multifamily rental units can be as low as $215 per unit to as high as $2800 per unit. In addition, these substantial estimates only account for measure costs for each multifamily building, and do not account for any of the costs associated with administration, installation or other attendant program costs which may also be quite significant and undefined as yet.

We are not persuaded by the evidence that allowing such measures for multifamily rental units would in fact be cost effective or that it would yield the benefits to the multifamily tenants as stated. We are also not persuaded that adequate showing has been made that we should reverse our prior position, to not allow these measures in multifamily rental units, on this extraordinarily costly issue. With the current record of this proceeding, we simply cannot justify including centralized heating, cooling, and hot water system measures in renter-occupied multifamily rental units, which in turn would significantly deplete the available ESA Program budget otherwise dedicated to other cost effective measures and qualifying low income customers. That said, we are committed to revisiting all of these issue during the second phase of this proceeding.[63]

Based on the numerous comments in this proceeding, we feel it necessary to clarify a legal misinterpretation of the Commission's position on the issue of furnace repair and replacement or water heater repair and replacement work in renter-occupied multifamily units. The below should eliminate undue confusion

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[62] CHPC/NCLC Ruling Response at 10.

[63] *See* D.08-11-031 at 53; and *See also Green v. Superior Court* (1974) 10 Cal.3d 616 [111 Cal.Rptr. 704].

of the current Commission's position as we launch in to the second phase of this proceeding.

Until now, the Commission had consistently recognized that furnace repair and replacement or water heater repair and replacement work in renter-occupied units as the legal responsibility of the landlord, consistent with our conclusions in D.07-12-051 and D.08-11-031. In those decisions, we found that in rented housing, those should not be the responsibility of ratepayers but in fact should remain the responsibility of the landlord, consistent with landlord's habitability responsibility.[64] In addition, the Commission was mindful and extending due deference to the policy rationale for Civil Code Section 1941.1 and confirmed that as matter of general social and public policy, the landlord should be held responsible for the such upgrades and habitability of a rental unit when they provide such a rental unit for compensation to a tenant. Furthermore, the Commission also viewed the extraordinary programmatic costs associated with furnace repair and replacement or water heater repair and replacement work in renter-occupied units as that which, as matter of policy, should remain with those landlords, rather than have those costs be transferred to the ratepayers. Finally, the broader context for the Commission's past decisions to not expend ESA funds to upgrade these central systems in these units is also because the Commission already provides necessary incentives (also funded by ratepayers) for such property owners at the present time through other non-low income energy efficiency programs.

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[64] *See* D.08-11-031 at 53; and *See also Green v. Superior Court* (1974) 10 Cal.3d 616 [111 Cal.Rptr. 704].

Disregarding much of the above reasoning, history, context and record on the issue, some parties have continually oversimplified and confused the issue and claimed that because the Civil Code does not explicitly prohibit ratepayer funds from being expended toward providing upgrades to renter-occupied units, the Commission therefore should logically expend ratepayer funds in such endeavor to aid landlords to provide habitable rental units.

Those parties are, in part, correct. The Civil Code Section 1941.1 merely creates landlords' legal responsibility to maintain habitable rental property. It does not create an explicit prohibition that ratepayer funds cannot be used to provide assistance to the landlords to ensure habitable rental units. It also does not prohibit the use of ratepayer funds to provide assistance to the landlords to invest in energy efficient rental units.

That said, those parties are making quite a leap in reasoning in incorrectly suggesting that the Commission has therefore been provided with adequate legal and policy reasoning and justification to reverse the Commission's prior position that such extraordinarily costly measures should now be the responsibility of the ratepayers, instead of the landlords.

With the above clarification, the multifamily consultant work during the second phase of this proceeding should begin to lay the foundation for a more informed, record-based and thoughtful deliberation by the Commission on this issue. Such a review will include examination of some significant public policy considerations, including whether it is the ratepayers who should now start to bear the cost of what has traditionally been the a landlords' responsibility. Additional areas for detailed review may involve other programmatic, budgetary and ratepayer implications, some of which may be outside the scope of this proceeding and overlapping with the general energy efficiency

proceeding. For instance, among many foundational questions that the multifamily consultant's work should help answer are:

- Do the Commission's non-low income energy efficiency incentive and rebate programs, currently available to these property owners, provide a sufficient incentive for these landlords to undergo such major centralized system upgrades? If not sufficient, what is an appropriate and effective incentive or rebate level?

- Do the financing mechanisms/options being considered in the Commission's non-low income energy efficiency incentive and rebate programs provide a viable solution for these landlords for such major centralized system upgrades?

- Does the Commission currently have adequate justification to reverse its prior clear directives that such measures "are and should be" the landlord's responsibility as matter of law and public policy and not the ratepayers in the context of the low income program?

Depending on the outcome of the multifamily consultant work during the second phase of this proceeding, the Commission would be in a far better position to determine: (1) whether the Commission should reverse its prior position; (2) what, if any, changes to the low-income and general energy efficiency programs may be justified; and (3) how such changes could be framed and implemented, including potential financing options.

Therefore, until we are able to further review the multifamily segment issues in the second phase of this proceeding, we only approve water heater repair and replacement, and furnace repair and replacement in owner-occupied households, as previously approved.

3.6.5.1.5. Cooling Measure (SCE)

SCE proposes to add back Central Air Conditioner for single family households in climate zones 14 and 15, and for multifamily households in climate zone 14 as an add back measure for health, safety and comfort reasons. SCE also proposes to continue their current co-pay requirement of $500 per unit for central HVAC. These are uncontested measures. Consistent with our prior determinations for approval of measures for health, safety and comfort reasons, we approve these measures for those climate zones.

3.6.5.1.6. Heat Pumps for Single Family Climate Zone 15, Multifamily Climate Zone 15 (SCE)

SCE proposes to add back heat pumps for all housing types in climate zone 15 for health, safety and comfort reasons. SCE also proposes to continue their current co-pay requirement of $500 per unit for Heat Pumps. We approve adding back heat pumps for in all housing types in climate zone 15 for SCE consistent with our prior determination that health, safety and comfort reasons for these climate zones justify approval of these measures for this climate zone. The Commission also approves SCE's request to continue their current co-pay requirement of $500 per unit for Heat Pumps.

3.6.5.1.7. Room Air Conditioner for all Housing Types in Climate Zones 10, 13, 14, 15 (SCE)

SCE proposes to add back Room Air Conditioner for all housing types in climate zones 14 and 15. We approve adding back Room Air Conditioner for all housing types in climate zones 14 and 15, consistent with our prior determination that health, safety and comfort reasons for these climate zones justify approval of these measures for those climate zones.

We also approve adding back Room Air Conditioner for all housing types in climate zones 10 and 13. This approval of Room Air Conditioner for all housing types in climate zones 10 and 13 will be solely for this program cycle

with the understanding that we are reexamining and updating the energy savings figures in this cycle in a new Impact Evaluation Study and concurrently reexamining the cost-effectiveness approach used in this program during this cycle. That cost-effectiveness approach review would also include examination of non-energy benefits, equity measures, and health, safety and comfort issues which all cumulatively will relate to how the Commission will view this measure in the future cycles. In addition, we also will be examining this issue in the Low Income Needs Assessment during this cycle to determine how providing this measure meets the needs of this population in these climate zones and whether it should be approved for future cycles. All of those second phase activities will rightly set the stage for a more informed deliberation of how the Commission should look at these non-extreme climate zones with microclimates that affects and triggers the potential need for these measures.

3.6.5.1.8. Room Air Conditioner for all Housing Types in Climate Zone 10 (SDG&E)

SDG&E proposes to add back Room Air Conditioner for all housing types in climate zone 10 in their territory. We approve adding back Room Air Conditioner for all housing types in climate zone 10, as proposed by SDG&E, based on our reasoning set forth in section 3.6.5.1.7, above.

3.6.5.1.9. Cooling Measures – Proposed for Retirements (PG&E and SDG&E)

PG&E proposes to retire Room and Central Air Conditioners in all climate zones and dwelling types which failed the CE Test and show very low savings in the 2009 Impact Evaluation. SDG&E proposes to retire Central Air Conditioners, which failed the CE Test, in all climate zones and dwelling types. In addition, specific to Central Air Conditioners, it is an exorbitantly costly measure which is being proposed for retirement by both PG&E and SDG&E rather than being proposed as an add back measures because during the 2009-2011 program years, there were so few low income households that required a Central Air Conditioner (see below tables).

PG&E 2009-2011 Room Air Conditioner (AC) Units Installed Figures

PG&E-AC/Replacement – Room	Units Installed	% receiving measure/Homes Treated	Cost	Cost/Unit
2009	1748	2.15%	$ 1,731,184	$ 990
2010	3,039	2.28%	$ 3,069,203	$ 1,010
2011	3,086	2.44%	$ 3,552,428	$ 1,151
Total/Avg	**7,873**	**2.31%**	**$ 8,352,815**	**$ 1,061**

PG&E 2009-2011 Central Air Conditioner (AC) Units Installed Figures

PG&E- Central AC	Units Installed	% receiving measure/Homes Treated	Cost	Cost/Unit
2009	39	0.05%	$ 91,362	$ 2,343
2010	78	0.06%	$ 147,944	$ 1,897
2011	75	0.06%	$ 168,019	$ 2,240
Total/Avg	**192**	**0.06%**	**$ 407,325**	**$ 2,121**

SDG&E 2009-2011 Central Air Conditioner (AC) Units Installed Figures

SDG&E- Central AC	Units Installed	% receiving measure/Homes Treated	Cost	Cost/Unit
2009	3	0.01%	10,840	$ 3,613
2010	0	0.00%	$ -	$ -
2011	58	0.28%	228,045	$ 3,932
Total/Avg	**61**	**0.10%**	**$ 238,885**	**$ 3,916**

Several parties, including EEC, Synergy, TELACU et al., NRDC and TURN, have voiced some serious concerns about retiring these measures. While we are not entirely persuaded, in part, the concerns stem the foundational data from 2009 Impact Evaluation showing what those parties opine to indicate inaccurate and low energy savings data for these measures. Based thereon, they seek the Commission to deny these requests to retire these measures until after the completion of upcoming Impact Evaluation ordered in this decision which may show higher energy savings for these measures and therefore further justification to retain them in the program.

As it stands and based on the 2009 Impact Evaluation data and current CE Test, these measures, including Central and Room Air Conditioners, do not pass the current program CE Test, nor does the record of this proceeding provide adequate basis to justify making an exception for health, safety and comfort

reasons as we have before with other measures. Even looking to the health, comfort and safety reasoning, the climate zones within these PG&E and SDG&E's territories where these measures are being proposed for retirement are not considered to be as extreme in temperature, as climate zones 14 and 15 where these measures have traditionally been found to meet health, comfort and safety needs.

Moreover and particularly with the Central Air Conditioners, the prohibitive cost, and as illustrated above, combined with the fact that they have been infrequently been installed during the past three years indicate that there seems to be little need for this measure for this population. In turn, we can infer that the low income population will experience minimal impact within PG&E's and SDG&E's climate zones, if such low-demand and high cost Central Air Conditioners are retired, as proposed. In fact, SDG&E specifically noted that they are not considering having these measures as an add back specifically because so few homes required them.

Based thereon, PG&E's and SDG&E's proposed retirement of these cooling measures, in these less-extreme climate zones, is approved, with following two exceptions. The first is more a clarification that PG&E is permitted to continue to replace central air conditioners dual packs where they are being replaced as part of a qualifying furnace replacement. We agree that by not replacing central air conditioners in these limited circumstances would limit otherwise qualifying furnace replacements that are qualified. With regards to the claim to any savings derived from this replacement, the Commission approves this request for PG&E to claim any savings (however minimal) that would accrue through replacing central air conditioners dual packs in these circumstances.

The second exception is discussed in Sections 3.6.5.1.5-3.6.5.1.8 above, and consistent with our discussion in those sections, Central AC for all housing types in climate zones 14 and 15 are approved, Room Air Conditioner for all housing types in climate zones 14 and 15 are approved, and Room Air Conditioner for all housing types in climate zones 10 and 13, are approved for this cycle only.

3.6.5.1.10. Duct Test and Seal – Proposed for Retirement (PG&E, SoCalGas, and SDG&E)

PG&E, SoCalGas, and SDG&E propose to retire the Duct Test and Seal measure. This measure failed the CE Test in all climate zones and dwelling types, and is being proposed for retirement rather than added back because it accounts for a very small portion of the portfolio (1% of the total program expenditures).

EEC and Synergy oppose retirement of Duct Test and Seal measure and recommend that either the IOUs will have to capture all Duct Test and Seal installations under the furnace repair and replacement program and not report the energy savings for this measure or list the measure separately and report those savings. Secondly, they argue that virtually all programs, whether rebate or performance based, require the ducts to be tested and sealed if necessary in order for participants to receive the rebate or performance payment. As anecdotal support for this assertion, EEC and Synergy refer to the IOUs' rebate programs as well as Energy Upgrade California. Currently, the ESA Program allows for duct testing and repairs as needed when there is no repair and replacement. Our review of the California Energy Commission (CEC) Title 24 requirements indicate that if a repair and replacement of an HVAC system is completed in a single family unit, CEC does require Duct Test and Seal, but only in some of the climate zones (climate zones 2 and 9-16).

EEC agrees that the IOUs' current practice with regards to Duct Test and Seal is consistent with Title 24 standards, with regard to what action triggers the test.[65] However, EEC argues Title 24 is not necessarily controlling, in part because, it only applies to situations where a building permit is required (e.g. major repair or replacement) and does not capture instances of minor repair, maintenance or adjustments which also yields energy savings. Moreover, EEC contends, Title 24 is not on energy efficiency or conservation retrofit measures. Therefore, EEC recommends that this measure remain in the program until an evaluation can be completed based on its energy saving merit and not Title 24 standards and that for greater savings to be achieved, evaluations need to be completed based on sealing between 15% and 28% as well as removing the "test only" measure from the sealing evaluation.

We are not convinced that for greater savings to be achieved, the threshold at which you would actually seal the ducts needs to be lowered. Under Title 24, when duct testing and duct sealing is required, final duct leakage must be in conformance with the following criteria: Primary Duct Leakage Options: 1) Measured duct leakage shall be less than 15% of fan flow, or 2) Measured duct leakage shall be reduced by more than 60% compared to measured duct leakage prior to the alteration. Therefore the final duct leakage

[65] NRDC proposes that Duct Test and Seal be considered separately from duct sealing and the WIS manual should be updated to match Title 24 standards. The IOUs' current practice with regards to Duct Test and Seal is consistent with Title 24 standards. If there is a repair and replacement completed in a single family home, Title 24 require Duct Test and Seal, as it is currently in the ESA Program now. Duct Test and Seal performed as a prescriptive measure when Repair and Replacement (R&R) is not performed, actually exceeds Title 24 standards. Therefore, we do not find that WIS manual requires such update.

reduced to 15% or less remains, as it is consistent with Title 24 standards, and although sealing between 15% and 28% may have some benefit, we are not convinced that these benefits would outweigh the costs, considering that the savings at the current levels are already shown to be minimal.

Based thereon, the Commission denies EEC's request to change the threshold. However, while a New Impact Evaluation is undertaken we deny PG&E, SoCalGas, and SDG&E's proposal to retire the Duct Test and Seal measure. We require that PG&E, SoCalGas, and SDG&E add back the Duct Test and Seal measure consistent with the climate zones and housing types that were approved in the 2009-2011 cycle.

Furthermore, the IOUs are directed to file the additional reporting requirements for these add backs consistent with that outlined in Section 3.6.2 of this Decision. Any additional funding aside from the budget augmentations already accounted for in this decision will be reviewed and incorporated into the approved budget to augment the budget in a subsequent decision, if such budget augmentation is later determined necessary, in compliance with section 6.4 of this decision. Duct Test and Seal costs and savings values shall continue to be reported as is, and separate from the furnace repair and replacement program.

3.6.5.1.11. Central Air Conditioner Service (SCE)

SCE proposes to retire the Central Air Conditioner service measure by which ESA Program contractors go back to maintain Central Air Conditioners previously installed by the ESA Program. While SCE contends this proposed retirement will help maintain program costs while still allowing for the continued replacement of the oldest, most inefficient Central Air Conditioners, we deny SCE's request and direct this measure be retained for the reasons discussed below.

Heating Ventilation and Air Conditioning (HVAC) is a key component of the Big/Bold Strategies adopted by the Commission in 2007.[66] The intent of the initiative was to fundamentally reshape commercial and residential HVAC market. The Commission, with input from HVAC industry stakeholders, created four high level goals aimed at reshaping the HVAC sector in California. Making quality HVAC installation and maintenance the norm at all levels of the market is one of those four goals. To further that goal, the IOUs have established teams that have designed HVAC quality maintenance (QM) programs for the residential HVAC market.

With this backdrop, SCE is presently proposing to eliminate its current central air conditioning unit service offering from the ESA Program. In view of the Commission's Strategic Plan goals for HVAC, and the current Commission's efforts to advance QM through mainstream energy efficiency programs, we believe the Central Air Conditioner service offering in the ESA Program should be aligned with those initiatives and made consistent whenever possible. Therefore, we direct SCE to retain this measure in the ESA Program.

We also direct the IOUs to work with the Energy Division and consult with their mainstream energy efficiency HVAC QM program staff to investigate approaches to align, coordinate, or integrate these ESA offerings with the mainstream HVAC QM program. To design and implement a HVAC QM program on a statewide basis in low-income communities will require further review, as set forth below.

[66] Strategic Plan at 57–65.

The IOUs shall, within 120 days from the effective date of this decision, submit a final report to the ESA Program and general energy efficiency proceeding service lists documenting their findings with regard to the feasibility of aligning these programs and, if feasible and appropriate, how they would propose to modify their ESA offerings to conform to the Commission's HVAC QM objectives (Final Report). The IOUs shall have first secured public comment on the Final Report, and if appropriate, have also held a workshop to address any outstanding issues.

Within 180 days from the effective date of this decision, the IOUs shall file, (1) if necessary, a Tier 2 Advice Letter seeking to modify their Central Air Conditioner service offering and budgets or propose new program designs in accordance with the findings of their Final Report and in response to stakeholders' feedback; or (2) a report to the Energy Division Director explaining the rationale for their decision not to file a Tier 2 Advice Letter.

The IOUs shall consider the following central issues in the Final Report:

(1) Duct Test and Seal: Duct Test and Seal is a logical component of any comprehensive HVAC QM program, however recent evaluations from the 2006-2008 mainstream energy efficiency program cycle raised serious questions about the cost-effectiveness of Duct Test and Seal as a standalone measure and about the effectiveness of past program designs. In this decision we have denied Duct Test and Seal as a standalone measure, and only allow it only in conjunction with an HVAC installation or only in those climate zones and dwelling types under conditions when required under Title 24. In this report, we ask whether it is appropriate to consider Duct Test and Seal as a measure in conjunction with the maintenance service the ESA Program. If not, what is an appropriate package of maintenance measures for the low income market segment?

(2) Market segment: How should HVAC maintenance programs be designed and targeted to the single-family and multifamily market segments?

(3) Maintenance service delivery: The mainstream HVAC QM program provides specialized training and requires participating contractors to utilize trained technicians that follow certain service protocols. ESA Program contractors would need to either (a) receive similar training for their own technicians or (b) partner with contractors who have trained staff, or (c) the Commission would need to devise other appropriate approaches ensure HVAC QM is executed in the field. Which program deliver model makes the most sense for the ESA Program?

(4) Funding: Who should pay for repair and ongoing maintenance? Since these systems are only offered to owner occupied low income homes, should this be offered at a 100% subsidy, co-pay or are there other approaches to consider?

Furthermore, the IOUs are directed to file the additional reporting requirements for these add backs consistent with that outlined in Section 3.6.2 of this Decision. Any additional funding aside from the budget augmentations already accounted for will be reviewed and incorporated into the approved budget to augment the budget in a subsequent decision, if such budget augmentation is later determined necessary.

3.6.5.1.12. Evaporative Coolers Maintenance – Proposed for Retirement (SCE)

During the 2009-2011 program cycle, SCE offered Evaporative Cooler Maintenance to customers to help ensure the units previously installed by SCE would continue to operate at peak efficiency and operate effectively throughout the expected life span of the units. In the 2012-2014 program cycle, SCE proposes to retire this measure. The retirement of this measure is approved in order for

the IOUs to focus delivery of program services to customers who have not received any service through the ESA Program to date and to continue progress toward achieving the Commission's Programmatic Initiative.

3.6.5.1.13. Evaporative Cooler Cover – Proposed for Retirement (SDG&E)

SDG&E proposes to retire the evaporative cooler cover measure. This measure failed CE Test in all climate zones and dwelling types and is being proposed for retirement rather than added back because of low customer demand. SDG&E reports that during the 2009-2010 program years, no evaporative cooler covers were installed in the program. Due to the measure's failing the CE Test as well as the infrequency for such service installations, SDG&E's proposal to retire evaporative cooler covers is approved.

3.6.5.1.14. Tankless Water Heater – Proposed for Retirement (SoCalGas)

SoCalGas proposes to retire the Tankless Water Heater measure. Not only does this measure fail the CE Test, the installation costs proved to be significant and the yearly maintenance of the system is burdensome for low income customers who are shouldered with the maintenance obligations of this measure. The costs therefore heavily outweigh the benefits. We therefore approve this proposed retirement.

3.6.5.2. New 2012-2014 Measures

The IOUs propose the following new measures to be added to the 2012-2014 ESA Program measure portfolios. All these measures pass at least one of the three criteria of the CE Test and are shown to result in energy savings at a reasonable cost, are easy to install, as well as help in treating more renter-occupied multifamily households. The Commission approves these newly

proposed measures in the housing types and climate zones for program year 2012-2014, as proposed by the IOUs.

- PG&E: Thermostatic Shower Valve Measure, Smart Air Conditioner Fan Delays, and Microwaves;
- SCE: Smart Power Strips and Variable-Speed Pool Pumps;
- SoCalGas: Thermostatic Shower Valve Measure; and
- SDG&E: Smart Power Strips.

DRA recommends that smart power strips should be introduced by PG&E, SCE, and SDG&E as pilots until the next Impact Evaluation provides a more consistent estimate, because the energy savings estimates provided by SCE (29.35 kWh) and SDG&E (75.00 kWh) vary and may not be accurate.

The estimates provided by SCE and SDG&E differ, and we agree that this measure should be one that is further evaluated in the next Impact Evaluation. However, even at the energy saving levels provided, this measure still passes the CE Test. Therefore, we do not find DRA's proposal that this measure first be piloted persuasive. Accordingly, this measure as recommended by SCE and SDG&E is approved and added to the portfolio mix for the 2012-2014 program years.

NRDC recommends that PG&E add smart power strips into their portfolio. We agree with several parties and even PG&E that argue the smart power strips could be an excellent, energy saving measure to add into its ESA Program portfolio. Data provided by the Utilities that have added this measure into their portfolio generally support this. However, the accuracy of those same data have been called into question by DRA, and the energy savings values and the cost effectiveness of this measure does seem to inexplicably vary significantly from IOU to IOU (SCE reports saving levels at 29.35 kWh and SDG&E at 75.00 kWh). So EEC correctly contends that this measure is not climate zone specific, not

housing type specific, and not weather dependent. However, we do agree with PG&E that before we require PG&E to add this measure to their portfolio, we first must understand the costs and energy savings estimates in the PG&E service territory. Therefore, we direct PG&E to file, within 60 days of the effective date of this decision, (1) the CE values for this measure for each of the different housing types and climate zones that they cover, to see if they pass the CE Test, and (2) an estimate for the costs, energy savings values, as well as the projected quantity (by housing type and climate zone) of this measure to be installed for each program year. Those projections will be reviewed and incorporated into the approved budget to augment as necessary.

3.6.5.3. Other 2012-2014 Measures

3.6.5.3.1. High Efficiency Forced Air Unit (FAU)

DRA recommends that the High Efficiency Forced Air Unit should be added to the IOUs' portfolios based on the 2009-2011 SoCalGas pilot results. SoCalGas did not include these piloted FAUs, in part, because since that time, new and more efficient FAUs have been introduced into the market. SoCalGas estimates adding the measure would add an additional $1.7 million to its 2012-2014 budget.

However, as NRDC correctly points out, the record lacks cost-effectiveness values for this measure of each of the gas fueled IOUs. Thus, DRA's request for the IOUs to add this measure is one step premature. The next logical step instead would be for the IOUs to evaluate the cost-effectiveness of this measure for each of the IOUs, develop program cycle cost estimates/projections, and submit them for Commission's review and decision, if the cost-effectiveness analysis supports approval of the measure, during the second phase of the proceeding.

Therefore, the gas IOUs are to file, within 60 days of the effective date of this decision, (1) the cost-effectiveness values for this measure for each of the different housing types and climate zones that they cover, to see if they pass the CE Test, and (2) an estimate for the costs, energy savings values, as well as the projected quantity (by housing type and climate zone) of this measure to be installed for each program year. Based on the foregoing, we will not require the IOUs to include these specific units into the program until further data and CE values are brought forth to the Commission for evaluation.

3.6.5.4. Conclusion

Appendices H-K reflect and itemize the IOUs' approved measures lists for 2012-2014. The measures are segregated by climate zones[67] as well as by housing type. Measures we approve as add back measures are subject to additional monthly and annual reporting requirements for add back measures described above, in Section 3.6.2 of this decision.

To the extent the IOUs have proposed to add back or otherwise add proposed new measures to the ESA Program for 2012-2014 program cycle in their Applications that fail the CE Test and/or we did not expressly approve the proposed measures in this decision, such measures are not approved. The IOUs shall make appropriate revisions to the Statewide Policy and Procedures Manual by incorporating the Appendices H-K therein.

In planning for the 2015-2017 program cycle and applications, we direct the IOUs to continue to apply the same cost-effectiveness methodology used in

[67] A climate zone map appears at the following link: http://www.energy.ca.gov/maps/renewable/building_climate_zones.html.

this 2012-2014 cycle to their 2015-2017 ESA Program, unless the Commission provides a different direction.

3.7. Current Modified 3 Measure Minimum Rule (Modified 3MM Rule)

3.7.1. Background

The Strategic Plan has established a clear focus on cost effective energy efficiency measures and requires that "by 2020, 100% of eligible and willing customers will have received all cost effective … [ESA Program] measures."[68] To make the ESA Program a resource program that delivers significant energy savings, while also contributing to the quality of life of low income customers, the Commission has established the current measure-based evaluation framework and CE Test, with some exceptions. Generally speaking, those measures that pass the CE Test, meet or exceed the 0.25 threshold under either or both PCm and UCT tests. In addition to the CE Test, the Commission also has in place the modified 3MM Rule to further the ESA Program's programmatic cost-effectiveness.

This current modified 3MM Rule had its start in D.01-03-028. The Commission was persuaded by some of the IOUs' recommendations and recognized that it would not be reasonable from a programmatic cost-effectiveness standpoint for the IOUs to treat homes that needed only a "few measures." The Commission therefore determined that it would be imprudent to indiscriminately treat all homes, including those that needed only a few measures, as such efforts would take away from the overall budget to be spent on households that have not yet received any energy efficiency measure

[68] Strategic Plan at 25.

installations. That rule became known, over the years, as the three measure minimum rule (3MM Rule). The 3MM Rule prohibited the IOUs from installing measures in a home that does not require at least three measures.[69]

As part of the last program cycle applications for 2009-2011, some of the IOUs proposed eliminating the 3MM Rule, citing, among other barriers, challenges in being able to treat income qualified homes, including renter-occupied multifamily households that may require less than three measures. In D.08-11-031,[70] the Commission rejected the IOUs' proposal to eliminate the 3MM Rule and instead modified the 3MM Rule by creating an exception in response to those concerns to allow the IOUs to treat home needing less than three measures, "as long as the total energy savings achieved by either measure or measures combined yield(s) energy savings of at least either 125 kilowatt-hours (kWh)/annually or 25 therms/annually." As a result, that 3MM Rule then evolved to what we have come to refer to today as the "modified 3 Measure Minimum" or the modified 3MM Rule.

D.08-11-031, noting the rising outreach, enrollment and other programmatic costs, emphasized that programmatic cost-effectiveness is crucial to the ESA Program's success, and that a mechanism such as the modified 3MM Rule is necessary to make the most of the finite ESA Program funds toward treating maximum number of households. With the modified 3MM Rule, the Commission ensured a base level of energy savings and ensured that the ESA

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[69] D.08-11-031 at 95.

[70] D.09-06-026 clarified that for the purpose of qualifying a home, the measures used are individual measures, not measures groups, so that the 3MM Rule could be met by meeting the energy savings threshold (measures must achieve energy savings of at least either 125 kWh/annually or 25 therms/annually).

Program remains in compliance with the goal of achieving long-term and enduring energy savings and increased leveraging opportunities with LIHEAP/WAP and other external measure installation programs. In addition, the new energy savings threshold ensured increased program-level cost effectiveness and measure provision to all eligible and willing customers.

3.7.2. SCE's Request to further Change the Modified 3MM Rule

In SCE's 2012-2014 Application, SCE requests further modification to the modified 3MM Rule to again allow for yet another exception to the rule to permit the installation of CFLs at the time of home assessment regardless of whether that household meets the modified 3MM Rule. SCE contends, before 2009, its contractors were able to install CFLs at the time a home was assessed without being required to meet the 3MM Rule through an exception that was made in the Statewide Policy and Procedure Manual because CFLs were deemed highly cost-effective and quick to install.

SCE's states that its request is consistent with Code Section 2790(b)(2) which states, "The commission shall direct any electrical or gas corporation to provide as many of these measures as are feasible for each eligible low-income dwelling unit." SCE argues that CFLs continue to be highly cost-effective and feasible in nearly all cases. SCE believes providing interested income-eligible customers, who do not meet the modified 3MM Rule with at least one measure will build support for the ESA Program as participating customers proceed to network with friends.

SCE believes customer expectations and enthusiasm for the ESA Program can be raised to help build positive brand awareness by returning to the prior policy on CFL installations. Therefore, SCE requests the Commission to direct

the IOUs to update the Statewide Policy and Procedure Manual to incorporate this CFL policy change for 2012-2014.

3.7.3. Other IOUs' Position

PG&E, SDG&E, and SoCalGas[71] are not proposing any revisions to the modified 3MM Rule.

3.7.4. Other Parties' Comments

3.7.4.1. DRA

DRA states that the current modified 3MM Rule can become a loophole for measures that generate lesser savings. It could also permit a household be counted as "treated" even if these measures deliver little or no bill savings, and create ambiguity regarding the achieved energy savings per household. DRA therefore argues that using an energy savings threshold such as the DRA's "tangible bill savers" model would assure that minimum energy savings targets are satisfied regardless of the number of measures installed.

DRA therefore proposes to replace the modified 3MM Rule, which is premised on counting the numbers of measures, with an approach of establishing a threshold of minimum energy savings to be set to 4% of the average CARE customer's previous year usage levels for each utility. DRA proposes that this new energy savings threshold approach will promote greater program efficiency and larger energy savings per household. DRA believes that

[71] SoCalGas requested as an add back measures that do not meet the CE Test that would increase health and comfort, but also make it easier to meet the 3MM Rule, as modified in D.08-11-031, specifically in multifamily dwellings. These include envelope and air sealing measure be offered as an add back measure for all dwelling types and climate zones. (See section 3.6.2 of this decision, this request is approved).

contractors would aim to meet the energy savings threshold for each household and for each fuel separately.

3.7.4.2. EEC

EEC recommends that bundling in-home services (income qualification, home assessment, energy education and CFL installation) is the most cost effective way of delivering energy efficiency services to low income customers. EEC believes that the modified 3MM Rule denies the provision of in-home energy education and CFL installation and overlooks a unique leveraging opportunity. Moreover, EEC believes this program rule is in conflict with the Commission's policies. EEC therefore recommends instituting the policy to allow the installation of CFLs during the enrollment and education process as well as lifting any program cap for CFLs that could be installed in each participating household.

3.7.4.3. TELACU et al.

TELACU et al. state that the modified 3MM Rule is arbitrary and unduly limits the number of household that can be treated. They propose eliminating the rule completely and allowing all income eligible customers to receive energy education and CFLs regardless of the modified 3MM Rule.

3.7.5. Additional Comments by the IOUs

3.7.5.1. SCE's Response to December 2011 Ruling

SCE contends that during the 2009-2011 program cycle, over 278,000 households received energy education services and were assessed for eligible energy efficiency measures. Of these households, an estimated 180,000 (65%) either met the modified 3MM Rule or exceeded the minimum kWh savings threshold. The remaining 35% either had no eligible measures recommended through the assessment or had less than three measures

recommended, and therefore they were ineligible to receive any measures. Because it is likely at least one CFL could be installed in each remaining customer dwelling, SCE states that almost all 98,000 homes should be considered as failing to meet the modified 3MM Rule.

For program years 2012-2014, SCE projects that up to 93% of homes in SCE's territory will meet the modified 3MM Rule by qualifying for and receiving a smart power strip and five CFLs. Excluding CFLs from the restrictions of the modified 3MM Rule would therefore enable SCE to install CFLs in the remaining 7% of homes, corresponding to a 7.53% increase in quantity (from 1,115,096 CFLs to 1,199,028) and inventory and labor cost (from $7,810,135 to $8,397,995) over a full three year 2012-2014 cycle. SCE installs an average of roughly 4.5 CFLs per home, and does not expect a significant increase in the average number of CFLs installed per home if the five CFL cap was eliminated.

Even though SCE believes that their contractors can implement DRA's 4% threshold proposal, SCE claims that while the proposal would resolve the issue pertaining to CFLs, it raises other concerns. SCE states that no threshold at all is preferable to the current modified 3MM Rule or DRA's proposed minimum savings threshold. SCE argues that under DRA's proposal, if electric measures are identified that would produce a 6% savings in electricity usage and gas measures are identified that would produce a 2% savings in gas usage, the ESA Program contractor would not be able to install the gas measures. DRA's proposal would therefore deny the incremental gas measures to customers in this instance or electric measures in an opposite instance, which would serve merely to deny additional energy saving measures to customers when service providers will already be returning to the customer's home to install additional measures.

SCE's position is that contractors should have much more flexibility to determine whether a measure installation should be deemed feasible in the ESA Program cost-effectiveness paradigm and whether to install such measures during the assessment and enrollment visit or a return visit. SCE believes the contractors should be able to make those decisions without being encumbered to meet the modified 3MM Rule.

3.7.5.2. PG&E's Response to December 2011 Ruling

PG&E states that it cannot specifically estimate the percentage of homes that are initially enrolled in ESA Program and later determined ineligible for any services because they do not meet the modified 3MM Rule. However, PG&E does have records which show that up to 16% of homes that were enrolled or received energy education during 2009-2011 cycle ended up not receiving any ESA Program services due to several different reasons[72] including a determination that the household did not meet the modified 3MM Rule.

[72] Reasons, other than the modified 3MM Rule provided by PG&E include: (1) customer refusal; (2) contractor inability to reach customer to schedule measure installation, (3) contractor inability to get a signed property owner waiver, (4) customer over income limit, and (5) customer with incomplete enrollment paperwork.

PG&E believes that allowing CFLs to be provided as an exception to the modified 3MM Rule, as proposed by SCE, could cost the program an additional $1.8 million on average per year. PG&E contends that an additional $3.6 million per year or $10.7 million would be needed over the three year period if the current 5 CFLs per household cap is lifted. PG&E's estimate is based on a 10 CFL maximum and based on application cost per measure per year.

3.7.5.3. SDG&E's Response to December 2011 Ruling

As for SCE's proposal, SDG&E contends that based on its 2009-2011 data, less than 1% of homes enrolled ended up not qualifying for any ESA Program services because they do not meet the modified 3MM Rule. There were only approximately 800 instances in the three year period where the modified 3MM Rule was cited as a reason for disqualifying a household from being treated by the program. SDG&E estimates, based on an average of four CFLs installed per enrollment, additional CFL costs of approximately $22,100[73] for the 2012-2014 program cycle would be expected if CFLs were excluded from having to meet the modified 3MM Rule, as SCE has proposed.

SDG&E argues that in order to meet DRA's 4% energy savings threshold proposal, an average ESA Program customer with a monthly consumption of 4,800 kWh and 415 therms of annual consumption would need to have savings of 192 kWh and 16.6 therms per year to participate. SDG&E contends the only measures in the program with reasonable cost-effectiveness are refrigerators,

[73] SDG&E claims that there would be no impact to its overall ESA Program budget since SDG&E, in accordance with Section 4.6 of the California Statewide Low Income Energy Efficiency Policy and Procedures Manual, does not currently place a limit on the number of CFLs installed per home.

torchiere light fixtures, attic insulation, and furnace standing pilot change outs, and moving to the DRA's proposed 4% energy savings threshold would effectively eliminate many customers with moderate to low consumption from participating in the program unless they were eligible for a refrigerator replacement. SDG&E points out that customers who might benefit from low cost measures and tailored energy education would not be served under this proposal. SDG&E also notes that enrollment/assessment contractors have limited customer information and that they do not have customer energy consumption data. SDG&E contends that current contracts would need to be revised to include treatment of this customer data and the secure data transfer process and requirements. As such, SDG&E believes that the contractors are not set up to perform the energy savings analysis required to implement the 4% energy savings threshold.

3.7.5.4. SoCalGas' Response to December 2011 Ruling

As for SCE's proposal, SoCalGas estimates that approximately 2.7% of households that enrolled in the ESA Program during 2009-2011 ended up not qualifying for any services because they did not meet the modified 3MM Rule.

SoCalGas shares SDG&E's concerns and states that the contractors would not be able to readily implement DRA's proposed 4% energy savings threshold in lieu of the current modified 3MM Rule. SoCalGas points out that the energy savings threshold for single fuel gas utility may exclude some homes where the modified 3MM Rule is feasible but the energy savings could be less than the 4%. SoCalGas also notes that the fluctuations in the annual CARE customer energy usage data could further complicate and impact SoCalGas' ability to service homes each year if the projected energy savings and feasible measure combinations do not meet the energy savings thresholds proposed in DRA's

4% approach. SoCalGas additionally emphasizes that there are funding and timing considerations (which have not fully been assessed by SoCalGas) which are necessary in order to make such program changes (i.e. changes to operations and database to incorporate annual consumption data, etc.). Lastly, SoCalGas echoes SDG&E's position that the contractors are not currently poised and able to implement this 4% threshold proposal and to do so would require time and additional contractor training to conduct an assessment using this new approach.

3.7.6. Discussion

For SDG&E and SoCalGas, the 2009-2011 estimates of customers that did not meet the modified 3MM Rule are quite low (less than 1% for SDG&E and about 2.7% for SoCalGas). PG&E cannot accurately estimate the percentage of enrolled customers that did not meet the modified 3MM Rule, but estimates that it is embedded within the 16% that fall into the six categories: 1) customer refusal, 2) contractor unable to reach customer to schedule measure installation, 3) contractor unable to get a signed property owner waiver, 4) customer over income limit, 5) incomplete enrollment paperwork, and 6) customer did not meet the modified 3MM Rule. Based on 2009-2011 enrollment results, SCE estimates that approximately 35% of their customers either qualify for no measures or less than three. It seems that the modified 3MM Rule has posed the greatest challenge for SCE, though exactly how much is unclear as SCE claims it does not specifically track this figure.

Summary of the IOUs' Modified 3MM Rule Concerns

IOU	Estimated % of enrolled customers not meeting modified 3MM Rule	Annual Cost to provide CFLs to those customers not meeting modified 3MM Rule	Annual Cost differential if the cap of 5 CFLs per home is removed

SCE	35% currently but includes those that qualify for no measures or less than 3; but expect that approx 7% will not meet the modified 3MM Rule in 2012-2014 (pending the approval of smart power strips)	$195,953.33	$ -
PG&E	16% but includes 6 categories: customer refused, contractor unable to reach customer to schedule measure installation, unable to get a signed property owner waiver, customer over income, incomplete enrollment paperwork, and/or did not meet the modified 3MM Rule.	$1,800,000.00	$3,600,000.00
SDG&E	<1%	$7,366.67	$ -
SoCalGas	2.70%	$ -	$ -

However, looking forward, with the approval of smart power strips as a new measure addition to SCE's portfolio, SCE projects that this issue becomes less significant as only 7% of homes will be unqualified based on the modified 3MM Rule. Based on the data provided by the IOUs and having approved the smart power strip,[74] we are not convinced that the modified 3MM Rule creates a significant barrier in any of the IOUs' territories, as presented by some of the parties. Now more than ever with program costs rising ever so rapidly, we find value in the modified 3MM Rule consistent with our finding in 2001 that a provision to ensure overall programmatic cost-effectiveness toward cost-effectively treating all eligible and willing customers as envisioned by the Strategic Plan.

As proposed by SCE, providing CFLs, but no other measures for homes that fail the modified 3MM Rule, we would simply be touching these households on the surface and increasing program costs (effectively lowering the overall programmatic cost-effectiveness) while simultaneously permitting a household

[74] Smart power strip is approved as a measure that passes the CE Test (*See* Section 3.6.5.2.1 of this decision).

be counted as "treated" even if these measures deliver little in bill savings. If we are to truly approach the ESA Program as an energy resource program, we cannot myopically focus on the number of households treated, while completely ignoring bill and energy savings. We therefore find SCE's proposal to change the policy to allow CFLs alone to be contrary to ESA Program goals. We provide further discussion on CFL issues as well as the overall context within which this issue must be viewed in Section 3.9 of this decision.

In principle, we agree with DRA that the focus should be on promoting more efficient and larger energy savings per household. In fact, DRA's 4% energy savings threshold proposal to strive at deeper energy savings per household raises excellent policy objectives that we should work towards. However, we cannot support it at this time because of the operational complexities it presents have not been fully developed nor analyzed, making the proposal premature. Furthermore, the IOUs and other parties have indicated they are not able to readily overhaul the current program delivery framework and workforce requirements to implement such a bill saver delivery model.

Based on the foregoing, we make no changes to the modified 3MM Rule, as modified in D.08-11-031 and clarified in D.09-06-026, and we: (1) deny SCE's proposal to install CFLs at the time a home is assessed without being required to meet the modified 3MM Rule, (2) deny SCE's proposal to count a home as "treated" with the delivery of only CFLs and/or energy education without complying with the modified 3MM Rule, (3) deny DRA's proposal to replace the modified 3MM Rule with a 4% Threshold delivery model, (4) deny EEC's recommendation of instituting the policy to install CFLs during the enrollment and education process as well as lifting the cap of 5 CFLs per household, as further discussed and clarified in Section 3.9 of this decision, and (5) deny

TELACU's proposal to eliminate the modified 3MM Rule altogether and allow all income eligible customers to receive energy education and CFLs regardless of the modified 3MM Rule requirement.

Lastly, what we learned from the last program cycle about the energy education component of the ESA Program is that it needs to be studied to determine whether we are delivering effective energy education that is received and retained. The latest Process Evaluation found significant disparity in type and overall quality of the messaging/energy education delivered across the IOUs' territories. We discuss this concern further in Section 5.2.5.2 of this decision. Therefore, without better understanding how to deliver an effective energy education to this population through the energy education study ordered in this decision, *inter alia*, as well as ascertaining quantifiable and associated energy savings figures, it is premature to consider energy education as a standalone measure applicable towards the modified 3MM Rule, at the present time, as it is being proposed here.

3.8. Refrigerator Replacement Criteria

In their Applications, PG&E, SCE, and SDG&E request to change the ESA Program refrigerator replacement criteria from pre-1993 units to pre-1999 units. In their opening testimony, DRA proposes an even more aggressive update to the refrigerator replacement criteria and argues that the second revision of the Federal Appliance Standard in 2001 supports expanding the proposed criteria from pre-1993 to include pre-2001 refrigerators.

For the 2012-2014 cycle, PG&E indicates that replacing pre-2001 refrigerators may cost the program an additional $30 million dollars, while for SDG&E and SCE, they estimate an additional $1.4 million and roughly $20 million dollars respectively would be needed to expand the criteria. In sum,

DRA's expanded proposal could cost roughly $52 million and would propose to replace an additional 65,000 refrigerators over the next three-year period.

We find the additional expense of roughly $17.5 million annually for DRA's proposal is excessive and the demonstrable energy savings may not fully justify the associated costs. Additionally, as indicated in DRA's opening testimony, some pre-2001 units already meet the 2001 Federal Appliance Standard and are energy efficient.

Moreover, the costs to require the IOUs to develop, field, and maintain a database of refrigerators that fail to meet the 2001 Federal Appliance Standard are unknown. As the Refrigerator Degradation Study[75] has found, developing such a list may be impractical and there are questions as to the ESA Program workforce's ability to field such a list or tool in an effective and reliable manner.

Therefore, we believe the IOUs' request to change the refrigerator replacement criteria from pre-1993 units to pre-1999 units is a more reasonable option, and therefore, we approve it.

3.9. Compact Fluorescent Lamps (CFLs)

SCE requests that a cap on CFLs not be reinstated. As a point of clarification, there is no current statewide CFL cap in place, since the 2010 updates to the Policy and Procedures Manual, Sections 2.9 and 7.3.14. Thus, this issue is moot. However, consistent with our determination in D.08-11-031, we require the IOUs to install all CFLs they give to ESA Program customers. With the risk of CFLs being given away to customers that end up not being installed, (D.08-11-031 estimated that more than 30% of CFLs given away

[75] Updated ESA Program Refrigerator Replacement Eligibility Criteria Memo (Refrigerator Degradation Study), dated December 2, 2011.

to customers are not installed), we cannot continue to allow giveaways, especially in uncapped quantities as requested by some parties. Neither customers nor Californians as a whole will benefit from the energy savings light bulbs contribute to the program if they are never installed. The ESA Program will continue to remove old bulbs after installing CFLs, unless a customer asks to keep the old bulbs.

SCE also seeks the Commission's approval to expire the $6.90 per CFL cap adopted in D.08-11-031. SCE contends this CFL price cap figure is no longer feasible in 2012–2014. PG&E supports SCE's request for the Commission to approve expiration of the $6.90 per CFL cap. EEC agrees with SCE to expire the per CFL cap of $6.90 stating that the cost for CFLs has risen significantly over the past three years and the IOUs need the flexibility to manage their programs and adjust material costs appropriately as needed. EEC also agrees with SCE that there should not be a quantity cap on the CFLs given.

We find the request to expire the CFL price cap of $6.90/bulb somewhat incomprehensible. D.08-11-031 implemented this price cap based on the then average cost per bulb plus the estimated cost for overhead/ warehousing/ installation/ transportation, and ordered the IOUs to immediately coordinate their light bulb purchasing (through bulk purchases or other similar low cost arrangements), warehousing and transportation so that all receive the lowest possible price per bulb, and did not approve any CFL budget for bulbs that IOUs do not install, (giveaways). Given the advancement, technology and the plethora of supply of CFLs in the market today, the existing price cap seems to be sufficient.

On the other hand, we do acknowledge that overhead costs have changed, and agree that the IOUs do need the flexibility to manage their programs and

adjust material costs. Therefore, we will expire the per CFL cap of $6.90. However, we note that the costs of this measure will be closely monitored, along with all other ESA Program measure costs, and that as we try to move this program to be more cost effective, we expect over time that the IOUs will gain more efficiency and that we would see a decreasing trend in these measures costs and program costs.

The Strategic Plan sets forth the Commission's vision for the lighting market with regard to support for basic Compact Fluorescent Lamps (CFLs):

> Utilities will begin to phase traditional mass market Compact Fluorescent Lamps bulb promotions and giveaways out of program portfolios and shift focus toward new lighting technologies and other innovative programs that focus on lasting energy savings and improved consumer uptake.[76]

While there has been some debate over the value of CFLs, their cost-effectiveness and associated energy savings, we have found that CFLs continue to provide low income customers the opportunity for significant energy savings in a relatively cost effective manner because they are relatively inexpensive, and we can still capture energy savings by switching low income customers from high energy use incandescent bulbs to CFLs.[77]

Likewise, in D.12-05-015, in R.09-11-014, our general energy efficiency proceeding, it is acknowledged that we should not ignore available cost-effective savings that basic CFLs can still provide. In that decision, the IOUs in the mainstream energy efficiency proceeding are therefore being directed to propose

[76] Strategic Plan at 11.

[77] D.08-11-031 at 78-79.

upstream rebates in the Basic Lighting subprogram for basic CFLs, during the next cycle.[78]

Consistent with the Strategic Plan which envisioned phasing out support for basic CFLs, we are directing the IOUs in the general energy efficiency proceeding, in D.12-05-015, to propose a much smaller basic CFLs program for the transition period as a step toward the phasing out process envisioned by the Strategic Plan.

Here, we follow the general approach we are taking in our general energy efficiency proceeding, D.12-05-015. We, therefore, direct the IOUs to take note of Section 10.1.2 in that decision and coordinate their ESA Program activities in the 2012-2014 cycle consistent with the directions and approaches we provided in D.12-05-015, where appropriate.

3.10. Multifamily Housing Segment

3.10.1. Introduction

In their Applications, SoCalGas, SCE, and PG&E generally acknowledge some of the challenges they experienced and that the multifamily segment of the low income population has been, to varying degrees, underserved and has seen some barriers in entry to the ESA Program. DRA does not disagree with claims that perhaps the ESA Program poses some barriers as it interfaces the low income multifamily segment and suggests that, despite such potential barriers, this segment has not been significantly underserved. Based in part thereon, DRA recommends the issue of better serving multifamily properties (in proportion to their occurrence in the overall low income population) be given lower priority

[78] *Id.*

than those households with high-energy burden, high-energy insecurity, or high-energy usage.[79]

During the October 21, 2011 workshop and the two PHCs as well as the testimonies, briefs, and other filings, the parties have vigorously debated the nature and magnitude of how the low income multifamily segment has or has not been underserved and how it may be better served by the ESA Program. With that backdrop, CHPC et al.'s opening brief makes the following observation:

> …after years of running successful programs, the utility companies have picked much of the lower-hanging fruit and now need to serve the harder-to-reach customers as well as achieve deeper savings in each building they serve… and passage of… Assembly Bill 32 has amplified the need for intensive energy efficiency efforts across California.[80]

CHPC et al.'s above observation correctly focuses and orients us to the Commission's two ultimate goals for the low income programs, and in turn correctly puts this multifamily segment issue in perspective today. At issue is not just the treatment of the multifamily segment, but instead the overall vision and goals of reaching all eligible low income households by 2020, and the effective design and implementation of the ESA Program as envisioned. Thus, if a segment of the low income population is underserved or could be better served, then the ESA Program must undertake reasonable efforts to remedy that

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[79] DRA's Opening Brief at 23. DRA also contends "high-energy use is recommended by both the 2005 and 2009 ESAP Impact Evaluations as criteria to identify households with the highest potential for savings" and suggest that there is high potential for energy savings that could be gained from that segment.

[80] NCLC's Opening Brief at 4-5.

identified concern. In the end, such conscious and proactive efforts to understand the remaining untreated low income households are necessary for this program to realize the lofty goal of reaching the 100% eligible and willing households by 2020.

While much of the debate centered on the treatment of the multifamily segment, the proposed solutions, ideas, pilots and program critiques all bring attention to how the ESA Program can more effectively be administered, to providing all feasible measures and delivering the health, safety and comfort benefits of this program to the low income community. It is fair to say all the parties are, in good faith, engaged in this proceeding in an effort to improve the delivery of the program, and we encourage and direct the parties to continue to remain engaged on this issue as we further examine this issue in the second phase of this proceeding.

3.10.2. IOUs' Multifamily Housing Segment Strategy Proposals

In the Applications, most of the IOUs[81] recognize the need and propose to increase their focus in this coming cycle on the multifamily housing segment. The IOUs' proposals for the 2012-2014 program cycle, include coordination of the ESA Program with Energy Upgrade California (EUC) and the Middle Income Direct Install (MIDI) programs in accordance with the Strategic Plan. Specifically, the IOUs propose coordination amongst those programs such that, for multifamily dwellings, the IOUs would first administer the ESA Program to treat low income multifamily households and thereafter refer the remainder of

[81] SCE, in its reply comments, opines that there is no need to emphasize on MF households by ESA Program.

the work to EUC. The work that is completed by the EUC program would then include those additional measure installations in units and areas not authorized to be treated under ESA Program but that such work would be coordinated and completed in a timely and subsequent visit with the property manager actively engaged in such effort.

In its reply testimony, PG&E reiterates that integration of the ESA Program and its EUC multifamily strategy is the most efficient and effective route to treat multifamily households and that information gleaned from the PG&E Segmentation Study will help better target marketing and outreach to customer segments, including multifamily housing.

SCE, in its reply comments, opines that there is no need to emphasize on multifamily households in the ESA Program and therefore opposes expanding ESA Program incentives, which are no-cost to low income households, to cover costly common area measures to benefit the non-low income multifamily property owners.

SDG&E proposes its plan to streamline multifamily household participation in ESA Program by simplifying the property owner authorization form and to work directly with multifamily landlords to obtain program authorization. SDG&E also disputes some parties' claims that measure offerings are unequal across housing types, arguing that instead, measure offerings are determined by household occupancy type as dictated by the Commission.

In their reply testimony, SDG&E and SoCalGas reiterate that other IOU programs, including the Multifamily Energy Efficiency Rebate (MFEER) program and EUC are currently in place and should be utilized to help non-low income multifamily property owners fund their tenant occupied furnace repair and replacements instead of relying on the ESA Program's limited no-cost giveaways.

3.10.3. Multifamily Comments and Proposals of NCLC, CHPC, and NHLP (NCLC et al.) and TELACU et al.

3.10.3.1. Multifamily Comments and Proposals of NCLC et al.

NCLC protests all four IOUs' Applications and urges the Commission to revise the IOUs' ESA Program to include: (1) targeted outreach to owners of multifamily properties; (2) program redesign that allows for "one-stop" applications; (3) full integration of any ESA Program and other programs for which the owner and tenants may be eligible; (4) use of an energy audit tool that is appropriate for use in larger, multifamily buildings; (5) inclusion of all cost-effective measures including work on heating and hot water systems; and (6) a review of the income eligibility rules with the goal of removing any unnecessary barriers.

CHPC's protest echoes much of NCLC's protest, specifically requesting that the Commission direct the ESA Program to: (1) adopt a whole house approach to multifamily buildings; (2) reverse the relevant portions of prior decisions and mandate the inclusion of heating, cooling, and hot water systems as well as common area and other whole-building energy efficiency improvements as ESA Program eligible measures for multifamily rental buildings; (3) establish ESA Program Categorical Eligibility for buildings and units in properties listed on the federal WAP list of eligible properties given the similarity of eligibility standards; (4) require the establishment of a single point

of contact for participants to access ESA Program resources as well as all other utility energy efficiency resources that potentially could be combined; and (5) expand ESA Program marketing, outreach and education efforts (including establishing a nominal "referral fee") to focus on multifamily building owners and managers—particularly to those buildings with predicted populations of qualifying households.

NCLC et al., in their joint testimony, offer further detail on the requests for the ESA Program to: (1) remove "housing subsidies" as an income source in regards to program enrollment; (2) adopt an expedited enrollment process for multifamily properties currently used by HUD-DOE WAP; (3) adopt a whole-building approach by removing prohibitions on heating and hot water systems replacements in multifamily rental housing; and (4) require the IOUs to offer a single point of contact for multifamily rental housing owner/operators for ESA Program and other energy efficiency offerings.

NCLC et al.'s reply testimony also offers several critiques of TELACU et al.'s pilot proposal (discussed in detail below) including: (1) many of the groups' initial proposals do not need piloting; (2) the TELACU et al.'s pilot is too small in scope and budget; (3) its "charge back" for pre-installation audits that do not lead to 20% energy savings is inappropriate and will be a barrier for participation; (4) the adherence to the current practice of making central "furnace and domestic hot water heaters for building owners" ineligible for ESA Program assistance will hinder the pilot; (5) a 20% energy savings threshold is too difficult for multifamily buildings to attain; (6) the pilot's Energy Efficiency Manager position should be an IOU employee or direct contractor; (7) the pilot administration should be competitively bid; (8) the market assessment and database portion of the pilot is unnecessary; and (9) the pilot will take too long to

address AB 758[82] objectives. The reply testimony goes on to outline other states' multifamily energy efficiency housing programs as more comprehensive in measure offerings and program design and argues that those should serve as a model for the ESA Program.

In response to the December 2011 Ruling, NCLC et al. elaborated that the ESA Program should fund following measures:

- Whole-building, investment-grade energy audits.
- HVAC—Heating Systems, repair and replacement:

  Boiler/heater repair and replacement
  Heating pipe insulation
  Boiler plant controls
  Boiler blankets
  Heat pumps
- Thermostats and Thermostatic Radiator Valves
- Water Heater, repair and replacement:

  Domestic hot water heater repair and replacement
  Domestic Hot Water Pipe Insulation
  High Efficiency Pump Motors/Heating Loop Pump
  Recirculation Controls
  Water Heater blankets
- Common Area Lighting
- Roof/Attic Insulation

[82] NCLC et al. characterize AB 758 (Skinner, 2009) as an effort which created the Comprehensive Energy Efficiency in Existing Buildings Law that requires the energy efficiency retrofit of all buildings by 2020.

To be eligible for the new measures, NCLC et al. propose above:

a. The owner must agree to a whole-building, performance-based approach that is projected to result in at least a 20 percent reduction in energy consumption.

b. At least 66 percent of units must be occupied by households who income-qualify for ESA Program.

c. The multifamily building owner must enter into an agreement committing to not raise rents and otherwise ensure that the benefits received by the owner will accrue primarily to the tenants, in a manner similar to the requirements imposed by CSD WAP. These owner commitments should continue for a reasonable period after completion of the energy efficiency work.

As proposed, the amount of ESA Program assistance should be limited to:

- A per-building cap for whole-building audits of no more than $100 per income eligible unit, up to a maximum of either the actual cost of the audit or $15,000, whichever is less.
- A per-building cap for all energy measures (excluding the audit) of no more than a pre-set amount per income-eligible unit.

3.10.3.2. Multifamily Comments and Proposals of TELACU et al.

In their initial protest, TELACU et al. too agreed that the ESA Program presents some barriers for the low income multifamily segment from participating in the program, and that those barriers should be examined. However, TELACU et al. opposes any proposal for "carve out" of program funds solely for the investor/owners of the assisted, deed restricted housing segment.

Instead, TELACU et al., in their opening testimony, provide a graduated multi-phased ($21.2 Million/6,800 unit or $3.2 Million/1,700 unit) Multifamily Segment pilot proposal aimed at addressing various aspects of the coordinated ESA Program multifamily housing delivery issues raised by NCLC and CHPC. TELACU et al.'s pilot[83] proposes to "address the market intelligence, policy and programmatic barriers that have limited penetration in the multifamily housing sector" by comprehensively leveraging existing ESA, EUC, MIDI and other IOU Energy Efficiency programs. TELACU et al.'s pilot is a non-measure pilot that proposes to investigate the feasibility of combining existing IOUs' incentive programs (ESA, mainstream energy efficiency, MFEER, and EUC programs) and to find ways to effectively leverage those with other non-IOU program funds (PACE-Commercial, DOE WAP, LIHEAP, etc.) as well as owner financing into a unified program for saving energy in multifamily developments.

The pilot proposes to utilize a multifamily energy efficiency manager who will provide effective coordination and access to information regarding all available funding sources to help cover the investment costs in extensive measures targeted at delivering deeper energy savings that are not covered by the ESA Program funding for these measures will come from EUC and other energy efficiency rebate programs. As proposed, this pilot envisions four phases as follows:

[83] TELACU et al.'s Opening Testimony, Pilot Proposal at 1-31.

Phase 1: (Small Scale Pilot Installation/Program Incentives of 1,700 units for an ESA budget of $1,020,000 and Comprehensive EUC Audits of 42 Buildings with an EUC budget of $315,000) - Small Scale Pilot will serve roughly 1,700 units with this delivery model and will provide 42 buildings with an EUC comprehensive audit and measures.

Phase 2: (Evaluation and Modification: Development of Market Segmentation Database ($200,000), Interim Pilot Phase 1 Evaluation Report ($175,000), and Development of Multifamily Program Installation and Policy and Procedures ($125,000)) - Phase 2 will see the $200,000 development of the Market Segmentation Data Warehouse that will provide investors and regulators with data to better develop energy and assisted housing policy and assist the Commission in developing a methodology for revised future allocation of energy costs to owners (annual Utility Allowance provided for units) and provide Utilities with a more detailed and accurate way of segmenting and profiling energy savings potential within the existing multifamily housing stock. Phase 2 also develops a $175,000 Phase 1 Interim Pilot Evaluation Report and the $125,000 Multifamily Program Installation and Policy and Procedures manual.

Phase 3: (Large Scale Pilot: Installation/Program Incentives of 6,800 units for an ESA budget of $4,080,000 and Comprehensive EUC Audits of 168 Buildings with an EUC budget of $1,260,000) - The phase 3, Large Scale Pilot, will ramp up the services to 6,800 multifamily units and audits of 168 buildings.

Phase 4: Comprehensive Evaluation and Reporting Phase (Final Pilot Report ($125,000), EM&V ($250,000), and Administrative Costs Budget ($547,500)) - This final phase includes Comprehensive Evaluation and Reporting will include a Final Pilot Report and $250,000 for an Evaluation, Measurement, and Verification (EM&V) plan that will compare (by climate zone, size, vintage, and other characteristics) the number and type of measures installed on a per unit and per building basis between typical ESA Program installations and the piloted program.

3.10.4. IOUs' Responses to NCLC et al.'s and TELACU et al.' Proposals

3.10.4.1. IOUs' Responses to NCLC et al.'s Proposal

SDG&E, SoCalGas and SCE support the NCLC et al.'s recommendation of single point of contact schema for the integration of ESA Program and other IOUs' mainstream energy efficiency offerings. Conversely, SDG&E, SoCalGas, and SCE oppose the NCLC et al.'s recommendation to use ESA Program funds for common area measures in multifamily housing as it is not practical for an IOU to establish requirements[84] similar to the DOE's Weatherization Assistance Program (WAP) to ensure such improvements benefit individual tenants.

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[84] U.S. Department of Energy's guidance on accrual of benefits to low-income tenants in multi-family buildings under the Weatherization Assistance Program (April 8, 2010) states: "In instances in which tenants of multi-family buildings pay directly for energy, the accrual of benefits requirement can be assured by demonstrating a reduction in the tenants' energy bills. However, DOE recognizes that there are instances in which a tenant does not pay directly for energy (e.g., energy costs are paid through rent, or under certain housing assistance programs, energy costs are paid for through vouchers). In instances in which a tenant does not pay for energy directly, a combination of several categories of benefits could be used to demonstrate that the benefits of the weatherization accrual primarily to the tenant. Benefits that could be combined, include, but are not limited to:

Footnote continued on next page

SCE also opposes other aspects of NCLC's proposal. SCE argues that housing subsidies should remain as a source of income in determining customer eligibility for the ESA Program. SCE contends that all buildings with a tenant eligibility rate of 66% to 80% would receive ESA Program benefits at 66%-80% of the total measure installation cost rather than the current full subsidized level. SCE's proposes its current multifamily ESA offerings are proportional and equitable. SCE believes NCLC et al.'s recommendations need to be considered within the context of IOU integration initiatives underway in ESA and mainstream energy efficiency programming.

PG&E's opening brief supports the single point of contact concept and refers to the EUC-ESA Program multifamily pilot program in R.09-11-014, arguing that the results of that pilot should be reviewed before implementing any ESA Program changes in respects to multifamily segment.

3.10.4.2. IOUs' Responses to TELACU et al.'s Proposal

• Longer term preservation of the property as affordable housing;
• Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22(b)(3)(ii));
• Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;
• Investment of the energy savings from the weatherization work in specific health and safety improvements with measurable benefits to tenants;
• Improvements to heat and hot water distribution, and ventilation, to improve the comfort of residents; and
• Establishment of a shared savings programs.

(http://waptac.org/data/files/website_docs/government/guidance/2010/wpn%2010-15a.pdf)

SCE supports TELACU et al.'s opposition to any potential budget "carve-out" for the investors/owners of assisted deed-restricted multifamily housing.

SDG&E argues that the number of buildings to be targeted in the TELACU et al.'s pilot proposal in its territory is too large and disproportionate to its territory size and that any such pilot should be implemented through the IOUs' current programs instead of creating yet another pilot program that will cause customer confusion. SDG&E also states that if the Commission were to authorize a multifamily pilot, it should be competitively bid.

SoCalGas is generally supportive of the TELACU et al.'s multifamily pilot proposal but stresses that it would need to evaluate the results of the pilot's Phase 1 and 2 before making recommendations on Phase 3.

PG&E is generally supportive of the TELACU et al.'s multifamily pilot proposal with several proposed changes, including: (1) measures not currently offered by the ESA Program should be subject to a rebate or co-pay to cover the cost of the measure; (2) the "data warehousing" component of the pilot is premature and unnecessary; (3) the pilot has higher installation costs than in the traditional ESA Program and such cost factor should be addressed; (4) that some type of energy education or collateral be provided to pilot participants; and (5) that only contractors approved in a specific program (i.e. ESA, EUC, etc.) should be permitted to perform installations in the pilot.

3.10.5. Other Parties' Comments on Multifamily Segment Issues and Proposals

3.10.5.1. DRA

In its opening testimony, DRA notes that multifamily buildings are the easiest places to implement the whole neighborhood type of approach. While not all IOUs actually track the effectiveness of their property owner waiver forms

to determine which practices work best, DRA believes the IOUs should develop a better property owner waiver and should follow SDG&E's lead in tracking the number of property owner waivers that had been signed as a metric to determine the effectiveness of their multifamily building strategies.

Furthermore, DRA proposes that rather than funding additional multifamily pilot proposals to answer questions about energy savings, expedited enrollment and 'one-stop' program integration, the Commission should instead review the variety of recently completed multifamily projects performed under other state and federal programs. Lastly, DRA argues that the IOUs have historically served multifamily households in proportion of their percentage of all low income households and that claims of under-serving this demographic are unfounded.

DRA's reply testimony asks the Commission to maintain the prohibition on replacing furnaces and hot water heaters in multifamily dwellings until better information about energy savings opportunities associated with these installations is available. DRA later retracts its prior position and instead argues that the ESA Program should fund only installations where tenants pay the energy bill and the investment grade audit that includes either heating or hot water measures should predict at least 20% savings.

3.10.5.2. TURN

TURN proposes: (1) "relaxing" the ESA Program's cost-effectiveness methodology for easier collaboration with EUC; (2) the ESA Program should look to local government programs for implementation with EUC; (3) SCE use segmentation study results to make EUC and the ESA Program neighborhood approaches more effective; (4) pilot a "cash for energy savings" program as was done by Los Angeles County in the EUC program; and (5) support a single point

of contact for ESA Program and EUC integration. TURN supports certain aspects of NCLC et al.'s recommendation of a single point of contact, proposed multifamily rental whole-building performance-based approach that includes heating and hot water measures, and general effort to focus more attention to the multifamily housing sector and the barriers in the low income multifamily market. TURN's opening brief supports TELACU et al.'s multifamily pilot proposal.

3.10.5.3. CforAT

CforAT's reply brief "generally supports the proposals of NCLC/CHPC/NHLP regarding effective enrollment and treatment of multi-family residences."[85]

3.10.5.4. G4A

In its reply testimony, G4A comment that while they do not have an opinion on the fielding of a multifamily pilot program, the Commission should:
(1) set clear guidelines and hiring criteria for participating contractors;
(2) prevent any perception of conflict of interest in the contracting process; and
(3) consider a third-party administrator to implement any multifamily pilot.

3.10.5.5. The Joint Parties

The Joint Parties support certain aspects of NCLC et al.'s recommendation of a single point of contact, proposed multifamily rental whole-building performance-based approach that includes heating and hot water measures, and general effort to focus more attention to the multifamily housing sector and the barriers in the low income multifamily market.

[85] CforAT's Reply Brief at 6.

In the opening brief, the Joint Parties recommend that the ESA Program do the following: (1) lift its prohibition of replacing working heating and hot water appliances in tenant occupied multifamily households; (2) provide a single point of contact for building owners/property managers to access utility financed energy efficiency programs; (3) expedite enrollment for tenants in multifamily properties (in both assisted and market-rate housing); and (4) integrate ESA Program direct install measures with other applicable efficiency programs, rebates, incentives and financing options in one application and enrollment process (to enable whole building retrofits and upgrades).

3.10.5.6. NRDC

NRDC generally supports: (1) a single point of contact for ESA Program and other energy efficiency programs' integration; (2) that housing subsidies not be considered as a source of income under ESA Program rules; and (3) an expedited enrollment process for multifamily housing properties as proposed by NCLC et al. NRDC is generally supportive of the TELACU et al.'s multifamily pilot proposal and believes the proposed changes are well-founded and should be expanded to the larger program. Additionally, NRDC argues that the $10.1 million project ramp up portion of Phase 3 (which treats up to 6,800 units for a cost of up to, comprehensive EUC audits, installations and program incentive delivery, and conclusion) of TELACU et al.'s multifamily pilot be scaled up in terms of unit goals and measure offerings.

NRDC agrees with the Joint Parties and CforAT, and recommends that the ESA Program: (1) lift its prohibition of replacing working heating and hot water appliances in tenant occupied multifamily households; (2) provide a single point of contact for building owners/property managers to access utility financed energy efficiency programs; (3) expedite enrollment for tenants in multifamily

properties (in both assisted and market-rate housing); and (4) integrate ESA Program direct install measures with other applicable efficiency programs, rebates, incentives and financing options in one application and enrollment process (to enable whole building retrofits and upgrades).

3.10.6. Discussion

3.10.6.1. Background

In D.06-12-038, we directed the IOUs in their future ESA Program budget applications to include participation goals in population sectors or segments, with budgets designed to meet those goals. This requirement is in line with Code Section 2790(d),[86] which reads, "Weatherization programs shall use the needs assessment pursuant to Code Section 382.1 to maximize efficiency of delivery."

Likewise, again in D.07-12-051, the Commission held that "[t]he complementary objectives of … [ESA] programs will be to provide an energy resource for California while concurrently providing low income customers with ways to reduce their bills and improve their quality of life."[87] In order to meet these objectives, we directed the IOUs to devise goals determined by population segments.

Most recently, in the update to the Strategic Plan, we stated:

> Approximately one-third of all [Californian] households live in multi-family structures…. About one-third (approximately 4 million) of [those] … households qualify for low income energy efficiency [ ] programs extended to

[86] Unless otherwise stated, statutory references are to the California Public Utilities Code.

[87] D.07-12-051 at 5.

households with annual income less than or equal to 200 percent of federal Poverty Guidelines.[88]

The IOUs have filed the 2012-2014 Applications with proposals generally consistent with these prior directions, including the goals based approaches and with proposals for their strategies for the multifamily segment. The Commission's Energy Division too have been reviewing the IOUs' progress in penetrating the multifamily segment and continuously looking for ways to ease any barriers faced by the multifamily segment of the low income population and entry into the ESA Program.

3.10.6.2. Need

The 2007 KEMA Low Income Needs Assessment Report and its findings, state that 43% of all low income households reside in multifamily dwelling types (with 5 or more units). While some parties dispute the assumptions, scope, methodology and therefore the resulting accuracy of some of the findings, we will look to that estimate as a basic starting point to begin the discussion, until that figure is updated. Irrespective of the exact percentage, this segment of the low income community comprises a significant portion of the overall low income population we must serve.

First, we recognize that the IOUs have time and again updated their strategies each program cycle toward reaching their full penetration goal by 2020 and employed creative ways to do so. However, we recognize today that the ESA Program can certainly be improved to better serve this multifamily housing segment and the overall low income residential segment. We will direct the IOUs to do so going forward.

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[88] Strategic Plan at 9.

We note that in the course of this proceeding, through the Applications, PHCs, opening and reply testimonies, and comments responsive to the December 2011 Ruling, the IOUs and all the parties presented many concerns, objections, insights, information, approaches and even pilot proposals for the Commission to examine various potential barriers that might prevent eligible customers residing in multifamily units from enrolling in the ESA Program. Citing the IOUs' data reported in their annual reports, DRA's opening brief, Table 6, also illustrates that in comparing the IOUs' 1997-2006 multifamily homes treated figures[89] to the IOUs' 2007-2010 multifamily homes treated figures, with the exception of SDG&E, each IOU's multifamily homes treated figures dipped during the last program cycle.

- PG&E dropped from 27% multifamily homes treated in 2000-2006 timeframe to 18% multifamily homes treated in 2007-2010 timeframe;
- SCE dropped from 45% multifamily homes treated in 1997-2006 timeframe to 23% multifamily homes treated in 2007-2010 timeframe;
- SoCalGas dropped from 36% multifamily homes treated in 1997-2006 timeframe to 25% multifamily homes treated in 2007-2010 timeframe; and
- SDG&E increased from 49% multifamily homes treated in 1997-2006 timeframe to 54% multifamily homes treated in the 2007-2010 timeframe.

Thus, perhaps lessons learned and best practices could be shared to understand these trends and to begin to reverse them. Moreover, these numbers and trends suggest that we need to better understand the field of eligible

[89] PG&E's figures were from its 2000-2006 annual reports. Other IOUs' reports were from their 1997-2006 annual reports.

population and particularly this multifamily segment to be able to devise effective strategies to reach them. If the ESA Program is not effectively reaching the multifamily segment or the overall eligible low income population, then that has to be identified, understood and addressed in the time remaining as we near 2020. Thus, during the 2012-2014 period, we will examine this issue to devise a full set of comprehensive multifamily segment strategies, as discussed in Section 3.10.6.3 of this decision.

As for some of the more costly measures being proposed for multifamily buildings (e.g. furnace repair and replacement), we discuss significant, legal, policy and programmatic implications of such measure in great detail in Section 3.6.5.1.4 of this decision. In short, we must act cautiously. The ESA Program is a ratepayer funded program with an annual expenditure in excess of $300 million and a goal to reach 7% of California's low income population each year. Without looking carefully at this issue in the second phase of this proceeding, the current budget realities do not allow us to increase the ESA Program's no-cost measure offerings to include such costly replacements of working central systems in tenant-occupied multifamily buildings - especially since other Commission and non-Commission programs are available to do so.

Indeed, from NCLC et al.'s own figures, provided in response to the December 2011 Ruling, a decision to include the NCLC's proposed 14 new (*see* Section 3.10.3.1 of this decision) measures can increase program costs from $1,324 to $5,399 per unit **in addition** to the costs of current multifamily rental measure offerings. Extrapolating these new measure costs to the ESA Program's historic averages of multifamily unit treatments, such new program elements could increase the IOUs' budgets by hundreds of millions of dollars annually.

These are hundreds of millions of ratepayers' dollars we must collect from other ratepayers and must expend with due caution. Thus, while we fully appreciate that the multifamily sector presents an area with a sizeable energy savings potential, we are not confident that limited program funds can now be expanded to cost-effectively replace operating central systems, such as heating and domestic hot water systems in rental properties.

As for some parties' proposal that the ESA Program provide expensive investment grade energy audits to multifamily rental properties without clearly identifying either the costs of such audits or how or which of the IOUs' program would pay for such audits, we again note caution. Lacking a full understanding of the costs and attendant benefits, such proposals are premature and cannot be thoughtfully evaluated at this time. Moreover, with competing audit tools available in the multifamily sector, the ESA Program, as a ratepayer funded program should require significant public engagement before the selection of one audit tool over another can be made.

Meanwhile, we appreciate and applaud the committed, thoughtful and informative ideas, discussions and insights the parties brought into this proceeding to inform and aid the Commission on this important issue. While there is not yet a consensus on how to tackle this issue, we see the need for attention to this segment and we see several immediate strategies the IOUs and the parties proposed and which we can pursue here as set forth below.

3.10.6.3. Multifamily Segment Strategies

As the first of this parallel, two-pronged approach, the IOUs are directed to immediately roll out the eight Multifamily Segment Strategies described below, including additional approved measure offerings to multifamily households we approve in this decision specifically to enhance penetration of

this segment. Furthermore, the IOUs are directed to simultaneously begin developing and advancing more long-term and comprehensive multifamily segment strategies as discussed in Section 3.10.6.4 of this decision.

Based upon the IOUs' and the parties' proposals and comments, as well as the 2007 KEMA Needs Assessment Report and 2009 Process Evaluation, we find the following to be immediately feasible strategies and efforts to be deployed as soon as practicable. These are strategies that should ultimately ease the barriers of entry into the ESA Program and in turn yield greater overall energy savings from this program and increase overall penetration rate as well.

Strategy 1 – Whole Neighborhood Approach: As recommended in the 2009 Process Evaluation Report[90] and as proposed and acknowledged by several parties, a whole neighborhood approach, if tailored properly, can be an effective tool for the multifamily segment. The IOUs are therefore directed to implement multifamily segment strategies based on the whole neighborhood approach, whenever practicable, to reduce the travel time and costs of efficiently reaching the maximum number of eligible multifamily households.

The whole neighborhood approach to ESA Program implementation should result in more efficient and cost-effective program delivery which eases scheduling difficulties and reduces the burden the report program participation places on low income multifamily customers. The 2009 Process Evaluation found that while the whole neighborhood approach did not yield successes in many contexts of ESA Program delivery for a variety reasons, the contractors suggested that the whole neighborhood approach worked more successfully in the context of multifamily buildings. The following describes in detail a

[90] 2009 Process Evaluation Report at 43-44 and 60.

particularly successful approach, reported in the 2009 Process Evaluation Report, to engaging multifamily customers using this strategy:

> First, the contractor distributed door hangers advertising the program. Next, the firm set up tents in which tenants present qualifying documentation to enroll in the program. In a single day, qualifying individuals received energy education in groups of 10; assessment crews identified measures for installation, and installation crews completed measure installation. The respondent further noted that such events were particularly successful when combined with customer giveaways or raffles.[91]

We direct the IOUs to incorporate such whole neighborhood approach strategy as part of the IOUs' multifamily segment strategy, where applicable.

Strategy 2 – Property Owner Waiver Update: As observed by the parties and the 2009 Process Evaluation Report, one of the key barriers to penetrating the multifamily segment appears to be associated with the challenges of getting the needed property owner waiver form for these multifamily properties. As generally proposed by SDG&E, in its effort to streamline multifamily household participation in the ESA Program, the IOUs should coordinate with each other and develop a uniform and simplified property owner authorization form. The IOUs are then directed to use that simplified form to work directly with multifamily landlords and property managers to obtain the needed authorization. The simplified and streamlined property owner waiver form should, at the very least, address the following concerns to ease the entry into ESA Program:

[91] *Id*. at 53-54.

(i) Eliminate potential duplications wherein ultimately only one form would be necessary for properties served by multiple IOUs; and

(ii) Eliminate, to the extent feasible, the need for multiple forms for multifamily dwellings being served by more than one IOU program through the integration and leveraging efforts.

Also, as part of this simplifying and streamlining effort, we direct the IOUs to align all attendant co-pay costs for currently permitted multifamily measure offerings amongst the IOUs. The IOUs are also directed to work with multifamily stakeholders to clarify owner obligations in the ESA Program property owner waiver forms and to develop, where needed, simplified property owner waiver forms in different languages when a need for such is identified. Lastly, the IOUs should immediately begin tracking completed property owner waiver rates among household types, as recommended by DRA.

Strategy 3 – Updated Marketing Approach to Multifamily Homes:

Targeted outreach to owners of multifamily properties is one of the elements of NCLC et al.'s recommendations. DRA correctly proposes and we direct the IOUs to utilize the recent lessons learned from the Segmentation Studies to update and target their marketing to multifamily owner/operators.

Consistent therewith, many contractors in the 2009 Process Evaluation reported reaching out to property owners directly in their own program marketing activities. Contractors reported such efforts to engage with property owners and managers as very beneficial because it can open opportunities to gaining approval to provide services to multiple customers and multiple properties. The 2009 Process Evaluation Report notes anecdotal benefits to this approach while also noting that such approach may prove to be costly. Thus, this strategy is merely a tool being offered to the contractors to use to roll out an

effective whole neighborhood approach to the low income multifamily segment, where appropriate.

Strategy 4 – EUC/MIDI/MFEER Coordination: The IOUs' proposal to formally coordinate the ESA Program with EUC and the MIDI programs is approved, and such effort should be further coordinated with the Multifamily Energy Efficiency Rebate (MFEER) program.

Strategy 5 – Single Point of Contact: The concept of single point of contact to coordinate the varying IOU programs for the multifamily segment was recommended in different forms by varying parties. Relative to the IOUs' internal programs, the proposed concept of single point of contact is approved. The IOUs are directed to offer a single point of contact for multifamily rental housing owner/operators for ESA Program and other energy efficiency programs offerings by the IOUs. During this cycle, the IOUs should explore ways to expand this single point of contact concept to include, where appropriate, coordinate with other non-IOU efficiency or housing renovation programs (e.g. CSD or other local government programs).

Strategy 6 – Same Day Enrollment, Assessment, and Installation: The 2009 Process Evaluation Report also found that the contractors who had employed the approach of performing measure installations on the same day as enrollment and assessments could expedite program processes, improve customer experience by reducing customer inconvenience, and eliminate the potential need for additional appointments. Many of those contractors reported that such expedited same-day approaches were effective in multifamily complexes or other situations in which multiple customers live in similar types of households thus allowing for ability to anticipate and plan for those households' measure needs. For instance, a contractor noted that a same-day approach

worked well in apartment buildings in which multiple units frequently qualified for similar measures.[92] In concert with the whole neighborhood approach strategy (Strategy 1) as well as tailored multifamily marketing and coordination strategies (Strategies 2-6) we set forth for in the preceding sections of this decision, the IOUs are directed to employ such an expedited same day process, whenever practicable.

Strategy 7 – Streamline Practice and Service Delivery: As recommended in the 2009 Process Evaluation Report, the IOUs shall immediately begin streamlining their practices and efficiencies in service delivery to the low income multifamily segment that may be available without the need for lengthy or cumbersome program redesign or budgetary increases. The IOUs should take all reasonable efforts therefore to promote and share the IOUs' best practices of utilizing group outreach and enrollment and group energy education for eligible households living in multifamily complexes.

Strategy 8 – Providing Feasible Measures for Multifamily Segment Including Retention of Certain Measures Proposed for Retirement for Program Cycle 2012-2014: The following measures proposed for retirement by the IOUs in their 2012-2014 Applications shall be retained and these ESA Program measures shall be made available for renter occupied multifamily units:

- Attic insulation
- Air Sealing/Envelope Measures
- CFLs and Hardwire lighting
- Hot water conservation measures
- Water heater blankets

[92] *Id*. at 33.

- Water heater pipe insulation
- Pre-1999 refrigerators
- Furnace clean and tune

Effective implementation of Strategy 4, above, should further complement measure offerings for the multifamily segment. For instance, other IOUs' programs (including MFEER) offer rebates for multifamily properties for the below list of measure offerings which will further complement the ESA Program measures:

- Central System Natural Gas Water Heater
- Central System Natural Gas Boilers for Water and Space Heating
- Natural Gas Storage Water Heater
- Energy-efficient Electric Storage Water Heaters
- Central Natural Gas Furnace
- Central Natural Gas Furnace with Built-In Variable-Speed Motor (VSM)
- Energy-efficient Package Terminal Air Conditioners and Heat Pumps
- High-efficiency Clothes Washers
- High Performance Dual-pane Windows
- Attic and/or Wall Insulation
- Energy Star Room Air Conditioner Replacement Multiple-Speed or Variable Speed Motor (VSM)
- Ducted Evaporative Cooling System Level 1 and Level 2
- Package Terminal Air Conditioner and Package Terminal Heat Pump

With the coordinated delivery of the measures offered in the above complementary programs funded through those various ratepayer funds, most, if not all, of the energy efficiency needs of multifamily buildings should be met.

3.10.6.4. Comprehensive Multifamily Segment Strategies Formulation and Implementation

As the second part of a parallel, two-pronged multifamily segment approach, the IOUs are directed to begin developing and advancing more long-term and comprehensive multifamily segment strategies as outlined below. The IOUs are directed to pursue a Multifamily Segment Study ordered in this decision below. The budget for this Multifamily Segment Study is not to exceed $400,000. The IOUs are directed to pay for the contract, but otherwise shall involve the Energy Division at the earliest possible time in the request for proposal and bid evaluation process so that independence is assured. The IOUs, along with the Energy Division staff will evaluate the bids, and the Energy Division shall make the final determination on the contractor selection. The process shall also follow the structure outlined in Resolution E-4237.

Within 30 days of the effective date of this decision, the Energy Division and the IOUs are directed to hold a one-day public workshop to garner input from interested stakeholders and parties on the development of the third party consultant request for proposal (RFP) for a Multifamily Segment Study.

Within 60 days of the effective date of this decision, with public and stakeholders' input, the IOUs and Energy Division are directed to develop and release the joint statewide RFP for a third party Multifamily Segment Study consultant (Consultant).

The IOUs and Energy Division are directed to co-manage and oversee the Consultant once retained. The IOUs and Energy Division are directed to take all reasonable actions to ensure award of contract for the Multifamily Segment Study, within 100 days of the effective date of this decision. The IOUs and Energy Division are directed to take all reasonable actions to ensure ample

public review of the Consultant's work after the contract is awarded and a final recommendation is timely presented, as ordered in this decision. At a minimum, the Multifamily Segment Study and related Consultant's work shall include the following:

1) Gather data on the state's multifamily housing stock and ownership profiles, including a statewide demographic and programmatic assessment of California's low-income multifamily housing stock (by each IOU territory):
2) Catalogue multifamily energy efficiency programs, including Commission programs and those administered by other government agencies, Utilities and organizations within the state of California, as well as recent and ongoing multifamily energy efficiency programs administered in other jurisdictions across the country;
3) Evaluate and further examine comments, objections and proposals from parties to the proceeding in the context of the ESA Program decisions, the current Commission directions and Strategic Plan;
4) Review existing Commission's multifamily programs within the overall context of the ESA Program;
5) Review other recently completed multifamily projects performed under other state programs;
6) Conduct field studies, as needed;
7) Review and investigate the cost and budget implications of a multifamily program implementation;
8) Review and investigate coordination concerns related to any new delivery methods that streamline the ESA process with external financing and energy efficiency options such as how a single point of contact will be responsible for coordinating IOU-administered energy efficiency, renewable, incentive, and financing programs as well as non-IOU-administered, external multifamily efficiency, renewable, incentive, and finance programs in California;

9) Identify available energy efficiency financing options, and develop a funding and implementation schema utilizing the variety of energy efficiency programs available for multifamily housing owner/operators;
10) Develop overall recommendations for multifamily strategies looking toward the 2020 vision of 100% penetration;
11) Hold public meetings to obtain, document, review and consider all stakeholders' input;
12) Deliver a draft report by April 1, 2013, which will be circulated for comments; and
13) By June 14, 2013, prepare and ultimately propose a feasible long-term multifamily treatment strategy (Final Report) for the ESA Program.

The Final Report shall be submitted to the ALJ and shall summarize all of the key findings, address public and stakeholders' comments and input, recommend the proposed comprehensive long term multifamily segment strategies and best-practices, taking into account the IOUs' implementation and any interagency constraints, all operational and fiscal constraints, all relevant coordination issues with other agencies and programs and overall program budgets. This Final Report is due prior to June 14, 2013, with recurring stakeholder workshops held throughout and leading to its development. The Final Report shall include recommendations on:

1) How the ESA Program can be modified to better meet the needs of its low income multifamily residents;
2) How multifamily segment measure offerings should be modified (including central system needs) and develop possible co-pay or financing frameworks that comply the ESA cost-effectiveness approach; and
3) How to modify the current service delivery approach to address multifamily energy efficiency programming concerns, based on:

- Past studies and other programs, develop targeted and integrated outreach and marketing to low income multifamily housing owner/operators; and
- An understanding of the issues faced by contractors who will participate in the new approach to the low income multifamily housing segment, including training, certifications, service workflow, etc.

Upon receipt of the Final Report and recommendations, the ALJ may convene an evidentiary hearing at that time. Alternatively, if the ALJ deems the recommendations to be reasonably sound, the ALJ shall issue a ruling directing the IOUs to prepare and submit implementation action plans on those programming recommendations from the Multifamily Segment Study.

While the multifamily consultant process is underway, the Commission intends to further examine and develop an informed record regarding NCLC's proposed multifamily expedited enrollment process, including identifying and examining relevant legal and operational hurdles (e.g., housing subsidy and definition of income, potential need for memorandum of agreement or understanding with other potential partner agency(ies)), toward development of feasible expedited enrollment process. The ALJ has already made an expedited request for staff's legal analysis and recommendation to lay the foundation for this examination and anticipates issuance of a ruling setting briefing schedule after this decision issues.

3.11. Workforce Education and Training (WE&T)

3.11.1. Background

In D.07-12-051, the Commission stated that the ESA Program strategies, in general, should "include specific training strategies for reaching disadvantaged communities [and] the IOUs should also work with community stakeholders to assist them in the development of training strategies."[93] The Strategic Plan also set forth two broad WE&T goals: (1) establish energy efficiency education and training at all levels of California's educational systems, and (2) ensure that minority, low income and disadvantaged communities fully participate in training and education programs at all levels of the energy efficiency industry.

Following the direction we set in the Strategic Plan, D.08-11-031 challenged the IOUs to devise and implement outreach and training efforts to teach minority, low income, and other disadvantaged communities the skills needed to succeed at jobs that support the ESA Program by acting "as a catalyst to change by implementing several foundational activities that are necessary to accurately identify specific WE&T needs and recommendations for action."[94] With this direction, however, we also stressed that the IOUs are but one link in the overall chain of a statewide WE&T strategy. In the chain, there are stakeholders supporting action toward developing "green jobs" with other funding and training coming from taxpayers, community-based and nonprofit organizations, educational institutions, the business community, and labor organizations.

[93] D.07-12-051 at 48.

[94] Strategic Plan at 80.

In D.09-09-047, the Commission, in approving the 2010-2012 Energy Efficiency Portfolios and Budgets, reaffirmed the Strategic Plan's vision for WE&T programming and implementation. That decision further clarified the Commission's direction on the completion of the Statewide WE&T Needs Assessment to study "critical workforce needs" and to identify "opportunities to help identify and fulfill those needs through collaboration and fund sharing." D.09-09-047 also called for the Statewide WE&T Needs Assessment to include a "detailed inventory of…workforce education and training programs across the state and [the identification of] collaborative opportunities to make the three-year portfolio of IOU training programs responsive to [Statewide WE&T] Needs Assessment findings."

The California Workforce Education and Training Needs Assessment for Energy Efficiency, Distributed Generation, and Demand Response, California Workforce Education and Training Needs Assessment for Energy Efficiency, Distributed Generation, and Demand Response, dated March 3, 2011, (Statewide WE&T Needs Assessment), has recently been completed. While there were few tangible recommendations specifically applicable to the ESA Program because the study was *not* specifically focused on developing recommendations for the ESA Program, there was one significant recommendation we found timely and applicable to the ESA Program:

> …for fully subsidized low income programs, modify program objectives to include workforce outcomes. Assess current workforce outcomes and if they are not adequate, use high-road agreements and sector strategies to pilot incorporation of the new national DOE skill standards and

certifications or other strategies to improve both energy efficiency and workforce outcomes.[95]

The recently completed Statewide WE&T Needs Assessment and 2009 Process Evaluation Report, *inter alia*, also note that the ESA Program implementers' pay structure may potentially be leading to poor installations and in turn, diminished energy savings as a result.[96] The Statewide WE&T Needs Assessment also recommends that ratepayer dollars should be invested in improving worker skills rather than promoting competitive markets that drive costs (and wages) down to below a living wage standard.

3.11.2. IOUs' Post Statewide WE&T Needs Assessment Position

3.11.2.1. PG&E

PG&E contends its present WE&T program is reasonable and that requiring the IOUs to alter their relationships with contractors, community based organizations, and Community Colleges would be unduly costly and therefore detrimental to the purpose of the ESA Program. PG&E also claims that requiring the IOUs to incorporate WE&T goals into the contractor selection process for the ESA Program would be costly and unnecessary. Lastly, PG&E contends that requiring the IOUs to track increasing amounts of data that are not essential for program delivery will result in unnecessary added costs to ratepayers.

[95] WE&T Needs Assessment at 293.

[96] Process Evaluation at 40-41.

While PG&E recognizes that its program provides many jobs across its service area, PG&E does not believe that green job creation and training should be core components of the ESA Program. PG&E also notes that there are a finite number of jobs in the program, and training too many workers for the number of jobs that exist is not fair to people looking toward the promise of employment. PG&E also claims that it currently provides appropriate trainings to prepare its ESA Program workforce to understand program rules and to implement the program appropriately and is pleased to work with community and technical colleges to help develop energy efficiency assessment and installation certification or curricula.[97] Finally, PG&E generally objects to data gathering concerning wages and quality of contractor performance and contends that the ESA Program work quality and training is not in question.[98]

3.11.2.2. SCE

SCE contends its 2012-2014 Application complies with the Commission's WE&T directives in the Strategic Plan and contends its program in 2012-2014 will maintain a steady workforce. SCE in its testimony describes the training it currently provides to contractors and particularly community based organizations that are situated in low income and disadvantaged communities, and that it provides jobs within these communities.[99] In its current Application, SCE is proposing to provide additional training to its current suite of courses that will not only increase the effectiveness of its ESA service providers, but will also

[97] PG&E's Testimony at 1-62.

[98] PG&E's Reply Testimony at 31-32.

[99] SCE's Testimony at 35-36.

provide skills that can create additional employment opportunities for workers in the ESA Program.[100]

SCE's expanded training catalog would focus on computer-based training for advanced computer skills, effective communication, and customer service skills. All of the developed skill sets would not only be applicable for the employees' current jobs, but could also be transferred to other fields thereby creating a potential new career path for individuals working in the ESA Program. To increase trainee knowledge, SCE also proposes creating workshops that will educate participants about the regulated electric industry, and how energy efficiency programs are structured within this environment in order to enhance the energy education component of the ESA Program.[101]

To ensure high-quality installations and maximize energy savings, SCE also plans to provide additional technical training related to the installation of measures and delivery of services provided under the ESA Program. In sum, SCE does not support any changes to its current plans and current ESA Program relationships with contractors, community based organizations, or community colleges.

SCE objects to the changes proposed by some parties that include specified hiring goals, data tracking requirements, contractor selection criteria, and sourcing outreach jobs currently fulfilled in many cases by community based organizations from specific training programs. These changes would likely result in significant increased costs, which would be detrimental to the overall program. SCE correctly notes the IOUs are currently under no requirement

[100] SCE's Application at 26-27; SCE's Testimony at 52-53.

[101] SCE's Application at 15-17; SCE's Testimony at 28.

under the Strategic Plan to integrate the ESA Program into their Sector Strategy Action Plans as outlined in the Joint IOUs' WE&T Advice Letter, as being suggested by some of the parties.[102]

SCE suggests the WE&T Taskforce meetings currently underway in the general energy efficiency dockets are a potentially logical venue for interested stakeholders to collaborate on WE&T-related matters in energy efficiency.

Finally, in response to the proposed decision, SCE requests that Energy Division or the IOUs should manage the WE&T working group and each IOU should have representation on the working group.

3.11.3. Parties' Positions

3.11.3.1. DRA

DRA recommends that the IOUs be directed to track and improve workforce training and job standards and that the Commission require the IOUs to develop more explicit labor standards such as wage floors in order to ensure the success of the ESA Program in recruiting workers from low income and disadvantaged communities. In turn, DRA contends this could lay the ground works toward creating opportunities for economic improvement for these workers.

3.11.3.2. Brightline and Green for All (G4A)

Initially, in their opening testimonies, Brightline and G4A proposed significant workforce reporting, hiring, and contracting changes to be mandated by the Commission on the IOUs. Some of these recommendations asked that the Commission require the IOUs to: (1) incorporate WE&T goals as an integral part of the selection process for ESA contractors; (2) refine partnerships with

[102] Advice 2588-E-B, approved effective October 29, 2011.

community colleges and community-based organizations to offer sector-based training and transferrable credentials; and (3) track data and document progress towards achieving WE&T goals.

In response to the December 2011 Ruling, Brightline and G4A suggest that they do not feel the IOUs' Sector Strategy Action Plans identified in their 2010-2012 Statewide WE&T Program Modifications Advice Letters meet the WE&T needs outlined in the Strategic Plan for two reasons, namely: 1) few details are given about the ESA Program WE&T improvements in the letters, and 2) while the IOUs describe a sector strategy to meet many of the training goals called for in the Strategic Plan, they fail to plan for transition into "rewarding careers in energy services."

In their reply brief, Brightline and G4A also support the plan that DRA has set forth to track and improve workforce training and job standards and support DRA's recommendation that the Commission require the IOUs to develop more explicit labor standards such as wage floors in order to ensure that the success of the ESA Program in recruiting workers from low income and disadvantaged communities.

Brightline and G4A also support all recommendations to track data related to how workers are paid, what wages workers are paid, what benefits workers are offered, where workers are recruited from (e.g. low income status or targeted communities), and how many workers are hired from training programs.

3.11.3.3. G4A

G4A, in its reply testimony, responds to TELACU et al. G4A contends that fluctuating workloads in ESA Program does not negate the need for ESA Program specific workforce training and standards, nor does the need for cost-effectiveness invalidate the need for wage floors or living wages within the

program. G4A concurs with DRA that at a minimum, the Commission should require the IOUs to ensure all ratepayer funded jobs adhere to minimum wage standards. Additionally, G4A indicates that within the current bidding and selection process, some contractors can pay beyond minimum amounts without cutting into their ability to install measures for the cost required by the IOUs and that this warrants further exploration. The Donald Vial Center, via the G4A's reply testimony, counters TELACU et al.'s and Richard Heath and Associates, Inc.'s claims that the Statewide WE&T Needs Assessment "seriously mischaracterizes the low income programs" by indicating that the report clearly delineated the non-low income market (which is heavily regulated and policy driven) from the mainstream, rebate-driven residential market. G4A opines that the Commission should 1) set clear guidelines and hiring criteria for participating contractors, 2) prevent any perception of conflict of interest in the contracting process, and 3) consider a third-party administrator to implement any multifamily pilot.

3.11.3.4. Joint Parties

In reply testimony, the Joint Parties voiced support for Brightline's and G4A's recommendation to require the IOUs to track data and document progress towards WE&T goals and also propose that the IOUs focus WE&T efforts to diverse business enterprises with annual revenues of $1 million or less.

3.11.3.5. EEC

EEC concludes that mandated wage floors and additional requirements for "non-ESA" related training would lead to increased program costs and a decreased number of households served.

3.11.3.6. Brightline

In their reply testimony, Brightline proposes its own $100,000 WE&T pilot proposal in conjunction with the San Francisco Office of Economic and Workforce Development. This Brightline pilot proposal would train 25 low-income residents for entry-level positions as Weatherization Specialists and Energy Specialists.

3.11.4. IOUs' Responses to Other Parties

3.11.4.1. PG&E

PG&E, in its reply testimony, reiterates that PG&E adheres to all Commission rules on contractor selection, that the ESA Program does not have specific WE&T goals, that PG&E is already engaged in WE&T sector-strategies, and that for Brightline and G4A's claims of poor quality installations in the ESA Program are unfounded.

3.11.4.2. SoCalGas and SDG&E

SoCalGas and SDG&E in their reply testimony reiterated commitment to the Strategic Plan and voiced opposition to the Joint Parties' request that WE&T efforts be focused to diverse business enterprises with annual revenues of $1 million or less as unnecessary, excessively restrictive and burdensome.

3.11.4.3. SCE

SCE's reply testimony restates its position that revamping the IOU-community based organization-contractor relationship process is costly, unnecessary and would reduce the number of homes treated by the program. SCE argues that while many of the goals advocated by Brightline and G4A may be laudable, they have not been tested adequately in the marketplace and will drive program delivery costs higher and may impair the ability of community based organizations and contractors to operate other programs and services they provide to communities by mandating different hiring strategies, salaries and

benefits for employees that work on different contractor projects. SCE also argues that increased WE&T tracking data would be onerous and costly to both the IOUs and to contractors.

3.11.5. Discussion

3.11.5.1. Statewide WE&T Needs Assessment Recommendations

The Statewide WE&T Needs Assessment made a significant and timely recommendation for the ESA Program:

> …for fully subsidized low income programs, modify program objectives to include workforce outcomes. Assess current workforce outcomes and if they are not adequate, use high-road agreements and sector strategies to pilot incorporation of the new national DOE skill standards and certifications or other strategies to improve both energy efficiency and workforce outcomes.[103]

While a few anecdotal accounts of contractor performance issues were raised by some of the parties and the 2009 Process Evaluation Report,[104] we acknowledge that there is not enough evidence to suggest there to be a program-

[103] WE&T Needs Assessment at 293.

[104] Findings from the Process Evaluation noted that during ride-along observations, enrollment and assessment contractors' employment structures influenced the amount of time they spent enrolling homes, impacting the quality of enrollment and assessment contractors' work. The Process Evaluation also refers to interviews and focus group findings suggesting that incentive structures may also impact how installation contractors approach their work. Furthermore, the Process Evaluation also refers to interviews with contractors and stated that piecework incentive structures, coupled with firm directives to focus on profitable measures, may encourage installation contractors to focus their time on installation of measures that the program reimburses at a higher rate. As the report indicates, these findings are not exhaustive as the data is not statistically sufficient; however there may be merit to the concerns raised. (Process Evaluation at 40-41.)

wide performance concern or that ESA Program delivery by the IOUs and contractors fall below any performance standard. Moreover, there was no evidence in the record to suggest that the IOUs and the contractors are violating health, safety, labor or wage laws to begin directing they comply with such existing laws.

That said, the above recommendation merely suggests reviewing "workforce outcomes" and "skill standards and certifications or other strategies" to improve those outcomes and taking actions as appropriate upon such review. That is a good program WE&T approach for the ESA Program. To know the state of the current workforce, the needs of that workforce and the quality of their performance in the ESA Program is just the beginning of effectively managing the program workforce, the needs of that workforce, and the quality of the products being produced by that workforce.

3.11.5.2. Proactive WE&T Needs Assessment and Planning

Moving away from the past approach of responding reactively to the ESA Program workforce's needs as they arise, in this cycle, we will begin to approach WE&T issues proactively by actively overseeing, assuring quality work, anticipating and planning for future workforce needs of the ESA Program through the three remaining program cycles heading to the Strategic Plan target. The record of this proceeding reflects the limited information and data being collected and reviewed and available to illustrate the reality of the current ESA Program workforce. Likewise, there is little indication of a forward looking anticipation and planning for the ESA Program's workforce needs of tomorrow.

Instead of objecting to additional data collection and claiming it as unnecessary burdensome and costly, the IOUs should proactively collect, review and act on those same information to manage the workforce needs of today as

well as plan for tomorrow. As a program funded entirely by ratepayers, the IOUs' ESA Program-specific WE&T plan for the remaining three cycles creates potential opportunities for job creation, incubation, or development for displaced and disadvantaged workers. We therefore strongly encourage the IOUs to explore all opportunities and thoughtfully plan for and take full advantage of any such opportunity, wherever it makes sense, and do so consistent with the broad WE&T goals of the Strategic Plan.

The programmatic and legislated goal of the ESA Program is to weatherize low income households and help reduce the energy burden experienced by these vulnerable populations. To that end, we find that there is a nexus between the quality of ESA Program delivery (proper enrollments, assessments, installations, etc.) and the quality of the ESA workforce. Since maintaining the highest quality workforce is synonymous with the goal of an ever-effective ESA Program delivery model, the IOUs must make every effort to understand its workforce to adjust, support, empower and otherwise manage it in a way that yields the highest quality of service and outcomes.

3.11.5.3. Focuses for ESA Program WE&T

The Commission's most urgent charge in the ESA Program is realizing the Strategic Plan[105] vision that by 2020, 100 percent of eligible and willing customers will have received all cost-effective low income energy efficiency measures. Keeping that vision in the foreground, the Commission and the IOUs should therefore view this WE&T issue with a broader perspective of successfully meeting the ESA Program needs for the next three cycles but with the focus towards:

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[105] Strategic Plan, updated January 2011 at 23.

(1) Assessing the education and training needs, if any, of the existing ESA Program workforce in yielding effective and quality program outcomes;

(2) Providing the support and framework for the necessary training and education for the existing ESA Program workforce to yield effective and quality program outcomes, including providing the workforce with the necessary lead safety and other similar safety training;

(3) Determining what ESA Program workforce needs will be for the remaining three cycles, until 2020;

(4) Anticipating and planning for in the workforce needs to support the ESA Program in the remaining three cycles, until 2020;

(5) Exploring ways to leverage (with green jobs programs, community-based and nonprofit organizations, educational institutions, the business community, and labor organizations, etc.) wherever possible and incorporate teaching minority, local, low income, disabled, displaced, and other disadvantaged communities the skills needed to meet the ESA Program needs, where feasible;

(6) Considering possible pilot programs (as recommended in the Needs Assessment) to test new quality standards for ESA Program weatherization projects accompanied by necessary training, increased pay for performance for contractors, and links to job placement for completing the training then initiate the evaluation below; and

(7) Participating and maintaining alignment to the extent possible with the IOUs' statewide WE&T efforts.

By doing so, we will effectively raise ESA Program delivery performance by beginning to be more mindful and elevating the quality of the workforce's performance toward achieving ESA Program delivery success which will also foster mindful job creation, incubation and training, without unduly interfering

with the IOUs' contracting and operational discretion needed to effectively manage the workforce and contracts.

The above focused direction should not be viewed as a condemnation of the IOUs' or the ESA Program contractors' current performance by any means. It is simply our recognition of the critical role of the hard working ESA Program workforce and a framework and a roadmap to enable the ESA Program to better understand and manage its current and anticipated workforce needs and effectuate added social benefits of creating and/or supporting employment for minority, low income, and other disadvantaged communities with the skills necessary to meet the ESA Program needs.

3.11.5.4. Preliminary Reports and WE&T Working Group

To that end, the IOUs are directed to immediately begin collecting the following data in these seven WE&T areas: (1) contractor and subcontractor contract terms (competitive bid, direct award, etc.); (2) contractor and subcontractor compensation schemes (hourly, piecemeal, salaried, etc.); (3) number of inspection failures and the types of failures (including the number of enrolled customers later deemed ineligible, number of incorrectly assessed households and instances of measure installation inspection failures); (4) level and type of IOU training (including lead safety training) and screening (including background check) these specific contractors have completed; (5) customer feedback for these contractors, positive and negative; (6) demographic data of the current ESA workforce, including minority, local, low income, disabled, displaced, and other disadvantaged communities; and (7) the IOU's assessment of any other needs of the existing workforce to meet the current and future ESA Program demands. This is a good starting set of data to

begin to review this ongoing issue and further directional adjustments will be made based upon outcome of the WE&T Working Group activities.

By February 1, 2013, each IOU is directed to submit a report showing each IOU's preliminary findings and summary of WE&T data collected in the seven WE&T areas for program year 2012 to begin assessing its workforce, education and training needs, if any, of the existing ESA Program workforce in yielding effective and quality program outcomes. While each IOU is directed to submit a separate report, the IOUs should work together to develop a single, uniform reporting template.

With the IOUs' reports (IOUs' Reports) containing the above information, the WE&T Working Group, led by Energy Division, and generally organized and administered under sections 3.11.5.4, 3.11.5.5, and 5.3.8 of this decision shall evaluate the data submitted and develop and present recommendations addressing the aforementioned seven areas and another other recommendations on significant WE&T issues the Working Group finds necessary for review as part of the next step going forward. Additionally, the IOUs are directed to work with the Energy Efficiency WE&T Working Group to share any pertinent overlapping information from the ESA Program WE&T Working Group efforts.

(a) By April 1, 2013, the ESA Program WE&T Working Group shall prepare and submit a progress report of its findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and a detailed description of the status of its efforts with justification showing good cause for any additional and estimated time it may require;

(b) Unless directed otherwise by the ALJ, the ESA Program WE&T Working Group shall, by no later than July 15, 2013, submit to the ALJ its final report of

findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and detailed description of the status of its efforts; and

(c) The term of the ESA Program WE&T Working Group expires 45 days after its final report and recommendations are submitted to the ALJ.

3.11.5.5. General Energy Efficiency WE&T Coordination

In the context of the general energy efficiency proceeding, D.09-09-047, and in response to the Statewide WE&T Needs Assessment, the IOUs have already begun the preliminary work of splitting trade and professional level categories of trainings to consider Sector Strategy application. The low income weatherization industry was identified in the Advice Letters filed in response to D.09-09-047 as an industry that could benefit from a Sector Strategy review and possible refinement by the IOUs' WE&T Programs. WE&T efforts in the low income programs should not operate completely independent of efforts underway in response to D.09-09-047 and that both advances should progress in parallel, while coordinating efforts whenever possible.

As part of the general energy efficiency WE&T efforts, the IOUs have drafted their plans of action, namely to use the current mainstream energy efficiency filing period to identify specific goals and objectives for targeting sectors that support general Credentials and Certifications Sector Strategy goals and objectives. The IOUs have also pre-identified opportunities to organize existing energy efficiency courses into series and presented that they will pursue development of a certification strategy on a coordinated statewide basis

leveraging the expertise and resources of other partnership organizations with similar goals and objectives.

In the ESA Program proceeding, the IOUs are therefore directed to follow, and where appropriate, provide the ESA Program's weatherization and outreach job classifications and courses. The IOUs are also directed to submit cost estimates and budget categories associated with the integration of the ESA Program into the mainstream Energy Efficiency WE&T sector strategy efforts and shared funding where applicable.

Furthermore, in the filed Advice Letters in response to D.09-09-047, the IOUs have identified a plan of action to use a Sector Strategy approach around the inclusion of disadvantaged workers to attain strategies that improve awareness of Energy Center training resources among these worker populations and drive results that show reasonable participation. In this decision, the IOUs should be reminded that ESA Program participants are a potential pool of easily identifiable disadvantaged worker populations and that a marketing collaboration of both the ESA Program and Energy Center training opportunities could be fruitful for both programmatic goals and promote cost savings.

3.11.5.6. Brightline's WE&T Pilot Proposal

Brightline's last minute WE&T pilot proposal is denied as it is untimely, fails to include a comprehensive pilot implementation or evaluation plan, is ill-defined as it lacks serious goals, outcomes, metrics for success, and does not incorporate lessons learned from the 2009-2011 ESA Program WE&T Pilot.[106] We

[106] The 2010 Low Income Energy Efficiency Workforce Education & Training (WE&T) Pilot Project aimed to recruit and train residents of disadvantaged, low income communities to install energy efficiency measures in households as part ESA Program Proposal teams were required to include partners from educational institutions, ESA

Footnote continued on next page

encourage parties to work with the IOUs to find ways to explore leveraging possibilities for such efforts.

3.11.5.7 Joint Parties' Recommendation

The Joint Parties' proposal that the IOUs focus WE&T efforts to diverse business enterprises with annual revenues of $1 million or less is denied as it is vague, ambiguous, excessively restrictive and burdensome for the IOUs to implement. Moreover, there is no information in the record indicating its needs are justified.

4. CARE Program and Budget

4.1. Proposed and Adopted CARE Budgets

In this decision, we approve the IOUs' proposed 2012-2014 CARE Program budgets, with some modifications. As part of the 2012-2014 CARE Applications, the IOUs seek an approximately 19% increase in their overall administrative expenses from the budget authorized for 2009-2011 program cycle.

We expected and find that the IOUs' budget needs have increased because of various factors including the higher costs of reaching each new customer as IOUs' CARE penetration rates climb. Some of these escalating costs are also attributed to increased postage and mailing costs over the recent years, higher capitation fees for contractors as the program expands, and more individualized reasons, including the additional need for supervision and oversight of the program as penetration rates increase. The IOUs' increased budget proposals

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Program implementation contractors, and IOUs. Each team proposed to develop and implement a certificate program (offered through an educational institution) that included both in-class and hands-on training that could be used to train students in the core competencies they would require to find work as Energy and Weatherization Specialists in the IOU ESA Programs. Results can be found at http://liob.org/docs/ACF9D9.pdf.

also account for the gearing up of their outreach efforts during this cycle to offset the anticipated high attrition rate the IOUs experience in CARE Program in order to maintain the current penetration rates.

Based thereon, we find the proposed budgets reasonable and approve the IOUs' proposed CARE budgets, with some reductions as summarized and discussed below.

Adopted Budget Summary 2012-2014				
	CARE			
	2012	2013	2014	Cycle Total
PG&E	$675,989,667	$647,446,512	$620,716,512	$1,944,152,691
SCE	$342,557,000	$389,156,000	$429,212,000	$1,160,925,000
SDG&E	$79,108,350	$87,972,980	$89,010,739	$256,092,069
SoCalGas	$145,516,024	$145,870,266	$147,360,024	$438,746,314
Total	**$1,243,171,041**	**$1,270,445,759**	**$1,286,299,275**	**$3,799,916,075**

For each utility, the proposed and adopted CARE budgets are summarized and attached in Appendix A and are detailed on the attached Appendix M to this decision.

We note, while we retain our past 90% CARE penetration target outlined in D.08-11-031, we direct the IOUs to focus their efforts during this cycle on aggressive outreach activities and other program enhancements ordered in this decision, designed to ensure the integrity of the CARE Program, as discussed below.

4.2. CARE Administrative Expenses - Outreach Budget Component

In the Applications, the IOUs request a total outreach budget of $42 million, an increase of approximately 8% over the 2009-2011 cycle. PG&E requests an authorization to spend $1 million to inform CARE customers of a new Tier 3 rate that was implemented for CARE customers on November 1, 2011.

4.2.1. Parties' Positions

4.2.1.1. DRA

DRA proposes a significant downward adjustment to the outreach portions of the IOUs' CARE administrative budgets since the IOUs plan only to maintain, rather than increase, their penetration rates in the upcoming cycle. DRA objects to the proposed CARE budget increases for PG&E, SCE and SoCalGas and argues that they are unreasonable in light of the substantially fewer additional projected enrollments for the 2012-2014 program cycle.

DRA also opposes PG&E's request for authorization to spend $1 million to inform CARE customers of a new Tier 3 rate that was implemented for CARE customers on November 1, 2011. While DRA has supported, and continues to support, special notifications to CARE customers in *advance* of bill increases to alleviate the volatility that can make it difficult for CARE customers to pay their bills, DRA does not support funding the notice to CARE customers *subsequent* to the delivery of the increased bill.

DRA, in its response to the December 2011 Ruling, explained that to develop its alternative recommended CARE Outreach budgets, DRA first estimated how many customers would enroll in the CARE Program. Then it calculated the average cost per enrollee. DRA recommends connecting the outreach costs to penetration rates because program administrators should not continually require more funding when CARE penetration has reached its goal, as DRA believe it has. DRA notes that it is mindful that not only do the IOUs mass-market the CARE Program though the CARE outreach budget, but they also duplicate these efforts through their overall general customer information campaigns pursuant to recent directives in other proceedings. Finally, as more and more residential customers enroll in CARE, DRA opines the outreach efforts should be easier as the CARE Program becomes better advertised.

4.2.1.2. Joint Parties

In contrast to DRA's position, the Joint Parties first recommended tripling the outreach and enrollment budget for each IOU for both ESA and CARE Programs and in subsequent testimony recommended doubling of such budgets instead. The Joint Parties recommended the original tripling of CARE administration outreach funding based on increased costs associated with the outreach efforts (e.g. higher gas costs, etc.). In addition, the Joint Parties recommend outreach be conducted in Tagalog or Taglish and any other South East Asian or Pacific languages.

The Joint Parties argue that by doubling the IOUs' outreach and enrollment budget, the IOUs can focus on paying community based organizations sustainable wages and focus more marketing efforts towards the hardest-to-reach customers through door-to-door campaigns.[107]

4.2.1.3. Greenlining

Greenlining supports the Joint Parties' request that PG&E should include Tagalog as one of the languages it conducts outreach in and also suggests that SDG&E and SoCalGas consider adding Tagalog to the languages in which they will communicate with CARE (and ESA Program) customers.

4.2.2. IOUs' Positions and Responses to Objections

4.2.2.1. PG&E

In the 2012-2014 budget cycle, PG&E's plan is to maintain the current volume of households on the program at its current CARE penetration rate of 90 percent. To do so, PG&E believes it will need to acquire new households at

[107] Joint Parties' Response to December 2011 Ruling at 14.

approximately the same rate as in the 2009-2011 program cycle. This projection is based on PG&E's experience that a substantial number of new enrollments would be needed each year in order to maintain the current program volume and the penetration rate, accounting for the expected attrition rate which continues to be a significant factor.

Table 2-1 in PG&E's testimony demonstrates that in the 2012-2014 program cycle, attrition is projected to be approximately 371,000 households per year. Table 2-2 in PG&E's testimony demonstrates that the majority (51%) of this attrition is due to closed accounts, with 32 percent estimated to come from failure to recertify and 17 percent from ineligible or Post Enrollment Verification failure.

At the end of program year 2011, PG&E reported that 409,000 new CARE enrollments will have been added during the 2009-2011 program cycle—at a net increase of 34,000 CARE customers. PG&E attributes this low net increase to the high levels of attrition noted above. For the 2012-2014 program cycle, PG&E therefore will be required to enroll 387,000 new households per year in order to maintain a 90 percent penetration rate, while accounting for the attrition rate experienced in the past cycle.

Taking the attrition factors into account, DRA's proposed outreach budget of $4,700,000 for the 2012-2014 program cycle would result in a severe decrease of the penetration rate as PG&E would not have the funds to enroll the necessary number of CARE customers (see table in section 4.2.5 of this decision).

In response to concerns about the CARE Tier 3 Rate outreach plan, PG&E noted that Phase I of the comprehensive, multi-lingual, Tier 3 Electric Rate Outreach Campaign was conducted in September-October 2011, educating customers before the new rate went into effect on November 1, 2011. The campaign consisted of a number of initiatives, including English and Spanish bill

inserts to all CARE electric customers, direct mail and email in seven languages, and distribution of the communication piece through internal and external partners. In PG&E's 2012-2014 CARE Application, PG&E seeks authorization for an additional funding in 2012 to conduct Phase II of the Tier 3 Electric Rate Outreach Campaign, to remind customers about this change before the summer months, when CARE customers are likely to be most affected by the new rate.

4.2.2.2. SCE

SCE contends DRA's proposal is unfounded and will result in a significant decrease in enrollments and the inability of SCE to continue to operate administrative portions of the CARE Program. SCE's outreach budget is not used exclusively for new enrollment activity. Rather, similar to PG&E, it includes funding for efforts critical to maintaining SCE's current penetration rate. Consistent therewith, in its Application, SCE proposes to continue using its call center operations organization to continue enrolling eligible customers on the CARE rate and charge incremental expenses to the CARE Program budget during the 2012-2014 program cycle.

4.2.2.3. SDG&E

SDG&E disagrees with the assertion made by DRA that SDG&E does not justify its increased CARE outreach budget and its recommendation that the outreach budget should instead be reduced to a 15% increase or at a cost of $24.00 per enrollment. SDG&E asserts that DRA provides no foundation for its recommended reduction and it should, therefore, be rejected by the Commission.

SDG&E points to its Application, *Multi Lingual Multi Cultural Outreach, Outreach to Disabled Communities,* and *CARE Outreach Application and Community Outreach Collateral Material* represents efforts to support more aggressive, targeted approaches for reaching the most hard-to-reach customers. SDG&E

therefore planned for the costs associated with targeted, in-language outreach initiatives. These costs are significantly higher than traditional outreach such as automated phone campaigns, direct mail, or email campaigns.

4.2.2.4. SoCalGas

SoCalGas has identified hard-to-reach customers as a priority for the 2012-2014 program cycle and argues that communicating with hard-to-reach customers will require additional resources, but because these customers represent some of SoCalGas' most vulnerable customers, the additional resources are appropriate. Both traditional and innovative tactics will be required, e.g., increasing multi-lingual translations of print collateral, increased attendance at community events, use of advocates within targeted communities, multi-format collateral (such as Braille and large-font format as discussed below), multi-format mass media (such as closed captioned and/or sign language), and more. SoCalGas will continue to build relationships with organizations, such as the Braille Institute and the California Council of the Blind. SoCalGas will also be translating its Customer Assistance Programs pamphlet into Braille. Moreover, in 2012, SoCalGas will be translating more and more material into large font formats.

4.2.3. Discussion

The IOUs provide more than adequate justifications in support of their respective CARE outreach budgets and correct assertions made in DRA's testimony. The IOUs also identify aggressive and necessary outreach efforts to combat the attrition rate and to reach the hardest to reach CARE customers and initiatives that are expected to impact outreach expenditures including CARE capitation fee increase, data sharing requirements as outlined in D.11-05-020,

marketing campaigns and communication in new languages, and outreach to customers with disabilities.

We believe that DRA's recommendation to substantially reduce the IOUs' outreach budgets would have a tragic effect on the outreach efforts the CARE Program requires this coming cycle. DRA's proposed outreach figures as compared to the IOUs' proposed outreach budgets to carry out the needed outreach are set forth below. These are not minor reductions but are significant and will hamper the IOUs' ability to maintain the CARE penetration rate.

2012-2014 IOUs' Proposed CARE Outreach Budget versus DRA Proposal

	PG&E	SDG&E	SCE	SoCalGas
IOUs' Proposed	$18,470,000	$6,652,933	$6,305,000	$11,505,188
DRA Recommended	$4,700,000	$4,421,000	$1,359,000	$4,114,000
Variance	**- $13,770,000**	**- $2,231,933**	**- $5,944,100**	**-$7,391,188**

We have learned that the CARE population is constantly changing, rendering the aggressive outreach efforts as proposed by the IOUs necessary in order to enroll and retain eligible customers in the CARE Program.

We find the proposed increases in CARE administrative costs and budgets are warranted and supported by the attrition figures and the challenges faced by the IOUs. We agree with the IOUs that it costs more to reach customers once penetration levels increase, since the customers that are easiest to reach are already enrolled in the program. We find it reasonable that increased penetration requires additional staffing and management, raises capitation payments, and increases associated with re-certification costs.

We therefore approve the IOUs' CARE outreach budgets,[108] as proposed, with minor reductions. As for PG&E's request for funding in 2012 to conduct Phase II of the Tier 3 Electric Rate Outreach Campaign, reminding customers about this change before the summer months, we agree with DRA on this issue that subsequent notification is unnecessary, and therefore, this request is denied.

As each electric IOU funds cooling centers differently, we address the cooling center issue separately in the following section of this decision.

4.3. CARE Administrative Expenses – Cooling Centers

The cooling center budgets proposed by SCE, PG&E, and SDG&E in their Applications are outlined in the table below. Consistent with prior program cycles, SDG&E and PG&E are requesting to fund the centers as part of CARE administrative expenses, while SCE is requesting continued funding for its cool centers through a recovery account apart from CARE.

Overview of IOUs'
Authorized 2009-2011 Cooling Center Budgets compared to Proposed 2012-2014 Cooling Center Budgets

Utility	# of Cooling Center Facilities	Authorized D.08-11-031	Projected Expenses 2012-2014
SCE	20	$2,300,000	$2,300,000
PG&E	65	$1,200,000	$708,000
SDG&E	119	$162,000	$177,000

4.3.1. IOUs' Proposals

4.3.1.1. SCE

SCE requests approval of its 2012-2014 program budgets, plans and ratemaking for the Cool Center program. Specifically, SCE requests:

[108] SCE should continue its current practice of using its call center operations organization to continue enrolling eligible customers on the CARE rate and charge incremental expenses to the CARE Program budget during the 2012-2014 program cycle.

- Approval of $767,000 in 2012; $768,000 in 2013; and $776,000 in 2014 for Cool Center program administration and implementation;
- Consistent with Advice Letter 2011-E and D.06-12-038, as modified by D.07-06-004, and as authorized in D.08-11-031, SCE proposes to continue to record the 2012-2014 Cool Center program expenses to the Public Purpose Programs Adjustment Mechanism (PPPAM)[109] by modifying Preliminary Statement, Part FF, PPPAM, to record up to $767,000 in 2012; $768,000 in 2013; and $776,000 in 2014 as incremental Cool Center program costs associated with implementing the 2012, 2013, and 2014 Cool Center programs; and
- SCE proposes that the Commission modify the PPPAM to record all incremental Cool Center program-related expenses incurred during the summers of 2012 and 2013 and 2014, not to exceed $767,000 in 2012; $768,000 in 2013; and $776,000 in 2014.[110]

4.3.1.2. SDG&E

SDG&E partners with the Aging and Independence Services of San Diego County to administer the Cool Zone program in SDG&E's service territory. The program's purpose is to encourage seniors and disabled persons to visit local designated air conditioned public sites to stay cool during summer months. For program years 2012-2014, SDG&E plans to continue to support the County of San Diego's Cool Zone program as one of its' CARE outreach efforts and has

[109] The PPPAM balance is consolidated in SCE's Public Purpose Programs Charge (PPPC) revenue requirement and included in PPPC rate levels in SCE's annual Energy Resource Recovery Act (ERRA) forecast proceeding. The Cool Center program costs may be reviewed by the Commission, along with all entries recorded in the PPPAM, in SCE's April 1 ERRA Review application.

[110] SCE's Application at 65-77.

budgeted $57,456 for PY2012, $59,122 for PY2013 and $60,778 for program year 2014 for the same services as those approved by the Commission for program cycle 2009–2011, which represent 9% increase from the previous program cycle.[111]

4.3.1.3. PG&E

PG&E's Cooling Centers are facilities opened to the public and operated during hot summer months to provide shelter from heat as the use of Cooling Centers can reduce the risk of experiencing heat-induced ailments for the targeted population of elderly and low income citizens. PG&E's Cooling Centers Program worked with local governments to support their existing cooling centers, to educate targeted customers on heat preparedness, and to publicize the location and accessibility of Cooling Center locations within PG&E's service area.

PG&E requests the following estimated budget to continue its Cooling Center Program: $229,000 for program year 2012, $236,000 for program year 2013, and $243,000 for program year 2014. These figures reflect PG&E's Cooling Center budget decreases to adjust to previous cycle expenditure.[112]

4.3.2. Background

Commission Resolutions[113] approved Advice Letters to fund Cool Centers as pilots for SCE and SDG&E in 2004 and subsequently for PG&E in 2007. Each resolution directed those IOUs to provide outreach materials to cool center attendees and to track program enrollment. SDG&E and PG&E were directed to record cool center expenses as part of CARE outreach. SCE was granted

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111 SDG&E's Testimony (SW) at 14-15.

112 PG&E's Application at 2-31 - 2-33.

113 SCE E-3885, SDG&E E-3873, PG&E E4040.

permission to record its costs in a separate Cool Center Program Memorandum Account and seek recovery of these costs in its April 1, 2005 ERRA reasonableness application.[114]

D.05-04-052 authorized cool centers funds for SCE and SDG&E as part of CARE outreach[115] and barred certain expense categories including rent, utilities, insurance, janitorial services, other overhead costs, transportation (bus passes, vehicle rental, fuel costs), staffing at Cool Centers, or snacks and beverages.

4.3.3. Parties' Comments to Proposed Decision

In part due to the budgetary and operational implications of these cooling center programs resulting from the preceding bridge period activities and some anticipated directives in this decision, some of the IOUs have filed comments to the original proposed decision and have made following updated requests:

SCE requests approval to fund its 2012 Cool Center program based on the $768,000 proposed in SCE's application, and fund the 2013 and 2014 programs at the levels outlined in this decision ($105,000 per year) to allow SCE sufficient time to modify its program and comply with its 2012 contracts.

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[114] OP #5 D.06-11-016 Opinion On The Reasonableness And Prudence Of Southern California Edison Company's Energy Resource Recovery Account And Other Regulatory Accounts SCE is authorized to close nine regulatory accounts no longer serving regulatory purposes. Those accounts are the Block Forward Market Memorandum Account, PX Credit Audit Memorandum Account, Songs 2 & 3 Permanent Closure Memorandum Account, Palo Verde Permanent Closure Memorandum Account, Independent Evaluator Costs Memorandum Account, Bill Format Modification Memorandum Account, Voluntary Power Reduction Credit Memorandum Account, Cool Center Program Memorandum Account, and Electric Transaction Administration Costs Memorandum Account. Revisions to its Tariff reflecting the closing of these accounts shall be filed by SCE within 30 days after the date of this order

[115] D.05-04-052, OPs 7-8.

SCE also requests an Energy Division-led process to determine the level and scope of required cooling center reporting and an extension of the report due date by approximately one month, from November 15 to December 21 annually. Additionally, SCE requests approval to include its annual cooling center report with its monthly Low-Income Assistance Programs report.

SDG&E requests that tracking of enrollments continue to be at the program level, using only one source code to track enrollments generated by all Cooling Center program efforts and requests an additional $20,000 for its Cool Zone budget to cover the costs of the additional tracking and reporting requirements resulting from this decision which were not anticipated when it filed its Application in May 2011.

4.3.4. Conclusion

During prior budget cycles, PG&E, SDG&E and SCE have each funded cooling center activities very differently. During the 2009-2011 budget cycle, SCE supported approximately 20 cooling centers; PG&E supported approximately 65 centers; and SDG&E supported approximately 119 cool zone facilities. The Applications filed by PG&E and SDG&E describe existing partnerships with local government entities, specifically financial support is provided to city and county agencies to fund cooling centers, while SCE works primarily with community based organizations and faith based organizations to provide similar services.

With substantially fewer cooling centers and less leveraging partnerships, SCE's cooling center budget has been substantially higher than PG&E and SDG&E. SCE's proposed cooling center budget represents approximately 36% of its next cycle CARE outreach cost, in comparison to PG&E's and SDG&E's

respective proposed budgets which are approximately 4% and 3% of overall outreach costs.

Recommendations outlined in SCE's 2009 Cool Center Program Evaluation also adds to our concern by illustrating instances where cooling centers were found to be costly to operate, overstaffed, under attended, lacked actual outreach efforts, and were not strategically located or noticed, which all provide further evidence that utilization of third parties to operate cooling centers increase expenses without increasing benefits.

To better understand the costs and benefits of these efforts and to achieve the goal of actually providing relief from heat and high energy bills to California's low income residents during extreme heat conditions while ensuring ratepayer funds are appropriately managed, the IOUs are directed to track and report information by cooling center facility including, attendance, low income program enrollments, and itemized expenses. As requested by SCE, this information is to be provided annually, no later than December 21st of each year, following the conclusion of cooling center activities which end on October 15th each year. The IOUs are further directed to describe the energy education and marketing materials provided at each cooling center facility in these cooling center reports. These cooling center reports should be submitted to the Energy Division as standalone reports and are not to be included as part of the Utilities' monthly reports.

The Commission may, upon review of the reports, determine whether or not to continue or otherwise augment cooling center budgets for subsequent program years. The IOUs are also directed to post on their websites a list of designated cooling center locations as well as days and hours of operation. Furthermore, PG&E, SDG&E, and SCE are directed to coordinate with local

government agencies to establish and streamline emergency notification and cooling center designation processes, avoid duplication of services, and ensure exemptions for cooling centers from rotating outages.

The proposals by PG&E and SDG&E to continue to fund the cooling centers as part of their CARE Administration budgets and SCE's request to utilize a separate memorandum account under ERRA for funding are reasonable and therefore granted. At this time, since the IOUs have not presented specific plans to add additional facilities or service during the 2012-2014 program cycle, the Commission authorizes the IOUs' proposed cooling center budgets, at the modified levels.

The approved cooling center budgets are reduced from the proposed levels and reflect exclusions based on D.05-04-052. These include apparent expenses designated for categories associated with rent, utilities, insurance, janitorial services, other overhead costs, transportation (bus passes, vehicle rental, fuel costs), staffing at cool centers, or snacks and beverages as we previously indicated as inappropriate cooling center expenditures under D.05-04-052.

Furthermore, SCE's proposal to spend $30,000 to conduct a subsequent evaluation of its cooling center program is denied. The IOUs are readily able to track relevant information and review the cooling centers reports to gain the necessary information, and such funds would be more appropriately spent on statewide evaluation and coordination efforts aimed to better align the cooling center funds and activity among the IOUs and with similar services provided by local, state and federal agencies. The approved cooling center budgets for PG&E and SDG&E amount to approximately 2% of authorized outreach cost, while SCE's authorized budget amounts to approximately 5% of its outreach expenses.

SCE is encouraged to work with the other IOUs, community based organizations and faith based organizations to identify alternate funding approaches to minimize cost while maximizing the number of quality cooling center locations.

In this cycle, SCE should review its cooling center activities, follow PG&E's and SDG&E's leveraging models, and explore ways to coordinate and leverage, where appropriate, its cooling center activities with other cooling centers or similar activities in its territory, operated by governmental and non-governmental entities. Such coordination and leveraging should be geared to better serve the same low income community needing cooling center service, eliminate waste and duplicative efforts and resources, and stretch the limited funding dollars. SCE is therefore directed to explore cooling center activities to update its cooling center program, eliminate duplication and waste, where possible.

SDG&E's request for an additional $20,000 for tracking and reporting is denied, as the current record does not justify additional authorization.

Since the CARE/ESA Program Bridge funding decision, D. 11-11-010, authorized 2012 cooling center spending at 2011 levels for SCE, PG&E and SDG&E until the issuance of this decision, we now confirm the authorized 2012 cooling center spending at 2011 levels for SCE, PG&E and SDG&E to complete 2012 and also authorize prorated annual amounts for 2013-2014. The prorated budgets are outlined below and in Appendix M.

Proposed and Adopted* Cooling Center Budgets 2012-2014					
Utility	Proposed '12-14 Cooling Center Budgets	Adopted '12-'14 Cooling Center Budgets	Adopted 2012 Budget*	Adopted 2013 Budget (Prorated)	Adopted 2014 Budget (Prorated)
SCE	$2,300,000	$978,166	$768,000	$105,083	$105,083
PG&E	$708,000	$712,692	$450,000	$127,846	$134,846
SDG&E	$177,000	$126,314	$56,000	$34,329	$35,985

**2012 Adopted budgets for SDG&E and PGE are based on 2011 authorized amounts. 2012 Adopted budget for SCE is based amount requested by SCE.*

4.4. CARE Categorical Eligibility and Enrollment, Post Enrollment Verification, and Re-certification

The CARE Program provides two ways for a potential enrollee to enroll in the program, (1) Categorical Eligibility and Enrollment process and (2) self-certification process.

The Categorical Eligibility and Enrollment process enables low income customers to enroll in the CARE Program through an expedited process such that if the applicant is enrolled in one of the approved low income programs that has already verified the applicant's income, then by providing such proof, they are automatically deemed eligible for and enrolled in CARE. Similarly, the self-certification process allows the CARE applicants to enroll by attesting to their income eligibility. In both instances, income verification occurs after the enrollment; and that verification process is generally referred to as Post Enrollment Verification.

In addition, the IOUs require the enrollees to self-recertify their continued program eligibility to renew their enrollment, every 2 or 4 years,[116] and those renewed enrollees thereafter maybe subject to similar post re-certification income

[116] Enrollees with fixed income sources at the time of enrollment are on 4-year re-certification cycle and other enrollees are on a two-year re-certification cycle.

verification; and that verification process we will refer to as Post Re-certification Income Verification.

The IOUs, in their Applications, have identified a concern and presented evidence that the Categorical Eligibility and Enrollment process may lead to CARE subsidies being diverted from legitimate CARE eligible customers and ratepayers to some potential ineligible households, in part, because some of the programs on the Categorical Eligibility and Enrollment Program have different income requirements. Parties also note that the second of the two CARE enrollment process, the self-certification process, likewise may lead to enrollment of potentially ineligible households. We note, the self-certification process is also the current process used during re-certification of CARE enrollees.

4.4.1. Categorical Eligibility and Enrollment

In their Applications, PG&E, SDG&E, and SoCalGas request the Commission reexamine the various programs used in the Categorical Eligibility and Enrollment Program. The Categorical Eligibility and Enrollment Program permits a low income customer to be deemed income qualified and therefore eligible for the CARE Program benefits if they happen to be enrolled in one or more of the pre-approved listed governmental low income programs. It assumes that the other approved low income assistance program has already verified that customer's income and that verified income level is aligned with the CARE income threshold of 200% federal poverty guideline. The IOUs however contend that many of the programs pre-approved for the Categorical Eligibility and Enrollment Program currently have income levels, definitions of income, and other income eligibility criteria that are not in alignment with the CARE income threshold. The IOUs have therefore proposed that the Commission hold a workshop with the goal of adding and removing some of the public service

programs from the current Categorically Eligibility and Enrollment Program pre-approved list.

4.4.2. Post Enrollment Verification and Post Re-certification Income Verification

The IOUs, in their Applications, also uniformly propose to begin increased Post Enrollment and/or Post Re-certification Income Verification for the categorically enrolled customers because they have found in their experience, a significant number of self-submitted income information from those customers who have initially enrolled or recertified enrollment via the Categorical Eligibility and Enrollment Program show actual incomes at a higher household income levels than currently permitted by the CARE Program.

Currently, the IOUs perform Post Enrollment and Re-certification Income Verifications at the annual rates ranging from as low as 1.63% for SCE to 10.55% for PG&E.[117] Of those reviewed through the IOUs' income verification processes, a significant percentage (ranging from 38.62% for SCE to 60.94% for PG&E) are de-enrolled for a variety of reasons.[118] Certainly, this data does not necessarily show that all those de-enrolled are, in fact, ineligible. However, this data combined with IOUs' historic observations and program experiences show that many of these customers' actual incomes have shown to be higher than currently permitted by the CARE Program. Such evidence causes some concern. We therefore agree with the IOUs that this process needs improvements in order to ensure the continued integrity of the program.

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[117] 2011 Annual Reports.

[118] *Id.*

4.4.2.1. SCE's Post Enrollment and/or Post Re-certification Income Verification Proposal

To address this concern, SCE requests an additional $5 million for increased Post Enrollment Verification, an automated verification stratified selection model, internal file sharing with the ESA Program and SCE's Energy Assistance Fund to share program verifications, to create a centralized database for customer communications/program letters, and to enhance the CARE/FERA application and related systems to allow customers the ability to select preferred method for future communications. SCE proposes to increase CARE verifications to 5% of participating customers annually in the 2012-2014 program cycle. Additionally, SCE requests that for CARE customers who fail to respond to an income verification request, those customers be barred from any self-certified re-enrollment in the CARE Program for 24 months. However, if at any time during the 24 months, those customers verify their income eligibility, they are to be placed back on the CARE Program. After the 24 month period, those customers de-enrolled will be able to enroll in CARE by self-certifying their household and income eligibility.

4.4.2.2. PG&E's Post Enrollment and/or Post Re-certification Income Verification Proposal

PG&E proposes to modify certain elements of its Post Enrollment and Post Re-certification Income Verification processes as well as the method by which customers are selected for verification. These modifications may increase the number of requests processed, however PG&E did not specifically detail the proposed modifications. PG&E seeks approval to allow its network of Community Outreach Contractors to receive up to $18.00 fee for Post Enrollment Verification assistance. PG&E has also proposed adoption of a standard income

verification document for users between 400 and 600 percent of baseline which may require these customers to provide a state or federally verified form of income proof, such as the household's annual tax returns. This proposal is discussed in detail in section 4.5 of this decision.

4.4.2.3. SoCalGas' Post Enrollment and/or Post Re-certification Income Verification Proposal

SoCalGas proposes to require Categorically Enrolled customers to provide income documentation during the Post Enrollment Verification process and to de-enroll customers from the program if their total household income exceeds the CARE Program guidelines. SoCalGas' CARE Program intends to modify the Post Enrollment Verification selection process and will increase the number of income verification requests and is requesting an additional full time employee to support this effort.

4.4.2.4. SDG&E's Post Enrollment and/or Post Re-certification Income Verification Proposal

SDG&E requests authorization to require categorically enrolled customers to provide income documentation, in addition to providing proof of participation in one of the categorical programs, when and if randomly selected for post-enrollment verifications.

4.4.3. Other Parties' Positions

SFCP seems generally supportive of the need to tighten the oversight over the CARE enrollment and funds and presents information that between 2000 and 2009, CARE expenditures in PG&E's service territory jumped by almost

2,222 percent, from $27 million to $481 million.[119] SFCP also cites statistics that show that electricity consumption paid for through the CARE Program have almost tripled over the past decade in PG&E's and SCE's service territories.[120]

Most other parties oppose any tightening of the Categorical Eligibility and Enrollment Program, but prefer to examine that issue in workshops to explore ways to address gaps in the current process. DRA, CforAT, and Greenlining express that they do not agree in limiting Categorical Eligibility and Enrollment Program but are in favor of workshops on the issue. DRA indicates that Categorical Enrollment eliminates administrative costs for both CARE and ESA Programs by reducing efforts needed to income qualify households and DRA is supportive of SCE's efforts for internal file sharing with ESA/EAF to share program verifications.[121] TURN's reply testimony also opposes the IOUs' request to limit Categorical Eligibility and argues that the number of CARE customers Categorically Enrolled whose income exceeds the CARE income limits "is insignificant" and that there are administrative savings associated with categorical enrollment.

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[119] SFCP Opening Testimony at 6; and SFCP also argues that the CARE discount rate inadvertently mutes price signals to low income customers that would otherwise prompt conservation or inspire efficiency investments. *Ibid.*

[120] *Id.* at 10.

[121] DRA Reply Testimony at 5; and DRA's reply testimony argues against SFCP's claims that the CARE Program rate encourages energy overconsumption, and instead presents information that in except for the smallest dwellings, low income customers use significantly less electricity than similarly situated higher income customers. *Ibid.*

4.4.4. IOUs' Response to Other Parties' Positions

In their reply testimonies, SoCalGas, SDG&E, and PG&E clarify that they do not seek elimination of Categorical Eligibility and Enrollment program and that they are instead seeking program alignment with Code Section 739.1 4[122] and CARE Program administration that ensures that CARE discount rates are received *only* by those lawfully intended to receive them.

4.4.5. Discussion

After more than 20 years of outreach and enrollment efforts, the CARE Program has a growing subsidy expected to exceed $3.6 billion dollars in the 2012-2014 cycle. Under the current enrollment, re-certification and verification approach and projections, CARE participation/penetration rate is reaching (and may exceed) 100 percent of the CARE eligible population within many of the IOUs' territories.

On one hand, we can attribute these high CARE Program penetration figures as showing the progress we have made in outreaching to the low income community. Those figures also confirm that CARE Program is much needed in California and that the program is largely successful.

Conversely, those same figures also raise some concerns as pointed out by the IOUs. In fact, those high penetration figures and related increased budgets have caused us to mindfully monitor the program activities. Accordingly, over the course of the past several years, we have been monitoring the CARE Program and been closely following the increasingly growing CARE subsidy costs and budgets while also seeing these high CARE penetration rates. In stark contrast,

[122] Code Section 739.1 4 provides that tiers 1, 2, and 3 CARE rates shall not exceed 80 percent of the corresponding tiers 1, 2, and 3 rates charged to residential customers not participating in the CARE Program.

we have not noticed those similarly high penetration numbers in the ESA Program, although the ESA Program has an identical income eligibility threshold.

While we understand that the two programs are different in several respects which likely attributes to some of the differences in those penetration figures, the IOUs' Applications showing their justification and need and requesting increased income verification in the program during the 2012-2014 cycle confirm our cause for concern that there are ineligible enrollees enrolled and receiving CARE subsidies in the CARE Program. The 2009 Process Evaluation Report similarly confirmed this concern and noted that the "[ESA Program] contractors found that some CARE participants were not eligible for … [ESA Program] because their income could not be verified or was too high."[123]

Given this information, we as stewards of the ratepayer funds, must be vigilant in ensuring that CARE funds and programs are effectively managed and administered to ensure the benefits reach only the intended eligible customers. To that end, the IOUs and the parties have identified these problems in the CARE Program process and proactively proposed some solutions to address them, in their Applications, by, *inter alia*, heightened Post Enrollment Verification following the initial enrollment process and increased income verification during re-certification process, during the 2012-2014 program cycle.

SoCalGas estimates the costs of a new policy requiring customers to include income documentation during re-certification to be $3.57 million annually. SDG&E estimates costs of a new policy requiring customers to include income documentation during re-certification will be a one-time cost

[123] 2009 Process Evaluation at 43.

of $120,000 and $420,000 annually. SCE estimates costs of a new policy requiring customers to include income documentation during re-certification will be $4 million annually. PG&E estimates costs of a new policy requiring customers to include income documentation during re-certification will be $4 million annually.

PG&E has estimated the cost of a single Post Enrollment Verification at $5.22, with a Post Enrollment Verification rate of 25% of enrolled CARE customers projecting to cost $2 million annually resulting in $105 million in CARE subsidy savings annually. SCE has estimated the cost of a single Post Enrollment Verification at $10.15, with a Post Enrollment Verification rate of 25% projecting to cost $3.6 million resulting in $35.3 million in CARE subsidy savings annually. SDG&E has estimated the cost of a single Post Enrollment Verification at $6.50, with a Post Enrollment Verification rate of 25% projecting to cost $420,000 annually but has not provided estimated figure of CARE subsidy savings. SoCalGas has estimated the cost of a single Post Enrollment Verification at $6.04, with a Post Enrollment Verification rate of 25% projecting to cost $2.4 million to $3.9 million annually resulting in $30.1 million in annual CARE subsidy savings.

As shown below, the IOUs have uniformly confirmed in their comments that their projections of subsidy savings support and justify administrative costs of additional income verification of CARE customers, up to 25%.

Summary of IOUs' Projections[124]

SCE

PEV Rate	5%	10%	15%	20%	25%
Cost	$731,563	$1,463,126	$2,194,688	$2,926,251	$3,657,814
Subsidy Savings	$7,060,972	$14,121,944	$21,182,915	$28,243,887	$35,304,859
Savings Factor	$9.65	$9.65	$9.65	$9.65	$9.65

PG&E

PEV Rate	5%	10%	15%	20%	25%
Cost	$400,000	$800,000	$1,200,000	$1,600,000	$2,000,000
Subsidy Savings	$21,000,000	$42,000,000	$63,000,000	$84,000,000	$105,000,000
Savings Factor	$52.50	$52.50	$52.50	$52.50	$52.50

SoCalGas

PEV Rate	5%	10%	15%	20%	25%
Cost	$785,070	$1,570,140	$2,355,210	$3,140,280	$3,925,350
Subsidy Savings	$6,023,160	$12,046,320	$18,069,480	$24,092,640	$30,115,800
Savings Factor	$7.67	$7.67	$7.67	$7.67	$7.67

SDG&E[125]

PEV Rate	5%	10%	15%	20%	25%
Cost	$96,737	$177,530	$244,463	$344,450	$419,910
Subsidy Savings					
Savings Factor					

DRA, TURN and other parties appropriately point out that Categorical Eligibility program process results in CARE administrative savings and therefore such program component should not be eliminated. That is a valid point and should be factored in in crafting a solution to the concern here. However, as noted above in the IOUs' projections, the estimated subsidy savings to the CARE Program associated with the tightening of the Post Enrollment Verification and

[124] These projections are summarized from the IOUs' responses to the December 2011 Ruling.[125] SDG&E did not provide subsidy savings projections in response to the December 2011 Ruling.[126] No IOUs other than PG&E request increased capitation fee.

[125] SDG&E did not provide subsidy savings projections in response to the December 2011 Ruling.[126] No IOUs other than PG&E request increased capitation fee.

Re-certification Income Verification processes are astoundingly high and may justify the necessary expenditures. That said, we note, the IOUs have not proposed to eliminate the Categorical Eligibility program, as part of any proposed solution.

Based on the record, we find that we should retain our Categorical Eligibility and Enrollment Program, with some modifications, to continue to allow ease of access for enrolling customers into the CARE Program. Based on the IOUs' projected administrative costs and the subsidy savings reflected in their comments during the proceeding, we also find that requiring increased Post Enrollment Verifications of CARE customers following the initial enrollment process and increased income verification following the Re-certification process as well as several other program changes detailed here are justified, reasonable and necessary starting point to begin ensuring that only the eligible customers stay enrolled in the program.

We also find these additional program controls are needed and we discuss them further in the subsequent sections of this decision. In general, the IOUs are directed to: (1) within 60 days, devise and institute targeted and heightened interim Post Enrollment and Post Re-certification Income Verification Model, framework and rates, that increases the IOUs' Post Enrollment Verification activities and Post Re-certification Income Verification activities from the 2009-2011 levels; (2) track, monitor and report on the IOUs' Post Enrollment Verification activities and Post Re-certification Income Verification activities; (3) by September 1, 2013 and based on all of the IOUs' Post Enrollment Verification and Post Re-certification Income Verification activities and experiences, devise and propose a long term verification model, framework and rates for Commission's approval; (4) submit updated categorically eligible

programs lists annually to ensure the programs that remain in the Categorical Enrollment and Eligibility have income verification processes and thresholds consistent with the CARE Program; and (5) take all reasonably necessary actions to ensure the program integrity.

These additional program controls should address the overall concern identified by IOUs to adapt the program rules to ensure that all enrollees of the CARE Program are, in fact, eligible to enroll and receive the CARE Program subsidy by tightening these verification processes while also factoring in the need to achieve maximum administrative savings, wherever feasible. Therefore, we conclude that there is no need for a workshop on the Categorical Eligibility and Enrollment Program.

Categorical Eligibility and Enrollment: All previously approved categorical enrollment programs are to be retained, for now. However, by January 31st of each year, the IOUs are directed to jointly review and submit, by Tier 2 Advice Letter, an updated list of categorical eligible low income programs for the upcoming year. The list must propose to retain and add categorically eligible programs for enrollment in low income programs, as appropriate, and must include only programs with income thresholds consistent with the CARE and ESA Programs.

These approved lists will be updated annually and be used to implement the Categorical Eligibility and Enrollment Program for CARE and ESA Programs, for the upcoming fiscal year. As appropriate, the IOUs may also propose to eliminate programs, which do not employ income thresholds consistent with the CARE and ESA Programs. The IOUs' updated proposed list must be filed through a Tier 2 Advice Letter process, and the Energy Division will issue an annual approval letter (with the approved updated list of programs

in the Categorical Enrollment Program) along with the updated annual CARE income guidelines letter on April 1st each year.

The Categorical Eligibility and Enrollment Program is to be retained for the enrollment of new CARE customer enrollments only.

Interim and Long Term Post Enrollment Verification and Post Re-certification Income Verification Approach: A reasonable alternative to a 100% Post Enrollment Verification and Post Re-certification Income Verification rate in the CARE Program is stratified probability sampling and modeling. Generally, such method of sampling involves the division of a population, in this instance the totality of CARE enrolled population, into smaller groups known as strata. The strata are formed based on members' shared attributes or characteristics. Then a random sample from each stratum is taken in a number proportional to the stratum's size when compared to the population. These subsets of the strata are then pooled to form a random sample.

Through such stratified probability sampling and modeling, we may be able to cost-effectively target the probably ineligible CARE enrollees and yield similar results as a 100% verification rate, that is, to identify those that are ineligible, and ensure that only eligible customers are enrolled in the CARE Program. At the same time, such modeling can deliver more administrative savings by requiring administrative expenditures that are far less than the 100% verification approach.

The record in this proceeding demonstrates that some of the IOUs are already actively employing various tailored and verification probability modeling tools in their service territories as part of their Post Enrollment and/or Post Re-certification Income Verification processes. An analysis of these probability models demonstrates that these have proven to be reasonable and

cost-effective alternatives to 100% Post Enrollment Verification and Post Re-certification Income Verification, by targeting income verification efforts only to those customers most likely to be ineligible for the CARE Program.

Accordingly, the IOUs are directed to begin an immediate development of an interim targeted Post Enrollment Verification and Post Re-certification Income Verification probability model by incorporating following basic factors in their modeling as well as any other territory specific factors:

- High energy use (including customers with usage above 400% baseline in any monthly billing cycle and above)
- Annual bill amounts
- Household size
- PRIZM or ZIP code
- Enrollment method
- Previously indicated customer ineligibility
- Customers previously de-enrolled from the CARE Program
- Length of Program Enrollment
- Length of time lapse since previously income verification

Within 60 days of this decision, the IOUs are each directed to, examine the totality of its CARE enrolled population, review past post enrollment and post re-certification income verification records and experiences, develop and implement an interim Post Enrollment and Post Re-certification Income Verification model, at a reasonable rate that each IOU deems reasonably necessary to: (1) ensure meaningful size in sampling to yield the necessary results to aid in the development of effective long term probability models for the Utilities; (2) ensure the integrity of the CARE Program; (3) provide assurance that CARE discount rates are received *only* by those lawfully intended to receive them; (4) remove any fraud and abuse; and (5) properly factor in the potential

program disruptions as well as administrative costs. This interim verification rate, for each of the IOUs, shall apply to all enrolled CARE customers, including self-certified and categorically enrolled CARE customers, as well as those re-enrolled through the re-certification process. This interim verification rate shall not exceed 200% of the IOU's 2011 post enrollment verification rate. If an IOU finds that it requires that its interim verification rate must exceed 200% of the IOU's 2011 post enrollment verification rate to meet the criteria set forth above, the IOU may submit a Tier 2 Advice Letter seeking approval of such rate and demonstrating its justifications.

The IOUs are directed to closely track, monitor and review the data from the implementation of the interim probability model and incorporate lessons learned into the designing the long terms probability models for review by the Energy Division.

By September 1, 2013, the IOUs are directed to design and propose, via a Tier 2 Advice Letter process, a long term probability model framework, including an optimal verification rate tailored to each IOU, to cost-effectively identify all CARE enrollees who have the probability of being ineligible in the program, while tailoring the model to the IOUs' specific territory that take into account the basic probability factors, populations and administration costs.

In their long term probability model proposals, the IOUs must set forth justifications based on the lessons learned during the interim probability model implementation. Energy Division will determine whether the design presents the best modeling and Post Enrollment Verification and Post Re-certification Income Verification rate for each of the IOUs to ensure that CARE enrollments are comprised of only the eligible households.

Tracking and Reporting: The IOUs are directed to report in their annual reports, the Post Enrollment and Post Re-certification Income Verification results, including a summary of what reasons account for each de-enrollment during the verification process and whether the probability model is yielding optimal results by de-enrolling ineligible customers from the CARE Program and ensuring that CARE Program discounts are not diverted to ineligible population.

In addition to tracking the number and reason for each CARE customer de-enrolled during the verification process (either through customer non-response or deemed ineligible for the program), the IOUs are directed to begin tracking information concerning those de-enrolled and ineligible customers and how they were initially enrolled in the CARE Program (e.g. capitation agency, self-certification, categorical enrollment, etc.).

Income Verification/Documentation: In lieu of providing income documentation, CARE customers who have been income verified by a qualifying categorical eligible low income program may submit proof of enrollment in an approved categorical eligibility program.

The IOUs are also directed to explore and employ all reasonable methods of easing the documentation presentation by the enrollees during any verification processes, such as being able to submit documentation via email, facsimile transmission, etc.

Cooperation with Income Verification Process: We approve SCE's request for CARE customers who fail to respond to an income verification request be barred from self-certified re-enrollment in the CARE Program for 24 months. However, if at any time during the 24 months a de-enrolled customer verifies eligibility, they will be placed back on the CARE rate. After 24 months, those de-enrolled customers may be able to enroll in CARE by again

self-certifying their household and income eligibility. To ensure consistency statewide, the other IOUs are directed to implement identical CARE Program rules.

CARE Capitation Fee: We support the movement towards ensuring that CARE enrollments are reserved to only those that meet the income qualification guidelines. We approve PG&E's request to allow CARE capitation contractors to aid in the Post Enrollment Verification process for an "up to $18.00" per capita fee, and direct all other IOUs to institute similar outreach programs. The IOUs are also directed to develop and field a uniform audit protocol for CARE Post Enrollment Verification capitation contractors.

Information Technology Program Upgrade: SCE's requests for $2.9 million in information technology program upgrades and $2.1 million for increased verification processing, for a total of $5 million. These requests are reasonable and are therefore approved. SCE as well as other IOUs may need to seek authorization to augment their budgets to reflect the increased Post Enrollment and Post Re-certification Income Verification direction ordered in this decision.

4.5. CARE High Usage Customers

4.5.1. PG&E's Proposal

In its Application, PG&E requests specific CARE Program rule changes to address high electric users enrolled in the CARE Program, using 400% or above the baseline usage, and potentially receiving CARE discount rates unlawfully. PG&E proposes to: (1) require customers with energy usage above 600% of baseline be de-enrolled from the CARE subsidy program if they cannot drop their usage within 180 days; and (2) customers with usage levels between 400% and 600% must undergo Post Enrollment Verification and participate in the

ESA Program or be de-enrolled from the CARE Program. PG&E has also proposed the adoption of a standard income verification document for users between 400% and 600% of baseline which may require these customers to provide a state or federally verified form of income proof, such as the household's annual tax returns. PG&E estimates that these new methods will have a one-time cost of $73,000 in the 2012 CARE Program and requests authorization for said budget.

4.5.2. Background

PG&E found that the top 1.2% of its electric users account for 12% of overall electric usage and its record shows that $84.5 million in CARE subsidies support these small number of users. For SCE and SDG&E, 0.7-0.92% of their CARE electric residential customers had annual usage during 2010 between 400% and 600% of baseline, and 0.1-0.2% of their CARE electrical customers had usage over 600% of baseline.

4.5.3. Other Parties' Positions

In their testimonies, Greenlining, CforAT, and TURN have offered modifications to PG&E's potential CARE Program rule changes including the requirement that customers with usage above 600% undergo Post Enrollment Verification within 45 days of receiving notice and agreement to participate in the ESA Program within 45 days of notice (the same rules would apply for customers with usage of 400% to 600%). Some have asked PG&E to provide such customers with in-depth notices in multiple languages and formats and an ability to appeal their CARE participation de-enrollment. NRDC supports these proposed modifications to PG&E's proposal.

SCE has stated that any high usage program rules changes be made applicable statewide.

SoCalGas requests exclusion from any adoption of PG&E's CARE high usage proposals since as a gas-only utility, SoCalGas does not have similar issues.

4.5.4. Discussion

During the 2009-2011 program cycle and in this proceeding, the parties, members of the public, print media and even the legislature have brought forth this issue as a significant concern. A workshop was held in this proceeding in October 2011 wherein this issue was further examined. Parties provided anecdotal evidence that a small number of customers may be using the CARE rates to subsidize unlawful activities such as marijuana growing operations and the legislature and media have similarly reported these concerns.

Naturally, CARE funds should be set aside solely for eligible customers and for lawful purposes only. We have been working toward tightening the CARE Program and its administration and in doing so any misuse, abuse or potentially fraudulent allocation of CARE funds is carefully monitored and reconciled.

Based on the foregoing, we find that PG&E's proposed CARE Program changes to address the high electric users with over 400% baseline usage on the CARE rate are reasonable and timely. We approve it, with modifications, and also require implementation statewide for all electric IOUs. The statewide program changes should include:

600% or more above baseline users: CARE electric customers with electric usage above 600% of baseline in any monthly billing cycle will have 90 days to drop usage below 600% baseline in any monthly billing cycle or be de-enrolled and barred from the program for 24 months. In addition, to continue to stay in the program these customers must undergo Post Enrollment

Verification and apply for the ESA Program within 45 days of notice, and, if not previously enrolled in the program, apply for the ESA Program within 45 days of notice. To the extent possible, all notifications must be accessible to customers with disabilities and to customers without English language proficiency, and must include information on the Medical Baseline program and the IOUs' appeal process.

Within 30 days of this decision, the IOUs must develop an expedited appeal process for those customers who may believe that they have been wrongfully de-enrolled to allow them the process to submit an appeal of the de-enrollment documenting their concerns and demonstrating their usage as "necessary, basic and legitimate household energy usage." If the IOUs' appeal process does not effective resolve the customer's appeal, the customer may seek the Commission's Energy Division assistance by contacting the Energy Division's Director and Energy Division Director will make the determination on whether there is reasonable justification demonstrating "necessary, basic and legitimate household energy usage."

Once that determination is made, such customer may be re-enrolled upon the customer's agreement to participate in Post Enrollment Verification and energy efficiency/savings efforts by participating in the ESA Program. Some examples of justified legitimate "necessary, basic and legitimate household energy usage" includes multiple income qualified households residing in a single residence and customers with documented and necessary medical equipment which require and justify the high usage.

400% - 600% baseline users: CARE electric customers with electric usage at 400%-600% of baseline in any monthly billing cycle must undergo Post Enrollment Verification and, if not previously enrolled in the program, apply for

the ESA Program within 45 days of notice. To the extent possible, all notifications must be accessible to customers with disabilities and to customers without English language proficiency, and must include information on the Medical Baseline program and the IOUs' appeal process. All CARE customers with usage above 400% of baseline in any monthly billing cycle who do not complete Post Enrollment Verification requests or have incomes found to be higher than allowed in the program, will be de-enrolled from the program and barred from re-enrolling in the CARE Program for 24 months.

Medical Baseline Program Referral: The ESA Program contractors who visit these high usage households are to be trained to make referrals to the Medical Baseline program.

ESA Program Cooperation: If a high usage CARE electric customer required to participate in the ESA Program as a condition of their continued enrollment in CARE, fails to keep at least one of the two appointments made with an ESA Program contractor or fails to provide access to any portion of the metered property in question, or refuses to allow a post-participation quality control inspection, that customer will be de-enrolled from the CARE Program and barred from re-enrolling in the CARE Program for 24 months.

Post Enrollment Verification: The electric IOUs should develop and field a standard income verification document for these instances which may require customers to provide a state or federally verified form of income proof, such as the household's annual tax returns.

4.6. CARE Capitation Fee

4.6.1. PG&E's Request to Increase Capitation Fee

In its Application, PG&E requests an increase of the capitation fee from up to $15.00 to up to $18.00 for each new enrollment for program year 2012-2014.[126] The main justification for PG&E's request for a capitation fee increase is that because PG&E has exceeded the 90 percent CARE penetration rate, PG&E anticipates some added barriers in reaching the last of the remaining eligible customers. In addition, PG&E also notes the costs of fuel have risen considerably in recent years, making the Community Outreach Contractor outreach program more expensive to conduct. We approve PG&E's request, as modified and discussed below.

[126] No IOUs other than PG&E request increased capitation fee.

4.6.2. Joint Parties' Request for Increase in Capitation Fee and More

The Joint Parties, in their testimony, propose a significantly broader proposal relating to the capitation fee which includes (1) increasing the capitation fee to $20 for each enrollment or more, and (2) providing capacity building grants to community based organizations so they can provide hourly wages of $20 per hour plus administrative costs for their outreach staff. In their part, they echo the similar increased costs (mileage reimbursement, insurance, etc.)[127] as noted by PG&E to support their proposed capitation fee increase and grant concept. In their subsequent comments, the Joint Parties increased that proposed capitation fee increase figure from $20 to $25 in some instances, when community based organizations enroll customers through a door to door campaign events.[128]

4.6.3. Discussion

D.01-06-010 and D.02-01-040 authorized a capitation fee of up to $12.00 for each new CARE enrollment to compensate the community based organizations for the incremental increased costs incurred by the community based organizations that are directly associated with the signing up process, for which that the community based organizations do not get a separate compensation by their other primary funding sources. That cap was increased in D. 06-12-038 and has remained at the current "up to $15.00" per enrollment level since 2006. Confirming the intent and purpose of the capitation fee, CforAT correctly notes in their comments that "enrolling low income clients in CARE is not a task that

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[127] Joint Parties' Response (dated January 13, 2012) to December 28, 2011 ALJ Ruling Seeking Comments Set #1.

[128] *Ibid*.

requires dedicated staff" but one of many efforts being offered in the overall process by these organizations to provide assistance to the clients.[129] Thus, while CforAT was not opposed to and in fact welcomed any potential additional funding via an increased capitation fee, CforAT did not specifically seek a capitation fee increase nor provided added justification for the Joint Parties' proposals.

As to the Joint Parties' proposals (to increase capitation fee from $20 to $25 or a "large" additional capacity building grant for the community based organizations to pay "$20 per hours plus administrative costs" to the staff), we are not persuaded. There are aspects to their proposals we find inaccurate, misleading, vague, ambiguous and therefore unreliable.

For instance, in support for their proposals, the Joint Parties minimize the fiscal ramifications by misstating that "the CARE capitation fee ranges from $15-$18, depending on the IOU." Pursuant to D.06-12-038, the IOUs are currently only authorized to pay "up to $15" per new enrollment, not $15-$18. The Joint Parties also incorrectly contend that their proposed CARE capitation fee is only approximately 10% more than what PG&E presently pays. The Joint Parties proposal to increase the capitation fee to $20 and $25 respectively are significant and are in fact 33% and 66% higher than the current capitation fee cap of $15. These may simply be calculation errors made by the Joint Parties, but it undermines the reliability of the proposals. Likewise, the Joint Parties' grant proposals are not well defined nor are the costs adequately presented, analyzed or justified as necessary within the current CARE Program. Based thereon, the Joint Parties' proposals are denied.

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[129] CforAT's Response (dated January 13, 2012) to December 2011 Ruling, Set #1.

As for PG&E's request to increase the capitation fee from "up to $15.00" to "up to $18.00" for each new CARE enrollment for program year 2012-2014, we find the request reasonable and justified. We are persuaded by PG&E that there are additional expenses and barriers associated with reaching and enrolling the remaining eligible customers and that reasonably justifies the reasonable capitation fee increase from "up to $15" to "up to $18" per enrollment, consistent with the prior rate of increases the Commission previously adopted.

In addition, in this decision we have challenged the IOUs as some of them have proposed in their Applications to carefully monitor and strategically intensify their outreach and enrollment efforts to increase the enrollments and to begin to strategize on how to reach the remaining hardest to reach of the low income communities in anticipation of the challenges we expect in the last two program cycles (2015-2017 and 2018-2020) before 2020. To allow for additional and potential strategic capitation fee needs associated with the new aggressive directions we provide in this decision, we authorize an additional cushion increase of $2 in capitation fee to total of "up to $20" to allow to be used for the enrollment of the hardest to reach customers in this program cycle, as the IOUs find necessary and consistent with the directions we provide in this decision.

While not all of the IOUs sought increase in capitation fee cap, we recognize that the inflationary factors and barriers associated with being at near-full penetration rates are issues that may prove imminent for the other IOUs. Likewise, the additional and potential strategic capitation fee needs associated with the directions we provide in this decision affect all of the IOUs. In view thereof, we will approve an increase in capitation fees to "up to $20 per enrollment" to be applied to all IOUs.

5. Pilots, Studies, and other Miscellaneous Proposals

5.1. Overview and Background

The Commission has always encouraged creativity and innovation in the design and delivery of the ESA and CARE Programs. During the 2009-2011 cycle, however, we experienced numerous delays and budget overruns relating to the approved pilots and studies. We also found that, even during and after the pilots or studies were completed, they may not have been carefully monitored and overseen. Furthermore, we have noticed that the resulting findings had not been timely and/or effectively compiled, reported or otherwise communicated across all of the IOUs and stakeholders to truly yield optimal benefits of such efforts in informing the Commission and the stakeholders for all future changes concerning the ESA and CARE Programs.

Based on these experiences and as we approve these historic ratepayer funded budgets in this decision, we cannot help but be cautious enough in our review and consideration of the parties' multitude of proposals. Therefore, we have carefully examined each proposal to ensure that we authorize only those pilots, studies and other proposals that are well thought out, justified and presented with sufficient detailed and meaningful framework for a pilot proposal, and specifically designed to further and meet the goals of the ESA and CARE Programs.

Again, as we have done in prior decisions, we remind and direct the IOUs to meet, collaborate and/or coordinate actively with Energy Division staff, the other IOUs, and other stakeholders to review the results of any pilot, study or other proposal we approve in this decision. With this proviso, we approve and authorize the following proposals and deny others. Even if not specifically denied, any proposal not expressly approved or authorized is deemed denied.

The following are the budgets we approve for pilots, studies and other proposals we approve for 2012-2014:

Utilities	Study/Pilot Name	Budget Requested				Budget Authorized				Difference
		2012	2013	2014	Total Requested	2012	2013	2014	Total Authorized	
Joint Utility	**Energy Education Assessment Study**				**$300,000**				**$300,000**	**$0**
	PG&E Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	SCE Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	SoCalGas Share	$25,000	$25,000	$25,000	$75,000	$25,000	$25,000	$25,000	$75,000	$0
	SDG&E Share	$15,000	$15,000	$15,000	$45,000	$15,000	$15,000	$15,000	$45,000	$0
	Impact Evaluation of the 2012 ESA Program (Programmatic M&E)				**$600,000**				**$600,000**	**$0**
	PG&E Share	$60,000	$60,000	$60,000	$180,000	$60,000	$60,000	$60,000	$180,000	$0
	SCE Share	$60,000	$60,000	$60,000	$180,000	$60,000	$60,000	$60,000	$180,000	$0
	SoCalGas Share	$50,000	$50,000	$50,000	$150,000	$50,000	$50,000	$50,000	$150,000	$0
	SDG&E Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	Needs Assessment				**$0**				**$700,000**	**$700,000**
	PG&E Share	$0	$0	$0	$0	$70,000	$70,000	$70,000	$210,000	$210,000
	SCE Share	$0	$0	$0	$0	$70,000	$70,000	$70,000	$210,000	$210,000
	SoCalGas	$0	$0	$0	$0	$58,333	$58,333	$58,333	$175,000	$175,000
	SDG&E Share	$0	$0	$0	$0	$35,000	$35,000	$35,000	$105,000	$105,000
	CHANGES Pilot				**$0**				**$720,000**	**$720,000**
	PG&E Share	$0	$0	$0	$0	$216,000	$0	$0	$216,000	$216,000
	SCE Share	$0	$0	$0	$0	$216,000	$0	$0	$216,000	$216,000
	SoCalGas	$0	$0	$0	$0	$180,000	$0	$0	$180,000	$180,000
	SDG&E Share	$0	$0	$0	$0	$108,000	$0	$0	$108,000	$108,000
	CHANGES Pilot Evaluation				**$0**				**$80,000**	**$80,000**
	PG&E Share	$0	$0	$0	$0	$24,000	$0	$0	$24,000	$24,000
	SCE Share	$0	$0	$0	$0	$24,000	$0	$0	$24,000	$24,000
	SoCalGas	$0	$0	$0	$0	$20,000	$0	$0	$20,000	$20,000
	SDG&E Share	$0	$0	$0	$0	$12,000	$0	$0	$12,000	$12,000
	Multifamily Study				**$0**				**$400,000**	**$400,000**
	PG&E Share	$0	$0	$0	$0	$40,000	$40,000	$40,000	$120,000	$120,000
	SCE Share	$0	$0	$0	$0	$40,000	$40,000	$40,000	$120,000	$120,000
	SoCalGas	$0	$0	$0	$0	$33,333	$33,333	$33,333	$100,000	$100,000
	SDG&E Share	$0	$0	$0	$0	$20,000	$20,000	$20,000	$60,000	$60,000

The projected pilot budget for 2012-2014 is approximately $800,000, which includes the Community Help and Awareness with Natural Gas and Electricity Services (CHANGES) Pilot and related evaluation. The combined projected studies budget for 2012-2014 is $2,000,000.

During the 2012-2014 funding cycle, we are particularly intent on heightening the scrutiny of all pilots, studies and proposals we approve, authorize and evaluate. We also raise the accountability for both the timing and deliverables resulting from the authorized pilots, studies and proposals so that the ESA and CARE Programs receive benefits from these initiatives without undue delay.

Below, we review the positions of the parties, approve or disapprove individual and/or joint pilot programs, studies, and other miscellaneous proposals, and provide general guidance for the implementation, reporting, and assessment of these activities.

5.2. Pilots and Studies

5.2.1. CHANGES Pilot Program

On November 19, 2010, the Commission issued Resolution CSID-004 and approved a one-year in-language pilot program referred to as CHANGES and authorized its funding through the CARE Program budget. The CHANGES pilot program launched in February of 2011 and began providing energy-related (electric and natural gas) education, resolution of needs and disputes, and outreach services for limited English proficient consumers in their preferred languages through an existing statewide network of community based organizations.

On November 10, 2011, the Commission issued Resolution CSID-005 and authorized continued CARE Program funding for the CHANGES pilot program and extended the duration of the CHANGES pilot program to allow time for additional data collection and pilot evaluation, as well as time to review and address the appropriateness of continued authorization of CARE Program funding, if any, to this pilot through this current proceeding. In Resolution CSID-005, we directed the Consumer Service and Information Division (CSID) and the Energy Division, along with an independent consultant, to review 12 months of data collected concerning this pilot program to determine its ability to effectively assist limited English proficient consumers and evaluate the benefits of this pilot's use of CARE funds. A final report based on that evaluation was ordered to be submitted to the ALJ in this proceeding, by

July 15, 2012, for the Commission's review, consideration and decision in the fall of 2012. Under CSID-005, the funding for this pilot is set at a level not to exceed $60,000 per month, from CARE funds, not to exceed $720,000 collectively for 2012.

On March 9, 2012, both Directors of the Energy Division and CSID submitted, and electronically served, a joint request letter pursuant to the Commission's Rules of Practice and Procedure, Rule 16.6, to the Executive Director, Paul Clanon, of the Commission, and the service list of R.10-02-005 and this proceeding, requesting an extension of time for the due date of the final evaluation report ordered in CSID-005 from July 15, 2012 to September 1, 2012. The basis for the joint request letter was that the CSID and Energy Division had encountered unforeseen circumstances during the contracting process and the requested additional time was needed to complete the needed evaluation and submit the final evaluation report. On March 12, 2012, the Executive Director, Paul Clanon, granted the requested extension of time for the due date of the final evaluation report ordered in CSID-005 from July 15, 2012 to September 1, 2012.

We intend to revisit the issue of continued CARE funding of CHANGES pilot program in a subsequent decision in the second phase of this proceeding, expected in the fall 2012 after the independent consultant's final evaluation report is submitted and reviewed. The evaluation of the CHANGES pilot program will be completed consistent with the current Energy Division's pilot evaluation procedures and cannot exceed a total of $80,000 collectively from the IOUs' CARE Program Measurement and Evaluation (M&E) budget at an amount not to exceed 10% of the total pilot budget.

5.2.2. CARE Customer Choice Pilot Proposal (Choice Pilot) and Split Incentive Study Proposal (Split Incentive Study)

SFCP, in its opening testimony proposed a pilot program and a study: the Customer Choice Pilot and Split Incentive Study. The Customer Choice Pilot proposal seeks Commission's authorization for $3 million to allow 900 CARE customers a choice to redirect a portion of their CARE subsidy to purchase energy efficient appliances, in lieu of their CARE discount. The Split Incentive Study proposal seeks Commission's authorization for $200,000 to study third-party ownership of energy efficient appliances to review the split-incentive barriers in multi-tenant settings.

Many parties commented on these proposals. SCE, SoCalGas, SDG&E, TURN, and DRA all have raised concerns and have opposed these proposals.[130] We too share those concerns. Notably, the Customer Choice Pilot proposal failed to include a comprehensive pilot implementation or evaluation plan, and, as proposed, it lacks serious goals and outcomes. There are no proposed measures for the pilot's success, and overall, the proposal is ill-defined and redundant of some of the current ESA Program offerings and efforts. Similarly, the Split Incentive Study proposal also lacks defined study goals. In their responses to the December 2011 Ruling, SFCP modified some elements of the original proposals, e.g. to include a survey regarding measures. However, these modifications further confused the scope and size of the study being proposed.

[130] SoCalGas' Reply Testimony, SoCalGas' Reply Testimony, SCE Reply Testimony, DRA's Reply Testimony, TURN's Reply Testimony.

Overall, SFCP's proposals are incomplete, ill-defined and redundant of current ESA Program efforts. Therefore, we do not approve SFCP's proposed Customer Choice Pilot, and we do not approve SFCP's proposed Split Incentive Study.

5.2.3. Opower, Inc. Home Energy Report Pilot

Opower, Inc. submitted a proposal for a pilot program which involves a two-year deployment of home energy reports to 200,000 ESA Program customers at a cost of $10-$15 per customer for at an estimated 1.5-3.5% in per customer energy savings.[131] The total proposed pilot cost and budget requested would be $500,000 - $750,000. NRDC supports this pilot.[132] Several other parties, including TELACU et al., SCE, SoCalGas, SDG&E, and TURN have raised various objections and concerns about this pilot proposal.[133]

At a first glance, with the cost of $10-$15 per participant and with estimation of per customer energy savings levels of 1.5-3.5%, Opower, Inc.'s pilot proposal seems cost effective, and promising. In fact, Opower, Inc. has current Home Energy Report pilots in both PG&E and SDG&E territories (for their mainstream customers) and the results of those pilots are waiting to be evaluated. Thus, rather than to authorize, fund and initiate yet another pilot program and potentially duplicate ongoing piloting efforts, it makes better sense to revisit this proposal and/or issues raised by this proposal when those evaluation results are in.

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[131] Opower's Opening Testimony.

[132] NRDC's Reply Testimony.

[133] TELACU et al.'s Reply Testimony; SoCalGas' Reply Testimony; SDG&E's Reply Testimony; SCE's Reply Testimony; and TURN Reply Testimony.

Furthermore, Opower, Inc. is only one of several companies that can provide home energy reporting, and we must be mindful that any ratepayer funded pilot project should be competitively bid to ensure the best cost, innovative design, fairness and transparency.

Based on the foregoing, we do not approve the Opower, Inc.'s proposal. Once the findings of the current mainstream Opower, Inc.'s pilot programs are concluded and formally evaluated, the Commission may revisit this proposal and then direct the IOUs to permit a competitively bid behavior-based energy efficiency pilot for the ESA Program.

5.2.4. PC Tablet Proposal

The 2009 Process Evaluation Report recommended that the IOUs work with contractors to determine cost-effective ways to use tablet PCs that enable quick in-home data entry, electronic signatures, and scanning or uploading of digital photos of customer documents to an online ESA Program database. The recommendation concluded the use of the same kind of tablet PCs across the IOUs would enable them to make the enrollment and assessment process smoother for contractors working in multiple territories. The recommendation suggested the IOUs may also want to re-examine the current practice of requiring contractors to both electronically enter data and provide paper copies of enrollment and assessment forms. The recommendation also noted that a review of forms could also reduce some of the redundancy of customer and contractor data requested on multiple application forms.

PG&E explains that its program database supports the laptop or tablet interfaces and PG&E presently does not dictate but instead allows contractors to determine what equipment to use as long as data is entered daily. PG&E updates data collection forms annually as needed, and also reviews the priority,

expense and feasibility of database enhancements regularly. Many types of data regarding the home are already collected for its program data files, including photos and other supporting documentation.

SCE plans to expand its current tablet PC technology to all contractors. SCE opines that this will streamline the enrollment processes for the customer as it will minimize duplicative and unsuccessful visits. Through the tablet PC technology, SCE presents that its customer service experience has been improved in two ways: the customer benefits from a more efficient enrollment process and the customer is ensured that the information gathered is complete and correct.

SCE however notes that the cost for the tools needed by ESA Program service providers is an appropriate *contractor expense*, and that all costs associated with delivering services including such costs as labor, fuel, vehicles and in this case, tablet PCs, are embedded in the reimbursement rates the IOUs negotiate with contractors. SCE goes on to state that, as is the case with other tools needed to deliver program services, the responsibility to provide tools to service provider employees to perform their jobs should remain with the service providers. Additionally, SCE suggests that the technology should yield significant savings to both SCE and contractors which in turn should result in no increased fees.

To improve and facilitate customer enrollment, SoCalGas proposes to continue to increase automation of customer data by increasing the use of tablet PCs by its Outreach Specialists. According to SoCalGas, automation will reduce paperwork and increase the availability of near real time customer information (such as PRIZM codes and past participation data) during appointment setting and canvassing activities. Likewise, the use of tablet PCs will also enable quick in-home data entry, electronic signatures, and scanning or uploading of required

customer documents to the online HEAT database. SoCalGas also agrees that use of the tablet PCs will increase the productivity of its Outreach Specialists, by increasing efficiencies and reducing enrollment time.

5.2.4.1. Other Parties' Comments and Positions

NRDC generally supports the IOUs' efforts to streamline program delivery and encourage all of the IOUs to transition to paperless customer enrollment. NRDC specifically supports SCE's proposal to expand the use of tablet PCs to all contractors and to the inspection process moving forward. EEC likewise recommends that the Commission should require the use of paperless enrollments wherever feasible and the Commission should authorize the purchase of related hardware and source those expenses from program funds.

5.2.4.2. IOUs' and EEC's Costs and Savings Estimates

In response to the December 2011 Ruling, the IOUs provided some very preliminary and rough costs and cost savings estimates relating to the PC tablet proposal.

SCE explains that the costs to purchase computer-related hardware will vary depending on the type of equipment purchased. The equipment package utilized by SCE for testing and training, which includes the tablet, portable thermal printer, and mobile scanner cost approximately $1,100. The cost to maintain the hardware is similar to the cost of maintaining a regular PC/laptop. There is no cost, except minimal labor cost (time to download software is less than 15 minutes) to enable the paperless tool. SCE estimates a resultant savings in the 2012-2014 program of approximately $200,000 recognizing the additional monetary savings may be observed in other areas.

PG&E estimates (using information provided from SCE) the costs to purchase and maintain, including administration costs, of enabling paperless via

PC tablets/notebook computers for the three years is $4.9 million or $1.63 million per year. PG&E estimates that there could be a cost savings of as much as $122,000 per year in reduced printing and administrative costs. As the tablets are incorporated into each contractor's business, PG&E would hope and expect to see cost savings at the measure level as contractors are able to reduce overhead costs associated with data entry. PG&E would also hope to see immediate customer enrollment cost savings due to the planned reduction of printing costs. At the measure level, PG&E would hope to see cost savings in the 2013 program year which would allow for time to roll out the tablets and verify performance in 2012.

SDG&E provides an estimate of $340,000. It is unclear what that estimate includes exactly and whether that is a per year or per cycle cost estimate; however, SDG&E explains that it is still in the evaluation phase of potentially going completely paperless and is not poised to provide credible cost estimates without further research. SDG&E provides an estimated cost savings of $48,000 annually or approximately $144,000 over the 2012-2014 program cycles. This estimate only includes a reduction in printing costs. The estimate does not include potential savings to contractors and IOU program staff may realize since it is not known how the use of the equipment will impact contractors' internal processes. Savings that would be realized will occur in two areas: elimination of the costs of forms and the data entry not required by contractor personnel. These costs savings would be reflected in the General Administration category of the ESA Program budget.

In August 2011, SoCalGas implemented the use of tablet PCs as part of its Go Green initiative and has proposed, in its Application, to increase the use of tablet PCs during the 2012-2014 cycle to support data collection, reduce customer

visits, and minimize hard copy documentation collection. SoCalGas' estimated fixed costs to purchase tablet PCs including any related equipment is approximately a one-time cost of $3,120 per tablet with recurring costs related to maintaining the tablet PCs and equipment, including, but not limited to, HEAT system upgrades, paper, and wireless charges at an average of $1,753 per tablet PC per year. The estimated recurring costs do not include additional charges related to the increase storage costs for storing electronic records related to tablet PC efforts.

SoCalGas' estimated savings for fully implementing the use of Tablet PCs for SoCalGas' current Go Green initiative are not estimated to occur until 2015 based on preliminary estimates of the costs of purchasing the tablets and associated equipment. These savings estimates are based on the number of enrollments projected in SoCalGas' 2012-2014 Application filing and its current model for implementing its Go Green initiative. SoCalGas will work on exploring other methods of executing the Go Green initiative in an effort to achieve savings at a faster rate than projected under its current delivery model. However, currently estimated avoided costs savings are $226,000 in 2015 and $1.24 million annually after 2015. SoCalGas expects to see savings in the General Administration (because there would be avoided costs related to not having to increase the workforce to address the large volume of paperwork associated with increased enrollment goals) and Outreach and Assessment (because there would be a potential reduction in full document enrollments).

Aside from the obvious reduction in paper usage, SoCalGas explains some other benefits from the use of the tablet PCs include: (1) the value to Outreach Specialist of having access to real time data on a potential customer during canvassing activities; (2) the benefit of having the tablet onsite to obtain copies of

documents for the customer file which will reduce overall enrollment time and reduce data entry errors; and (3) overall efficiency and improved accuracy in one time enrollment entry to minimize time spent and errors made in re-processing invoices for payments for both contractors and SoCalGas.

EEC estimates a full equipment setup, including a notebook computer, scanner, printer and WiFi network card would cost around $1250 per unit. EEC estimates implementation will bring with printing, shipping, storing, and administration cost savings by reducing documents associated with the programs. Based on 2010 estimated costs, and using PG&E as an example, EEC estimates that contractors may save the program $1,454,400 (with PG&E's savings an additional $182,029 and $195,614 in general administration costs), which would translate into approximately $13.74 saved per home.

5.2.4.3. Discussion

Each party has provided vastly different estimates for the cost of such PC tablets (and their ongoing maintenance) as well as the estimated potentials for savings to be achieved from their implementation. The range for the purchase and maintenance of such equipment starts from $1,100 up to an amount four times greater. And while all parties generally acknowledge that there are savings and efficiencies to be gained, there is also a significant spread in the savings estimates to the overall program from $48,000 in program and administration cost savings for SDG&E to the $1.8 million for PG&E in total program savings as estimated by EEC. The estimates also vary vastly from one utility to the next. Thus, at this time, it is difficult to truly evaluate the net benefit to the efficiency of the program delivery that can be gained from approving this proposal based on such preliminary and inconsistent set of information. Moreover, the savings estimates provided have only been accounted for on the

IOU program side, without more definitive estimates of program and measure savings from the contractors end.

It is reasonable to infer that the implementation of such equipment would not only result in IOU program administration and outreach savings but also savings at the measure level as contractors are able to reduce overhead cost associated with data entry. However, these estimates were not provided. Additionally, the time savings on the customer side have not been documented nor accounted for.

Based thereon, while we can surmise that technology will yield some savings, we must conclude at this time that the proposal is overly vague and the cost and savings estimates provided are not reliable enough for the Commission to fully assess how such a proposal would impact the program budgets and what amount if, any, the Commission should authorize for such proposal. At best the record is incomplete on to conduct any basic cost-benefit evaluation. Without more detailed and accurate data, we cannot fully understand, justify and therefore approve the wholesale purchase of the PC tablets for contractors and approve that such a large expenditure should be borne by the ratepayers and the ESA Program.

Most compelling of the argument is SCE's argument. We agree with SCE that the cost for the tools needed by service providers to provide ESA Program services is an appropriate contractor expense. All costs associated with delivering services, including labor, fuel, vehicles and in this case, tablet PCs, are embedded in the reimbursement rates to contractors and should continue to be a contractor expense. As is the case with other tools needed to deliver program services, the responsibility to provide tools to service provider employees to perform their jobs should remain with the service provider.

While the cost of the tablets may or may not currently be embedded in the costs associated with delivering services today, the costs of these tools should be treated similar to all other contractor expenses, embedded in the reimbursement rates to service providers. The Commission believes that this should be viewed as a contractor expense. Additionally, we disagree with TELAC et al. that the benefits of the PC tablets and efforts toward going paperless are purely borne by the IOUs and not the ESA contractors. As SCE has pointed out, and the Commission agrees, these tablets provide significant benefits to contractors, including decrease in costs by eliminating the need to enter data currently collected by the assessor on paper onto the Utilities' databases, decrease in time and cost to prepare, store, and invoice with fewer errors than paper enrollment, and decrease in post-enrollment work preparation and carbon footprint due to unnecessary travel.

Based thereon, for now, the funding for PC tablets should remain as it is and be assumed as part of the contractors' expenses. We support the movement towards going paperless, and we believe the IOUs and contractors can do that without the approval of this PC tablet proposal to be funded by the ESA Program. The PC tablet proposal is denied.[134]

[134] As part of the proposed General Administration cost category of the SoCalGas' Application, SoCalGas has included general program delivery improvements including PCs in the amount of $2,238,000. To the extent, such figures represent funding for any PC tablets, those requested proposal are denied in this decision. SoCalGas' general administration cost category should be augmented to reflect elimination of such funding.

5.2.5. SCE's Energy Education/Energy Education Evaluation Study and SoCalGas' Leave-behind Energy Education DVD

Both the 2009 Process Evaluation and 2009 Impact Evaluation found deficiencies in the consistency and quality of energy education being delivered in the ESA Program by each of the IOUs.[135] In their Applications, the IOUs request $300,000 to implement an Education Assessment and Needs Analysis Study to identify ways to optimize and/or improve the educational component of the ESA Program and examine the current and potential value of this energy education. SoCalGas has also indicated that they intend to spend an additional $65,000 to develop a multimedia DVD energy education tool that will be reviewed with the customer during enrollment and be left with the customer for future reference.

5.2.5.1. Parties' Comments and Positions

In their opening testimonies, EEC asks that energy education be provided at the time of customer enrollment and not be dependent on whether that household qualifies for ESA Program measures under the modified 3MM Rule. TELACU et al. recommends that all income-qualified customers should be eligible to receive energy education and CFLs regardless of the modified 3MM Rule. In support of providing energy education, irrespective of whether a customer qualifies under the modified 3MM Rule, DRA indicated that in 2009, approximately one-third of SCE's 63,000 ESA Program participating households received only energy education and no other measures.

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[135] 2009 Process Evaluation Final Report, Low Income Energy Efficiency Program, dated June 10, 2011 at VII, 46-49, and 2009 Impact Evaluation of the 2009 Low Income Energy Efficiency Program, date June 10, 2011 at ES-15, 97.

In the reply testimonies, PG&E and NRDC support EEC's and TELACU et al.'s recommendation to continue to provide energy education and CFLs to all income-verified customers regardless of the modified 3MM Rule. NRDC further asserts that energy education should be deemed a reimbursable measure, where in instances where contractors provide in-home education to a potential or prospective customer but that customer later never receives any measures, that contractor should still get reimbursement for the delivered energy education. SDG&E noted in its reply testimony that if all IOUs are required to develop an energy education DVD, their cost would be roughly $400,000.

5.2.5.2. Discussion

We approve the IOUs' request for a $300,000 shared energy education evaluation study. What we learned from the 2009 Process Evaluation was that less than a third of the participants surveyed reported they believed the energy education component left a lasting impact; and the disparity in type and overall quality of messaging/energy education delivered varied significantly across the IOUs' territories. Similar to the lessons we learned with the trials and tribulations of Whole Neighborhood Approach in this program during the last cycle, the latest Process Evaluation Report gives us much reason to pause to figure out how to effectively refine and deliver the energy education so that the message is received and retained by this population.

While the scope and details of the authorized energy education study must be finalized during the design phase, at a minimum, we direct that the evaluation should test whether and how the current energy education program could be improved to yield *actual* energy and bill savings and how to effectively deliver the energy education toward the lasting behavioral change in the low income household. The energy education study should aim to explore how to

measure success of such education. The study must include a field study component to help assess the benefits the current energy education offerings, and include a before and after test period and household bill analysis that measures any *actual* energy- and bill- savings.

We also direct that an experimental group be added to this energy education study consisting of CARE participants with monthly usage of 200%-400% of baseline, and the new and existing education could be tested on this experimental group to study any *actual* energy and bill savings gleaned from energy education. The study should also look at all feasible methods of aligning and integrating ESA Program energy education with information from other demand-side programs offerings including the IOUs' CA-ICEAT hosted, free of charge, on each IOU's website.

This study will be invaluable in determining whether there are energy-and/or bill-savings associated with ESA Program energy education and whether this justifies energy education be considered a cost-effective, standalone measure. Without quantifiable energy and bill savings figures or other program benefits from such efforts, energy education cannot yet be considered a standalone measure, at this time. Once the energy education evaluation is completed, the IOUs can then petition for energy education to be counted as a measure - but only if the education component demonstrably results in actualized, independent energy and/or bill savings or other program benefits from such efforts.

The budget for this energy education study is not to exceed $300,000. The IOUs shall pay for the contract, but otherwise shall involve the Energy Division at the earliest possible time in the request for proposal and bid evaluation process. The IOUs, along with the Energy Division staff will evaluate the bids,

and the Energy Division shall make the final determination on the contractor selection. The process shall also follow the structure outlined in Resolution E-4237. The IOUs and the Energy Division must take all necessary and reasonable actions to ensure that by August 31, 2013, the Energy Education Study and Report is completed, in order for the results to be incorporated into the CARE & ESA 2015-2017 program cycle applications process.

In the meantime, the IOUs are restricted to provide energy education only to income-verified customers who have passed the modified 3MM Rule. Moreover, as SCE's interpretation of pages 203-204 in D.08-11-031 conflicts with the Statewide Policy and Procedure Manual (Section 4.4) on when education can be provided, we will make the following clarifications:

- At this time, households that receive energy education and no other measures are not to be defined as a "treated" home.
- All energy education provided should be "tailored" to cover the measures installed (e.g. proper use of evaporative coolers, information about measure-specific demand side programs, etc.)
- Without quantifiable energy savings, energy education cannot (at this time) be considered a standalone measure.

SoCalGas' request for $65,000 for a leave-behind energy education DVD is reasonable and we approve it. We do not approve TELACU et al., Joint Parties, NRDC's and other parties' shared suggestion that all income-verified customers should be given energy education and CFLs at the time of enrollment regardless of the modified 3MM Rule.

5.2.6. Next Impact Evaluation Study and Report

5.2.6.1. Background

The 2009 Impact Evaluation presents results for the ESA Program (formerly LIEE) for program year 2009. As discussed below, various parties have

objected to different aspects of the 2009 Impact Evaluation Report with an emphasis on objections to various assumptions and evaluation methodologies used, arguing that the results underestimate and otherwise present inaccurate energy savings figures. While the particulars of the parties' objections and merits thereof are not in total agreement, the IOUs generally agree that another impact evaluation could be helpful, and we agree. As discussed below, we direct and approve the IOUs to conduct a new impact evaluation report as discussed below.

5.2.6.2. 2009-2011 Impact Evaluation

The IOUs commissioned the 2009 Impact Evaluation at the Commission's direction, and the Energy Division assisted in the commissioning and management of this evaluation. The evaluation team was led by ECONorthwest, with extensive analytical and data collection assistance provided by West Hill Energy & Computing, Wirtshafter Associates, Michaels Engineering, Quantum Market Research, and John Stevenson from the University of Wisconsin Survey Research Center.

The primary objectives of the 2009 Impact Evaluation was to evaluate the program year 2009 impact, by: (1) estimating first year gas and electric energy savings and coincident peak demand reduction; (2) estimating savings in aggregate and also by measure and by housing type; and (3) exploring additional billing regression models and attempt to improve the savings estimates for certain key measures, including evaporative coolers, furnace repair, and furnace replacements.

A billing analysis was chosen for estimating savings supplemented by additional data collected via phone surveys and on-site audits to provide context on how energy is used within low income households targeted by the program. The billing analysis and the results of the data collection were combined to

produce estimates of first-year electric and gas for the 2009 program year ESA Program measures. This study was designed to be consistent with the *California Energy Efficiency Evaluation Protocols: Technical, Methodological, and Reporting Requirements for Evaluation Professionals*, adopted by the Commission on June 19, 2006.

A range of analysis options for evaluating the specific measures covered in the ESA Program were considered, including an engineering analysis and simulations of whole building energy use. The engineering option was not viable because it required access to detailed pre-installation data at each home, the time for pre-metering had already passed for program year 2009 and developing alternative estimates for all ESA Program measures would have been prohibitively expensive. Also, the ESA Program tracking data does not include sufficient detail regarding the pre-installation conditions of the home to apply engineering methods.

Estimating savings using simulations of whole building energy use was also eliminated as an option as it too was prohibitively expensive and not likely to produce superior results. A regression-based billing analysis was the only viable alternative given the characteristics of the program, available data, evaluation timeframe, and the budget.

2009 Impact Evaluation and Energy Savings Results:

- PY2009 estimates are lower than those found in the PY2005 evaluation, even though the same general method for estimating savings was used in both evaluations.
- PY2009 electric savings decreased approximately 22% compared to PY2005, with the largest decrease occurring in SCE's service territory.
- PY2009 gas savings decreased almost 50% from PY2005, but as a share of consumption, it is similar to PY2005 (from 3% to 4% of consumption).

The impact estimates derived are within the range found in previous studies.

5.2.6.3. IOUs' Proposals

The IOUs have used the 2009 Impact Evaluation results in their 2012-2014 Applications to calculate energy savings, and according to the IOUs, using the those savings estimates did not result in any measures being taken off the eligible list. The IOUs have proposed a future joint impact evaluation that will include a more robust evaluation of calculating savings.

5.2.6.4. Other Parties' Comments and Positions

EEC & Synergy: EEC's and Synergy's protests clarify that the 2009 Impact Evaluation's Report fails to accurately recognize the non-energy benefits associated with the installation of some measures such as evaporative coolers and furnaces provided to customers through the ESA Program. While they acknowledge that in fact these measures are new appliances that these customers are now using which they did not have nor use before, the focus should be on the fact that the benefits are serving the elderly, neediest, and the general low income population. As a result, the 2009 Impact Evaluation should be touting the success of providing such services to the most needy, not removing measures from the program and walking away from those who need the service most.

In addition, EEC and Synergy seem to object to the 2009 Impact Evaluation's approach of using single individual measure evaluation as a way to evaluate the program. Instead, they opine that the whole house should be serviced for a more comprehensive final retrofit and this program too should be approaching evaluation from more of a whole house approach perspective.

EEC and Synergy note such an impact evaluation study should clearly express the importance of attic insulation and duct testing in a comprehensive ESA Program effort and the importance of considering lifecycle savings, even if this is not a direct function of the requested impact evaluation.

TELACU et al.: TELACU et al.'s protest states the results of the study appear problematic for policy making, both because of data issues and because of conflicts between cost-effectiveness and goal-setting. TELACU et al. refer to the Joint community based organizations' consulting economists' firm, JBS Energy, that reviewed the draft report and suggest that a problem might have arisen because the evaluation study may have screened out large users, the very people who could save significant amounts of energy from insulation and other weatherization measures.

TELACU et al. note the initial screen removed anyone using over 1500 kWh of electricity in any month or over 100 therms of gas in any month. As a result of screening out these large energy usage customers, TELACU et al. assert that the ECONorthwest report found that the average base usage of customers served by low income programs – before conservation – was almost 25% less in the 2009 study than in the earlier 2005 study. Because of the smaller initial usage, savings were also therefore smaller. TELACU et al. suggest that this result by itself is suspect unless it can be explained by the ECONorthwest's analysts. TELACU et al. further note that it is unlikely that the population of low income customers receiving services actually uses 25% less in 2009 than those served in 2005 and that it is more likely that the change in defining eligible customers had this effect.

TELACU et al. also explain that ECONorthwest subsequently re-ran its analysis to include high users, and found that average savings actually went

down. In other words, including high users in the sample presumably reduced average savings per household. The only explanation is that higher users saved less not only percentagewise but in absolute terms than lower users. TELACU et al. therefore assert that this makes little sense and question ECONorthwest's explanations. TELACU et al. claim that the regression analysis is extremely sensitive to outliers and bad data yield bad results, regardless of whether legitimate large users are excluded or skewed data are included. Similarly, TELACU et al. reiterate that a regression method of measuring savings is a standard methodology, but when it produces purportedly strange results like those presented, it renders a report unusable for policy making until it is examined and necessary corrections are made.

Moreover, TELACU et al. argue that there is a serious underestimation of electric savings resulting from insulation and other weatherization activities paid for by the gas Utilities. TELACU et al. also note the problem is bigger for SoCalGas than for PG&E (a dual fuel utility) but affects both Utilities. In neither the 2005 nor the 2009 Impact Evaluation studies did the analysts consider electric savings resulting from insulation and other weatherization activities paid for by SoCalGas. The bulk of the electricity savings will be reaped by SCE, but considerable amounts will accrue to Southern California municipal utilities and a small amount by PG&E (in parts of Santa Barbara and San Luis Obispo Counties). Similarly, TELACU et al. claim PG&E and the analysts are ignoring electric savings accruing to SMUD and other municipal utilities that arise from PG&E's gas weatherization programs. As a result, TELACU et al. claim the statewide savings from weatherization are being underestimated; making this program appear less cost-effective than it really is; and it is affecting program design.

TELACU et al. also suggest the 2009 Impact Evaluation overlooked the water savings from Domestic Hot Water (DHW) measures, as their embedded electricity costs, were not included. TELACU et al. found that with all the work being done trying to measure embedded electricity savings in water, leaving water savings out of low income energy efficiency DHW programs was is not reasonable.

Finally, TELACU et al. contend, in addition to the calculation of the amount of savings, one more key item should to be considered is cost-effectiveness analysis. Low income programs, such as ESA Program, reduce CARE subsidies paid by all other customers. While this is a transfer payment within the Total Resource Cost test, it is not a transfer from the participant to other customers (as would be participant bill savings in excess of marginal costs), but is a transfer that reduces costs paid by other ratepayers. Reducing CARE subsidies provides a reason beyond equity both to continue low income programs even if they are not fully cost-effective and to consider targeting larger electric users because the electric CARE subsidy reduction is larger for large customers due to tiered electric rates.

DRA: DRA states the differences between the energy savings estimates provided in the draft and the final 2009 Impact Evaluation Report should be investigated and the reasons should be fully considered in designing any changes to the ESA Program. DRA also suggests the IOUs should use savings estimates from the previous 2005 Impact Evaluation generally while selectively choosing savings estimates from the 2009 Impact Evaluation and/or DEER data estimates as estimates from the 2009 Impact Evaluation are derived from very small samples, are inconsistent with other external studies, or were likely to have been skewed by the illogical screens applied to the records.

5.2.6.5. IOUs' Replies

PG&E, in its reply to protests, explained that because various parties have raised concerns about the results from the 2009 Impact Evaluation, the IOUs are proposing that an additional Impact Evaluation study be prepared in the next program cycle. In the interim, PG&E believes that there is no substantial change or limitation in the measures being proposed by PG&E resulting from that study. Therefore, PG&E continues to propose all measures that had been determined to meet the minimum cost-effectiveness threshold in 2008 be retained, with the exception of room air conditioning, central air conditioning and Duct Test and Seal. Air conditioning measures were installed in a limited subset of PG&E's customers' homes in certain geographical areas and will no longer be installed under PG&E's proposal. In addition, Duct Test and Seal is also a measure that appears to have minimal heat and energy savings as documented in the 2009 Impact Evaluation Study.

PG&E agrees that the upcoming Impact Evaluation will provide additional data for the IOUs and parties to again evaluate the cost-effectiveness of the various components of the ESA Program process. Thus, while it could be argued that other additional measures should be removed from the program, the prudent path would seem to involve making only minimal changes until a future Impact Evaluation can be performed, compared and contrasted with the 2009 Impact Evaluation study.

SCE agrees that the 2009 Impact Evaluation showed lower estimates of energy savings for reasons that are not fully understood. In addition, the 2009 Impact Evaluation produced cooling measure savings that are not useful for SCE's measure selection or screening in a cost -effectiveness analysis. Savings for Room Air Conditioners were reported as being equivalent to savings for Central Air Conditioners. Savings estimates were not produced for other measures and

in some cases, savings for measures in certain housing types and climate zones are not available. As a result, SCE has maintained Central Air Conditioners in its portfolio as an add back measure.

SCE concurs with DRA that the analytical framework for selecting measures for the ESA Program can be improved. However, SCE disagrees with DRA that these issues will readily be resolved in one year as estimated by DRA. An Impact Evaluation typically requires approximately two years to complete. Therefore, even under DRA's proposed schedule, a new Impact Evaluation will not be completed in time to inform measure selection and program composition for this program cycle.

SCE also makes the point concerning reporting of electric energy savings for measures installed by SoCalGas. Conversely, gas savings may also accrue for certain SCE measures. SCE believes that such issue that can be considered when performing the next Impact Evaluation.

5.2.6.6. Discussion

We recognize that there are concerns from the parties regarding the results as well as the methodology used in this 2009 Impact Evaluation. However, we want to reiterate that this study was conducted through an open and public process, with input from stakeholders being proactively sought out. There were numerous opportunities during public workshops and written comment periods after such workshops were held, for parties to provide feedback on the draft research plan, the methodology, the sample size, the initial study results, etc. The parties that have provided comments in this proceeding criticizing the 2009 Impact Evaluation were all a part of this process leading to the final 2009 Impact Evaluation and had representatives that attended the workshops leading thereto.

Thus, we find it disappointing that substantive comments and significant objections and concerns, about flawed assumptions regarding the 2009 Impact Evaluation and its plan are being lodged only after the 2009 Impact Evaluation is finalized and not during the 2009 Impact Evaluation's draft and public review and comment processes.

In any event, to the extent practicable, the parties' comments and objections to the 2009 Impact Evaluation results have been addressed by the 2009 Impact Evaluation's consultant who provided responses to the parties' objections as well as explanations and justifications for the differences in the 2009 Impact Evaluation as compared to the 2005 Impact Evaluation. The final 2009 Impact Evaluation also clearly sets forth the following explanations for the lower saving results relative to the 2005 Impact Evaluation to which many parties have objected:

- The lower 2009 savings relative to 2005 may be a reflection of the inherent difficulty in estimating savings from a billing regression model for residences where expected savings values are a small fraction of total energy use and where there can be substantial variation across households and program years (such as economic conditions) that cannot be entirely controlled for in the model.
- Some of the lower impact estimates may be a sign of diminishing savings available. Program savings may be less because the most opportune homes have already been treated and households have over the years adopted some of the measures, such as CFLs, previously supplied.
- A change in weather conditions relative to 2005 is a third possible explanation of the lower impact estimates. A closer examination of the weather conditions in the current evaluation indicates that a shift in participation to milder climate conditions may explain at least some of the decrease in estimated savings relative to the 2005 impact evaluation. This was evidenced by a substantial shift

> in participation to milder climate zones for some weather-dependent measures as well as lower heating degree days (HDDs) experienced in the current evaluation for some high usage customers installing these measures.

We further address some of the parties' concerns below. With respect to the objections raised by EEC and Synergy concerning heating measures, we largely find those objections moot. All of the heating measures have been added back in all climate zones and housing types as well as cooling measures in the extreme climate zones.[136] These measures, along with other add back measures proposed by the IOUs may not pass the CE Test, perhaps due to the lower energy savings estimates provided by the 2009 Impact Evaluation, or possibly due to other inputs into the equation, but ultimately are not affected because they are being added back for health comfort and safety reasons. Therefore, PG&E and SCE are correct that there is no substantial change or limitation in the measures being proposed in this upcoming cycle resulting from the 2009 Impact Evaluation.

As for the objection as to the single measure evaluation approach used in the 2009 Impact Evaluation, it is unclear what specific change to the 2009 Impact Evaluation the parties are proposing. What we do understand is that estimating savings using simulations of whole building energy, as proposed, was an approach considered in the 2009 Impact Evaluation, but later eliminated as an option because it was prohibitively costly and not likely to produce superior results. Therefore a billing regression to estimate impacts for the majority of measures covered in the 2009 program year was used instead.

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[136] See Section 3.6.5.1 of this decision.

As for the various parties' contention that the 2009 Impact Evaluation should perhaps have screened out the outliers and that using the results with the outliers produced the underestimation of energy savings for some measures, we will note once again that no substantial changes or limitations in the IOUs' upcoming measures offerings have been made as a result of the 2009 Impact Evaluation. We therefore find such objection to be moot for this upcoming 2012-2014 cycle and suggest those concerns be looked at in the upcoming Impact Evaluation study that will be completed during this cycle in preparation for the next cycle.

As for TELACU et al.'s concern that DHW measures (and their embedded electricity usage) are not included, the IOUs have proposed, and we are approving, the water conservation measures as an add back into the program. Therefore, this is also a moot point.

DRA and other parties have raised various objections concerning the merits of the evaluation framework and methodology used for the 2009 Impact Evaluation. We will note that irrespective of the merits of these objections, measures have been added back for health, comfort and safety reasons.

5.2.6.7. Conclusion

In all, we find the 2009 Impact Evaluation results to be generally sound, given the parameters and scope of the work. However, we do agree with parties that a more robust evaluation may be beneficial and that another impact evaluation should be conducted during the 2012-2014 cycle. We therefore approve the IOUs' Impact Evaluation proposal, as described in SCE's testimony in Appendix A, Attachment A-9. The upcoming Impact Evaluation is approved with following conditions:

(1) Energy Division's Demand-Side Management Branch should share oversight and review of the evaluation plan

and results of the study in collaboration with the IOUs, consistent with the evaluation, measurement and verification (EM&V) processes we set out in D.10-04-029. In D.10-04-029, the Commission laid out the EM&V processes for the 2010-2012 mainstream energy efficiency program cycle. Specifically, the Commission directed the IOUs to submit their evaluation projects for Energy Division approval prior to implementation. We expect the IOUs to adhere to this same process here;

(2) The draft research plan for the approved Impact Evaluation study and all relevant documents, including draft versions of an interim and/or final report, should be posted to Energy Division's document-sharing website (https://energydivision.basecamphq.com/login), and the project would feature its own Project Coordination Group that may facilitate review among the IOUs and Energy Division staff;

(3) The draft research plan and draft interim and/or final report will be shared publicly by also being posted to the Energy Division's Public Download Area website (http://www.energydataweb.com/). This website will be used to solicit and post public comment on the IOUs' and Energy Division's evaluation plans and reports;

(4) The IOUs' ESA Program Impact Evaluation study, as proposed and approved here, should look for opportunities to leverage existing Energy Division or the IOUs' studies in their mainstream energy efficiency programs. Collaboration may be possible for evaluation or other research projects currently in the field and future studies such as the Residential Appliance Saturation Survey (RASS) and the California Lighting and Appliance Saturation Survey (CLASS), in order to inform the project and produce more robust results. Leveraging existing studies may reduce evaluation costs and open opportunities to understand the whole residential market potential for energy efficiency; and

(5) By no later than August 31, 2013, the Final Impact Evaluation Report must be posted Energy Division's

Public Download Area website
(http://www.energydataweb.com/).

The budget for this Impact Evaluation is not to exceed $600,000, and we direct that it be funded by the ESA Program budgets, and the four IOUs shall pay for the contract with equal split: PG&E: 25%; SCE: 25%; SCG: 25%; and SDG&E: 25%.

Many parties have raised various objections during this proceeding concerning the merits of the evaluation framework and methodology used for the 2009 Impact Evaluation. This is New Impact Evaluation, as was the 2009 Impact Evaluation, is a public process and each of you must take responsibility to participate and actively comment during all phases leading to Final Impact Evaluation. It will be too late for you to criticize that Final Impact Report after that process ends.

Conversely, we remind that IOUs to ensure that the process fully revisits all of the objections faced by the 2009 Impact Evaluation and properly address those issues, where appropriate.

5.2.7. Next Low Income Needs Assessment

Several parties, including CforAT, DRA, TURN, La Cooperativa and Greenlining, have called for a new Low Income Needs Assessment to be conducted during this funding cycle, based upon Code Section 382(d) which provides that the Commission conduct such reviews "periodically" to "consider whether existing programs adequately address low-income electricity and gas customers' energy expenditures, hardship, language needs, and economic burdens." They are correct to note that both the economic conditions facing California and the energy market have changed substantially since 2007 when the last assessment was conducted.

Numerous subject specific studies have been completed in the 2009-2011 cycle. In addition, several significant issues are being reviewed during the second phase of this proceeding through the consultant and working group processes (e.g. WE&T, Multifamily, Energy Education, Impact Evaluations, Process Evaluations, Needs Assessment, CSD leveraging efforts, etc.), as ordered in this decision. Given the circumstances, a well scoped needs assessment study could complement those efforts and could lay the foundation for and assist the Commission in review of the 2015-2017 program cycle applications. We therefore believe that a new and targeted needs assessment should be conducted during the 2012-2014 cycle.

The scope of such a study shall include, but is not limited to:

1. Development of baseline estimates of the potential eligible, willing and remaining population for the CARE and ESA Programs, as well as methods for tracking changes over time;

2. Identification of needs that exist, needs that are being met,[137] and needs that are not met by the existing CARE and ESA Programs;

3. Identification of service gaps not being addressed by the existing CARE and ESA Programs;

4. Identification of barriers that cause service gaps in the CARE and ESA Programs; and

5. Recommendations on appropriate and effective methods for meeting energy-related needs in light of these potential barriers in the CARE and ESA Programs.

[137] This examination of need should identify what portion of CARE and ESA Program eligible population constitutes cash only workers who are unable to show proof of income documentation, and examine potential methods of enhancing the income verification process for that population.

The Final Needs Assessment Report shall address:

1. How many households are eligible for the CARE and ESA Programs;

2. How many households are enrolled in the CARE Program and have recently participated in the ESA Program;

3. What is the eligible, willing and remaining population for the CARE and ESA Programs;

4. Whether the current ESA and CARE Program's targeting, outreach, enrollment and verification processes are effective, and how can they be improved;

5. The main reasons why customers choose not to participate in the CARE and ESA Programs;

6. The ESA Program measures that are most needed among eligible households;

7. The ESA Program measures that serve the most benefit to eligible households based on the ESA Program eligible population's energy need, behavior and household characteristics;

8. The available energy savings potential from the ESA Program;

9. Whether the CARE and ESA Programs are reaching the appropriate targets, and if there are any significant under- or over-served segments; and

10. Whether the CARE and ESA Programs are achieving their maximum potential program benefits, and what strategies should be used toward this end.

The budget for this Needs Assessment is not to exceed $700,000. While the Needs Assessment Study will benefit both the CARE and ESA Programs, it is primarily designed to lay the foundation for numerous ESA Program issues;

therefore we direct that it be funded by the ESA Program budgets, and as is the usual split for co-funded studies between the four IOUs, the IOUs shall pay for the contract with the following split: PG&E: 30%; SCE: 30%; SCG: 25%; and SDG&E: 15%.

The IOUs shall involve the Energy Division at the earliest possible time in the request for proposal and bid evaluation process. The IOUs, along with the Energy Division staff will evaluate the bids, and the Energy Division shall make the final determination on the contractor selection. The process shall also follow the structure outlined in Resolution E-4237. The IOUs and the Energy Division must take all necessary and reasonable actions to ensure that by August 31, 2013, the Final Needs Assessment Report is completed, in order for the results to be incorporated into the CARE and ESA 2015-2017 program cycle applications process.

5.3. Miscellaneous Administration and Delivery Proposals

First and foremost, the Commission extends deep appreciation for the passionate and thoughtful participation by the parties in this proceeding that will form the foundation for even greater success in the ESA and CARE Programs in the upcoming program cycles. Some proposals are timely, reasonable and poised for resolution. However, not all issues are so readily poised for resolution and will benefit from further research, development and/or collaboration in the months ahead amongst the stakeholders and parties. Therefore, we approve and authorize the following proposals and deny others. Even if not specifically denied, any proposals not expressly approved and authorized are deemed rejected.

5.3.1. Calculating Eligible Population

In calculating the eligible low income population, the IOUs used the joint utility methodology adopted by the Commission in D.01-03-028. Eligibility estimates for the ESA Program were developed concurrently with the CARE Program estimates according to the joint utility methodology that is used to annually estimate the number of customers eligible for ESA and CARE Program services, for each utility area, and for the state as a whole. The IOUs then escalated the 2010 estimate by one percent annually to obtain the number of estimated eligible ESA Program customers as of 2020. The Commission adopted a one percent escalation rate to account for customer growth in D.08-11-031. The 2020 estimate is then further adjusted by: (1) deducting customers who are unwilling or unable to participate; (2) deducting homes that have been already treated through the ESA Program during 2002-2011; and (3) deducting actual and projected LIHEAP/WAP activity through 2020. After making the above deductions, the IOUs identified the homes that are estimated to require

treatment in 2012-2020 in order to meet the Commission's programmatic initiative. And because the 2012-2014 program cycle consists of three of the remaining nine years to achieve the Commission's Programmatic Initiative, the IOUs then take one-third of the 2012-2020 homes remaining to be treated as their goal to obtain the number of homes that are to be treated during the 2012-2014 cycle.

Regarding the unwillingness and inability to participate factor, D.08-11-031 authorized a 5% unwillingness factor to establish the homes treated goal for the 2009-2011 program cycle. The basis for the 5% unwillingness factor adopted was the 1,530 responses to the survey question in the Household Energy Needs Survey section of the 2007 KEMA Phase II Low-Income Needs Assessment. In this cycle, the IOUs have proposed that the Commission adopt a 15% unwillingness factor for 2012-2014 cycle based on data gathered by SCE. During the 2009-2010 program cycle, SCE had tracked the number of homes that ended up not being able to participate in the ESA Program for a variety of reasons. From this figure, SCE concluded that approximately 24% of SCE's eligible low income customers were unwilling or unable to participate in ESA Program for various reasons. Moreover, other IOUs used the SCE's figure to suggest that the 5% unwillingness factor is underestimated and have proposed to increase the unwillingness factor from 5% to 15% or 19%, further discussed below.

5.3.1.1. IOUs' Positions

PG&E, SCE, and SDG&E have all projected a 15% unwilling or unable to participate factor while SoCalGas proposes a 19% unwilling or unable to participate factor.

5.3.1.2. Other Parties' Positions

Greenlining believes that further investigation is needed and wishes to ensure that increasing the estimate of unwilling or unable customer will not result in failure to reach the goals for full implementation of the ESA Program by 2020.

EEC states that the IOUs' "unwilling to participate" numbers are too aggressive and inaccurate.

NRDC states that any proposed modification to the 5% unwillingness factor should be based on evidence limited only to customers identified as unwilling or uninterested in the program. While they do not support the proposed increase of 15% or even 19%, the NRDC wonders if these proposed high figures reflect and illustrate that income documentation to be a key barrier to participation in the ESA Program. So rather than relieve the IOUs from an obligation to serve customers who cannot overcome this barrier, NRDC encourages the Commission to authorize the IOUs to employ new strategies to reach customers identified as unlikely to participate in the program as currently structured.

DRA recommends that the Commission deny the IOUs' requests to deduct 15% (PG&E, SDG&E, and SCE) and 19% (SoCalGas) from the estimate of the households remaining to be served, and recommends that the Commission retain a 5% deduction.

TURN agrees with Greenlining's recommendation that the ESA Program should "strive for higher enrollment" and advises the Commission to reject the IOUs' proposal to expand the "unwilling" category to include "ineligible" households.

5.3.1.3. IOUs' Responses

In its reply testimony, SCE states that DRA mischaracterizes SCE's testimony. SCE proposed an additional category to include customers, "Unable to Participate – After initiating contact with enrollment contractor, customer is unable to provide documentation, such as income or owner's authorization." The mischaracterization is important, SCE contends, because DRA asserts that instead of increasing the percentage of unwilling customers, the Commission should order rule changes to the installation criteria for measures in terms of modifications to the modified 3MM Rule, natural gas appliance testing, and measures for single fuel utilities.

SCE also contends DRA's proposed rule changes do not resolve the issue at hand for customers who are unable to participate because they are unable to provide documentation related to proof of income or the property owner's authorization to install measures. SCE took a conservative approach in developing its estimates and believes the estimates are reasonable for 2012-2014. Should policy changes and data collection reflect different trends during the 2012-2014 program, revised estimates can be presented for the 2015-2017 program cycle. Therefore, SCE argues the Commission should approve SCE's 15% adjustment for customers unwilling or unable to participate.

Additionally, SoCalGas maintains that its estimate is accurate since it developed its estimates for unwilling and ineligible customers based on customer feedback as reported by contractors as a means of further refining estimates applicable to its service territory. For example, SoCalGas used a weighted average from 2009 and 2010 data trends to project that 19% of customers will be unwilling or ineligible to participate in the ESA Program.

SDG&E also states that the parties fail to offer any factual basis for rejecting its proposal. Rather, their objections are based on statements such as

"its too aggressive and inaccurate" and "that the estimates may be more dependent on the practices used by Utilities and its service contractors." Yet, SDG&E's proposed revision to the unwillingness factor is based on factual information tracked during 2009-2010 and was based on better information than what was available during the Applications for the 2009-2011 program cycle. Therefore, SDG&E requests that the Commission adopt its proposed revision to the "unwillingness factor."

5.3.1.4. Discussion

In D.08-11-031, the Commission weighed these concerns and adopted 5% of the given population from each annual eligible population estimate as the unwilling population.[138] D.08-11-031 also indicated that future estimates of willingness may be more precise and may be considered for future budget cycles, however, at this time the Commission still does not have adequate data to modify this figure. However, the new Needs Assessment being conducted pursuant to this decision in the upcoming months should inform the Commission on this issue for the upcoming 2015-2-017 program cycle.

5.3.1.5. Conclusion

The IOUs and commenting parties including DRA, TURN, Greenlining, NRDC, and EEC do not agree regarding the percentage of customers that are unwilling and/or unable to participate in low income programs. The IOUs have proposed increases in their 2012-2014 Applications from 5% to 15% (19% in the case of SoCalGas). Most of the parties oppose the IOUs' proposed increase and support the current 5% unwillingness factor adopted in D.08-11-031 which is consistent with 2007 KEMA report findings. Additional information and

[138] D.08-11-031 at 110.

evidence is required in order to determine whether the increase proposed by the IOUs is reasonable.

The IOUs are directed to track and report customer unwilling/unable percentages during the 2012-2014 budget cycle. In addition, the IOUs are directed to document the reasons *why* customers are unwilling and/or unable to participate in the program during the 2012-2014 program cycle. This information will be evaluated to determine the reasonableness of the IOU's joint proposal to increase the unwillingness factor for future program cycles.

Therefore, the Commission rejects the IOUs proposed increases of the unwillingness factor and require that current 5% unwillingness factor continue be used for 2012-2014.

5.3.2. CARE and ESA Program Eligibility and Federal Poverty Guideline

5.3.2.1. Introduction

The Joint Parties propose the Commission use the Census Bureau's new poverty figures to take into account housing, food subsidies, geographic differences, transportation costs, and medical costs rather than the current methodology used to calculate poverty levels in determining low income customer's income eligibility in the CARE Program. The Joint Parties contend that such new methodology, used in the Census,[139] should be utilized by the Commission in this cycle in order to more accurately define poverty and provide

[139] In 2011, the US Census Bureau released a new poverty metric called the Supplemental Poverty Measure that takes into account housing, food subsidies, geographic differences, transportation costs, and medical costs.

services to those who need it most.[140] TURN supports Joint Parties' request for a workshop to address this topic.

5.3.2.2. Background

The Commission's CARE Program customer income eligibility is set forth in Code Section 739.1(b)(1) which provides:

> The commission shall establish a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels, the cost of which shall not be borne solely by any single class of customer. The program shall be referred to as the California Alternate Rates for Energy or CARE Program. The commission shall ensure that the level of discount for low-income electric and gas customers correctly reflects the level of need.

5.3.2.3. Discussion

The Joint Parties' request assumes that the Commission uses an elaborate poverty calculation separate from the Census data. However, it is Code Section 739.1(b)(1) which defines how the Commission determines the CARE income threshold (poverty level) and the Commission does so by taking the latest Census figure each year and doubling that as required by statutory direction. There is no methodology or mystery here. If the above statutory threshold is an issue, the solution is legislative. The Commission does not have the authority to modify this requirement absent legislative updates. Therefore, the Commission rejects the proposals to review the issue of redefining its poverty guideline. Likewise, we reject the request for workshops to address replacement

[140] Joint Parties' Opening Testimony at 12.

of the federal poverty guideline requirement with the Supplemental Poverty Measure as proposed by TURN on similar grounds.[141]

While reviewing this federal poverty guideline issue however, we noticed a discrepancy in the current administration of this very issue that we are correcting now in this decision. The Commission's Energy Division issues the annual CARE eligibility letters to all of the IOUs based upon the latest federal poverty guideline data released. In them, until last year, one-person households were lumped in with two-person households in eligibility calculation. The result was that if a customer were a one-person household, that customer would qualify for the ESA and CARE Programs since the eligibility threshold was the same as a two-person household.

Energy Division will ensure that all future annual CARE eligibility letters comply with the Code Section 739.1(b)(1) mandate.

[141] TURN Reply Testimony at 5.

5.3.3. Customers with Disability

In their opening testimony CforAT supports the continuation of the current 15% enrollment goal established in D.08-011-031 for the segment of low income population with disability, with some refinements in the identification process. SCE in its reply testimony supports maintaining the 15% disability penetration goal and allowing an optional customer questionnaire. We approve the proposed continuation of the 15% enrollment goal; however, we will not address any specific refinements to the IOUs' enrollment process. We do not intend to micromanage the IOUs implementation efforts as some discretion is critical for the IOUs to maintain and effectively administer the overall program. Instead we direct the IOUs and CforAT to work cooperatively to resolve those logistical concerns toward effectively enrolling this segment of low income population with a disability.

5.3.4. Natural Gas Appliance Testing Policy

5.3.4.1. DRA's Recommendation

DRA's recommendation seeks to reform the current natural gas appliance testing policy to establish a landlord co-pay system. DRA contends such a co-pay system would expedite the repair and replacement of natural gas appliance test failures for "red tagged" appliances similar to a co-pay system used for refrigerators and air conditioners.

5.3.4.2. CHPC et al.'s Position

CHPC et al. contend that the prohibition on heating and hot water system replacements and repairs in renter occupied households under D.08-11-031 may be hindering important energy efficiency savings that could otherwise be obtained. In that decision, the Commission decided that no furnace repair and replacement or water heater repair and replacement work shall occur in violation

of D.07-12-051 which decided that heating and water heating in rented housing are the responsibility of the landlord under § 1941.1 of the California Civil Code.

5.3.4.3. SoCalGas' and SDG&E's Position

SoCalGas disagrees with CHPC et al.'s assertion that D.08-11-031 which prohibits "heating and hot water replacements and repairs … may be hindering important energy efficiency savings that could otherwise be obtained." SoCalGas contends that aside from the ESA Program, the Energy Upgrade California (EUC) energy efficiency program is an adequate and existing alternative program established to encourage landlords to upgrade furnaces and water heaters and realize energy efficiency savings.

Pursuant to the EUC program, SoCalGas notes the landlords would receive an incentive to replace inefficient furnaces and water heaters with new, more efficient ones. SoCalGas explains that the difference between the proposal of CHPC et al. and SoCalGas is that under SoCalGas' EUC program, landlords will need to pay for the purchase of the equipment, although at a lower cost due to the incentive provided by SoCalGas' EUC energy efficiency program. In contrast to CHPC et al.' proposal for the ESA Program to provide such upgrades at no cost to the landlord, SoCalGas fully supports this incentive avenue for landlords to pursue energy efficiency savings which is consistent with the Commission directives that the landlord (and not ratepayers) be responsible for the replacement of functioning furnace and water heaters.

Therefore, SoCalGas and SDG&E argue that their proposed integration with other energy efficiency programs and/or the TELACU et al. pilot to provide landlord incentives to replace furnaces and water heaters would be a better alternative than having ratepayers bear the entire costs of these measures, as DRA or CHPC et al. propose. Similarly, SDG&E considers that its proposed

integration with other energy efficiency programs to provide landlord incentives to replace furnaces and water heaters is a better alternative to having utility ratepayers bear the entire costs of these costly measures.

5.3.4.4. PG&E's Response

PG&E contends that its policy is to only replace furnaces when the furnace or hot water heater is not working properly and is in an unsafe condition, failing the natural gas appliance test. There are no other instances when furnaces are replaced by PG&E. If the Commission elects to include such costly measures that are not otherwise available through the current ESA Program in the context of multifamily housing pilot program, PG&E recommends that these measures be available through rebated costs borne by the landlords with both the low income tenants and the landlords realizing greater energy efficiency and lower costs. Even so, PG&E requests that costs be fully considered to be sure that the ESA Program is adequately budgeted to cover any increase in the number of measure units forecast.

5.3.4.5. Discussion

California Civil Code Sections 1941.1 (c) and (d) specifically require the landlord to provide heating and hot water in tenant occupied dwellings. In D.08-11-031, we concluded that "no furnace repair and replacement or water heater repair and replacement work shall occur in violation of our holding in D.07-12-051 that heating and water heating in rented housing are the responsibility of the landlord."

In its testimony and responses to the December 2011 Ruling, DRA references the various co-pay policies of the electric Utilities have established for refrigerator and air conditioner replacements and recommends adoption of SDG&E's 50% co-pay amount to apply to water heater and furnace replacements in tenant occupied dwellings.

DRA's co-pay policy proposal is inconsistent with Commission policy, existing program rules, fails to consider program's policy implications and does not recognize landlord obligations with respect to heating and hot water under Section 1941.1 of Civil Code. In addition, such proposal also ignores the program fiscal implications and would require upward adjustments to the IOUs' proposed budgets, as noted by PG&E, at substantial expense to the ratepayers. According to the estimates provided by the IOUs, in response to the December 2011 Ruling, an additional $20.8 million in funding would be required during the 2012-2014 program cycle in order to support DRA's proposal.

IOU	Annual Estimate	Projected Expense 12-14 Cycle
PG&E	$4.9M	$14.7M
SDG&E	$940k	$2.82M
SoCalGas	$7-9M	$24.1M $41.62M X (50%) = $20.8M in ratepayer funds

The IOUs correctly reference existing programs such as EUC and the MFEER, in their testimonies, as both appropriate and viable alternatives to such co-pay proposal. We too agree that these other programs are better suited and equipped to upgrade inefficient appliances while offering rebates and incentives to landlords. Statewide Energy Efficiency programs such as EUC and MFEER are designed specifically to achieve energy savings. As a result, costs are

appropriately distributed, eliminating the need to burden ratepayers with additional program expenses for which they are not ultimately responsible.

The current program policy and procedures, prior decisions, the Commission's interpretation and application of Civil Code Section 1941.1, and available alternatives through existing statewide programs suggest that DRA's recommendation/proposal is imprudent and unnecessary.

We therefore deny DRA's proposal to establish a co-pay system for gas appliances to expedite repair and replacement of natural gas appliance test failing ("red tagged") appliances including furnaces and water heaters.

5.3.5. ESA Program Contractor Reimbursement/Charge Back

In their testimony, EEC raised a potential concern for the Commission's consideration that service providers can only explain the program requirements and ask the customer to provide the documents but cannot compel a customer to provide all income documents upon enrollment. Therefore they should not be held responsible if, upon an audit or further inspection, that customer is found to not qualify for the program after already receiving services. EEC explains that, currently, the service provider is liable, resulting in a "charge back" to the contractor who enrolled and installed the services for that home.

5.3.5.1. EEC's Position

EEC states that service providers can ask the customer to provide income documents but cannot compel the customer to provide all income documents required upon enrollment. If a customer only provides a portion of their income documents or provides inaccurate information, service providers have no way of knowing and should not be held responsible. EEC suggests that the CARE Program does not chargeback the customer after they fail an audit or further verification, and therefore neither should the ESA Program.

EEC recommends that all customers should be required to watch a brief DVD video about of the requirements to participate in the ESA Program and such DVD be provided to customers in addition to the current practice of signing several enrollment forms. Thereafter, if the customer fails an audit, the IOUs can support the service provider knowing they did their part in explaining the program properly and the Commission can support the IOUs knowing due diligence was done. EEC believes the Commission should authorize the IOUs a line item in the budget and authorize an IOU Program Manager to approve reimbursement for measures installed in good faith to ineligible customers.

5.3.5.2. IOUs' Propositions

In response to the December 2011 Ruling seeking more detailed explanation and magnitude of the potential issue raised by EEC, the IOUs provided the following comments.

SCE estimated the percentage of homes enrolled in SCE's ESA Program that have been later deemed not eligible and therefore resulting in a chargeback is less than 0.5%. Based on its experience, SCE elaborated and explained the reasons for why this 0.5% no longer qualifying include:

- Customer received a special needs replacement refrigerator (side-by-side or bottom freezer), but proof of disability did not meet program requirements. Since the contractor is responsible for obtaining valid proof of disability prior to installing a side-by-side or bottom freezer, a chargeback is required.
- The contractor installed an evaporative cooler but did not verify if the customer's home owners association approved the installation. Since the contractor is responsible for verifying approval by the home owners association, a chargeback is required.
- A customer received a measure but the proper documents are not on file. For example, a renter was eligible for a

refrigerator and the contractor performed outlet grounding without a completed property owner waiver. Because the contractor is responsible for obtaining a property owner waiver, a chargeback is required.

- The contractor completes an installation while a customer account is inactive. Because the contractor is responsible for verifying that the account is active at the time of installation, a chargeback is required.

PG&E estimates that in 2009-2011 cycle, 308 homes out of the recorded 341,193 enrolled homes, or less than 1% of enrolled customers, received services and were later deemed ineligible resulting in a chargeback to the service provider. Based on its experience, PG&E elaborated and explained the reasons for this less than 1% no longer qualifying include:

- Customers that were determined to be over income threshold for the ESA Program during audits of contractor paperwork by RHA (PG&E's ESA Program prime administrator), or PG&E.

SDG&E too estimates that less than 1% of the homes that are enrolled in its ESA Program received services and measures but end up not qualifying because they are later deemed ineligible resulting in a chargeback to the service provider. Based on its experience, SDG&E elaborated and explained the reasons for this less than 1% no longer qualifying include:

- Customer did not provide sufficient income documentation to prove their eligibility; and
- Not meeting the Three Measure Minimum rule.

Based on SoCalGas' 2009-2011 results, 7.3% of homes were enrolled in SoCalGas' ESA Program and received services and measures but were later deemed ineligible resulting in a chargeback to the service provider. Based on its experience SoCalGas elaborated and explained the reasons for this 7.3% no longer qualifying include:

- Documentation issues for customer file (incomplete documentation, missing signatures, missing correct income documentation, addresses do not match records in customer file, etc.).
- Home does not meet the three measure minimum requirements due to the condition of the home (e.g. major repairs are required before measures are feasible for installation), combustion ventilation and air issues exist in the home which prevent infiltration measures from being installed, and/or the customer refuses the installation of one or more measures.

5.3.5.3. Discussion

We understand that ESA Program service providers can only ask the customers to provide them with accurate information and documentation. We also agree that they cannot compel the customers to provide all income documents required upon enrollment and that service providers have no way of knowing when customers only provide a portion of their income documents or provide inaccurate information. The Commission is sympathetic to this concern. However, based on the data provided from the IOUs, the frequency in which this issue occurs is less significant than as suggested by EEC.

PG&E, SCE and SDG&E all state that these chargebacks occur less than 1% of the time and cite reasons for the instances of the chargebacks as largely relating to the quality of service providers' due diligence. As for the occurrences of these incidences in SoCalGas' service territory, they are more frequent at 7.3%, and again the same service providers' due diligence is cited as part of the cause. But without further information, it is unknown as to why this occurs more frequently in SoCalGas' territory. Aside the from service providers' due diligence, other factors resulting in chargebacks could include the audit/inspection rate, the variety in different contractors utilized in each IOU, selection criteria for homes to be audited, etc. With the data provided by the

IOUs and the parties in this proceeding, we cannot clearly define how significant this issue is from IOU to IOU, if at all.

What we do understand are the reasons provided by the IOUs for why the service provider was charged back. Based on the IOUs' data, we find that the reasoning does not support the suggestion by EEC (where the customer is not upfront and neglectful of providing full income documentation); but rather in most instances, it is due to the contractor not collecting all the documents required in order to provide that specific service or measure. In all these instances, the chargeback to the service providers seem reasonable.

The Commission has the responsibility to ensure that only those qualified for the program are serviced. The need to mitigate potential fraud in the program is becoming ever so important, and allowing for EEC's proposal to be approved may lead to a potential loophole for errors as well as provide a perverse incentive for service providers to be less vigilant in their enrollment efforts and more aggressive in their installment efforts as many measures as possible, even if the home in question may not qualify. We also are not convinced that a DVD is necessarily the answer at this time. We therefore deny EEC's proposal to authorize a line item in the budget to approve reimbursement for measures installed when the customer is deemed not to qualify.

5.3.6. Annual Family Electric Rate Assistance (FERA) and CARE Income Eligibility Letter Release Date

Resolution E-3524, adopted February 19, 1998, required the Director of the Energy Division to communicate new annual income levels *no later than* May 1st of each year. In their Applications, SDG&E and SoCalGas request that the Commission move its CARE annual income letter release date from May 1st to April 1st each year to afford adequate lead time for the IOUs to update their computer generated and web-based forms. No party has

commented on this proposal. SDG&E's and SoCalGas' request is reasonable. The FERA update also should be simultaneously released by Energy Division with the CARE letter by April 1st of each year. We approve this request and direct Energy Division to release the CARE annual income letter by April 1st each year and to eliminate duplication, simultaneously release the FERA update.

5.3.7 Studies and Reports Completion Due Date

In their Applications, SDG&E and SoCalGas request that the Commission require that the final reports for any pilot or study conducted during the previous program cycle be issued a minimum of three months prior to the due date of the low income assistance program budget applications. This issue was not addressed by any party in comments. During the 2009-2011 budget cycle, the late findings from the pilots and studies from the last program cycle caused a clear domino effect on the rushed review and rushed efforts to incorporate all of the lessons learned from them into the Applications initiating this current consolidated proceeding.

We share this concern. In fact, we believe three months prior to the IOUs' filing of their next set of low income assistance program budget application affords insufficient lead time. As experience has shown us, more than three months lead time is necessary. First, the Commission will need time to review all reports and determine and provide meaningful pre-application guidance to the IOUs, and the IOUs, in turn, will need and should be afforded adequate time to incorporate the findings from any report into their applications.

As for the studies, the IOUs have jointly proposed only two studies with proposed completion dates in 2013 and 2014. In addition, this decision authorizes a new Low Income Needs Assessment. We note each study's

schedule is determined when the scope is being designed and managed and that the IOUs, as active members in the study advisory teams, and as the holders of study contracts, are a large part of this process. We therefore direct the IOUs to actively and cooperatively design, direct and manage the contracts in a way to ensure due dates for the final reports at the time of bidding and later while the scope is being developed.

Thus, we direct the filing of all final reports for any pilot or study conducted during this program cycle by the dates ordered in this decision.

5.3.8. Mid-Cycle Program Changes by Tier 2 Advice Letter/Move Quarterly Public Meetings to Annually/New Method to Update P&P Manual and WIS Manual/Working Groups

In their Applications, the IOUs request that the Commission allow Tier 2 Advice Letters for program changes rather than the Petition for Modification (PFM) process. The IOUs generally argue that the Commission's PFM process is time consuming and consequently does not facilitate the IOUs' abilities to make timely and needed mid-cycle adjustments to the CARE and ESA Programs. In the IOUs' proposed Tier 2 Advice Letter process, if the proposed adjustments and program changes require an increase in the authorized budget, the IOUs propose to incorporate the budget increases in its Annual Update to the Public Purpose Surcharge filed in October of each year.

PG&E has also asked that in order to comply with water utility data sharing required by R.09-12-017, the Commission allow the IOUs to seek additional funding in this area through a Tier 2 Advice Letter in the event that any unforeseen substantial costs are incurred.

SDG&E, SoCalGas, and PG&E have requested that the Quarterly Public Meetings be moved from quarterly to annually as while they support the concept

of these meetings as a means of soliciting public input, the meetings have been poorly attended and not proven to be viable. SoCalGas proposes that the annual meetings or another public meeting, similar to those conducted for the Statewide WIS Manual updates, replace the current requirement of a Commission decision for mid-program cycle adjustments to make timely and needed adjustments to the CARE and ESA Programs.

5.3.8.1 Other Parties' Comments and Positions

Most parties are generally silent on the IOUs' proposal to forego the Quarterly Public Meetings and instead conduct one annual meeting. Only Greenlining argues that the proposal to replace the Quarterly Public Meetings requires more investigation.

NRDC, in its opening testimony proposes a possible solution in marrying several different proposals/requests in this proceeding, including the IOUs' proposal to forego the Quarterly Public Meetings and instead conduct one annual meeting. NRDC proposes, instead of the Quarterly Public Meetings, the Commission should convene an advisory group, which NRDC refers to as a working group. Such a group would facilitate incorporation of best practices across the IOUs and would be comprised of representatives of each of the IOUs, ESA Program contractors, community based organizations, DRA, Energy Division, an environmental organization and a consumer advocacy organization. Additionally, NRDC recommends that such a group could operate as a subcommittee of the Low Income Oversight Board (LIOB) to provide additional oversight and avoid duplication.

In reply testimony, DRA, the Joint Parties, SoCalGas, SDG&E, and SCE are generally supportive of the NRDC's advisory group or working group concept. However, the IOUs do not support the concept of the working group's role

overlapping with that of the LIOB. Several parties, including DRA,[142] agree that an ongoing working group, as a concept, would be critical in moving the ESA Program forward from the current scaled-up ESA Program.

5.3.8.2. Discussion

First, the IOUs' concern that they need authorization to file Tier 2 Advice Letters to recover costs associated with data-sharing with water utilities in compliance with D.11-05-020 is unnecessary. The IOUs have already been granted that authority. In fact, those Tier 2 Advice Letters must also report on the corresponding costs borne by partnering water utilities that are filed in accordance with R.09-12-017.

As for the IOUs' request for Tier 2 Advice Letter process for general mid-cycle changes to the CARE and ESA Programs, we find the request ambiguous. Without specifically identifying what particular mid-cycle issues are anticipated, we do not see the need and the IOUs have not provided a convincing justification for such a mid-cycle process that the current decision and PTM process do not afford.

Relatedly, we have found the need, as discussed in Section 6.4 of this decision, that a PTM should be filed by the IOUs to allow our review what overall program cycle budget augmentations are being sought and why.

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[142] DRA proposes that working groups could take on the following issues: (1) update installation and skill standards, and consider adopting parts or all of the Department of Energy's voluntary skill standards; (2) revise the cost-effectiveness methodology, (3) update and incorporating values and assumptions; (4) consider new program measures, technologies and program delivery approaches; (5) Integrate with other ratepayer-funded Demand Side Management programs; and (6) Draft an ESAP policy manual, as suggested by SCE and consistent with Commission direction. TURN agrees with DRA's suggested functions for such a working group.

Concerning the Quarterly Public Meetings, however, we appreciate the IOUs' sharing of its experiences and the parties' foregoing comments and feedback on process improvements. The record in this proceeding and the 2009-2011 budget proceeding, A.08-05-022 et al., confirm that the IOUs have repeatedly found the Quarterly Public Meetings, particularly the final Quarterly Public Meeting of each year unnecessary or otherwise more burdensome than beneficial.

The Quarterly Public Meetings were initially mandated by D.06-12-038[143] with the main purpose of allowing public access to the IOUs and a public forum to "facilitate program improvements" as set in that 2006 decision. That was six years ago, and we now find those Quarterly Public Meetings have understandably lost focus and direction over the years. Such efforts take away from, instead of adding to, the improvement in delivery of these very important programs while diverting IOUs' and stakeholders' strained resources and attention away from core efforts.

On the other hand, in reviewing these issues in light of the current Applications and the issues raised by them, we believe the parties have delivered various program and process improvement ideas and proposals that could ideally be hosted and facilitated using similar public forum. As we have seen, the workshops in this proceeding have been quite useful - affording education, public debate, sharing of expertise and insights and yielding often informative discussions.

Based thereon, we agree with the IOUs' proposal that they should be relieved of the Quarterly Public Meetings as previously ordered in D.06-12-038.

[143] D.06-12-038, OP 7.

However, we also note that similar public meetings can be revamped once again to become an active tool for the CARE and ESA Programs, as they were originally envisioned but with a new focus provided in this current decision.

5.3.8.3. Conclusion

Based on the foregoing, we do not approve the IOUs' request for a Tier 2 Advice Letter process for mid-cycle program changes. We do approve the IOUs' request concerning the Quarterly Public Meetings, as modified in this decision. The IOUs are relieved of the Quarterly Public Meetings ordered in D.06-12-038. Instead, the IOUs shall convene a minimum of one public meeting per year, within 60 days of their filing of the annual report, and other public meetings as deemed necessary by either the IOUs, the Energy Division, the ALJ, or the Commission.

In the upcoming 2012-2014 program cycle, we will test the IOUs' meetings as a forum to host the working group concept generally proposed by NRDC, as modified and set forth below:

(a) Unless we have specified otherwise in other parts of this decision, within 60 days of the effective date of this decision, Energy Division is charged with the task of soliciting and putting together the following working groups:

  (i) a Cost-Effectiveness (CE) Working Group, as outlined and discussed in Section 3.5.4 of this decision;

  (ii) a WE&T Working Group, as outlined and discussed in Sections 3.11.5.4 and 3.11.5.5 of this decision;

  (iii) a Mid-Cycle Working Group, and other(s) as Energy Division determines necessary and appropriate for this program cycle. (The charge for the Mid-Cycle Working Group will be to review: (1) Weatherization

and Installation (WIS) Manual Updates[144];
(2) Statewide Policy and Procedure Manual Updates;
(3) Streamlining of the IOUs' Reporting Requirements; (4) The IOUs' Best Practices;
(5) General Mid-cycle Program and Process Improvements; and (6) Potential 2015-2017 Application and Cycle Issues, including whether the next cycle applications could benefit from bifurcation of CARE Program issues from ESA Program Issues[145]);

(b) Unless we have specified otherwise in other parts of this decision, the size and makeup of a particular working group will be determined by Energy Division with the direction of the ALJ to yield a fair, informed, balanced and productive review and exploration of the issues that the working group must review;

(c) The IOUs shall host, notice, facilitate and provide public working group meetings, as needed and requested by each of the working group during 2012-2013 program years;

(d) The IOUs should continue to equitably rotate the responsibility of facilitating these meetings, recording minutes and ensuring recommendations, reports and other progress reports are submitted to the proceeding

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[144] SCE, SDG&E, and SoCalGas have all sought Commission's authorization in this proceeding to permit them to make "minor changes" to the Statewide ESA Program Policy and Procedures Weatherization Installation Standards Manuals, with appropriate public input, to reflect Commission direction in this proceeding for the 2012-2014 program cycle or similar changes related to updated and/or new code requirements, such as Title 24.

[145] SCE requests that a comprehensive ESA Program policy document be developed in this cycle. We do not believe such a document is timely nor necessary at this time, particularly as the ESA Program is going through changes, with multiple critical components being reviewed during this cycle (e.g. cost-effectiveness methodology, etc.). This and other relevant Commission decisions with the backdrop of current Strategic Plan will suffice. SCE's request is denied.

service list and the Commission for review and consideration for inclusion in the record, subsequent Rulings and/or Decisions;

(e) These newly structured IOUs' public meetings can either be solely dedicated to a particular topic or working group or could accommodate more than one topic or working group, as needed, to address the needs of the working groups authorized in this decision;

(f) Unless we have specified a different schedule and deadlines for the particular working group, in other parts of this decision, each working group must, by no later than February 15, 2013, submit to the ALJ, the working group's progress report of findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and a detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision with justification showing good cause for any additional and estimated time it may require;

(g) Unless we have specified a different schedule and deadlines for the particular working group, in other parts of this decision, each working group must, by no later than July 15, 2013, submit to the ALJ, its final report of findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision; and

(h) The terms of all working groups expire 45 days after its final report and recommendations are submitted to the ALJ.

5.3.9. 2015-2017 Application Due Date and Projected 2015-2017 Guidance Document Due Date

In their Applications, SDG&E and SoCalGas request that the Commission change the usual due date for the budget ESA and CARE applications from May to July, making the next cycle applications due date July 1, 2014. This request is reasonable and therefore approved.

In addition, SDG&E and SoCalGas request that the 2015-2017 Guidance Document be issued by the Commission by no later than December 31, 2013. While we understand the concerns underlying this request, the timing of 2015-2017 Guidance Document is affected by myriad of preceding studies and reports as well as other Commission's activities, in and outside of this proceeding, all of which inform the Commission. As such, setting of a firm date is infeasible. However, assuming necessary studies and reports are timely completed, the IOUs should reasonably expect that the Commission would issue 2015-2017 Guidance Document, setting forth guidance for the 2015-2017 program and budget applications for CARE and ESA Programs, by January, 2014.

That said, the IOUs are directed to assist and use the Mid-cycle Working Group as a way to review the current IOUs' reporting requirements with an eye to streamline and reduce unnecessary and redundant reporting as well as make recommendations to update the application process to make any related process improvements, including whether in the Commission should consider bifurcating the CARE proceeding from ESA proceeding in its review of next cycle application.

5.3.10. Customer Referral Incentive/Contractor Referral Incentive/Contractor Common Uniforms/Enrollment Kit

SoCalGas requests $2,500,000 and SDG&E requests $2,250,000 to implement a Customer Reward program that offers a grocery gift card or similar

reward, up to $50 per enrolled customer, who refer other successfully enrolled customers in the ESA Program. SDG&E also requests $130,275 to allow its installation contractors a $15 referral fee to encourage increased ESA Program customer enrollments. SoCalGas also requests $15,000 to encourage its contractors to wear common uniforms, including an ESA Program brand name and logo, which will assist customers in easily identifying Outreach Specialists or Installation Crews as representatives of the ESA Program. Lastly, SoCalGas requests $10,000 to develop a new Enrollment Kit to assist the Contractor Outreach Specialists in demonstrating potential ESA Program offerings in order to "get in the door."

In their opening testimony, DRA strongly opposes SDG&E's budget request for these customer incentives on the grounds that bill savings are incentive enough for participation and SDG&E has not demonstrated the need for these customer incentives in order to reach SDG&E's projected customer enrollment for 2012-2014 program cycle.

In its reply testimony, SDG&E contends that cancelled or missed appointments cost the ESA contractors *and* program when contractor crews come to a customer home and the customer does not show up for the appointment. By offering a nominal stipend to the customer, SDG&E believes customers will view the overall program offering as having greater value. In their reply testimony, the Joint Parties opposes DRA's position and instead support SDG&E's request to provide gift cards as an appointment incentive.

We agree in part with DRA in that without better showing of how much the ESA Program will benefit from such incentive programs, it would be imprudent to invest the funds in such efforts at this time. The funding for incentive programs requested by SDG&E and SoCalGas for this budget cycle, as

proposed, are denied as unreasonable and the benefits to the program tenuous and unproven. SoCalGas' proposal for Common Uniform and Enrollment Kit and proposed costs are reasonable and therefore approved.

5.3.11. SoCalGas' Customer Assistance Representative Positions

In their Application, SoCalGas requests authority to recover $3.1 million in overhead costs associated with proposed Customer Assistance Representative positions to be created using meter readers displaced by the installation of advanced meters. In their opening comments, the Utility Workers Union of America (UWUA) Local 132 voiced support for SoCalGas' budget request. EEC questioned the possible impact of the new CAR positions on the existing network of community based organizations.

In D.10-04-027, the Commission's Decision on Application of Southern California Gas Company for Approval of Advanced Metering Infrastructure, we augmented SoCalGas' meter reader retention and retraining budget by $1 million to a total of $1,117,000. SoCalGas was directed to utilize this budget to extend severance, vocational training, and other transitional opportunities to affected meter reading employees. SoCalGas currently has funds remaining to provide educational and career development opportunities for displaced meter readers employed by SoCalGas.

We find that SoCalGas' request for an additional $3.1 million for reader reassignment via the ESA Program will not increase the ESA Program's cost-per-enrollment and is therefore reasonable and approved.

5.3.12. IT Costs for Water Utility Data Sharing

In their Application, SoCalGas estimates that there would be $90,000 in CARE IT costs for the first data sharing effort with a water utility and $25,000 for

each additional collaboration effort. Any on-going IT labor costs would be small and should be included as part of the regular CARE IT maintenance budget.

As explained in D.11-05-020, the IOUs were directed to anticipate incurring one-time implementation costs to establish data sharing. The IOUs were directed to include the information technology and administrative costs associated with data sharing, not already included in rates, in the low income budget contained in the program applications for 2012-2014. Likewise, the IOUs were directed to include their costs incurred in 2011 and not already included in rates to be included in the low income budget Application for 2012-2014.[146]

As data sharing has yet to occur, SoCalGas' request is denied. Instead, to recover costs associated with water utility data sharing, SDG&E, SoCalGas, PG&E, and SCE are directed to file a Tier 2 Advice Letter. These Tier 2 Advice Letters must also report on the corresponding costs borne by partnering water utilities that are filed in accordance with D.11-05-020.

5.3.13. CARE Estimate Deadline

D.06-12-038 directs the IOUs to file, by or before October 15 of each year, their annual estimates of customers eligible for the CARE Program. On February 16, 2012, the IOUs finally filed their latest annual estimates of customers eligible for the CARE Program (CARE Filing) which was originally due on October 15, 2011. The IOUs sought and received three prior approvals for those extensions to accommodate issues including but not limited to the unavailability of critical data, additional complexity due to factors related to partial transition to Census 2010 data geography among the various data sources, and vendor and Census Bureau adjustments to changing geographies – i.e.,

[146] R.09-12-017 at 8, and D.11-05-020 at 36.

changes in block, tract, city, and zip code tabulation area definitions from 2000 to 2010 Census blocks.

In years prior, the IOUs similarly experienced the need for extension from October 15 deadline due to unavailability of certain critical data before the October 15th due date. Based on their experiences, in the CARE Filing, the IOUs request that this deadline be changed to December 31 of each year which they project as more feasible annual due date with the exception of unique issues that may arise during post-Census transition years.

This request is reasonable and therefore approved. The annual estimates of customers eligible for the CARE Program will now be due by December 31 of each year.

6. General Administration

6.1. Evaluation, Measurement and Verification (EM&V) Process

Unless the Commission specifies otherwise, Energy Division's Demand-Side Evaluation Group will share in oversight and review of the all studies, pilots and evaluations ordered in this decision and that role will be shared in collaboration with the IOUs, consistent with the general EM&V processes we adopted and set out in D.10-04-029. In D.10-04-029, the Commission laid out the EM&V processes for the 2010-2012 energy efficiency program cycle.

Specifically, the Commission directed the IOUs to submit their evaluation projects for Energy Division approval prior to implementation. We expect the IOUs to adhere to this same process when evaluating pilots and any other activities ordered in this consolidated proceeding. This includes compliance with Commission's direction in D.10-04-029, which laid out guidelines for stakeholder input and Energy Division review and approval of IOU-led energy

efficiency evaluation projects. Specifically, evaluation projects will be posted to the public document website (www.energydataweb.com) as well as Energy Division's internal file-sharing website (https://energydivision.basecamphq.com/login). In this manner, stakeholders and Energy Division will provide comment on and review of IOU evaluation project research plans, draft reports, and other documents integral to the evaluation project(s).

We firmly believe the success of California's energy efficiency efforts is ultimately tied to effective EM&V. In D.05-01-055, we established the administrative structure for energy efficiency activities, under which the Energy Division was assigned management and contracting responsibilities for EM&V projects. Over the last several years, the Energy Division has overseen an unprecedented scope of EM&V activity in order to estimate energy savings resulting from the mainstream energy efficiency utility portfolios, and to evaluate program effectiveness, among other purposes.

ESA Program EM&V activities shall be planned and implemented to achieve the following core objectives in order to support the Commission's oversight function of ensuring the efficient and effective expenditure of ratepayer funds within the energy efficiency portfolios. All activities should be undertaken to meet the overarching goals of clarity, consistency, cost-efficiency, and timeliness. The core objectives are:

- **Savings Measurement and Verification** - Measurement and verification of savings resulting from energy efficiency measures, programs, and portfolios serve the fundamental purpose of developing estimates of reliable load impacts delivered through ratepayer-funded efficiency efforts. Measurement and verification work should reflect a reasonable balance of accuracy

and precision, cost, and certainty, and be designed for incorporation into in procurement planning activities.

- **Program Evaluation** - Evaluation of program-specific qualitative and quantitative measures, such as the program performance metrics discussed earlier in this decision and process evaluations, serves a key role in providing feedback for the purposes of improving performance and supporting forward-looking corrections to utility programs and portfolios. In order to maximize return on ratepayer dollars, program evaluations must be completed on a timeline which informs mid-course corrections and/or program planning for the following cycle.

- **Market Assessment** - In a constantly evolving environment, market assessments are an essential EM&V product needed to set the baseline for strategic design and improvement of programs and portfolios. Saturation studies, surveys of emerging technologies and other such analyses which inform estimates of remaining program potential and forward-looking goal-setting are key aspects of market assessment.

- **Policy and planning support** - Consistent with prior program cycles, it is essential to reserve funding to support overarching studies and advisory roles which support Commission policy goals. Over the last program cycle this has been inclusive of potential and goals studies, maintenance of the Database for Energy Efficiency Resources (DEER) database, developing databases of best practices for program design and delivery, program design mix, and other means which support the Commission's oversight role, but do not fall under the core EM&V categories described above.

- **Financial and Management audit** - Supporting the Commission's oversight function of ensuring the efficient and effective expenditures of ratepayer funds

> within the utilities' energy efficiency portfolios is another objective of EM&V activities. Rigorous financial and management audits overseen by Commission staffs.

In restating our overarching goals for EM&V, our intent is to guide EM&V activities over the upcoming program cycle.

6.2. Fund Shifting Rules

D.08-11-031 sets forth the applicable rules for fund shifting in the ESA and CARE Programs, which has been clarified and modified by D.10-10-008 (Fund Shifting Rules). Specifically, SCE proposes a change to the Fund Shifting Rules for carrying funds forward or backward within the authorized 2012 - 2014 program cycle. SCE suggests that such movement of funds should not be considered fund shifting if the funds that are carried forward or backward remain within the budgeted category or subcategory. SCE therefore requests the Commission to issue policy direction that addresses carrying funds forward or backward within a program cycle independently from guidance provided for shifting funds among categories or subcategories

In their respective Applications, PG&E, SDG&E, and SoCalGas do not request any change in the Fund Shifting Rules. Instead, PG&E, SDG&E, and SoCalGas request authorization to continue the fund shifting flexibility by retaining the existing Fund Shifting Rules.

We are not persuaded by SCE of any need justifying the proposed change to the Fund Shifting Rules. We only recently issued D.10-10-008, and thus far the Fund Shifting Rules seem to generally meet the fiscal management and oversight needs of the Commission while affording the flexibility the IOUs require. In fact, our review of the proceeding records for A.08-05-022 et al. (2009-2011 ESA and CARE Budget Applications) and this current proceeding, A.11-05-017 et al., do

not demonstrate that the application of the Fund Shifting Rules have caused any ill-effect on the administration and management of the CARE and ESA Programs. Instead, the application of the Fund Shifting Rules effectively caused the IOUs to review and manage the budgets, and in several instances, bring to light fund shifting issues that required the Energy Division or ALJ's attention.

Our conclusion is further bolstered by the PG&E, SDG&E, and SoCalGas' Applications, wherein no change to Fund Shifting Rules is proposed, and in fact those other IOUs support the current scheme as meeting their needs. Moreover, we are even more convinced that rules such as the Fund Shifting Rules are necessary in proper fund management and administration as evidenced by several recent fund shifting issues in the CARE and ESA Programs. Some of the issues arose in the context of pilots and other fund management oversight issues resulting in need for last minute shifting of funds.

Following the various fund shifting requests that were filed by the IOUs and rulings issued by the ALJ facilitating the shifts, where appropriate, at the end of the prior budget cycle 2009-2011, in proceeding A.08-05-022 et al., we reaffirm the Fund Shifting Rules, as a necessary oversight and management tool. We further remind and direct the IOUs to devise and implement more careful management of all funds authorized in the ESA and CARE Programs, including all pilots and studies.

With pilots and studies, especially with their tighter scope of the tasks and timeframe, the budget augmentation should occur exceptionally rarely. In those rare and extraordinary instances, some fund shifting may be justified where reallocation is needed to prevent overspent funds. If a pilot is approved to be administered by a party other than a utility, the duty to carefully manage all pilot

programs and funds extends to that party and Fund Shifting Rules should be viewed only as an option under extraordinary circumstances.

D.10-10-008 clarified D.08-11-031 in response to a petition to modify D.08-11-031 filed by SCE. We have not been persuaded by SCE's request to change the Fund Shifting Rules. SCE's request to modify the Fund Shifting Rules is denied. We therefore authorize and direct the IOUs to continue to follow the fund shifting rules, as outlined in D.08-11-031 and modified in D.10-10-008, in the CARE and ESA Programs in the 2012-2014 program cycle, as follows:

a. **COMMITMENT OF FUTURE FUNDING FOR LONG-TERM PROJECTS**: For those long-term projects that require funding beyond the current budget program cycle and that will not yield savings in the current cycle, if applicable, the IOUs may anticipatorily commit funds for such projects for expenditure during the next program cycle, under strict limitations as follows:

   (1) The IOUs shall seek authorization for such long-term projects and current and future cycle funding commitment by itemization of each long-term project in the utility portfolio plan, including an estimate of the total costs broken down by year and an estimate of associated energy savings, if any;

   (2) The IOUs shall seek authorization and commitment of all funding for long-term projects in the current program cycle and actually encumber such funds in the current program cycle;

   (3) All contracts with any and all types of implementing agencies and businesses must explicitly allow completion of long-term project related work beyond the current budget program cycle;

   (4) The amount of next cycle funds encumbered for long-term projects may not exceed 20% of the current program cycle budget;

(5) The IOUs shall separately track and report all long-term projects and obligations, including all information regarding funds encumbered and estimated date of project completion until such project is completed; and

(6) Energy savings for projects with long lead times shall be calculated by defining the baseline as the codes and standards applicable at the time the building permit for the project is issued.

b. **ESA PPROGRAM FUND SHIFTING AND LIMITATIONS**: The IOUs are permitted to shift funds under the following conditions in the ESA Program.

(1) Within 2012-2014 Budget Cycle: Except for the shifting of funds described in subsection b(3) below, the IOUs are permitted to shift funds from one year to another within the 2012-14 cycle without prior approval.

(2) Fund Shifting Between 2012-2014 Budget Cycle and Future Budget Cycle:

i. "Carry back" Funding: Except for the shifting of funds described in subsection b(3) below, the IOUs are permitted to shift and borrow from the next budget cycle, without prior approval of such fund shifting, if (a) the next cycle budget portfolio has been approved by the Commission; and (b) such fund shifting is necessary to avoid interruptions of those programs continuing into the next cycle and for start-up costs of new programs; and

ii. "Carry forward" Funding: The IOUs are permitted to carry over all remaining, unspent funds from program year to program year or budget cycle to budget cycle and shall include all anticipated carry over funds in the upcoming budget applications.

(3) Administrative Law Judge's Prior Approval: For any shifting of funds, within or out of cycle, except for "carry forward" funding considered by the Commission through budget applications, the Administrative Law Judge's prior written approval is required if any of the following applies:

i. Shifting of funds into or out of different program categories including, but not limited to: (a) administrative overhead costs, (b) regulatory compliance costs, (c) measurement and evaluation, and (d) the costs of pilots and studies;

ii. Shifting of funds into or out of Education subcategory;

iii. Shifting of funds between gas/electric programs; and/or

iv. Shifting of funds totaling 15% or more of the total current annual ESA Program budget.

(4) The IOUs shall secure prior written approval of the fund shift from the Administrative Law Judge when required by subsection b(3) above, of this ordering paragraph, by filing a motion pursuant to Article 11 of the Commission's Rules of Practice and Procedure. Upon showing of good cause, the Administrative Law Judge may issue a ruling approving the requested fund shift. The IOUs, in the motion, must show good cause by setting forth the following:

i. The reason(s) why such fund shifting is necessary;

ii. The reason(s) why such motion could not have been brought sooner; and

iii. Justification supporting why the proposed shifting of funds would promote efficient, cost effective and effective implementation of the ESA Program.

(5) The IOUs shall track and maintain a clear and concise record of all fund shifting transactions and submit a well-documented record of such transactions in their monthly and annual reports relevant to the period in which they took place.

c. **CARE FUND SHIFTING AND LIMITATIONS**: The IOUs are permitted to shift CARE funds in the same manner as they did in the 2009-2011 budget cycle, but shall report all such shifting.

6.3. Review of Reports

The Energy Division should continue to conduct its review of all of the IOUs' monthly and annual reports and submit any concerns to the ALJ if the IOUs are not meeting the directives and goals of this decision and of the ESA Program especially regarding aspects of the Strategic Plan. If the ALJ determines there is merit to the Energy Division report update noting concerns, the issue should be raised to the Commission and we reserve the right to change the funding we allocate in this decision if we determine that the IOUs are not meeting the requirements of this decision and the Strategic Plan.

6.4. Final Budget Augmentation for CARE and ESA Programs 2012-2014

There are program changes directed in this decision that may result in some need to augment the IOUs' ESA and CARE Program budget authorizations to comply with and carry out the some of the unanticipated directives in this decision. The IOUs shall immediately review the decision, and within 60 days from the date of this decision, the IOUs shall submit by filing a petition to modify this decision under the Commission's Rule 16.4, any and all updated budget augmentations, testimonies and attendant updated tables (for measures NOT already accounted for in this decision's approved budget) for approval by the Commission.

The IOUs have already requested additional budgets for some of the unanticipated directives set forth in this decision that were unforeseen at the time they filed the applications. SCE requested additional budget for the add back of Central Air Conditioner maintenance measure; SDG&E requested additional budget for HVAC measures; and SoCalGas requested additional budget for Domestic Hot Water, Enclosure, and HVAC measures as well as a budget increase for Inspections. The proposed budgets for these measures are reasonable. Therefore, the Commission approves these increases and those adjustments have already been made in this decision to the approved budget tables and figures. However any other approved add back measures not submitted as part of the original IOUs' budget applications, and not accounted for in this decision, should be submitted for review.

In addition to the additional budgets sought for the above unanticipated approval of measures, SoCalGas and SDG&E, in their comments to the proposed decision and long after the filing of their applications in May of 2011, request additional budget augmentation of over $55 million for various budget categories detailed below due to a general unforeseen upward trend in these costs:

	SDGE			
Additional Budget Request	**2012**	**2013**	**2014**	**Cycle**
SDGE- Upward Trend in HVAC- Furnance R&R costs	$2,228,074	$2,228,074	$2,228,074	$6,684,221
SDGE- Upward Trend in Domestic Hot Water - Water Heater R&R costs	$378,234	$378,234	$378,234	$1,134,703
SDGE- Upward Trend in Appliances - Clothes Washers costs	$418,926	$418,926	$418,926	$1,256,778
SDGE- Upward Trend in Enclosures costs	$1,210,915	$1,210,915	$1,210,915	$3,632,745
Total	**$4,238,161**	**$4,238,162**	**$4,238,163**	**$12,708,447**

	SoCalGas			
Additional Budget Request	**2012**	**2013**	**2014**	**Cycle**
SoCalGas- Upward trend in Appliances(Clothes Washer)	$1,999,876	$1,999,876	$1,999,876	$5,999,628
SoCalGas- Upward trend in Domestic Hot Water (Increased install rates and measure costs)	$6,220,780	$6,297,065	$6,373,186	$18,891,031
SoCalGas- Upward trend in Enclousures (Increased install rates and measure costs)	$188,252	$193,603	$198,932	$580,787
SoCalGas- Upward trend in HVAC (Increased install rates and measure costs)	$4,477,007	$4,547,747	$4,649,091	$13,673,845
SoCalGas- Upward trend in Maintenence (Increased install rates and measure costs)	$81,335	$83,824	$86,312	$251,471
SoCalGas- 2012-14 Borrowed Amount to fund 2011 activities				$3,411,020
Total	**$12,967,250**	**$13,122,115**	**$13,307,397**	**$42,807,782**

There is insufficient information, testimony or record available to evaluate SoCalGas' and SDG&E's requests and the justifications of such increases. Therefore, the Commission denies SoCalGas' and SDG&E's requests at this time. Instead, within 60 days, SoCalGas and SDG&E shall file a petition to modify this decision under the Commission's Rule 16.4, with any and all attendant justification and support, including new budget tables, and supporting testimony for such increase.

Any additional funding will be reviewed and incorporated into the approved budget to augment the total program cycle budget in a subsequent decision, if such budget augmentation is later determined reasonable and justified.

7. Conclusion

After decades of lessons and growth, both the CARE and ESA Programs have achieved tremendous accomplishments and have now reached full maturity. For that, we applaud the IOUs and the stakeholders who made the programs what they are today. With the backdrop of significant progress and with the reminder of our Strategic Plan vision, the Commission examines the IOUs' Applications for 2012-2014 program cycle and face issues unique to mature programs and the ever changing landscape of energy.

Today, we approve the CARE and ESA Programs, budgets and the homes treated goals for 2012-2014 program cycle:

Adopted Budget Summary 2012-2014				
	ESAP			
Utility	2012	2013	2014	Cycle Total
PG&E	$150,982,212	$156,363,352	$161,862,111	$469,207,675
SCE	$72,461,946	$72,640,016	$72,736,631	$217,838,592
SDG&E	$21,716,006	$22,140,542	$22,515,618	$66,372,165
SoCalGas	$113,292,891	$117,559,854	$120,506,165	$351,358,910
Total	**$358,453,054**	**$368,703,763**	**$377,620,525**	**$1,104,777,343**
	CARE			
	2012	2013	2014	Cycle Total
PG&E	$675,989,667	$647,446,512	$620,716,512	$1,944,152,691
SCE	$342,557,000	$389,156,000	$429,212,000	$1,160,925,000
SDG&E	$79,108,350	$87,972,980	$89,010,739	$256,092,069
SoCalGas	$145,516,024	$145,870,266	$147,360,024	$438,746,314
Total	**$1,243,171,041**	**$1,270,445,759**	**$1,286,299,275**	**$3,799,916,075**

Adopted Number of Homes to be Treated				
Utility	2012	2013	2014	Total Cycle
PG&E	119,940	119,940	119,940	359,820
SCE	87,389	87,389	87,389	262,166
SDG&E	20,316	20,316	20,316	60,948
SoCalGas	136,836	136,836	136,836	410,508
Total	**364,481**	**364,481**	**364,481**	**1,093,442**

On the ESA Program side, we resolve numerous programmatic issues in this decision based on the record of this proceeding, by, *inter alia*, setting out clear directions on Integration issues, ME&O issues, Leveraging issues, WE&T issues, aggressive Eight Immediate Multifamily Segment Strategies, etc.. For this cycle, and based on our observations of the IOUs' successes during the last cycle,

the adopted number of homes treated above should be viewed as the minimum number of homes to be treated this cycle, and we strongly urge and challenge the IOUs to exceed their projected 1/3 of the remaining homes for treatment by the end of the 2012-2014 cycle.[147]

On the CARE Program side, we resolve numerous programmatic issues and update the programs in ways to ensure the integrity and continued success of the program by, *inter alia*, refining the Categorical Eligibility Program for continued ease of access for CARE enrollees, directing improvements to the Post Enrollment and Post Re-certification Income Verification process and approach, increasing CARE capitation fee cap, etc.

We also direct several of the more complex and largely interconnected issues be further investigated, examined, explored, debated and brought back to the Commission through the frameworks we set in this decision during the second phase of this proceeding, including the working groups and several significant studies. Those second phase issue are: a comprehensive multifamily segment strategy (see Section 3.10.6.4. of this decision) including the review of potential expedited enrollment process, ESA Program cost-effectiveness methodology (see Section 3.5.4. of this decision), several critical low income program studies and reports (see Sections 5.2.5, 5.2.6 and 5.2.7.) as well as review of any pilot program evaluation and several other working groups ordered in this decision (see Sections 3.5.4., 3.11.5.4., 3.11.5.5., and 5.3.8.). Each of

[147] The Utilities have been hampered in ramping up the ESA Program during 2012 due to series of bridge funding, delay in adoption of this decision and all of the related uncertainties. It, therefore, is unlikely that the Utilities could achieve the 2012 homes treated annual benchmark. However, the Utilities should be able to ramp up their activities upon issuance of this decision to begin to reach the overall program cycle goal by end of 2012-2014 program cycle.

these efforts along with the myriad of monitoring, tracking and reporting requirements ordered in this decision are also specifically designed to lay the foundation for meaningful program review and improvements where needed in the years to come.

We note, all of these second phase activities anticipate and are specifically designed and necessary for laying a proper informational foundation for meaningful review of several premature but extremely complex programmatic and policy issues that have been untimely argued and debated in this proceeding up to this point. For example, to better balance the ESA Program changing and competing objectives, in the second phase of this proceeding, we are reviewing the ESA Program cost-effectiveness framework and methodology through the CE Working Group process outlined in the forgoing section.

In fact, the CE Working Group is specifically tasked to examine and begin to develop a record for the foundational elements and discussions to set the stage for more informed direction for the ESA Program's long term vision toward striking the proper balance between achieving cost effective energy savings versus providing health, comfort, and safety benefits. We are also ordering a new Impact Evaluation and low income population's Needs Assessment Study. All these and other efforts interrelate and are deigned to bring together better understanding of the low income community's needs and program elements to inform the Commission so that a thoughtful review of the low income programs can begin toward finding that right balance and move to changes, where appropriate.

On a related note, we direct the parties to engage in this upcoming phase of the proceeding in good faith and participate in it in constructive, timely and cooperative manner. The Commission's Energy Division has been entrusted

with extraordinarily challenging task of leading and overseeing most of these voluminous and complex second phase efforts. With the extremely short second phase timeframe, only way these efforts will be productive and yield meaningful results is for the parties to aid the Commission's Energy Division's lead role and work all together as a team.

To the extent this decision does not explicitly approve certain aspects of the IOUs' ESA and CARE Applications, they are not approved today.

8. Comments on Proposed Decision

The proposed decision of the ALJ in this matter was mailed to the parties in accordance with Code Section 311 and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments and reply comments were filed by parties. They were considered, and where appropriate, revisions to the proposed decision have been made and are reflected throughout this decision. Additionally, corrections and stylistic edits have also been made and are reflected throughout this decision. Finally, a few miscellaneous issues that warrant further discussion and clarification that were raised in the comments and reply comments to the proposed decision or that which came to our attention since the publication of the original proposed decision on May 4, 2012, are also discussed below.

8.1. Climate Zones 10 and 13 and Cooling Measures

In response to the parties' comments to the proposed decision, this decision allows, for this cycle only, an approval to add back Room Air Conditioner for all housing types in climate zones 10 and 13. We remind the parties that our approval of Room Air Conditioner for all housing types in climate zones 10 and 13 is solely for this program cycle with the understanding that we are reexamining and updating the energy savings

figures in this cycle in a new Impact Evaluation Study and concurrently reexamining the cost-effectiveness approach used in this program during this cycle. That cost-effectiveness approach review would also include examination of non-energy benefits, equity measures, and health, safety and comfort issues which all cumulatively will relate to how the Commission will view this measure in future cycles. In addition, we also will be examining this issue in the Low Income Needs Assessment during this cycle to determine how providing this measure meets the needs of this population in these climate zones and whether it should be approved for future cycles. All of those second phase activities will rightly set the stage for a more informed deliberation of how the Commission should look at these non-extreme climate zones with microclimates that affects and triggers the potential need for these measures.

8.2. Cooling Measures, Climate Zones 10 and 13 and Health/Death Risk Argument

In reviewing this cooling measure issue for climate zones 10 and 13, we must correct EEC's and other parties' erroneous suggestion that disallowing this measure would have increased the risk of health/death in these climate zones due to their temperatures. This suggestion is misleading. The Commission, thoroughly reviewed this issue in D.09-11-009, and as we explained therein, the Commission's ESA Program is designed to provide the Room Air Conditioner or Central Air Conditioner measures ***only to customers who already have a working, albeit inefficient, air conditioner***. Thus, those affected population already have functioning cooling measure, inefficient perhaps, in place to address their cooling needs. This program would either allow or disallow mere upgrades of these measures that are inefficient. Again we note, the ESA Program is not and was never intended as a free air conditioner giveaway program to all low-income customers.

8.3. Leveraging with CSD

Leveraging with ESA Program with LIHEAP/WAP programs administered by CSD is an outstanding concept and a direction to which the Commission is committed. In their comments, SoCalGas supports the direction that the Utilities should begin immediate coordination with the Energy Division to convene and begin discussions with CSD and the Utilities to facilitate leveraging opportunities and to develop and implement an effective leveraging plan between the ESA Program and CSD. Recognizing some past challenges that impeded the leveraging and data sharing efforts with CSD, SoCalGas has committed to endeavor to resolve any such issues during the upcoming utility meetings with CSD and the Energy Division. SCE notes a compatible CSD customer database could take advantage of such software development and provide the ability to track ESA/CSD treated homes and measures. In the interim, SCE too commits to continue to offer ESA appliances to LIHEAP contractors for installation in ESA Program eligible homes. With the ESA Program paying for the appliance cost and CSD paying for the installation cost, this type of coordinated leveraging could result in a win-win situation for both the programs and the low income community. Additionally, SCE will be playing a significant role in providing database access to LIHEAP contractors to track the treating of LIHEAP homes and measures installed. Given the benefit of free appliances, CSD may potentially cover LIHEAP contractor costs for input and administrative duties.

That said, there are some significant budgetary constraints CSD is now facing in the upcoming budget period. This reality prompts us to recognize that constraint and therefore not to over project ESA and LIHEAP/WAP program leveraging activities that can be realistically be realized in this upcoming ESA

Program cycle. This decision therefore reflects a cautious commitment to work with CSD in this upcoming program cycle to leverage our programs.

TURN's recommendation that the IOUs would be directed to report on the leveraging activities to the Mid-Cycle Working Group has some merit, as fitting well within two of the topics already identified as within the Mid-Cycle Working Group's purview: "IOUs' Best Practices" and "General Mid-cycle Program and Process Improvements." However, instead of setting this item as that Working Group's immediate priority, we will allow that working group to set its own priority of issues to tackle during this cycle and to expect that the working group members and the IOUs will work cooperatively to share data during that process to make those efforts meaningful. Parties and working group may seek the ALJ's guidance through what should be professional and cooperative working group processes.

8.4. SCE and Reporting Practices

DRA recommends that SCE be ordered to change its past reporting practices and to follow reporting practices consistent with the other IOUs. DRA points out that three of the four IOUs in this proceeding currently report their annual revenue and program expenditures to the Commission via Advice Letters in their Annual Electric True-Ups and in their Annual Gas Public Purpose Program Surcharge filings. SCE is the exception in that it reports that information to the Commission as a separate request contained in its annual Energy Resource Recovery Account (ERRA) Application. DRA is correct. Such different methods of reporting the same type of information to the Commission adds confusion and serves no practical purpose. The method of reporting that same information should be uniform across the Utilities. DRA therefore recommends that SCE be ordered to report that information to the Commission

via an Advice Letter and that that Advice Letter be served on the service list in this proceeding.

We agree with DRA's recommendation concerning SCE's inconsistent reporting practice which needs to be resolved to bring consistency in reporting. DRA's proposal for uniform reporting is valid and deserves exploration. We, however, recognize that there is a history as to how that inconsistency came to be and that a solution to eliminating that inconsistency may be through and by coordination with another pending proceeding, A.11-04-001 (which addresses ERRA). We therefore direct Energy Division and the Mid-Cycle Working Group to review this item such that the inconsistency can be eliminated as soon as practicable. The Mid-Cycle Working Group is also directed to review and explore ways to align SCE's cool center accounting procedures which are currently reported as part of ERRA.

8.5. ESA Program Services to Catalina Island Gas Customers

SCE provides gas service through its distribution system of propane/butane to customers on Catalina Island. D.06-12-038 authorized SCE to use ESA Program funds to install gas measures in homes occupied by low-income customers on Catalina Island. SCE has requested approval to continue offering all Energy Savings Assistance Program services to its customers on Catalina Island. SCE estimates that several hundred households on Catalina Island are eligible for services.[148] SCE's request to continue these efforts is granted as it is reasonable and consistent with direction and authorization previously provided in prior Commission D.06-12-038.

[148] SCE Application, at 73.

8.6. CARE Implementation Advice Letter

SCE proposes to file an Advice Letter within 90 days of the effective date of the decision, requesting a reasonableness determination on the activities and budgets required for SCE to implement the directives of this decision. SCE further proposes the Advice Letter also include an implementation timeline for each modification in order to implement all the CARE directives in this decision.

We reject SCE's proposal to submit an Advice Letter to implement the CARE directives outlined in this decision is unnecessary and therefore not justified. This decision provides adequate guidance and direction to the IOUs as it relates to CARE initiatives during upcoming program cycle. SCE and the other IOUs are directed and encouraged to consult with and seek additional guidance from Energy Division Staff as needed during the transition from the existing bridge fund period to the new program cycle.

8.7. Continuation of Capitation Fee for ESA Program and Expansion to All Homes

SoCalGas' and SDG&E's request the Commission expressly authorize continuation of its ESA Program outreach efforts to pay capitation fees to CBOs to enroll Limited English Proficient and disabled customers and seniors into the ESA Program. Both Utilities are authorized to continue payment of capitation fees as outlined and approved in the respective advice letter filings submitted in March 2010[149] and subsequently approved by the Commission.

[149] *See* SoCalGas' AL 4067-G, dated March 3, 2010 and SDG&E's AL 2140-E1922-G, dated March 4, 2010.

SDG&E's request to expand its current its ESA capitation program for outreach to the limited English proficiency, seniors, and disabled Community to include all households is rejected. SDG&E is authorized to continue existing practices as previously approved in Advice Letter 2140-E/1922-G and supported in D.06-12-038. Capitation fees for low income programs were supported in prior Commission D.06-12-038 with added emphasis on leveraging opportunities within the disabled community.

Based on the 2011 annual reports for both SDG&E[150] and SoCalGas,[151] we find that the existing practices are sufficiently effective toward achieving the established program goals and further expansion unjustified.

8.8. Continuation of ESA Program Income Verification / Self-Certification / Categorical Eligibility Program

SDG&E, in this proceeding, also raised potential income verification process related concerns in the ESA Program. Relatedly, as discussed in section 5.3.5 of this decision, the parties also raised the issue of potential charge backs, when the contractors are left to pay for ESA Program measures in homes that that are later found to ineligible during the income verification process. In response, some of the Utilities suggest possible pre-certification (income verification) of homes before any ESA Program measures are installed to avoid such scenarios.

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[150] In 2011, the SDG&E ESA Program exceeded its goal for the number of homes treated, as the program served 22,575 customers, which is 111% of the 2011 goal. *See* 2011 Annual Report, at 3.

[151] SoCalGas' ESA Program treated a total of 161,020 homes, which exceeded the 2011 CPUC Treated Goal by more than 10%. *See* 2011 Annual Report, at 11.

The ESA Program currently allows different enrollment processes. It allows a targeted self-certification process whereby SDG&E and SoCalGas are directed to use the census tract data to identify neighborhoods with 80% of the households at or below 200% of the federal poverty guideline. In these areas, SDG&E and SoCalGas are permitted to suspend income documentation requirements and instead enroll customers in the ESA Program through a self-certification process.[152] Continuation of this approach was approved for SDG&E and SoCalGas in the 2009–2011 budget cycle and expanded to include targeted self-certification and enrollment for PG&E and SCE in areas of their service territory where 80% of the customers are at or below 200% of the federal poverty guideline. The main intent of this effort was to assist the IOUs in meeting the programmatic initiatives to serve the eligible population.[153]

In addition to the above targeted self-certification process, the ESA Program also allows categorical eligibility as another enrollment procedure designed to ease enrollment processes. With categorical eligibility, customers who can provide documents proving participation in one of several state or federal programs do not need to provide additional income documentation in order to qualify for program enrollment.

In this decision, we make no changes and approve the continuation of self-certification for the ESA Program in areas where 80% of the households are at or below 200% of the federal poverty guideline. Consistent with prior

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[152] D.08-11-031 at 28.

[153] Currently, to be categorically eligible for ESA and CARE Programs, customers must prove enrollment in select low income programs. *See* D.08-11-031 at 29.

Commission decisions, we also approve continuation of categorical enrollment of ESA Program in these targeted areas.

9. Assignment of Proceeding

Timothy Alan Simon is the assigned Commissioner and Kimberly H. Kim is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. According to the KEMA Needs Assessment, one in three of California's households or approximately 4.1 million of the 12.53 million households in California are low income households.

2. In D.07-12-051 and the Strategic Plan, the Commission stated its long-term vision for the ESA Program: "By 2020, 100 percent of eligible and willing customers will have received all cost-effective [Energy Savings Assistance Program] … measures."

3. The Strategic Plan, adopted by the Commission, establishes two goals for the ESA Program including that: (a) By 2020, all eligible customers will be given the opportunity to participate in the ESA Program; and (b) The ESA Program will be an energy resource by delivering increasingly cost-effective and longer-term savings.

4. The CARE Program is a low income energy rate assistance program that dates back to 1980s and is aimed at providing eligible low income households with a 20% discount on their electric and natural gas bills.

5. This decision follows an extensive record that precedes it, including Applications, protests, detailed prepared testimonies, briefs and ruling responses, the parties' oral input at the PHCs and various studies and reports prepared by or on behalf of the IOUs, the Commission, and parties to the proceeding.

6. The parties to the proceeding contributed thoroughly and meaningfully through testimonies, comments and other filings to help advise the Commission and the Utilities on ways to achieve our ultimate vision such that (a) the ESA Program effectively evolves into a resource program that garners significant energy savings in our state, as envisioned in the Strategic Plan, while providing an improved quality of life for California's low income population; and (b) the CARE Program continues its current and successful course of effectively providing the necessary assistance to those eligible customers.

7. While some parties claim that there should have been an evidentiary hearing held, they did not raise any disputed issues of material fact that were ripe and poised for hearing.

8. The issues raised by the parties requesting hearings focused on several issues which the Assigned Commissioner and the ALJ concluded to be not hearing ready and therefore required further exploration in the months to come, during the second phase of this consolidated proceeding, following this decision and as directed in this decision.

9. In D.07-12-051, the Commission held that "[t]he complementary objectives of the ESA Program will be to provide an energy resource for California while concurrently providing low income customers with ways to reduce their bills and improve their quality of life."

10. In D.08-11-031, the Commission announced and affirmed a clear direction to the IOUs that the ESA Program "must evolve into a resource program that garners significant energy savings in our state while providing an improved quality of life for California's low income population."

11. The ESA Program measures offered are generally selected based upon cost-effectiveness evaluation and vary by IOU territory and other factors, such as climate zone and housing type.

12. The ESA Program's cost-effectiveness approach is designed to ensure that the most efficient use is made of finite ratepayer funds and yield optimal ESA Program success and energy savings.

13. The ESA Program has made great strides in the recent years and has treated over 1 million low income homes and gained 16,132,316 kilowatt hour (kWh) savings and 232,979,182 therms savings during the 2009-2011 program years.

14. The ESA Program successes are in part due to the program's focus on the programmatic cost-effectiveness as well as cost-effectiveness of installed measures, promoting and encouraging workforce education and training, using smarter, flexible and creative approaches towards outreach (including a whole neighborhood approach), and, where appropriate, focusing on customers with high energy use, burden and insecurity.

15. Some notable lessons learned from the last program cycle in the ESA Program are that:

(a) The ESA Program is armed with a more experienced and poised administration and workforce, ready and "fully ramped up" in most of the IOUs' territories. During the last program cycle, the treated homes numbers steadily climbed, and in some instances, more dramatically climbed, to confirm this observation; and

(b) The IOUs' impressive 2011 treated home figures also illustrate that the ESA Program has the capacity to treat more homes than the conservative 2012-2014 projections proposed by the IOUs.

16. Based on our observations of the IOUs' successes during the last cycle, the adopted number of homes targeted to be treated should be viewed only as the minimum target goal number of homes to be treated this cycle, and we strongly urge and challenge the IOUs to exceed their total projected program cycle target of treating 1/3 of the remaining homes by the end of the 2012-2014 cycle.

17. By treating more homes in the 2012-2014 cycle than currently projected, the IOUs would be ready to apply more focus to tailor their programs to the remaining and more difficult to reach untreated low income households during the final two cycles, 2015-2017 and 2018-2020.

18. In D.08-11-031, the Commission determined that Code Section 2790 does not contain the language "all feasible measures."

19. In D.08-11-031, the Commission determined that it is most cost effective for an IOU to install all feasible measures once it incurs the expense and expends the effort to reach eligible customers and also determined that "all feasible measures" does not mean all measures.

20. Integrating demand side program offerings has been an objective of the Commission since 2007.

21. In D.07-12-051, the Commission reaffirmed this policy and program guidance specifically for the ESA Program, including the following integration goal that "… [the ESA Program] should be integrated with other energy efficiency programs to allow the utilities and customers to take advantage of the resources and experience of energy efficiency programs, promote economies of scale and scope, and improve program effectiveness."

22. In D.08-11-031, the Commission determined that "integration" constitutes an organization's internal efforts among its various departments and programs

to identify, develop, and enact cooperative relationships that increase the effectiveness of customer demand side management programs and resources and should result in more economic efficiency and energy savings than would have occurred in the absence of integration efforts.

23. D.08-11-031 explicitly reaffirmed the need for integration and specified clear definitions, metrics, and strategies and reporting requirements for such integration efforts envisioned for the ESA Program.

24. The general IDSM Taskforce's efforts are currently being undertaken in the general energy efficiency docket pursuant to D.09-09-047.

25. There is a general agreement among the parties in this proceeding that the integration of the ESA Program with the IOUs' Energy Efficiency, Demand Response and Distributed Generation efforts provides more opportunities for energy savings and greater occasion for low income customers to save money, energy, and improve their health, comfort and safety.

26. In D. 08-11-031, we defined leveraging as "… an IOU's effort to coordinate its … [ESA Program] with programs outside the IOU that serve low income customers, including programs offered by the public, private, non-profit or for-profit, local, state, and federal government sectors that result in energy efficiency measure installations in low income households."

27. In D.08-11-031, the Commission required these efforts be demonstrably successful to ensure that leveraging efforts yield direct benefits to low income households and the ESA Program overall by meeting one or more of the following three objective criteria: (1) increase energy savings, (2) result in new customer enrollments, or (3) reduce program costs.

28. During the past program cycles, we learned that the IOUs' leveraging efforts resulted in partnerships and other collaboration with non-IOU sources,

and most importantly, resulted in dollar savings, energy savings and benefits, and/or increased program enrollment.

29. One of the most obvious leveraging opportunities the Commission previously identified was and still is the federal LIHEAP and the DOE WAP, administered by CSD.

30. On March 17, 2009, the Commission and CSD executed a MOU with the mutual goal of decreasing duplications and increasing the total number of low income households in California treated under both programs through increased coordination between the agencies.

31. Among other efforts, the Commission and CSD agreed to facilitate collaboration between the IOUs and the local service providers.

32. Despite the challenges we experienced during this last program cycle, the Commission is still committed to the important objectives of that MOU.

33. In the current landscape of so many exciting energy efficiency efforts, these types of leveraging efforts are essential, and even critical, to transforming the ESA Program into a more effective resource program that yields home energy benefits to the low income community while also creating cost savings for the IOUs and the ratepayers.

34. Looking at the accomplishments during the 2009-2011 program years, the IOUs' leveraging strategies are on the right track, but there is still room for improvements to achieve optimal leveraging with CSD and many other programs.

35. Some of the same barriers continue to exist today as they did three years ago where service providers still do not always know if a house has had any previous weatherization treatment until they arrive at a home. This wastes time, effort and outreach resources.

36. The current ESA Program design and delivery model provides the necessary guidance to the contractors while also affording contractors, including the assessment contractors, a level of flexibility and operational discretion to best adapt their program delivery to each household.

37. This model allows the assessment contractors to assess each household to determine and tailor measures offerings for individual households in accordance to program rules as well as provide tailored energy education.

38. Following an assessment by the assessment contractor and utilizing each IOU's sophisticated workflow database, the installation contractors are then dispatched to customer households to install tailored energy efficiency measures.

39. The ESA Program can still benefit from some design and delivery improvements.

40. The Commission has time and again stressed the critical importance of integrated demand side management and the need for the IOUs to integrate and coordinate marketing messages for customers.

41. The Strategic Plan mandates a single statewide ME&O program that combines low income and non-low income energy efficiency messages, uses a single program name and tagline, and targets all eligible communities.

42. In D.07-12-051 and D.08-11-031, the two preceding low income energy efficiency proceeding dockets, the Commission took detailed steps, aligned with the general energy efficiency proceeding dockets, to direct the IOUs to integrate statewide energy efficiency and demand response marketing by reducing redundancies in marketing efforts and to have one contract with a single marketing agency for both statewide marketing campaigns.

43. Between 2009 and 2010, the Commission engaged in a careful evaluation of prior statewide marketing and branding efforts as well as market and

demographic research to understand how best to encourage energy awareness as well as energy efficiency action.

44. Our ultimate plan is a unified ME&O approach.

45. Yet our efforts to deliver an integrated message have been hampered by differing program cycles and proceedings among energy efficiency, demand response, distributed generation, and low income programs, among other reasons.

46. To help bring these efforts toward a unified ME&O approach under one umbrella with one unified approach, the Commission has set some directions in D.12-05-015, in R.09-11-014, our general energy efficiency proceeding.

47. In D.08-11-031, the Commission determined that ethnic marketing is a key way of reaching language minorities and communities of color.

48. Through the IOUs' creative and innovative outreach efforts during prior program cycles, one of the most notable barriers in reaching the low income segment was identified as lack of trust in the low income community which was further compounded by cultural and language barriers which stifled the low income communities' understanding of the ESA and CARE Programs.

49. To overcome these barriers and to reach these harder to reach low income customer segments, an effective media outreach therefore should include local and ethnic media to better engage these communities and be tailored to those low income communities we are striving to reach.

50. Local, regional, ethnic as well as ethnically-owned media are ready and available tools that are clear and direct gateways to many of these low income communities to help tear down some of those barriers.

51. The Commission also encourages the IOUs to utilize, where appropriate, community based organizations as a resource in outreach efforts.

52. Many community based organizations have proven track records within the low income communities and have earned the low income communities' trust.

53. Information from such community based organizations therefore is received in that community with more trust and confidence since it is coming from local and trusted community sources.

54. Such coordination with the community based organizations will also yield added benefit of creating jobs within those communities.

55. With the backdrop of the over two decades of program experience, the Strategic Plan, D.07-12-051 and D.08-11-031, the Commission has devised the current cost-effectiveness framework for the ESA Program, including overall cost-effectiveness methodology applying a measure based analysis with two tests, threshold values and some exceptions.

56. The Modified Participant Cost (PC_m) Test emphasizes measures benefits to participating customers and the total costs of the ESA Program, and the Utility Cost Test (UCT) measures utility's resource costs and the resulting benefits, including non-energy benefits of the program.

57. Both tests incorporate non-energy benefits as well as direct energy-related benefits.

58. In D.08-11-031, the Commission, using those two tests and measure-based evaluation, held that, for the ESA Program, a measure is deemed to have "passed" the ESA Program cost-effectiveness test if its benefit-cost ratio, according to the UCT and PCm tests, is greater than or equal to the 0.25 benefit-cost ratio benchmark for that utility.

59. In D.08-11-031, the Commission also noted that under certain circumstances, exceptions would be made for measures that do not pass the current cost-effectiveness tests.

60. Leading to and since D.08-11-031, the parties have consistently questioned this measure based evaluation approach as well as the ESA Program's overall cost-effectiveness framework and have raised concerns that the Commission reexamine them.

61. On October 24, 2011, the Commission held a workshop on this topic which yielded robust and thoughtful discussion amongst the parties.

62. The December 2011 Ruling sought comments from the parties, which included four specific questions directed at the stakeholders, dealing with various aspects of the general ESA Program's current cost-effectiveness framework.

63. Most parties, in their responses, restated that the cost-effectiveness framework currently used to evaluate ESA Program measures needs to be revisited.

64. D.08-11-031 set out the current measure-by-measure cost-effectiveness test (CE Test) for the ESA Program to determine whether a specific measure is cost effective (taking into account the housing type as well as climate zone) and set forth an approach to screening each measure for cost-effectiveness.

65. Today, we adopt and apply the same methodology, outlined in D.08-11-031, for this cycle for evaluating cost-effectiveness of each proposed measure (taking into account the housing type as well as climate zone), including when we grant exceptions to such CE Test, as follows:

(a) CE Test: Measures that have both a PCm and a UCT benefit-cost ratio greater than or equal to 0.25 (taking into consideration the housing type and climate zone for that

measure) for that utility pass the CE Test and shall be included in the ESA Program. This rule applies for both existing and new measures.

(b) Two exceptions to CE Test are:

(i) Existing measures that have either a PCm or a UCT benefit-cost ratio less than 0.25 (taking into consideration the housing type and climate zone for that measure) is deemed to have passed the CE Test and shall be retained in the ESA Program; and

(ii) Existing and new measures with both PC_m and UCT test results less than 0.25 (taking into consideration the housing type and climate zone for that measure) for that utility may be included in the ESA Program for health safety and comfort reasons as add back measures, by first securing Commission's approval for such exception; and all approved add back measures are subject to additional reporting requirements.

66. Under the add back measures provision of the ESA Program's CE Test, the Commission recognizes and prioritizes the equity needs of the ESA Program customers and allow the IOUs to offer certain measures that fall below the 0.25 threshold, with additional attendant reporting requirements to track and better understand those add back measures' impact to the program budget and energy savings.

67. In addition to the CE Test, the Commission also has in place its modified 3MM Rule to further the ESA Program's programmatic cost-effectiveness of the program delivery.

68. In D.01-03-028, the Commission adopted the 3MM Rule and determined that it would be imprudent to indiscriminately treat all homes, including those that needed only a few measures (because they are sufficiently energy efficient), as such efforts would take away from the overall dollars to be spent on homes

that have not yet received any energy efficiency upgrades (and not as energy efficient).

69. D.08-11-031 and D.09-06-02 established the modified 3MM Rule by creating an exception in response to some concerns; and under the modified 3MM Rule, the IOUs are permitted to treat homes needing less than three measures, "as long as the total energy savings achieved [in that home] by either measure or measures combined yield(s) energy savings of at least either 125 kilowatt-hours (kWh)/annually or 25 therms/annually."

70. D.08-11-031, noting the rising outreach, enrollment and other programmatic costs, emphasized that programmatic cost-effectiveness is crucial to the ESA Program's success, and that a mechanism such as the modified 3MM Rule is necessary to make the most of the finite ESA Program funds toward treating maximum number of households.

71. Based on the data provided by the IOUs and having approved the smart power strip, we are not convinced that the modified 3MM Rule creates a significant barrier in program delivery as presented by some of the parties.

72. Now more than ever, with program costs rising ever so rapidly, we find value in the modified 3MM Rule consistent with our finding in 2001 that a provision to ensure households receive a minimal level of measures is necessary to maintain overall programmatic cost-effectiveness.

73. While there has been some debate over the value of CFLs, as well as its cost-effectiveness and associated energy savings, we have found that CFLs continue to provide low income customers the opportunity for energy savings in a relatively cost effective manner, because they are relatively inexpensive, all low income households use and need lighting, and we can still capture some energy

savings by switching low income customers from high energy use incandescent bulbs to CFLs.

74. As we noted in D.08-11-031, 20%-30% of CFLs given away to customers are not installed and we conclude that we cannot continue to allow such wasteful giveaways.

75. The Strategic Plan sets forth the Commission's vision for the lighting market with regard to support for basic CFLs and directs the Utilities to "begin to phase traditional mass market Compact Fluorescent Lamps bulb promotions and giveaways out of program portfolios and shift focus toward new lighting technologies and other innovative programs that focus on lasting energy savings and improved consumer uptake."

76. During the October 21, 2011 workshop and the two PHCs as well as the testimonies, briefs, and other filings, the parties have vigorously debated the nature and magnitude of how the low income multifamily segment has or has not been underserved and how it may be better served by the ESA Program.

77. While much of the debate centered on the potential program barriers affecting the treatment of the multifamily segment, the proposed solutions, ideas, pilots and program critiques all bring attention to how the ESA Program can more effectively be administered, to providing all feasible measures and delivering the health, safety and comfort benefits of this program to the low income community.

78. We note that in the course of this proceeding, through the Applications, PHCs, opening and reply testimonies, and comments responsive to the December 2011 Ruling, the IOUs and all the parties presented many concerns, objections, insights, information, approaches and even pilot proposals for the

Commission to examine various potential barriers that might prevent eligible customers residing in multifamily units from enrolling in the ESA Program.

79. Citing the IOUs' data reported in their annual reports, DRA's opening brief, Table 6, also illustrates that in comparing the IOUs' 1997-2006 multifamily homes treated figures to the IOUs' 2007-2010 multifamily homes treated figures, with the exception of SDG&E, each IOU's multifamily home treated figures dipped during the last program cycle.

- PG&E dropped from 27% multifamily homes treated in 2000-2006 timeframe to 18% multifamily homes treated in 2007-2010 timeframe;
- SCE dropped from 45% multifamily homes treated in 1997-2006 timeframe to 23% multifamily homes treated in 2007-2010 timeframe;
- SoCalGas dropped from 36% multifamily homes treated in 1997-2006 timeframe to 25% multifamily homes treated in 2007-2010 timeframe; and
- SDG&E increased from 49% multifamily homes treated in 1997-2006 timeframe to 54% multifamily homes treated in the 2007-2010 timeframe.

80. If the ESA Program is not effectively reaching the multifamily segment or even the overall eligible low income population, then that has to be identified, understood and addressed in the time remaining as we near 2020.

81. While there is not yet a consensus on all the various ways to increase penetration of this multifamily segment, there is a need for attention to this segment.

82. There are eight immediate strategies that the IOUs can roll out to immediately begin improving the penetration rate for multifamily segment.

83. Meanwhile, during the second phase of the proceeding, a full set of comprehensive multifamily segment strategies can be formulated through the consultant process.

84. While the multifamily consultant process is underway, during the second phase of this proceeding, the Commission also intends to further examine and develop an informed record regarding NCLC's proposed multifamily expedited enrollment process, including identifying and examining relevant legal and operational hurdles (e.g., housing subsidy and definition of income and potential need for memorandum of agreement or understanding with other potential partner agency(ies)), toward development of feasible expedited enrollment process.

85. In D.07-12-051, the Commission stated that the ESA Program strategies, in general, should "include specific training strategies for reaching disadvantaged communities [and] the IOUs should also work with community stakeholders to assist them in the development of training strategies."

86. The Strategic Plan also set forth two broad WE&T goals: (1) establish energy efficiency education and training at all levels of California's educational systems, and (2) ensure that minority, low income and disadvantaged communities fully participate in training and education programs at all levels of the energy efficiency industry.

87. In D.08-11-031, the Commission challenged the IOUs to devise and implement outreach and training efforts to teach minority, low income, and other disadvantaged communities the skills needed to succeed at jobs that support the ESA Program by acting "as a catalyst to change by implementing several foundational activities that are necessary to accurately identify specific WE&T needs and recommendations for action."

88. With this direction, however, D.08-11-031 also stressed that the IOUs are but one link in the overall chain of a statewide WE&T strategy. In the chain, there are stakeholders supporting action toward developing "green jobs" with other funding and training coming from taxpayers, community-based and nonprofit organizations, educational institutions, the business community, and labor organizations.

89. The Statewide WE&T Needs Assessment made a recommendation we found timely and applicable to the ESA Program:

> …for fully subsidized low income programs, modify program objectives to include workforce outcomes. Assess current workforce outcomes and if they are not adequate, use high-road agreements and sector strategies to pilot incorporation of the new national DOE skill standards and certifications or other strategies to improve both energy efficiency and workforce outcomes.

90. While a few anecdotal accounts of contractor performance issues were raised by some parties and the 2009 Process Evaluation Report, we acknowledge that there is not enough evidence to suggest there to be a program-wide performance concern or that ESA Program delivery by the IOUs and contractors fall below any performance standard.

91. There was no evidence in the record to suggest that the IOUs and the contractors are violating health, safety, labor or wage laws to begin directing they comply with such existing laws.

92. The Statewide WE&T Needs Assessment's recommendation suggests reviewing "workforce outcomes" and taking actions as appropriate upon such review, which is a good program WE&T approach for the ESA Program.

93. To know the state of the current workforce, the needs of that workforce and the quality of their performance in the ESA Program is just the beginning of

effectively managing the program workforce, the needs of that workforce, and the quality of the products being produced by that workforce.

94. The record of this proceeding reflects the limited information and data currently being collected and reviewed and analyzed to understand the present reality of the ESA Program workforce.

95. Likewise, there is little indication of a forward looking anticipation and planning for the ESA Program's workforce needs of tomorrow.

96. As a program funded entirely by ratepayers, the IOUs' ESA Program-specific WE&T plan for the remaining three cycles creates potential opportunities for job creation, incubation, or development for displaced and disadvantaged workers

97. We find there is a nexus between the quality of ESA Program delivery (proper enrollments, assessments, installations, etc.) and the quality of the ESA workforce.

98. The CARE Program has made incredible progress over the past program cycle including the IOUs' showings of very high penetration rates during the 2009-2011 program cycle of reaching, more or less, the 90% CARE penetration goal set in D.08-11-031 by the Commission.

99. In D.08-11-031, the Commission acknowledged that a CARE penetration goal of 100% may not be attainable because of the difficulty in identifying and reaching certain customers as well as some portion of the low income customer segment that are unwilling to participate.

100. Some have estimated much of the approximate remaining 10% percent of CARE eligible households may be unwilling or unlikely to participate in the CARE Program.

101. We therefore recognize and acknowledge that the per-household efforts and associated costs to identify, target and reach the remaining CARE eligible population (ranging from 1% in SCE territory to approximately 15% in SDG&E territory) will invariably be more difficult and costly.

102. Much of the successes in the CARE Program have been achieved without substantial increase in the CARE outreach budget in the last budget cycle and by increasing the enrollment efficiencies through streamlining the screening, eligibility, and retention of participants in the CARE Program.

103. Some of the major lessons learned during the last program cycle suggest the CARE Program experiences extremely high attrition rate and the program design may need to be tightened so to ensure that CARE funds (discount rates and subsidy) and programs are effectively managed and administered to ensure the benefits reach only the intended eligible customers.

104. The CARE Program experiences high attrition rates, and to maintain and even build on the current penetration rates, we must aggressively outreach to enroll more customers each program year to offset the number of customers who we lose through various attrition factors.

105. For the 2012-2014 budget cycle specifically, we recognize and therefore will focus on strategies to aggressively carryout outreach efforts to maintain and increase the current penetration rates, wherever feasible.

106. For the 2012-2014 budget cycle, we also will focus on strategies to further streamline the program administration toward cost-effectively identifying, targeting and reaching the remaining hardest to reach CARE eligible population.

107. The IOUs' total proposed outreach budget of $42 million is an increase of approximately 8% over the 2009-2011 cycle.

108. The proposed increases in CARE administrative costs and budgets are warranted and supported by the attrition figures and the challenges faced by the IOUs in the coming cycle.

109. During prior budget cycles, PG&E, SDG&E and SCE have each funded cooling center activities very differently.

110. During the 2009-2011 budget cycle, SCE supported approximately 20 cooling centers; PG&E supported approximately 65 centers; and SDG&E supported approximately 119 cool zone facilities.

111. The Applications filed by PG&E and SDG&E describe existing partnerships with local government entities, specifically financial support is provided to city and county agencies to fund cooling centers, while SCE works primarily with community based organizations and faith based organizations to provide similar services.

112. SCE's cooling center budget has been substantially higher than PG&E and SDG&E while the number of facilities in SCE's territory has remained the lowest.

113. SCE's proposed cooling center budget represents approximately 36% of its CARE outreach cost, in comparison to PG&E's and SDG&E's respective proposed budgets which are approximately 4% and 3% of overall outreach costs.

114. Recommendations outlined in SCE's 2009 Cool Center Program Evaluation also adds to our concern by repeatedly pointing out instances where cooling centers were found to be costly to operate, overstaffed, under attended, lacked outreach efforts, and not strategically located or noticed, which all provides further evidence that utilization of third parties to operate cooling centers increases expenses without increasing benefits.

115. The IOUs, in their Applications, have identified a concern and presented evidence that the Categorical Eligibility and Enrollment process, in its present form, may lead to CARE subsidies being diverted from legitimate CARE eligible customers and ratepayers to some potential ineligible households.

116. Other parties also note that the second of the two CARE enrollment process, the self-certification process, likewise may lead to enrollment of potentially ineligible households.

117. The Categorical Eligibility and Enrollment Program permits a low income customer to be deemed income qualified and therefore eligible for the CARE Program benefits if they happen to be enrolled in one or more of the pre-approved listed governmental low income programs.

118. The Categorical Eligibility and Enrollment Program assumes that the other approved low income assistance program has already verified that customer's income and that verified income level aligned with the CARE income threshold of 200% federal poverty guideline.

119. After more than 20 years of outreach and enrollment efforts, the CARE Program has a growing subsidy expected to exceed $3.6 billion dollars in the 2012-2014 cycle.

120. Under the current enrollment and verification approach and projections, CARE participation/penetration rate is reaching (and may exceed) 100% of the CARE eligible population within many of the IOUs' territories.

121. As the CARE Program increases in size and budget, the importance of ensuring that only eligible customers are enrolled also increases.

122. As stewards of the ratepayer funds, we must ensure that CARE funds and programs are effectively managed and administered to ensure the benefits reach only the intended eligible customers.

123. DRA, TURN and other parties appropriately point out that Categorical Eligibility program process results in CARE administrative savings.

124. A reasonable alternative to a 100% Post Enrollment Verification and Post Re-certification Income Verification rate in the CARE Program is stratified probability sampling and modeling.

125. Through such stratified probability sampling and modeling, we may be able to cost-effectively target the probably ineligible CARE enrollees and yield similar results as a 100% verification rate, that is, to identify those that are ineligible, and ensure that only eligible customers are enrolled in the CARE Program. At the same time, such modeling can deliver more administrative savings by requiring administrative expenditures that are far less than the 100% verification approach.

126. The record in this proceeding demonstrates that the IOUs employ various tailored verification probability modeling tools in each of their service territories.

127. An analysis of these probability models indicates that these are a reasonable and cost-effective alternative to requiring 100% Post Enrollment and Post Re-certification Income Verification by targeting the verification efforts to only those customers most likely to be ineligible for the CARE Program.

128. The IOUs have confirmed in their comments that their substantial projections of subsidy savings support and justify administrative costs, for at least up to 25% of CARE enrollees, of additional income verification of CARE customers.

129. During the 2009-2011 program cycle and in this proceeding, the parties, members of the public, print media and even the legislature have brought forth the issue of CARE high usage customers as an issue of significant concern.

130. In its Application, PG&E requests specific CARE Program rule changes to address high electric users enrolled in the CARE Program, using 400% or above the baseline usage (high usage customers), and potentially receiving CARE discount rates unlawfully.

131. We have been working toward tightening the CARE Program and its administration and in doing so any misuse, abuse or potentially fraudulent allocation of CARE funds is carefully monitored and reconciled.

132. During the 2009-2011 cycle we experienced numerous delays and budget overruns relating to the approved pilots and studies and also found that, even during and after the pilots or studies were completed, they may not have been carefully monitored and overseen.

133. We have further noticed that the resulting findings have not been timely and/or effectively compiled, reported or otherwise communicated across all IOUs and stakeholders to truly yield optimal benefits of such efforts in informing the Commission and the stakeholders for all future changes concerning the ESA and CARE Programs.

134. The projected and approved pilot budget for 2012-2014 is approximately $800,000, which includes Community Help and Awareness with Natural Gas and Electricity Services (CHANGES) Pilot and related evaluation. The combined projected studies budget for 2012-2014 is $2,000,000.

135. During the 2012-14 funding cycle, we are particularly intent on heightening the scrutiny of all pilots, studies and proposals we approve, authorize and evaluate.

136. We also raise the accountability for both timing and deliverables resulting from the authorized pilots, studies and proposals so that the ESA and CARE Programs benefit directly from these initiatives without undue delay.

137. On November 19, 2010, the Commission issued Resolution CSID-004 and approved a one-year in-language pilot program referred to as CHANGES and authorized its funding through the CARE Program budget.

138. The CHANGES pilot program launched in February of 2011 and began providing energy-related (electric and natural gas) education, resolution of needs and disputes, and outreach services for limited English proficient consumers in their preferred languages through an existing statewide network of community based organizations.

139. On November 10, 2011, the Commission issued Resolution CSID-005 and authorized continued CARE Program funding for the CHANGES pilot program and extended the duration of the CHANGES pilot program to allow time for additional data collection and pilot evaluation, as well as time to review and address the appropriateness of continued authorization of CARE Program funding, if any, to this pilot through this current proceeding.

140. In Resolution CSID-005, we directed the CSID and the Energy Division, along with an independent consultant, to review 12 months of data collected concerning this pilot program to determine its ability to effectively assist limited English proficient consumers and evaluate the benefits of this pilot's use of CARE funds.

141. A final report based on the CAHANGES pilot evaluation was ordered to be submitted to the ALJ in this proceeding, by September 1, 2012, for the Commission's review, consideration and decision thereafter.

142. Opower, Inc.'s proposal for a pilot program, the Home Energy Report Pilot, maybe premature and may potentially duplicate its other ongoing piloting efforts.

143. We support the movement towards going paperless, wherever feasible, and we believe the IOUs and contractors can do that without the approval of the PC tablet proposal to be funded by the ESA Program.

144. The cost for the tools needed by service providers to provide ESA Program services is an appropriate contractor expense, and all costs associated with delivering services, including labor, fuel, vehicles and in this case, tablet PCs, are embedded in the reimbursement rates to contractors and should continue to be a contractor expense.

145. The IOUs' shared energy education evaluation study will be invaluable in determining whether there are the energy savings associated with ESA Program energy education and whether this justifies energy education be considered a cost-effective, standalone measure.

146. There are concerns from the parties regarding the results as well as the methodology used in this 2009 Impact Evaluation that showed, *inter alia*, some lower saving results relative to the 2005 Impact Evaluation.

147. To the extent practicable, the parties' comments and objections to the 2009 Impact Evaluation results have been addressed by the 2009 Impact Evaluation's consultant who provided responses to the parties' objections as well as explanations and justifications for the differences in the 2009 Impact Evaluation as compared to the 2005 Impact Evaluation.

148. The final 2009 Impact Evaluation also clearly sets forth detailed explanations for the lower saving results relative to the 2005 Impact Evaluation to which many parties have objected.

149. In all, we find the 2009 Impact Evaluation results to be generally sound, given the parameters and scope of the work.

150. We do agree with many of the parties that a more robust evaluation may be beneficial and that another impact evaluation should be conducted during the 2012-2014 cycle.

151. Several parties, including CforAT, DRA, TURN, La Cooperativa and Greenlining, have called for a new Low Income Needs Assessment to be conducted during this funding cycle, based upon Code Section 382(d) which provides that the Commission conduct such reviews "periodically" to "consider whether existing programs adequately address low-income electricity and gas customers' energy expenditures, hardship, language needs, and economic burdens."

152. The parties are correct to note that both the economic conditions facing California and the energy market have changed substantially since 2007 when the last assessment was conducted.

153. Numerous subject specific studies have been completed in the 2009-2011 cycle, and several significant issues are being reviewed during the second phase of this proceeding through the consultant and working group processes (e.g. WE&T, Multifamily, Energy Education, Impact Evaluations, Process Evaluations, Needs Assessment, CSD leveraging efforts, etc.), as ordered in this decision.

154. In D.08-11-031, the Commission weighed the various competing concerns and adopted 5% of the given population from each annual eligible population estimate as the unwilling population.

155. D.08-11-031 also indicated that future estimates of willingness may be more precise and may be considered for future budget cycles, however, at this time the Commission still does not have sufficient data to modify this figure.

156. In this cycle, the IOUs have proposed that the Commission adopt a 15% unwillingness factor for 2012-2014 cycle solely based on data gathered by SCE.

157. The IOUs have not provided adequate data to modify this 5% unwillingness figure.

158. However, the new Needs Assessment being conducted pursuant to this decision in the upcoming months should complement SCE's data and inform the Commission on this issue for the upcoming 2015-2-017 program cycle.

159. Code Section 739.1 (b) (1) defines how the Commission determines the CARE income threshold (poverty level) and the Commission does so by taking the latest Census figure each year and doubling that as required by statutory direction.

160. In D.08-11-031, the Commission determined that persons with disabilities are disproportionately low income, and serving the disabled community with the ESA Program outreach and especially measure installation will enhance penetration of the ESA Program in the low income community.

161. In D.08-11-031, we concluded that "no furnace repair and replacement or water heater repair and replacement work shall occur in violation of our holding in D. 07-12-051 that heating and water heating in rented housing are the responsibility of the landlord."

162. California Civil Code Sections 1941.1 (c) and (d) specifically require the landlord to provide heating and hot water in tenant occupied dwellings.

163. California Civil Code Section 1941.1 does not create an explicit prohibition that ratepayer funds cannot be used to provide assistance to the landlords to ensure such habitable rental units.

164. California Civil Code Section 1941.1 also does not prohibit the use of ratepayer funds to provide assistance to the landlords to invest in energy efficient rental units.

165. Until now, the Commission had consistently recognized that furnace repair and replacement or water heater repair and replacement work in renter-occupied units as the legal responsibility of the landlord, consistent with our conclusions in D.07-12-051 and D.08-11-031; and in those decisions, we found that in rented housing, those should not be the responsibility of ratepayers but in fact should remain the responsibility of the landlord, consistent with landlord's habitability responsibility.

166. The Commission is and continues to be mindful of and extends due deference to the policy rationale for Civil Code Section 1941.1 that as matter of general social and public policy, the landlord should be held responsible for the upgrade and habitability of a rental unit when they provide such a rental unit for compensation to a tenant.

167. The Commission also views the extraordinary programmatic costs associated with furnace repair and replacement or water heater repair and replacement work in renter-occupied units as that which, as matter of policy, should remain with those landlords, rather than have those costs be transferred to the ratepayers.

168. The broader context for the Commission's past decisions to not expend ESA Program funds to upgrade these central systems in these multifamily rental units is also because the Commission already provides suitable incentives (also funded by ratepayers) for such property owners at the present time through other non-low income energy efficiency programs.

169. In this proceeding, the Commission has not yet been provided with adequate legal and policy reasoning and justification to reverse the Commission's prior position that such extraordinarily costly central systems measures should now be the responsibility of the ratepayers, instead of the landlords.

170. At this time, such proposal would require upward adjustments to the IOUs' proposed budgets, as noted by PG&E, at substantial expense to the ratepayers which we cannot justify at this time.

171. The IOUs correctly reference existing programs such as EUC and the MFEER, in their testimonies, as both appropriate and viable alternatives to such co-pay proposal and are better suited and equipped to upgrade inefficient appliances while offering rebates and incentives to landlords.

172. Statewide Energy Efficiency programs such as EUC and MFEER are designed specifically to achieve energy savings; thus, the costs are appropriately distributed, between property owner and tenants, eliminating the need to burden ratepayers with additional program expenses for which they are not ultimately responsible.

173. Based on the IOUs' data, we find that the reasoning does not support the suggestion by EEC (where the customer is not upfront and neglectful of providing full income documentation); but rather in most instances, it is due to the contractor not collecting all the documents required in order to provide that specific service or measure.

174. The Commission has the responsibility to ensure that only those qualified for the program are serviced.

175. The need to mitigate potential fraud in the program is becoming ever so important, and allowing for EEC's proposal to be approved could lead to a potential loophole for errors as well as provide a perverse incentive for service providers to be less vigilant in their enrollment efforts and more aggressive in their installment efforts as many measures as possible, even if the home in question may not qualify.

176. Concerning the Quarterly Pubic Meetings, the record in this proceeding and the 2009-2011 ESA and CARE budget proceeding, A.08-05-022 *et al.*, confirm that the IOUs have repeatedly found the Quarterly Public Meetings, particularly the final Quarterly Public Meeting of each year unnecessary or otherwise more burdensome than beneficial.

177. The Quarterly Public Meetings were initially mandated by D.06-12-038 with the main purpose of allowing public access to the IOUs and a public forum to "facilitate program improvements" as set in that 2006 decision.

178. After six years, those Quarterly Public Meetings have understandably lost focus and direction and have become more of burden to the program than benefit, by diverting IOUs' and stakeholders' strained resources and attention away from the IOUs' core efforts.

179. The pilots, proposals, suggestions, recommendations and studies we do not expressly approve today are untimely, premature, not adequately justified by the proponents, not sufficiently described by the proponents, or are otherwise inconsistent with the program goals set forth in this decision at this stage of the program implementation.

180. There are program changes directed in this decision that may result in some need to augment the IOUs' ESA and CARE Program budget authorizations to comply with and carry out the some of the unanticipated directives in this decision.

181. The IOUs have already requested additional budgets in this proceeding, after the filing of their Applications, for some of the directives set forth in this decision (as they generally anticipated them from the originally proposed decision) that were unforeseen at the time they filed the Applications.

182. In addition to the additional budgets sought for the unanticipated approval of measures, SoCalGas and SDG&E, in their comments to the proposed decision and long after the filing of their applications in May of 2011, request additional budget augmentation of over $55 million for various budget categories due to a general unforeseen upward trend in their costs.

183. Pursuant to D.06-12-038, SCE provides gas service through its distribution system of propane/butane to low income customers on Catalina Island, as part of its ESA Program.

184. As anticipated in the September 26, 2011 Scoping Memo Ruling, on November 10, 2011, we adopted a bridge funding decision, D.11-11-010, for the IOUs to expend an amount not to exceed 50% of their respective 2011 budget levels, from January 1, 2012 until June 30, 2012 to continue their ESA and CARE Programs until the Commission adopts a final decision on the IOUs' ESA Program and CARE Program Budget Applications for 2012-2014.

185. On June 21, 2012, we adopted D.12-06-030, another bridge funding decision consistent with the D.11-11-010 authorized levels. D.12-06-030 approved a month-to-month extension of bridge funding, starting July 1, 2012 to continue the ESA and CARE Programs until the Commission adopts a decision

on the IOUs' ESA Program and CARE Program Budget Applications for 2012-2014. That month-to-month bridge funding decision is currently in effect.

186. Today, we resolve numerous poised issues in this decision based on the record of this proceeding, including the directions and budgets necessary to continue the ESA and CARE Programs during the 2012-2014 program cycle.

187. Several of the more complex and largely interconnected issues will be further investigated, examined, explored, debated and brought back to the Commission through the frameworks we set in this decision during the second phase of this proceeding, including the working groups and several significant studies.

188. Each of these second phase efforts along with the myriad of monitoring, tracking and reporting requirements ordered in this decision are also specifically designed to lay the foundation for meaningful program review and improvements where needed in the years to come.

189. All of these second phase activities anticipate and are specifically designed and necessary for laying a proper informational foundation for meaningful review of several premature but extremely complex programmatic and policy issues that have been untimely argued and debated in this proceeding up to this point.

190. A new Impact Evaluation and low income population's Needs Assessment Study will be underway during the second phase of the proceeding.

191. All the second phase efforts interrelate and are deigned to bring together better understanding of the low income community's needs and program elements to inform the Commission so that a thoughtful review of the low income programs can begin toward finding that right balance and move to changes, where appropriate.

Conclusions of Law

1. These are ratepayer funded programs, and as the Commission approves these sizable budgets, the Commission must be vigilant in its duty to the ratepayers to carefully oversee the IOUs' administration of the programs in the upcoming cycle, as well as monitoring the attendant management and expenditure of those funds we direct.

2. The ESA Program must be directed, administered and delivered in a manner so as to yield significant energy savings.

3. To achieve optimal energy savings, the ESA Program must be administered cost-effectively to yield maximum energy savings at reasonable costs.

4. In this program cycle, with the strategies, directions and significant budgets we provide, the IOUs should take advantage of the current ESA Program momentum and available workforce to find smarter ways (e.g., integration, leveraging, etc.) to exceed their projected target of 1/3 of the remaining homes for treatment by the end of the 2012-2014 cycle.

5. The low income communities and the ESA Program present unique concerns relative to integration; thus, there must be due consideration given to those unique concerns so to effectively and appropriately integrate the ESA Program with other IOU programs.

6. The low income programs' ME&O approach should incorporate tailored strategies for the low income communities while allowing for alignment with the overall statewide ME&O direction.

7. The IOUs' ME&O strategies should embrace and recognize the importance of community, local, regional, ethnic as well as ethnically-owned media as ways of effectively reaching and penetrating some of the most difficult to reach pockets of the low income communities.

8. The IOUs should track, monitor and report on the progress of these outreach and enrollment efforts in their annual reports, and the reporting should indicate specific activities and contracts, actual expense, as well as qualitative and quantitative attributes of resulting program enrollment from each effort.

9. The Commission should take actions necessary to ensure that the CARE Program is efficiently and effectively administered and delivered in ways that ensure that the benefits (the CARE discount rate) are delivered to the maximum number of households that are eligible.

10. The Commission should resolve the issues in this decision that are poised based on the record of this proceeding, including the directions and budgets necessary to continue the ESA and CARE Programs during the 2012-2014 program cycle.

11. Several of the more complex issues should be further investigated, examined, explored, debated and brought back to the Commission through the frameworks we set in this decision during the second phase of this proceeding, including the pilots, working groups and studies.

12. As a mature and largely successful program, it is imprudent to make whole-sale changes to the ESA Program, unless proposed changes are likely to yield significantly more benefits and the costs associated with those same changes are outweighed by the benefits to be attained.

13. The approach for the low income programs, going forward therefore, will be to build upon the successes to date while actively refining the program to enhance program success as we move forward; and we should do so with a forward looking vision, smarter and streamlined program implementation, increased consistency and coherence in delivery of demand side programs, and

by promoting and encouraging creativity, innovation and efficiency through tailored, adaptable and flexible program delivery.

14. The Commission should improve the Post Enrollment and Post Re-certification Income Verification processes for the CARE Program and update related rules to ensure that: (a) The CARE discount rate and subsidy are not being diverted to ineligible customers, at the expense of the ratepayers; and (2) The enrollees of the CARE Program and recipients of CARE subsidy are, in fact, eligible participants.

15. The IOUs should immediately examine the totality of its CARE enrolled population, review past post enrollment and post re-certification income verification records and experiences, devise and institute effective interim income verification model and framework, and begin to track, monitor and report on their interim income verification model, framework and income verification activities.

16. Based on the IOUs' past experiences and the experiences with the interim verification model implementation following this decision, the IOUs should devise and propose a long terms verification framework and rates for Commission's approval, and should also take steps to ensure the programs that remain in the Categorical Enrollment and Eligibility have income verification process and thresholds consistent with the CARE Program.

17. For the 2012-2014 budget cycle, we should retain the 90% CARE penetration goal; however, the IOUs' main focus for this cycle should be to update their activities to focusing and improving their strategies to (1) aggressively carryout outreach efforts to maintain and increase the current penetration rates, wherever feasible, and (2) ensuring the integrity of the CARE Program with the new rules being set forth in this decision.

18. As the CARE Program does experience high attrition rates and to maintain and even build on the current penetration rates, the IOUs must aggressively outreach to enroll more customers each program year to offset the number of customers lost through various attrition factors.

19. Such aggressive outreach strategies must also be designed to ensure that the CARE Program serves the maximum number of eligible households.

20. The IOUs should also focus on strategies to further streamline the program administration toward cost-effectively identifying, targeting and reaching the remaining CARE eligible population.

21. The Categorical Eligibility and Enrollment Program should not be eliminated but should be updated to ensure that CARE discount rate and subsidy are not being diverted to ineligible customers, at the expense of the ratepayers.

22. The IOUs should income verify CARE enrollees using either the interim or long terms probability models, as ordered in this decision.

23. The IOUs should monitor, track and report the results of the income verification results, including a summary of what reasons account for each de-enrollment during the income verification process and whether probability model is yielding optimal results by de-enrolling ineligible customers from the CARE Program and ensuring that CARE Program discounts are not diverted to ineligible population.

24. In addition to monitoring, tracking and reporting the number and reason for each CARE customer de-enrolled during the income verification process (either through customer non-response or deemed ineligible for the program), the IOUs should also monitor, track and report information concerning those de-enrolled and ineligible customers and how they were initially enrolled in the

CARE Program (e.g. capitation agency, self-certification, categorical enrollment, etc.).

25. SCE's proposal that CARE customers who fail to respond to a utility's request for income verification should be barred from self-certified re-enrollment in the CARE Program for 24 months is reasonable.

26. CARE customers who fail to respond to a utility's request for income verification and are therefore de-enrolled from the CARE Program should be reinstated in the CARE Program and discount rate once the customer provides income verification to confirm CARE eligibility.

27. To ensure consistency statewide, all of the IOUs should implement the CARE Program rule changes to bar those CARE customers who fail to respond to a utility's request for income verification for 24 months.

28. All of the IOUs should institute outreach programs, similar to that proposed by PG&E, to allow CARE capitation contractors to aid in the Post Enrollment Verification process for an up to $18.00 per capita fee.

29. PG&E's proposed CARE Program changes to address the high electric users (400% of baseline in any monthly billing cycle or more) on the CARE rate are generally reasonable.

30. PG&E's proposed CARE Program changes to address the high electric users on the CARE rate, as modified in this decision, should be adopted and the resulting CARE Program rules changes should apply to all of the electric Utilities to implement the statewide program changes.

31. The increase the capitation fee from "up to $15.00" to "up to $20.00" for each new CARE enrollment for program year 2012-2014 is adequately justified and reasonable, and the resulting capitation fee increase should apply to all of the IOUs in this proceeding to implement statewide.

32. The IOUs should continue their monitoring, tracking and reporting to update us on the status of each of their ESA Program specific integration efforts, using the guidance set forth in D.08-11-031 and to devise and refine such efforts, as necessary.

33. The IOUs should coordinate their ESA Program integration-related filings and streamline, wherever possible, to avoid unnecessary duplications in the energy efficiency docket and the ESA Program docket.

34. The IOUs should continue to present the results of their ESA Program integration-related efforts in their annual report submitted to the Commission each May.

35. In cases where their ESA Program integration effort does not meet at least two of the goals we set out in this decision, the IOUs should provide a reasonable explanation in their annual reports.

36. The Energy Division should review the IOUs' ESA Program integration-related reports, work with the IOUs to enhance integration during the 2012-2014 cycle if our metrics are not met, and make recommendations to the Commission, if the IOUs' integration efforts are failing to meet the metrics we established.

37. The IOUs should cooperate with the Energy Division's guidance or recommendations on the ESA Program integration efforts, as appropriate.

38. The IOUs should develop and plan to submit ESA Program integration plan with their next cycle applications including a timetable for introducing any refinements and/or additional low income specific integration activities toward ultimately achieving a full program integration stage during the 2015-2017 cycle.

39. The integration plan should include, at a minimum, a specific list of activities that the ESA Program must engage in and when, a plan for any needed training for ESA Program providers, a research plan, and any additional metrics

needed to measure success, an evaluation plan, and a list of regulatory changes and attendant funding that would be needed.

40. The IOUs should take advantage of all leveraging opportunities for the ESA and CARE Programs with other programs offered in California.

41. The IOUs' leveraging projects should be designed to yield direct benefits to low income households and the ESA Program overall by meeting one the following three criteria: (a) increase energy savings, (b) result in new customer enrollments, or (c) reduce program costs.

42. The IOUs should continue to work with various participants in the industry to identify key areas where data sharing is possible and advantageous; seek legislative changes to ease barriers to data sharing between agencies; and develop partnerships with community organizations and other agencies to leverage resources available from local governments, federal, state, and private funding sources.

43. SCE's request to discontinue its current efforts to leverage ESA Program with CAHP is reasonable.

44. The IOUs should continue their current leveraging efforts, except CAHP.

45. The IOUs proposed leveraging efforts are reasonable.

46. In this cycle and going forward, the IOUs should:

(a) Share successful leveraging models and to try and duplicate the successes of other IOUs' leveraging efforts; and

(b) Actively explore new opportunities and coordinate actual program delivery to promote long term enduring energy savings and cost efficiency.

47. The IOUs should continue to measure each of the existing and proposed leveraging efforts listed in their Applications using the metrics set out in this decision and continue to report the status of each in their annual reports provided each May to the Commission.

48. The IOUs, in their annual reports, should identify the level to which the proposed leveraging efforts meet each criterion, and in cases where the leveraging effort or relationship does not meet a criterion, shall provide a reasonable explanation and discussion of the lessons learned.

49. The Energy Division should make recommendations to the Commission if the IOUs' leveraging efforts are failing to meet the objective metrics we establish here.

50. The IOUs should cooperate with the Energy Division as necessary to assist the division in making its recommendations concerning the IOUs' leveraging activities.

51. Moving ahead, the IOUs, CSD, and the Commission must reiterate and reinvigorate a joint commitment to the programmatic goals to leverage and cooperate as outlined in our 2009 MOU.

52. Those IOUs that utilize dual providers (CSD and ESA Program) in program delivery should continue that effort and should focus their leveraging effort with CSD in refining the customer data sharing activities with LIHEAP/WAP and to devise a CSD leveraging plan; and any IOU that does not utilize dual service provider should actively explore ways to incorporate dual service providers, whenever practicable.

53. The IOUs should begin immediate coordination with the Energy Division to convene and begin discussions, on as-needed frequency, with CSD and the

IOUs to aide in this invaluable leveraging opportunity and to develop and implement an effective leveraging plan between the ESA Program and CSD.

54. DRA's proposal to overhaul the current ESA Program design and delivery model is not justified.

55. While we are planning to examine the ESA Program cost-effectiveness framework and explore more ways of improving the program design and delivery, we should adopt the recommended program delivery improvements, as recommended in the 2009 Process Evaluation of the ESA Program.

56. The IOUs should implement the 2009 Process Evaluation recommendations, including review of the property owner waiver and co-pay forms.

57. The property owner waiver and co-pay forms should be simplified, made uniform among the IOUs, and made available in languages other than English, if there is sufficient need justifying such expenditure.

58. Once fully implemented, SCE should report to the other IOUs on the effectiveness of its integrated schedule manager and routing tool for possible statewide adoption.

59. The IOUs should integrate their HEES programs and the CA-ICEAT into the ESA Program so that ESA contractors can use this information for easier enrollments and assessments.

60. Consistent with the Strategic Plan which envisioned phasing out support for basic CFLs and consistent with our continuing effort to integrate and standardize and integrate how we approach issues in the demand side programs, the IOUs should implement a much smaller basic CFLs program for the transition period as a step toward the phasing out process envisioned by the

Strategic Plan; such approach is consistent with the directions and approaches we provided in the mainstream energy efficiency docket, where appropriate.

61. The IOUs should review the training curriculum and licensing requirements of the outreach and assessment contractors to evaluate and report to the Energy Division, each IOU's projected budget necessary to train and otherwise enable those contractors in their initial visit, to install simple measures such as smart power strips to income qualified customers who have passed the modified 3MM Rule.

62. The IOUs should continue to provide cost-effective measures within the existing ESA Program cost-effectiveness framework.

63. The IOUs should be poised for potential mid-cycle ME&O course adjustment as directed in D.12-05-015, the recently issued guidance decision in the general energy efficiency docket, R.09-11-014 to align with statewide ME&O efforts.

64. The IOUs should carefully balance the program specific ME&O needs, while complying with any statewide ME&O course and directions in D.12-05-015, and prepare and file of their statewide ME&O applications by August 3, 2012 as ordered in OP 117 of D.12-05-015.

65. The IOUs should ensure that such Statewide ME&O filings meaningfully incorporate low income programs' statewide ME&O issues consistent with the directions in this decision and any future directions in this proceeding.

66. In the meantime, the IOUs should to continue to conduct their approved ME&O efforts for the ESA and CARE Programs so not to lose any momentum and progress being made in the current ME&O efforts.

67. The IOUs' ESA Program ME&O strategies should embrace and recognize the importance of community, local, regional, ethnic as well as ethnically-owned

media as ways of effectively reaching and penetrating some of the most difficult to reach pockets of the low income communities.

68. The IOUs should monitor, track and report on the progress of their outreach efforts in their annual reports, and the reporting should indicate specific activities and contracts, actual expense, as well as qualitative and quantitative attributes of resulting enrollment from each effort.

69. Toward refining the ESA Program's current cost-effectiveness framework, if possible, the Commission should endeavor to explore ways of stretching the limited ratepayer funds to (1) producing significantly more energy savings than today and (2) also significantly increasing the low income households' energy bill savings than today.

70. A working group, to be led by the Commission's Energy Division, should be formed to fully explore the current ESA Program's cost-effectiveness framework in depth toward formulating a cost-effectiveness framework that properly balances and recognizes the ESA Program as both a resource and an equity program.

71. We find the working group approach reasonable and sound, and the Energy Division should promptly allocate resources toward convening this ESA Program Cost-effectiveness Working Group.

72. If the add back measure(s) will compromise the IOUs' ability to meet the 2020 Strategic Plan goal that 100% of eligible and willing customers will have received all cost effective ESA Program measures, the IOUs should include a narrative in their annual reports on how they propose to address and otherwise offset the shortfall in other parts of their ESA Program.

73. As outreach, enrollment and other programmatic costs continue to rise, need to ensure the programmatic cost-effectiveness is crucial to the ESA

Program's success, and that a mechanism such as the modified 3MM Rule is necessary to make the most of the finite ESA Program funds toward treating maximum number of households.

74. With the modified 3MM Rule, the Commission ensured a base level of energy savings and ensured that the ESA Program remains in compliance with the goal of achieving long-term and enduring energy savings and increased leveraging opportunities with LIHEAP/WAP and other external measure installation programs.

75. The energy savings threshold component of the modified 3MM Rule also ensures increased program-level cost effectiveness and measure provision to all eligible and willing customers.

76. SCE's request to further alter or otherwise eliminate the modified 3MM Rule is not reasonable and should be denied.

77. The modified 3MM Rule, as modified in D.08-11-031 and clarified in D.09-06-026, should not be further modified or eliminated; maintaining programmatic cost-effectiveness is critical to the program's success of reaching the Strategic Plan goal; and therefore, we should deny: (a) SCE's proposal to install CFLs at the time a home is assessed without being required to meet the modified 3MM Rule, (b) SCE's proposal to count a home as "treated" with the delivery of only CFLs and/or energy education without complying with the modified 3MM Rule, (c) DRA's proposal to replace the modified 3MM Rule with a 4% Threshold delivery model, (d) EEC's recommendation of instituting the policy to install CFLs during the enrollment and education process as well as lifting the cap of 5 CFLs per household, as further discussed and clarified in Section 3.9 of this decision, and (e) TELACU's proposal to eliminate the modified

3MM Rule altogether and allow all income eligible customers to receive energy education and CFLs regardless of the modified 3MM Rule requirement.

78. Without showing of quantifiable energy savings figures associated therewith, energy education alone should not, at this time, be considered a standalone measure applicable towards the modified 3MM Rule.

79. The IOUs' request to change the refrigerator replacement criteria from pre-1993 units to pre-1999 units is reasonable and should be approved.

80. The IOUs should continue to install all CFLs they give to ESA Program customers.

81. The IOUs should remove all old bulbs after installing CFLs, unless a customer asks to keep them.

82. To better understand the field of eligible population and particularly the multifamily segment to be able to devise effective strategies to reach them, during the 2012-2014 period, we should examine this issue to devise a full set of comprehensive multifamily segment strategies.

83. At this time, we cannot justify increasing the ESA Program's no-cost measure offerings to include costly replacements of working central systems in tenant-occupied multifamily buildings especially since the Commission already provides necessary incentives (also funded by ratepayers) for such property owners at the present time through other non-low income energy efficiency programs.

84. The IOUs should improve their penetration of the multifamily segment of the low income population by immediately implementing the eight Multifamily Segment Strategies set forth in this decision, including additional approved measure offerings to multifamily households, which in turn should also increase the overall ESA Program's penetration rate.

85. During the 2012-2014 program cycle, to the IOUs should simultaneously begin developing and advancing more long-term and comprehensive multifamily segment strategies as discussed in this decision.

86. The Commission should further examine and develop an informed record regarding NCLC's proposed multifamily expedited enrollment process, including identifying and examining relevant legal and operational hurdles (e.g., housing subsidy and definition of income and potential need for memorandum of agreement or understanding with other potential partner agency(ies)), toward development of feasible expedited enrollment process.

87. The IOUs' WE&T approach should actively be looking at the ESA Program workforce's current needs, but should be actively overseeing, quality assuring work, anticipating and planning for future workforce needs of the ESA Program through the three remaining program cycles heading to the Strategic Plan deadline.

88. Instead of objecting to additional data collection and claiming it as unnecessary, burdensome and costly, the IOUs should be proactively collecting, reviewing and acting on those same information to manage the workforce needs of today and planning for tomorrow.

89. The IOUs should explore all opportunities and thoughtfully plan for and take full advantage of any such opportunity, wherever it makes sense, and do so consistent with the broad WE&T goals of the Strategic Plan.

90. Since maintaining the highest quality workforce is synonymous with the goal of an ever-effective ESA Program delivery model, the IOUs must make every effort to understand its workforce to adjust, support, empower and otherwise manage it in a way that yields the highest quality of service and outcomes.

91. The Commission and the IOUs should therefore view the WE&T issue with a broader perspective of successfully meeting the ESA Program needs for the next three cycles but with the focus towards:

(a) Assessing the education and training needs, if any, of the existing ESA Program workforce in yielding effective and quality program outcomes;

(b) Providing the support and framework for the necessary training and education for the existing ESA Program workforce to yield effective and quality program outcomes, including providing the workforce with the necessary lead safety and other similar safety training;

(c) Determining what ESA Program workforce needs will be for the remaining three cycles, until 2020;

(d) Anticipating and planning for in the workforce needs to support the ESA Program in the remaining three cycles, until 2020;

(e) Exploring ways to leverage (with green jobs programs, community-based and nonprofit organizations, educational institutions, the business community, and labor organizations, etc.) wherever possible and incorporate teaching minority, local, low income, disabled, displaced, and other disadvantaged communities the skills needed to meet the ESA Program needs, where feasible;

(f) Considering possible pilot programs (as recommended in the Needs Assessment) to test new quality standards for ESA Program weatherization projects accompanied by necessary training, increased pay for performance for contractors, and links to job placement for completing the training then initiate the evaluation below; and

(g) Participating and maintaining alignment to the extent possible with the IOUs' statewide WE&T efforts.

92. The IOUs should begin collecting more detailed and meaningful data in several WE&T areas.

93. Each IOU should prepare and submit a report showing each IOU's preliminary findings and summary of WE&T data collected in 2012 to begin the process of meaningfully assessing its workforce, education and training needs, if any, of the existing ESA Program workforce in yielding effective and quality program outcomes.

94. While each IOU is directed to submit a separate report, the IOUs should work together to develop a single, uniform reporting template.

95. A WE&T Working Group should be formed and led by the Commission's Energy Division.

96. With the IOUs' reports containing the above 2012 WE&T information, the WE&T Working Group should evaluate the data submitted and develop and present recommendations based thereon.

97. WE&T efforts in the low income programs should not operate completely independent of efforts underway in response to D.09-09-047 and that both advances should progress in parallel, while coordinating efforts whenever possible, as directed in this decision.

98. The Joint Parties' proposal that the IOUs focus WE&T efforts to diverse business enterprises with annual revenues of $1 million or less should be denied as it is excessively restrictive and burdensome for the IOUs to implement, and there is no information in the record indicating its needs are justified.

99. The IOUs' proposed 2012-2014 ESA Program budgets are generally reasonable and justified and should be approved with some modifications.

100. The IOUs' proposed 2012-2014 CARE Program budgets are generally reasonable and justified and should be approved with some modifications.

101. The IOUs provide adequate justifications in support of their respective CARE outreach budgets.

102. PG&E's request for funding in 2012 to conduct Phase II of the Tier 3 Electric Rate Outreach Campaign, reminding customers about this change before the summer months, is unnecessary and should be denied.

103. To better understand the costs and benefits of the cooling center activities and to achieve the goal of actually providing relief from heat and high energy bills to California residents during extreme heat conditions while ensuring ratepayer funds are appropriately managed, the IOUs should monitor, track and report by no later than December 21st of each year, following the conclusion on cooling center activity which concludes, on October 15th each year, information concerning the cooling center activities, including attendance, low income program enrollments, and itemized expenses.

104. The IOUs reports on cooling centers should also describe the energy education and marketing materials provided at each cooling center facility.

105. The IOUs should post on their websites a list of designated cooling center locations as well as days and hours of operation.

106. PG&E, SDG&E, and SCE should coordinate with local government agencies to establish and streamline emergency notification and cooling center designation processes, avoid duplication of services, and ensure exemptions for cooling centers from rotating outages.

107. The proposals by PG&E and SDG&E to continue to fund the cooling centers as part of their CARE Administration budgets and SCE's request to utilize a separate memorandum account under ERRA for funding are reasonable and therefore should be approved.

108. The IOUs' proposed cooling center budgets should be reduced from the proposed levels and should reflect exclusions based on D.05-04-052.

109. SCE's proposal to spend $30,000 to conduct a subsequent evaluation of its cooling center program is not justified and therefore unreasonable.

110. SCE should work with the other IOUs, businesses, public agencies, community based organizations and faith based organizations to identify alternate funding approaches and leveraging opportunities to eliminate duplication and minimize cost while maximizing the number and quality cooling centers in its territory.

111. We must ensure that CARE funds and programs are effectively managed and administered to ensure that the maximum amount of benefits reach the maximum number of intended eligible customers.

112. We should retain our current Categorical Eligibility and Enrollment Program, with some modifications set forth in this decision, to continue to allow continued ease of access for enrolling into the CARE Program.

113. The IOUs should follow the current Categorical Eligibility and Enrollment Program, with some modifications, to continue to allow continued ease of access for enrolling into the CARE Program.

114. The IOUs should jointly review and submit, by Tier 2 Advice Letter, a list of proposed categorical eligibility low income programs with income thresholds consistent with the CARE and ESA Programs annually by January 31st, and the Energy Division will review and issue an annual letter listing approved programs along with the annual CARE income guideline letter on April 1st each year.

115. The IOUs should focus on delivering the CARE Program discount rates to only those customers for whom it was designed.

116. The IOUs should develop and implement interim and long term probability Post Enrollment and Post Re-certification Income Verification models

as directed in this decision to cost-effectively identify enrollees who have the probability of being ineligible in the program, while tailoring the models to each of the IOUs' territory that incorporate basic probability factors, inputs, populations and costs.

117. The IOUs should monitor, track and report the number and specific reasons for each CARE customer de-enrolled during the Post Enrollment and Post Re-certification Income Verification process (either through customer non-response to the IOUs' request for income verification or deemed ineligible for the program) as well as how that de-enrolled customer was initially enrolled in the CARE Program (e.g. capitation agency, self-certification, categorical enrollment, etc.).

118. Based on the IOUs' projected administrative costs and the subsidy savings reflected in their comments during the proceeding, annual Post Enrollment and Post Re-certification Income Verification rate of up to 25% of CARE customers to undergo income verification, and several other CARE program changes are justified and reasonable, to begin ensuring that only the eligible customers stay enrolled in the program.

119. A workshop on the Categorical Eligibility and Enrollment Program is unnecessary.

120. The IOUs should begin an immediate development of an interim targeted Post Enrollment and Post Re-certification Income Verification probability model by developing, incorporating following basic factors in their modeling as well as any other territory specific factors:

- High energy use (including customers with usage above 400% baseline in any monthly billing cycle and above)
- Annual bill amounts
- Household size

- PRIZM or ZIP code
- Enrollment method
- Previously indicated customer ineligibility
- Customers previously de-enrolled from the CARE Program
- Length of Program Enrollment
- Length of time lapse since previously income verification

121. The IOUs should, based on its past Post Enrollment and Post Re-certification Income verification records and experiences, develop and implement an interim Post Enrollment and Post Re-certification Income Verification model, at a reasonable rate that each IOU deems reasonably necessary to: (a) ensure meaningful size in sampling to yield the necessary results to aid in the development of effective long term probability models for the Utilities; (b) ensure the integrity of the CARE Program; (c) provide assurance that CARE discount rates are received *only* by those lawfully intended to receive them; (d) remove any fraud and abuse; and (e) properly factor in the potential program disruptions as well as administrative costs.

122. The interim verification rate, for each of the IOUs, should apply to all enrolled CARE customers, including self-certified and categorically enrolled CARE customers. This interim verification rate shall not exceed 200% of the IOU's 2011 post enrollment verification rate.

123. The IOUs should monitor, track and report on the results of the Post Enrollment and Post Re-certification Income Verification activities pursuant to the interim probability models, and using that information, develop a long term probability model framework, including an optimal Post Enrollment and Post Re-certification Income Verification rate tailored to each IOU, to cost-effectively identify CARE enrollees who have the probability of being ineligible in the

program, while tailoring the model to the IOUs' specific territory that take into account the basic probability factors, populations and administration costs.

124. The IOUs should closely track, monitor and review the data from the implementation of the interim probability model and incorporate lessons learned into the designing the long terms probability models for review by the Energy Division; and in the long term probability model proposals, the IOUs should set forth justifications based on the lessons learned during the interim probability model implementation.

125. The IOUs should also explore and employ all reasonable methods of easing the documentation presentation by the enrollees during the Post Enrollment and Post Re-certification Income Verification, such as being able to submit documentation via email, facsimile transmission, etc.

126. In addition to tracking the number and reason for each CARE customer dropped during the Post Enrollment and Post Re-certification Income Verification process (either through customer non-response or deemed ineligible for the program), the IOUs should begin tracking information concerning those dropped and ineligible customers and how they were initially enrolled in the CARE Program (e.g. capitation agency, self-certification, categorical enrollment, etc.).

127. SCE's request for CARE customers who fail to respond to an income verification request be barred from self-certified re-enrollment in the CARE Program for 24 months is reasonable and should be approved.

128. If at any time during the 24 months a de-enrolled customer verifies eligibility, that customer should be placed back on the CARE rate, and after 24 months, those customers de-enrolled may be able to enroll in CARE by again self-certifying their household and income eligibility.

129. To ensure consistency statewide, all IOUs are directed to implement identical CARE Program rules ordered in this decision.

130. The IOUs should develop and field a uniform quality control audit protocol for CARE/Post Enrollment Verification capitation contractors.

131. SCE's requests for $2.9 million in information technology program upgrades are reasonable and should be approved.

132. SCE's request for $2.1 million for increased verification processing is reasonable and should be approved.

133. PG&E's proposed CARE Program changes to address the high electric users (400% baseline usage in any monthly billing cycle or more) on the CARE rate are reasonable, timely and should be approved with some modifications as ordered in this decision, and should also be implemented statewide for all electric IOUs.

134. Based on these experiences and as we approve these historic ratepayer funded budgets in this decision, we should carefully examine each proposal to ensure that we authorize only those pilots, studies and other proposals that are well thought out, justified and presented with sufficient detailed and meaningful framework for a pilot proposal, and specifically designed to further and meet the goals of the ESA and CARE Programs.

135. The IOUs should also meet, collaborate and/or coordinate actively with Energy Division staff, the other IOUs, and other stakeholders to review the results of pilots, studies or other proposal we approve in this decision.

136. Even if not specifically denied, any proposal not expressly approved or authorized should be deemed denied.

137. The evaluation of the CHANGES pilot program should be completed consistent with the current Energy Division's pilot evaluation procedures and

should not exceed a total of $80,000 collectively from the IOUs' CARE Program Measurement and Evaluation (M&E) budget at an amount not to exceed 10% of the total pilot budget.

138. SFCP's proposals are incomplete, ill-defined and redundant of current ESA Program services and therefore should not be approved.

139. Opower, Inc.'s proposal for a pilot program, the Home Energy Report Pilot, is not timely and should be denied.

140. As is the case with other tools needed to deliver program services, the responsibility to provide tools to service provider employees to perform their jobs should remain with the service provider.

141. The funding for PC tablets should remain as it is and be assumed as part of the contractors' expenses.

142. The PC Tablet proposal is not justified and should be denied.

143. The IOUs' request for a $300,000 shared energy education evaluation study is reasonable and should be approved.

144. The IOUs should be restricted to provide energy education only to income-verified customers who have passed the modified 3MM Rule.

145. SoCalGas' request for $65,000 for a leave-behind energy education DVD is reasonable and should be approved.

146. The IOUs' Impact Evaluation proposal, as described in SCE's testimony in Appendix A, Attachment A-9 is reasonable and should be approved, with the modification we order in this decision.

147. A well scoped low income needs assessment study could complement the various efforts underway in the second phase of this proceeding toward laying the foundation for and assist the Commission in review of the 2015-2017

program cycle applications; and therefore, a new and targeted needs assessment study should be authorized and conducted during the 2012-2014 cycle.

148. A Mid-Cycle Working Group should be formed to review: (a) Weatherization and Installation (WIS) Manual Updates; (b) Statewide Policy and Procedure Manual Updates; (c) Streamlining of the IOUs' Reporting Requirements; (d) The IOUs' Best Practices; (e) General Mid-cycle Program and Process Improvements; and (f) Potential 2015-2017 Application and Cycle Issues, including whether the next cycle applications could benefit from bifurcation of CARE Program issues from ESA Program issues.

149. Additional information and evidence should be collected and reviewed in order to thoughtfully evaluate the reasonableness of the increased budgets projected by the IOUs resulting from the unanticipated programmatic directives in this decision.

150. The IOUs should track and report number of customers who are either unwilling or unable to participate in the low income programs, during the 2012-2014 budget cycle, including reasons why customers are unwilling and/or unable to participate.

151. The IOUs' proposed increases of the unwillingness factor are not adequately justified and should be rejected.

152. The current 5% unwillingness factor should continue be used for 2012-2014.

153. The 15% enrollment goal established in D.08-011-031 for the segment of low income population with disability should continue in this cycle.

154. DRA's and SDG&E's co-pay policy proposal for certain central systems in multifamily unit is inconsistent with Commission policy, existing program rules and does not recognize landlord obligations with respect to heating and hot water under Section 1941.1 of Civil Code and other programmatic implications and policy considerations.

155. The current program policy and procedures, prior decisions, the Commission's interpretation and application of Civil Code Section 1941.1, and available alternatives through existing statewide programs suggest that a proposal for co-pay policy for certain central systems in multifamily unit is imprudent and unnecessary.

156. EEC's proposal to authorize a line item in the budget to approve reimbursement for measures installed when the customer is subsequently deemed not to qualify is not adequately justified and should be rejected.

157. The Commission should move its CARE annual income letter release date from May 1st to April 1st each year to afford adequate lead time for the IOUs to update their computer generated and web-based forms.

158. The FERA update also should be simultaneously released by Energy Division with the CARE letter by April 1st of each year, for efficiency and to eliminate duplication.

159. The IOUs' request for Tier 2 Advice Letter process for mid-cycle changes to CARE and ESA Programs is ambiguous and therefore should be rejected.

160. The IOUs' proposal that they should be relieved of the Quarterly Public Meetings as previously ordered in D.06-12-038 is reasonable.

161. Similar public meetings can be revamped once again to become an active tool for the CARE and ESA Programs, as they were originally envisioned but with a new focus provided in this current decision.

162. The IOUs should convene a minimum of one public meeting per year, within 60 days of their filing of the annual report, and other public meetings as deemed necessary by either the IOUs, the Energy Division, the ALJ, or the Commission.

163. In the upcoming 2012-2014 program cycle, the IOUs should test the IOUs' public meetings as a forum to host the working groups we authorize and order in this decision, including (a) Cost-Effectiveness (CE) Working Group; (b) WE&T Working Group; and (c) Mid-Cycle Working Group, and other(s) as Energy Division determines necessary and appropriate for this program cycle.

164. The funding for incentive programs requested by SDG&E and SoCalGas for this budget cycle, as proposed, should be denied as unreasonable and the benefits to the program tenuous and unproven.

165. SoCalGas' proposal for Common Uniform and Enrollment Kit and proposed costs are reasonable and therefore should be approved.

166. The SoCalGas' request for an additional $3.1 million for reader reassignment via the ESA Program will not increase the ESA Program's cost-per-enrollment and is therefore reasonable and should be approved.

167. The annual estimates of customers eligible for the CARE Program should be due by December 31 of each year.

168. Unless the Commission specifies otherwise, Energy Division's Demand-Side Management Branch should share in oversight and review of the all studies, pilots and evaluations ordered in this decision and that role should be shared in collaboration with the IOUs, consistent with the general EM&V processes we adopted and set out in D.10-04-029.

169. The IOUs should continue to follow the fund shifting rules, as outlined in D.08-11-031, modified in D.10-10-008 and updated in this decision, in the CARE and ESA Programs in the 2012-2014 program cycle.

170. SCE's request for additional budget for the add back of Central Air Conditioner maintenance measure is reasonable; SDG&E's request for additional budget for HVAC measure is reasonable; and SoCalGas' request for additional budget for Domestic Hot Water, Enclosure, and HVAC measures as well as a budget increase for Inspections are reasonable.

171. Any approved add back measures not submitted as part of the original IOUs' budget Applications, and not explicitly accounted for and approved in this decision, should be submitted for subsequent review by PTM process, as necessary.

172. There is insufficient information, testimony or record available to evaluate SoCalGas' and SDG&E's requests and the justifications of their the requests for additional budget augmentation of over $55 million for various budget categories due to a general unforeseen upward trend in their costs; thus, the Commission should deny these requests.

173. The IOUs should file petitions to modify, seeking augmentation of the total budgets approved in this decision, if the IOUs believe that additional funding beyond the approved budgets in this decision is needed; and if we deem such budget augmentation reasonable and justified, they should be approved in a subsequent decision.

174. SCE's request to continue to fund gas service to low income customers on Catalina Island with the ESA Program funds is reasonable and consistent with D.06-12-038.

O R D E R

IT IS ORDERED that:

1. The 2012-2014 Energy Savings Assistance Program and California Alternate Rates for Energy Program budgets of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are adopted as follows:

Adopted Budget Summary 2012-2014				
	ESAP			
Utility	2012	2013	2014	Cycle Total
PG&E	$150,982,212	$156,363,352	$161,862,111	$469,207,675
SCE	$72,461,946	$72,640,016	$72,736,631	$217,838,592
SDG&E	$21,716,006	$22,140,542	$22,515,618	$66,372,165
SoCalGas	$113,292,891	$117,559,854	$120,506,165	$351,358,910
Total	**$358,453,054**	**$368,703,763**	**$377,620,525**	**$1,104,777,343**
	CARE			
	2012	2013	2014	Cycle Total
PG&E	$675,989,667	$647,446,512	$620,716,512	$1,944,152,691
SCE	$342,557,000	$389,156,000	$429,212,000	$1,160,925,000
SDG&E	$79,108,350	$87,972,980	$89,010,739	$256,092,069
SoCalGas	$145,516,024	$145,870,266	$147,360,024	$438,746,314
Total	**$1,243,171,041**	**$1,270,445,759**	**$1,286,299,275**	**$3,799,916,075**

2. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall treat at least 1 million households over the 2012-2014 budget cycle with the Energy Savings Assistance Program Budget approved in this decision.

3. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue all their ongoing integration efforts among the Energy Savings Assistance Program, California Alternate Rates for Energy Program, Energy Efficiency programs, Demand Response programs, California Solar Initiative, and any other of the utility demand side programs.

4. Within 60 days after this decision is issued, and consistent with the guidance set forth in this decision, the Energy Division shall form the (a) Energy Savings Assistance Program Cost-effectiveness Working Group, (b) Energy Savings Assistance Program Workforce, Education and Training Working Group, and (c) Mid-Cycle Working Group to review those components of the Commission's Energy Savings Assistance Program and California Alternate Rates for Energy Programs to make recommendations for refinements to improve, wherever possible, the design, administration, delivery and ultimate success of these programs.

5. Effective immediately, the Quarterly Public Meetings held by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company shall be modified as follows:

(a) These Utilities shall be relieved of the Quarterly Public Meetings ordered in Decision 06-12-038.

(b) These Utilities shall convene a minimum of one public meeting per year, within 60 days of their filing of the annual reports, and other public meetings as deemed necessary by either the Utilities, the Energy Division, the ALJ, or the Commission.

(c) In the upcoming 2012-2014 program cycle, these Utilities shall use the meetings as a forum to host the working groups approved, as set forth below:

(1) Unless we have specified otherwise in other parts of this decision, within 60 days of the effective date of this decision, Energy Division is charged with the task of soliciting and putting together the following working groups:

(i) Cost-Effectiveness (CE) Working Group, as outlined and discussed in section 3.5.4 of this decision;

(ii) WE&T Working Group, as outlined and discussed in sections 3.11.5.4 and 3.11.5.5 of this decision; and

(iii) Mid-Cycle Working Group, and other(s) as Energy Division determines necessary and appropriate for this program cycle. (The charge for the Mid-Cycle Working Group will be to review: (a) Weatherization and Installation (WIS) Manual Updates; (b) Statewide Policy and Procedure Manual Updates; (c) Streamlining of the Utilities' Reporting Requirements; (d) The Utilities' Best Practices; (d) General Mid-cycle Program and Process Improvements; and (f) Potential 2015-2017 Application and Cycle Issues, including whether the next cycle applications could benefit from bifurcation of California Alternate Rates for Energy Program issues from Energy Savings Assistance Program issues);

(2) Unless we have specified otherwise in other parts of this decision, the size and makeup of a particular working group will be determined by Energy Division with the direction of the ALJ to yield a fair, informed, balanced and productive review and exploration of the issues that the working group must review;

(3) The Utilities shall host, notice, facilitate and provide public working group meetings, as needed and requested by each of the working groups during 2012-2013 program years;

(4) The Utilities should continue to equitably rotate the responsibility of facilitating these meetings, recording minutes and ensuring recommendations, reports and other progress reports are submitted to the proceeding service list and the Commission for review and consideration for inclusion in the record, subsequent Rulings and/or Decisions;

(5) These newly structured Utilities' public meetings can either be solely dedicated to a particular topic or working group or could accommodate more than one topic or working group, as needed, to address the needs of the working groups authorized in this decision;

(6) Unless we have specified a different schedule and deadlines for the particular working group, in other parts of this decision, each working group must, by no later than February 15, 2013, submit to the ALJ, the working group's progress report of findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and a detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision with justification showing good cause for any additional and estimated time it may require;

(7) Unless we have specified a different schedule and deadlines for the particular working group, in other parts of this decision, each working group must, by no later than July 15, 2013, submit to the ALJ, its final report of findings and recommendation(s), if any. If no agreed upon recommendation(s) is/are reached, the working group shall submit a progress report nonetheless of its activities since inception and detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision; and

(8) The terms of all working groups expire 45 days after its final report and recommendations are submitted to the ALJ.

6. By February 15, 2013, the Energy Savings Assistance Program Mid-Cycle Working Group shall submit to the assigned Administrative Law Judge their Progress Reports of findings and recommendation(s), if any, and if no agreed upon recommendation(s) is/are reached by then, the working group shall submit a progress report nonetheless of its activities since inception and a detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision with justification showing good cause for any additional and estimated time it may require.

7. By July 15, 2013, the Energy Savings Assistance Program Mid-Cycle Working Group shall submit their Final Reports and Recommendations to the assigned Administrative Law Judge.

8. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall immediately begin collecting the following data in these seven Workforce Education and Training areas:

(a) Contractor and subcontractor contract terms (competitive bid, direct award, etc.);

(b) Contractor and subcontractor compensation schemes (hourly, piecemeal, salaried, etc.);

(c) Number of inspection failures and the types of failures (including the number of enrolled customers later deemed ineligible, number of incorrectly assessed households and instances of measure installation inspection failures);

(d) Level and type of Utilities' training (including lead safety training) and screening (including background check) these specific contractors have completed;

(e) Customer feedback for these contractors, positive and negative;

(f) Demographic data of the current Energy Savings Assistance Program workforce, including minority, local, low income, disabled, displaced, and other disadvantaged communities; and

(g) The Utilities' assessment of any other needs of the existing workforce to meet the current and future Energy Savings Assistance Program demands.

9. By February 1, 2013, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall work together to develop a single, uniform reporting template and shall submit a report showing each utility' preliminary findings and summary of Workforce Education and Training data collected in the seven Workforce Education and Training areas for program year 2012 to begin assessing its workforce and the education and training needs, if any, of the existing Energy Savings Assistance Program workforce in yielding effective and quality program outcomes.

10. By April 15, 2013, the Energy Savings Assistance Program Workforce Education and Training Working Group shall evaluate the data gathered and submitted by the Utilities and develop and submit to the assigned Administrative Law Judge their Progress Reports of findings and recommendation(s), if any, and if no agreed upon recommendation(s) is/are reached by then, the working group shall submit a progress report nonetheless of its activities since inception and a detailed description of the status of its efforts in each of the subject areas it is charged to review in this decision with justification showing good cause for any additional and estimated time it may require.

10. By July 15, 2013, the Energy Savings Assistance Program Workforce Education and Training Working Group shall submit their Final Reports and Recommendations to the assigned Administrative Law Judge.

11. By February 15, 2013, the Energy Division shall submit to the assigned Administrative Law Judge a white paper on the subject of the Energy Savings Assistance Program and its cost-effectiveness methodology and framework; and the assigned Administrative Law Judge thereafter shall circulate it for comments to the service list of this proceeding.

12. By March 15, 2013, the Energy Savings Assistance Program Cost-effectiveness Working Group shall convene a minimum of two public workshops and/or meetings.

13. By July 15, 2013, the Energy Savings Assistance Program Cost-effectiveness Working Group shall submit to the assigned Administrative Law Judge its Final Proposal and Recommendation; and the assigned Administrative Law Judge thereafter shall circulate it for comments to the service list of this proceeding.

14. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue their tracking and report to the Commission on the status of each of their Energy Savings Assistance Program specific integration efforts in their annual report submitted in May of each year, following the guidance set forth in Decision 08-11-031, shall identify and explain if those efforts meet at least two of the four Energy Savings Assistance Programs integrations goals and to devise and refine such efforts, as necessary.

15. The Energy Division shall review the annual reports submitted by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and work with them to enhance integration during the 2012-2014 cycle if our metrics are not met and shall update and make recommendations to the Commission on the integration efforts toward meeting the four Energy Savings Assistance Programs integrations goals.

16. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall cooperate with the Energy Division's guidance or recommendations on the integration efforts.

17. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall proactively find and take advantage of all leveraging opportunities for Energy Savings Assistance and California Alternate Rates for Energy Programs with other programs offered in California.

18. Southern California Edison Company's request to discontinue its current efforts to leverage Energy Savings Assistance Program with the California Advanced Homes Program is approved.

19. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue their current leveraging efforts, except with the California Advanced Homes Program.

20. The leveraging efforts proposed by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are approved.

21. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall:

- Share successful leveraging models and duplicate the successes of other Utilities' leveraging efforts; and
- Actively explore new opportunities and coordinate actual program delivery to promote long term enduring energy savings and cost efficiency.

22. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue to measure each of the existing and proposed leveraging efforts listed in their 2012-2014 Application for Energy Savings Assistance and California Alternate Rates for Energy Programs using the metrics in Decision 08-11-031.

23. Energy Division shall recommend to the Commission if the leveraging efforts of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company fail to meet the objectives of the Decision 08-11-031 leveraging efforts metrics.

24. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue their current efforts of utilizing dual providers (California Department of Community Services and Development and Energy Savings Assistance Program) in program delivery; and if any utility does not utilize dual provider currently, such utility shall actively explore ways to incorporate dual service providers whenever practicable during this program cycle.

25. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall focus their leveraging effort with California Department of Community Services and Development in refining the data sharing activities with CSD's Low Income Home Energy Assistance Program (LIHEAP)/Weatherization Assistance Program (WAP) and to devise an effective leveraging plan, which at a minimum, shall include:

(a) Entering into agreement with CSD to develop a comprehensive statewide database system or bidirectional data sharing exchange that will enable the identification of households served under the LIHEAP/WAP program; and

(b) The design and implementation of a partnership effort that will effectively combine the resources and benefits of the LIHEAP/WAP programs with those of the Energy Savings Assistance Program.

26. Within 45 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall begin coordination and discussions, on an as-needed frequency but no less than every 60 days, with California Department of Community Services and Development to develop and implement an effective leveraging plan between the Energy Savings Assistance Program and California Department of Community Services and Development.

27. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall implement the 2009 Process Evaluation recommendations by updating, simplifying and making uniform the property owner waiver and co-pay forms and making the forms available in languages other than English, if there is sufficient need justifying such expenditure.

28. Within 90 days of full implementation by Southern California Edison Company, Southern California Edison Company shall report to the Energy Division, Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company on the effectiveness of its integrated schedule manager and routing tool for possible statewide adoption.

29. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall integrate their Home Energy Efficiency Surveys programs and the California Integrated Customer Energy Audit Tool into the Energy Savings Assistance Program so that Energy Savings Assistance contractors can use this information for easier enrollments and assessments.

30. Within 90 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall review the training curriculum and licensing requirements of the outreach and assessment contractors to evaluate and report to the Energy Division, each utility's projected budget necessary to train and otherwise enable those contractors in their initial visit, to install simple measures such as smart power strips to income qualified customers who have passed the modified 3MM Rule; and the Energy Division shall review and make necessary recommendations.

31. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue to conduct their current Marketing, Education and Outreach efforts as directed in this decision.

32. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall anticipate and make plans for potential Marketing, Education and Outreach mid-cycle changes to align with the Commission's statewide Marketing, Education and Outreach activities/directions set forth in Decision 12-05-015, the recently issued Guidance Decision in the general energy efficiency docket, Rulemaking 09-11-014.

33. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall file their statewide Marketing, Education and Outreach applications incorporating low income programs' Marketing, Education and Outreach issues by August 3, 2012 as ordered in Decision 12-05-015 and ensure that such filings meaningfully incorporate low income programs' statewide Marketing, Education and Outreach issues consistent with the directions in this decision and any future directions in this proceeding.

34. In addition to the statewide Marketing, Education and Outreach activities, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue to conduct their approved Marketing, Education and Outreach efforts for the Energy Savings Assistance and California Alternate Rates for Energy Program Programs so not to lose any momentum and progress being made in those ongoing efforts.

35. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall continue to provide cost-effective measures within the existing Energy Savings Assistance Program cost-effectiveness framework.

36. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall ensure installation of the measures based on the current cost-effectiveness framework, with continued focus on the measures that meet the 0.25 thresholds, with those exceptions discussed in this decision.

37. The methodology and Cost Effectiveness Test (CE Test) as outlined in Decision 08-11-031 are adopted for the 2012-2014 cycle for evaluating cost-effectiveness of each measure (taking into account the housing type as well as climate zones), including exceptions to such CE Test as follows:

(a) CE Test: Measures that have both a Modified Participant Cost Test ($PC_{m)}$ and a Utility Cost Test (UCT) benefit-cost ratio greater than or equal to 0.25 (taking into consideration the housing type and climate zone for that measure) for that utility, pass the CE Test and shall be included in the Energy Savings Assistance Program. This rule applies for both existing and new measures.

(b) Two exceptions to CE Test are:

(i) Existing measures that have either a PC_m or a UCT benefit-cost ratio less than 0.25 (taking into consideration the housing type and climate zone for that measure) is deemed to have passed the CE Test and shall be retained in the Energy Savings Assistance Program; and

(ii) Existing and new measures with both PC_m and UCT test results less than 0.25 (taking into consideration the housing type and climate zone for that measure) for that utility may be included in the Energy Savings Assistance Program for health safety and comfort reasons as add back measures, by first securing Commission's approval for such exception; and all approved add back measures are subject to additional reporting requirements.

38. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall follow the two step reporting for all of the add back measures approved in this decision:

(a) Within 30 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall forecast, for 2012-2014 (per year and for the full three year period), for any measure that we include in the program that falls below the 0.25 cost effectiveness threshold test, the following:

  (i) The measure type and climate zone;

  (ii) How many such measures the utility anticipates installing in 2012-2014 in each add back climate zone;

  (iii) The budget impact of the add backs; and

  (iv) The energy savings impacts of the add backs, based on the assumption that installation of measures that do not already exist in a home will increase, rather than decrease, energy usage.

(b) Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall report in their annual reports, due in May of each year for the prior year, the actual figures in each of the foregoing four categories. If the add backs will compromise these Utilities' ability to meet the 2020 Strategic Plan goal that 100% of eligible and willing customers will have received all cost effective Energy Savings Assistance Program measures, they shall include a narrative in their annual reports on how they propose to address the shortfall in other parts of their Energy Savings Assistance Program.

39. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall add back the attic insulation measure in the housing types and climate zones as approved in the 2009-2011 Energy Savings Assistance Program in the 2012-2014 Energy Savings Assistance Program, with the addition of climate zone 14 for single family homes in Pacific Gas and Electric Company's service area.

40. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall review the issue of whether there is a need or justification for increasing the minimum standards of the installation of attic insulation, as part of their next round of annual updates to the Weatherization Installation Standards Manual.

41. The Air Sealing and Envelope measures, as proposed by Pacific Gas and Electric Company, Southern California Edison Company, and Southern California Gas Company, are approved as added back measures.

42. Pacific Gas and Electric Company's proposed water conservation measures (low-flow showerheads, water heater blankets, water heater pipe insulation, and faucet aerators) are approved as add back measures.

43. The Furnace and Water Heater Repair/Replacement measures, as proposed by Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company, are approved as add back measures for eligible owner-occupied homes.

44. The Furnace and Water Heater Repair/Replacement measures for tenant-occupied homes shall not occur without significant review and deliberation of the issue to occur in the second phase of this proceeding.

45. Southern California Edison Company's proposals to add back Central Air Conditioner measure for single family households in climate zones 14 and 15 and for multifamily households in climate zone 14 are approved.

46. Southern California Edison Company's proposal to add back Room Air Conditioner for all housing types in climate zones 10 and 13 is approved.

47. San Diego Gas & Electric Company's proposal to add back Room Air Conditioner for all housing types in climate zone 10 in their territory is approved.

48. Southern California Edison Company's proposal to add back Heat Pumps for single family and multifamily households in climate zone 15 is approved.

49. Pacific Gas and Electric Company's and San Diego Gas & Electric Company's proposed cooling measure retirements in all climate zones for single family and multifamily households is approved, with the exception of Room Air Conditioner in climate zones 10, 13, 14 and 15, and Central Air Conditioners in climate zones 14 and 15.

50. We deny the proposed retirement of the Duct Test and Seal measure by Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company, and direct this measure to be added back.

51. Pacific Gas and Electric Company, San Diego Gas & Electric Company, and Southern California Gas Company shall comply with the additional reporting requirements for all add backs as ordered in this Decision, including energy savings values as well as the quantity by housing type and in the climate zones projected for installation for each program year.

52. Southern California Edison Company's proposed retirement of Central Air Conditioner service measure is denied, and therefore this measure shall be added back.

53. Southern California Edison Company's proposed retirement of evaporative cooler maintenance measure is approved.

54. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall immediately begin to work with the Energy Division and consult with their mainstream energy efficiency Heating, Ventilation and Air Conditioning Quality Maintenance (HVAC QM) program staff to investigate approaches to align, coordinate, or integrate these Energy Savings Assistance Program offerings with the mainstream HVAC QM program.

55. Within 120 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall submit a final report to the Energy Savings Assistance Program and general energy efficiency proceeding service lists documenting their findings with regard to the feasibility of aligning these programs and, if feasible and appropriate, how they would propose to modify their Energy Savings Assistance Program offerings to conform to the Commission's Heating, Ventilation and Air Conditioning Quality Maintenance (HVAC QM) program objectives (Final Report). These Utilities shall have first secured public comment on the Final Report, and if appropriate, have also held a workshop to address any outstanding issues.

56. Within 180 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall file, (a) if necessary, a Tier 2 Advice Letter seeking to modify their Central Air Conditioner service offering and budgets or propose new program designs in accordance with the findings of their Final Report and in response to stakeholders' feedback; or (b) a

report to the Energy Division Director explaining the rationale for their decision not to file a Tier 2 Advice Letter.

57. San Diego Gas & Electric Company's proposed retirement of evaporative cooler cover measure is approved.

58. Southern California Gas Company's proposed retirement of Tankless Water Heater measure is approved.

59. The below list of newly proposed measures in the housing types and climate zones for program year 2012-2014, as proposed by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, are approved:

- Pacific Gas and Electric Company: Thermostatic Shower Valve Measure, Smart AC Fan Delays, and Microwaves
- Southern California Edison Company: Smart Power Strips and Variable-Speed Pool Pumps
- Southern California Gas Company: Thermostatic Shower Valve Measure
- San Diego Gas & Electric Company: Smart Power Strips

60. Within 60 days after this decision is issued, Pacific Gas and Electric Company shall file (a) cost effectiveness values for the smart power strip measure for each of the different housing types and climate zones that they cover, to see if they meet the Cost-effectiveness Test, and (b) an estimate for the costs, energy savings values, as well as the projected quantity (by housing type and climate zone) of this measure to be installed for each program year.

61. Within 60 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall file (a) the cost-effectiveness values for the high efficiency forced air unit measure for each of the different housing types and climate zones that they cover, to see if they pass the

Cost-effectiveness Test, and (b) an estimate for the costs, energy savings values, as well as the projected quantity (by housing type and climate zone) of this measure to be installed for each program year.

62. Appendices H-K, which reflect and itemize the approved measures lists for 2012-2014 for Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are adopted.

63. To the extent Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company have proposed to add back or otherwise add proposed new measures to the Energy Savings Assistance Program for 2012-2014 program cycle in their Applications that fail the Cost-effectiveness Test and/or we did not expressly approve the proposed measures in this decision, such measures are not approved.

64. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall make appropriate revisions to the Statewide Policy and Procedures Manual by incorporating the Appendices H-K of this decision.

65. In planning for the 2015-2017 program cycle and applications, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall apply the same cost-effectiveness methodology used in 2012-2014 cycle to their 2015-2017 Energy Savings Assistance Program, unless the Commission provides a different direction.

66. We retain and make no changes to the Energy Savings Assistance Program's modified Three Measure Minimum Rule, as modified in Decision 08-11-031 and clarified in Decision 09-06-026.

67. Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company's proposal to change the Energy Savings Assistance Program refrigerator replacement criteria from pre-1993 units to pre-1999 units is approved.

68. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall follow the directions, guidance or requirements in Decision 12-05-015, concerning Compact Fluorescent Lamps and coordinate their Energy Savings Assistance Program activities in the 2012-2014 cycle, consistent with the directions and approaches we provide therein, where appropriate.

69. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company shall continue to install all Compact Fluorescent Lamps they give to Energy Savings Assistance Program customers.

70. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall improve their penetration of the multifamily segment of the low income population, by immediately rolling out the eight immediate Multifamily Segment Strategies, including additional measure offerings approved in this decision, as follows:

Strategy 1 – Whole Neighborhood Approach.

Strategy 2 – Property Owner Waiver Update.

Strategy 3 – Updated Marketing Approach to Multifamily Homes.

Strategy 4 – EUC/MIDI/MFEER Coordination.

Strategy 5 – Single Point of Contact

Strategy 6 – Same Day Enrollment, Assessment, and Installation.

Strategy 7 – Streamline Practice and Service Delivery.

Strategy 8 – Providing Feasible Measures for Multifamily Segment Including Retention of Certain Measures Proposed for Retirement for program cycle 2012-2014.

71. As part of a parallel, two-pronged approach, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall work with the Energy Division to examine the Multifamily Segment issue to devise a full set of comprehensive multifamily segment strategies, as discussed in section 3.10.6.4 of this decision, including developing and advancing more long-term and comprehensive Multifamily segment strategies.

72. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company are directed to pursue a Multifamily Segment Study ordered in this decision below. The budget for this Multifamily Segment Study is not to exceed $400,000 and shall be funded by the Energy Savings Assistance Program budgets. The Utilities shall pay for the contract with the following split: PG&E: 30%; SCE: 30%; SCG: 25%; and SDG&E: 15%.

73. Within 30 days after this decision is issued, the Energy Division, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall hold a one-day public workshop to garner input from interested stakeholders and parties on the development of the third party consultant request for proposal for a Multifamily Segment Study.

74. Within 60 days after this decision is issued, with the public and stakeholders' input, the Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and Energy Division shall develop and release the joint statewide request for proposal for a third party Multifamily Segment Study consultant.

75. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and the Energy Division shall actively co-manage and oversee the Multifamily Segment Study and its consultant once retained.

76. Within 100 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and Energy Division shall take all reasonable actions to ensure award of contract for the Multifamily Segment Study.

77. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and Energy Division shall take all reasonable actions to ensure that at a minimum, the Multifamily Segment Study and related consultant's work shall include the following:

(a) Gather data on the state's multifamily housing stock and ownership profiles, including a statewide demographic and programmatic assessment of California's low-income multifamily housing stock (by each utility's territory):

(b) Catalogue multifamily energy efficiency programs, including Commission programs and those administered by other government agencies, Utilities and organizations within the state of California, as well as recent and ongoing multifamily energy efficiency programs administered in other jurisdictions across the country;

(c) Evaluate and further examine comments, objections and proposals from parties to the proceeding in the context of the Energy Savings Assistance Program decisions, the current Commission directions and Strategic Plan;

(d) Review existing Commission's multifamily programs within the overall context of the Energy Savings Assistance Program;

(e) Review other recently completed multifamily projects performed under other state programs;

(f) Conduct field studies, as needed;

(g) Review and investigate the cost and budget implications of a multifamily program implementation;

(h) Review and investigate coordination concerns related to any new delivery methods that streamline the Energy Savings Assistance Program process with external financing and energy efficiency options such as how a single point of contact will be responsible for coordinating utility-administered energy efficiency, renewable, incentive, and financing programs as well as non-utility-administered, external multifamily efficiency, renewable, incentive, and finance programs in California;

(i) Identify available energy efficiency financing options, and develop a funding and implementation schema utilizing the variety of energy efficiency programs available for multifamily housing owner/operators;

(j) Develop overall recommendations for multifamily strategies looking toward the 2020 vision of 100% penetration;

(k) Hold public meetings to obtain, document, review and consider all stakeholders' input;

(l) Deliver a draft report by April 1, 2013, which will be circulated for comments; and

(m) By June 14, 2013, prepare and ultimately propose a feasible long-term multifamily treatment strategy (Final Report) for the Energy Savings Assistance Program to the assigned Administrative Law Judge.

78. By June 14, 2013, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and Energy Division shall take all reasonable action to ensure that the Multifamily Segment Study and related Final Report is timely submitted to the assigned Administrative Law Judge and that it summarizes all of the key findings, address public and stakeholders' comments and input, recommends the proposed multifamily segment strategies and best-practices, taking into account the Utilities' implementation and any interagency constraints and all programmatic, policy, operational and fiscal constraints/concerns, for coordination issues with other agencies and programs and overall program budgets.

79. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company and Energy Division shall take all reasonable action to ensure that the Multifamily Segment Final Report shall be preceded by ample public review and recurring stakeholder workshops held throughout and leading to its development, and includes recommendations on:

(a) How the Energy Savings Assistance program can be modified to better meet the needs of its low income multifamily residents;

(b) How multifamily segment measure offerings should be modified (including central system needs) and develop possible co-pay framework that comply with the Energy Savings Assistance Program cost-effectiveness approach; and

(c) How to modify the current service delivery approach to address multifamily energy efficiency programming concerns, based on: (i) Past studies and other programs, develop targeted and integrated outreach and marketing to low income multifamily housing owner/operators; and (ii)

An understanding of the issues faced by contractors who will participate in the new approach to the low income multifamily housing segment, including training, certifications, service workflow, etc.

80. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall submit their cost estimates and budget categories associated with the integration of Energy Savings Assistance Program into the mainstream Energy Efficiency Workforce Education and Training Sector Strategy efforts and shared funding, where applicable.

81. The proposed 2012-2014 California Alternate Rates for Energy Program budgets of Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, are adopted with some modifications, as follows:

Adopted Budget Summary 2012-2014

	CARE			
	2012	2013	2014	Cycle Total
PG&E	$675,989,667	$647,446,512	$620,716,512	$1,944,152,691
SCE	$342,557,000	$389,156,000	$429,212,000	$1,160,925,000
SDG&E	$79,108,350	$87,972,980	$89,010,739	$256,092,069
SoCalGas	$145,516,024	$145,870,266	$147,360,024	$438,746,314
Total	**$1,243,171,041**	**$1,270,445,759**	**$1,286,299,275**	**$3,799,916,075**

82. The California Alternate Rates for Energy Program outreach budgets, as proposed by Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, are adopted with minor reductions, as reflected in Appendix M of this decision.

83. By December 21st of each year, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall file their reports on cooling center

facility activities including, attendance, low income program enrollments, and itemized expenses and describing the energy education and marketing materials provided at each cooling center facility.

84. Within 30 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall post on their websites a list of designated cooling center locations as well as days and hours of operation.

85. The proposals of Pacific Gas and Electric Company and San Diego Gas & Electric Company to continue to fund the cooling centers as part of their California Alternate Rates for Energy Administration budgets and proposal of Southern California Edison Company to utilize a separate memorandum account under Energy Resource Recovery Act for funding are approved.

86. The proposed cooling center budgets of Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company are approved with some modifications as follows:

Proposed and Approved Prorated Cooling Center Budgets 2013-2014

Utility	IOUs' Adopted 2012-2014 Cooling Center Budgets	IOU Adopted 2013 Budget (Prorated)	IOU Adopted 2014 Budget (Prorated)
SCE	$315,250	$105,083	$105,083
PG&E	$383,537	$127,846	$134,846
SDG&E	$102,621	$34,329	$35,985

87. Southern California Edison Company's proposal to spend $30,000 to conduct a subsequent evaluation of its cooling center program is denied.

88. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall retain and follow our current Categorical Eligibility and Enrollment Program to

continue to allow continued ease of access for enrolling into the California Alternate Rates for Energy Program with the following modifications:

(a) The Utilities shall retain all prior pre-approved categorical enrollment programs, for now; and

(b) By January 31st of each year, the Utilities are directed to jointly and annually review and submit, by Tier 2 Advice Letter, an updated list of proposed categorical eligible low income programs for the upcoming year. The list must propose to retain and add categorically eligible programs for enrollment in low income programs, as appropriate, and must include only programs with income thresholds consistent with the California Alternate Rates for Energy and Energy Savings Assistance Program Programs;

(i) These lists, once approved, shall be updated annually and be used to implement the Categorical Eligibility and Enrollment Program for California Alternate Rates for Energy and Energy Savings Assistance Program, for the upcoming fiscal year; and

(ii) Energy Division shall review and issue an annual approval letter (with the approved updated list of programs in the Categorical Enrollment Program) along with the updated annual California Alternate Rates for Energy income guidelines letter on April 1st each year.

89. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall begin an immediate development of an interim targeted Post Enrollment and Post Re-certification Income Verification stratified probability model by incorporating following basic factors in their modeling as well as any other territory specific factors, as appropriate:

- High energy use (including customers with usage above 400% baseline in any monthly billing cycle and above)
- Annual bill amounts
- Household size
- PRIZM or ZIP code
- Enrollment method
- Previously indicated customer ineligibility
- Customers previously de-enrolled from the California Alternate Rates for Energy program
- Length of Program Enrollment
- Length of time lapse since previously income verification

90. Within 60 days of this decision, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall, examine the totality of its CARE enrolled population, review the Utilities' past post enrollment and post re-certification income verification records and experiences, develop and implement an interim Post Enrollment and Post Re-certification Income Verification model, at a reasonable rate that each IOU deems reasonably necessary to:

(a) Ensure meaningful size in sampling to yield the necessary results to aid in the development of effective long term probability models for the Utilities;

(b) Ensure the integrity of the California Alternate Rates for Energy Program;

(c) Provide assurance that California Alternate Rates for Energy Program discount rates are received *only* by those lawfully intended to receive them;

(d) Remove any fraud and abuse; and

(e) Properly factor in the potential program disruptions as well as administrative costs.

91. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall, apply their interim post enrollment verification rate to all enrolled California Alternate Rates for Energy Program customers, including self-certified and categorically enrolled California Alternate Rates for Energy Program customers.

92. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall not exceed 200% of the Utilities' 2011 post enrollment verification rate in setting an interim probability model and verification rate; and if a utility finds that it requires that its interim verification rate must exceed 200% of the utility's 2011 post enrollment verification rate to meet the criteria set forth in this decision, the utility may submit a Tier 2 Advice Letter seeking approval of such rate and demonstrating its justifications.

93. Beginning immediately, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall closely track, monitor and review the data from the implementation of the interim probability model and incorporate lessons learned into the designing the long terms probability models for review by the Energy Division; and in the long term probability model proposals, the Utilities must set forth justifications based on the lessons learned during the interim probability model implementation.

94. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall track and report in their annual reports the Post Enrollment and Post Re-certification Income Verification data, including:

(a) The number of enrollments verified;

(b) The number of successful verifications and de-enrollments;

(c) The number and reason for each California Alternate Rates for Energy customer de-enrolled during the Post Enrollment and Post Re-certification Income Verification process (either through customer non-response or deemed ineligible for the program);

(d) How those successfully verified were initially enrolled in the California Alternate Rates for Energy Program (e.g. capitation agency, self-certification, Categorical Enrollment, etc.);

(e) How those de-enrolled and ineligible customers were initially enrolled in the California Alternate Rates for Energy Program (e.g. capitation agency, self-certification, Categorical Enrollment, etc.); and

(f) Whether probability model is yielding optimal results by de-enrolling ineligible customers from the California Alternate Rates for Energy program and ensuring that California Alternate Rates for Energy Program discounts are not diverted to ineligible population.

95. By September 1, 2013, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall design and propose, via a Tier 2 Advice Letter process, a long term probability model framework that incorporates the basic factors required in the interim probability model, including an optimal Post Enrollment and Post Re-certification Income Verification rate tailored to each utility, to cost-effectively identify California Alternate Rates for Energy Program enrollees who have the probability of being ineligible in the program, while tailoring the model to the Utilities' specific territory that take into account the basic probability factors, populations and administration costs.

96. Energy Division shall determine whether the Utilities' long term probability model design presents the best modeling and Post Enrollment and Post Re-certification Income Verification rate for each of the Utilities to ensure that all California Alternate Rates for Energy Program enrollments is comprised of only eligible households.

97. Southern California Edison Company's request for California Alternate Rates for Energy Program customers who fail to respond to an income verification request be barred from self-certified re-enrollment in the California Alternate Rates for Energy Program for 24 months is approved; however, if at any time during the 24 months a de-enrolled customer verifies eligibility, they shall be placed back on the California Alternate Rates for Energy rate. All of the Utilities shall adopt this new California Alternate Rates for Energy Program rule.

98. We approve Pacific Gas and Electric Company's request to allow California Alternate Rates for Energy capitation contractors to aid in the Post Enrollment Verification process for an "up to $18.00" per capita fee, and direct all other Utilities to institute similar outreach programs.

99. Southern California Edison Company's request for $2.9 million in information technology program upgrades is approved.

100. Southern California Edison Company's request for $2.1 million for increased verification processing is approved.

101. We approve Pacific Gas and Electric Company's high usage customer proposal, with some modifications, and also require its implementation statewide for all electric Utilities. The statewide program changes shall include:

(a) **600% or more above baseline users:** California Alternate Rates for Energy electric customers with electric usage above 600% of baseline in any monthly billing cycle shall have 90 days to drop usage below 600% baseline in any monthly billing cycle or be de-enrolled and barred from the program for 24 months. In addition, to continue to stay in the program these customers must undergo Post Enrollment Verification and apply for the Energy Savings Assistance Program within 45 days of notice, and, if not previously enrolled in the program, apply for the Energy Savings Assistance Program within 45 days of notice. To the extent possible, all notifications must be accessible to customers with disabilities and to customers without English language proficiency, and must include information on the Medical Baseline program and the Utilities' appeal process.

(b) **De-enrollment Appeal Process:** Within 30 days of this decision, the Utilities must develop an expedited appeal process for those customers who may believe that they have been wrongfully de-enrolled to allow them the process to submit an appeal of the de-enrollment documenting their concerns and demonstrating their usage as "necessary, basic and legitimate household energy usage." If the Utilities' appeal process does not effective resolve the customer's appeal, the customer may seek the Commission's Energy Division assistance by contacting the Energy Division's Director and Energy Division Director will make the determination on whether there is

reasonable justification demonstrating "necessary, basic and legitimate household energy usage." Once that determination is made, such customer may be re-enrolled upon the customer's agreement to participate in Post Enrollment Verification and energy efficiency/savings efforts by participating in the Energy Savings Assistance Program. An example of justified legitimate "necessary, basic and legitimate household energy usage" may include multiple income qualified households residing in a single residence and customers with documented medical equipment needs which requires and justifies the high usage.

(c) **400% - 600% baseline users:** California Alternate Rates for Energy high electric customers with electric usage at 400%-600% of baseline in any monthly billing cycle must undergo Post Enrollment Verification and, if not previously enrolled in the program, must apply for the Energy Savings Assistance Program within 45 days of notice. To the extent possible, all notifications must be accessible to customers with disabilities and to customers without English language proficiency, and must include information on the Medical Baseline program and the Utilities' appeal process. All California Alternate Rates for Energy customers with usage above 400% in any monthly billing cycle who do not complete Post Enrollment Verification requests or have incomes found to be higher than allowed in the program, shall be de-enrolled from the program and barred from re-enrolling in the California Alternate Rates for Energy program for 24 months.

(d) **Medical Baseline Program Referral:** The Energy Savings Assistance Program contractors who visit these high usage households are to be trained to make referrals to the Medical Baseline program.

(e) **Energy Savings Assistance Program Cooperation:** If a high California Alternate Rates for Energy electric customer required to participate in the Energy Savings Assistance Program as a condition of their continued enrollment in California Alternate Rates for Energy, fails to keep at least one of the two appointments made with an Energy Savings Assistance Program contractor or fails to provide access to any portion of the metered property in question, or refuses to allow a post-participation quality control inspection, that customer shall be de-enrolled from the California Alternate Rates for Energy program and barred from re-enrolling in the California Alternate Rates for Energy program for 24 months.

(f) **Post Enrollment Verification:** The electric Utilities shall develop and field a standard income verification document for these instances which may require customers to provide a state or federally verified form of income proof, such as the household's annual tax returns

102. Southern California Edison Company's request to bar California Alternate Rates for Energy customers who fail to respond to an income verification request from self-certified re-enrollment in the California Alternate Rates for Energy Program for 24 months is approved with following additional requirements:

(a) If at any time during the 24 months a de-enrolled customer verifies eligibility, they must be placed back on the California Alternate Rates for Energy rate. After 24 months, those de-enrolled customers may be able to enroll in California Alternate Rates for Energy by again self-certifying their household and income eligibility; and

(b) To ensure consistency statewide, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall also implement the California Alternate Rates for Energy program rule change.

103. Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall institute similar outreach programs as Pacific Gas and Electric Company by allowing California Alternate Rates for Energy Program capitation contractors to aid in the Post Enrollment Verification process for an up to $18.00 per capita fee is approved.

104. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall develop a uniform quality control audit protocol for California Alternate Rates for Energy/Post Enrollment Verification capitation contractors.

105. We adopt an increase in the capitation fee from "up to $15.00" to "up to $20.00" for each new California Alternate Rates for Energy Program enrollment for program year 2012-2014, and similarly adopt that increased capitation fee cap to apply statewide to all of the Utilities.

106. We approve the following budget for pilots, studies and evaluations for the program cycle 2012-2014:

Utilities	Study/Pilot Name	Budget Requested				Budget Authorized				Difference
		2012	2013	2014	Total Requested	2012	2013	2014	Total Authorized	
Joint Utility	**Energy Education Assessment Study**				**$300,000**				**$300,000**	**$0**
	PG&E Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	SCE Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	SoCalGas Share	$25,000	$25,000	$25,000	$75,000	$25,000	$25,000	$25,000	$75,000	$0
	SDG&E Share	$15,000	$15,000	$15,000	$45,000	$15,000	$15,000	$15,000	$45,000	$0
	Impact Evaluation of the 2012 ESA Program (Programmatic M&E)				**$600,000**				**$600,000**	**$0**
	PG&E Share	$60,000	$60,000	$60,000	$180,000	$60,000	$60,000	$60,000	$180,000	$0
	SCE Share	$60,000	$60,000	$60,000	$180,000	$60,000	$60,000	$60,000	$180,000	$0
	SoCalGas Share	$50,000	$50,000	$50,000	$150,000	$50,000	$50,000	$50,000	$150,000	$0
	SDG&E Share	$30,000	$30,000	$30,000	$90,000	$30,000	$30,000	$30,000	$90,000	$0
	Needs Assessment				**$0**				**$700,000**	**$700,000**
	PG&E Share	$0	$0	$0	$0	$70,000	$70,000	$70,000	$210,000	$210,000
	SCE Share	$0	$0	$0	$0	$70,000	$70,000	$70,000	$210,000	$210,000
	SoCalGas	$0	$0	$0	$0	$58,333	$58,333	$58,333	$175,000	$175,000
	SDG&E Share	$0	$0	$0	$0	$35,000	$35,000	$35,000	$105,000	$105,000
	CHANGES Pilot				**$0**				**$720,000**	**$720,000**
	PG&E Share	$0	$0	$0	$0	$216,000	$0	$0	$216,000	$216,000
	SCE Share	$0	$0	$0	$0	$216,000	$0	$0	$216,000	$216,000
	SoCalGas	$0	$0	$0	$0	$180,000	$0	$0	$180,000	$180,000
	SDG&E Share	$0	$0	$0	$0	$108,000	$0	$0	$108,000	$108,000
	CHANGES Pilot Evaluation				**$0**				**$80,000**	**$80,000**
	PG&E Share	$0	$0	$0	$0	$24,000	$0	$0	$24,000	$24,000
	SCE Share	$0	$0	$0	$0	$24,000	$0	$0	$24,000	$24,000
	SoCalGas	$0	$0	$0	$0	$20,000	$0	$0	$20,000	$20,000
	SDG&E Share	$0	$0	$0	$0	$12,000	$0	$0	$12,000	$12,000
	Multifamily Study				**$0**				**$400,000**	**$400,000**
	PG&E Share	$0	$0	$0	$0	$40,000	$40,000	$40,000	$120,000	$120,000
	SCE Share	$0	$0	$0	$0	$40,000	$40,000	$40,000	$120,000	$120,000
	SoCalGas	$0	$0	$0	$0	$33,333	$33,333	$33,333	$100,000	$100,000
	SDG&E Share	$0	$0	$0	$0	$20,000	$20,000	$20,000	$60,000	$60,000

107. The Utilities shall conduct a new and targeted needs assessment during the 2012-2014 cycle, as follows:

(a) The budget for this Needs Assessment is not to exceed $700,000 and shall be funded by the Energy Savings Assistance Program budgets.

(b) The Utilities shall pay for the contract with the following split: PG&E: 30%; SCE: 30%; SCG: 25%; and SDG&E: 15%;

(c) The Utilities shall pay for the contract, but otherwise shall involve the Energy Division at the earliest possible time in the request for proposal and bid evaluation process;

(d) The Utilities, along with the Energy Division staff will evaluate the bids, and the Energy Division shall make the final determination on the contractor selection; and

(e) The process shall also follow the structure outlined in Resolution E-4237. The Utilities and the Energy Division must take all necessary and reasonable actions to ensure that by August 31, 2013, the Final Needs Assessment Report is completed, in order for the results to be incorporated into the California Alternate Rates for Energy and Energy Savings Assistance 2015-2017 program cycle applications process

108. The scope of such the new Needs Assessment study shall include, but is not limited to:

(a) Development of baseline estimates of the potential eligible, willing and remaining population for California Alternate Rates for Energy and Energy Savings Assistance Program, as well as methods for tracking changes over time;

(b) Identification of needs that exist, needs that are being met, and needs that are not met by the existing California Alternate Rates for Energy and Energy Savings Assistance Programs;

(c) Identification of service gaps not being addressed by the existing California Alternate Rates for Energy and Energy Savings Assistance Programs;

(d) Identification of barriers that cause service gaps in California Alternate Rates for Energy and Energy Savings Assistance Programs; and

(e) Recommendations on appropriate and effective methods for meeting energy-related needs in light of these potential barriers in California Alternate Rates for Energy and Energy Savings Assistance Programs.

109. The Final Needs Assessment Report shall address:

(a) How many households are eligible for the California Alternate Rates for Energy and Energy Savings Assistance Programs;

(b) How many households are enrolled in California Alternate Rates for Energy and have recently participated in the Energy Savings Assistance Program;

(c) What is the eligible, willing and remaining population for California Alternate Rates for Energy and Energy Savings Assistance Programs;

(d) Whether the current Energy Savings Assistance and California Alternate Rates for Energy Program's targeting, outreach, enrollment and verification processes are effective, and how can they be improved;

(e) The main reasons why customers choose not to participate in the California Alternate Rates for Energy and Energy Savings Assistance Programs;

(f) The Energy Savings Assistance Program measures that are most needed among eligible households;

(g) The Energy Savings Assistance Program measures that serve the most benefit to eligible households based on the Energy Savings Assistance Program eligible population's energy need, behavior and household characteristics;

(h) The available energy savings potential from the Energy Savings Assistance Programs;

(i) Whether the California Alternate Rates for Energy and Energy Savings Assistance Programs are reaching the appropriate targets, and if there are any significant under- or over-served segments; and

(j) Whether the California Alternate Rates for Energy and Energy Savings Assistance Programs are achieving their maximum potential program benefits, and what strategies should be used toward this end.

110. We approve the request for a $300,000 shared energy education evaluation study proposed by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company; and the Utilities shall pay for the contract from their Energy Savings Assistance Program budgets with the following split: PG&E: 30%; SCE: 30%; SCG: 25%; and SDG&E: 15%.

111. Southern California Gas Company's request for $65,000 for a leave-behind energy education DVDs is approved.

112. Southern California Edison Company's proposed Impact Evaluation is approved with following conditions:

(a) Energy Division's Demand-Side Management Branch should share oversight and review of the evaluation plan and results of the study in collaboration with these Utilities, consistent with the evaluation, measurement and verification processes we set out in Decision 10-04-029. In Decision 10-04-029, the

Commission laid out the evaluation, measurement and verification processes for the 2010-2012 mainstream energy efficiency program cycle. Specifically, the Commission directed the Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company to submit their evaluation projects for Energy Division approval prior to implementation. We expect these Utilities to adhere to this same process here;

(b) The draft research plan for the approved Impact Evaluation study and all relevant documents, including draft versions of an interim and/or final report, should be posted to Energy Division's document-sharing website (https://energydivision.basecamphq.com/login), and the project would feature its own Project Coordination Group that may facilitate review among these Utilities and Energy Division staff;

(c) The draft research plan and draft interim and/or final report will be shared publicly by also being posted to the Energy Division's Public Download Area website (http://www.energydataweb.com/). This website will be used to solicit and post public comment on the Utilities' and Energy Division's evaluation plans and reports;

(d) The Utilities' Energy Savings Assistance Programs Impact Evaluation study, as proposed and approved here, should look for opportunities to leverage existing Energy Division or Utilities' studies in their mainstream energy efficiency programs. Collaboration may be possible for evaluation or other research projects currently in the field and future studies such as the Residential Appliance Saturation Survey and the California Lighting and Appliance Saturation Survey, in order to inform the project and produce more robust results. Leveraging existing studies may reduce evaluation costs and open opportunities to understand the whole residential market potential for energy efficiency; and

(e) The Utilities shall take all reasonable actions to ensure that by no later than August 31, 2013, the Final Impact Evaluation Report must be posted on the Energy Division's Public Download Area website (http://www.energydataweb.com/).

113. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall fund the new Impact Evaluation study from, not to exceed $600,000 in total combined expenditure; and we direct that it be funded by the Energy Savings Assistance Program budgets, with the four Utilities sharing costs with equal split: PG&E: 25%; SCE: 25%; SCG: 25%; and SDG&E: 25%.

114. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall track and report customer unwilling/unable percentages of Energy Savings Assistance Program customers during the 2012-2014 budget cycle, including the reasons why customers are unwilling and/or unable to participate in the program during the 2012-2014 program cycle.

115. The proposals by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company to increase the Energy Savings Assistance Program customers' unwillingness factor are rejected.

116. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall continue to use, in their Energy Savings Assistance Program, the current 5% unwillingness factor for 2012-2014.

117. We approve the proposed continuation of the 15% disabled household Energy Savings Assistance Program penetration enrollment goal.

118. Within 30 days after this decision is issued, the Energy Division is directed to convene and facilitate discussions, on an as-needed frequency but no less than every 60 days, with California Department of Community Services (CSD) and Development and Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company to better coordinate with CSD and Low Income Home Energy Assistance Program / Weatherization Assistance Program by developing a referral program for measure replacements not currently offered by the Energy Savings Assistance Program.

119. The proposals of San Diego Gas & Electric Company and Southern California Gas Company to move the Commission's California Alternate Rates for Energy (California Alternate Rates for Energy) annual income letter release date from May 1st to April 1st each year is approved, and we also move up the Family Electric Rate Assistance (FERA) update date so that the California Alternate Rates for Energy and FERA updates are simultaneously released.

120. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall actively and cooperatively design, direct and manage all of their contracts in a way to ensure due dates for all of the deliverables, including final reports, at the time of bidding and later while the scope is being developed.

121. The proposal by Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company for Tier 2 Advice Letter process for mid-cycle changes, as an alternative to petition to modify process, to California Alternate Rates for Energy and Energy Savings Assistance Programs is denied.

122. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company are directed to assist and use the Mid-cycle Working Group as a way to review the current Utilities' reporting requirements with an eye to streamline and reduce unnecessary and redundant reporting as well as make recommendations to update the application process to make any related process improvements.

123. Southern California Gas Company's request for $2,500,000 and San Diego Gas & Electric Company's request for $2,250,000 to implement a Customer Reward programs are denied.

124. San Diego Gas & Electric Company's request for $130,275 to allow its installation contractors a $15 referral fee is denied.

125. Southern California Gas Company's request for $15,000 to encourage its contractors to wear common uniforms is approved.

126. Southern California Gas Company's request for $10,000 to develop a new Enrollment Kit to assist the Contractor Outreach Specialists is approved.

127. Southern California Gas Company's request for authority to recover $3.1 million in overhead costs associated with proposed Customer Assistance Representative positions to be created using meter readers displaced by the installation of advanced meters is approved.

128. Southern California Gas Company's' request for California Alternate Rates for Energy Program IT costs for the first data sharing effort with a water utility and additional collaboration effort pursuant to Decision 11-05-020 is denied.

129. Once data sharing with water Utilities begin, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company are directed to file a Tier 2

Advice Letter, and these Tier 2 Advice Letters must report on the corresponding costs borne by partnering water Utilities that are filed in accordance with Decision 11-05-020.

130. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall file in this proceeding their annual estimates of customers eligible for the California Alternate Rates for Energy Program due by December 31 of each year.

131. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company, consistent with the general Evaluation, Measurement & Verification processes we adopted and set out in Decision 10-04-029, shall:

(a) Submit their evaluation projects for Energy Division approval prior to implementation; and

(b) Adhere to this same process when evaluating pilots and any other activities ordered in this consolidated proceeding. This includes compliance with Commission's direction in Decision 10-04-029, which laid out guidelines for stakeholder input and Energy Division review and approval of utility-led energy efficiency evaluation projects. Specifically, evaluation projects will be posted to the public document website (www.energydataweb.com) as well as Energy Division's internal file-sharing website (https://energydivision.basecamphq.com/login). In this manner, stakeholders and Energy Division will provide comment on and review of utility's evaluation project research plans, draft reports, and other documents integral to the evaluation project(s).

132. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall implement Energy Savings Assistance Program's Evaluation, Measurement & Verification (EM&V) processes and activities to achieve the following core

objectives in order to support the Commission's oversight function of ensuring efficient and effective expenditure of ratepayer funds within the energy efficiency portfolios. All activities must be undertaken to meet the overarching goals of clarity, consistency, cost-efficiency, and timeliness. The core objectives we adopt are:

- **Savings Measurement and Verification** - Measurement and verification of savings resulting from energy efficiency measures, programs, and portfolios serve the fundamental purpose of developing estimates of reliable load impacts delivered through ratepayer-funded efficiency efforts. Measurement and verification work should reflect a reasonable balance of accuracy and precision, cost, and certainty, and be designed for incorporation into in procurement planning activities.

- **Program Evaluation** - Evaluation of program-specific qualitative and quantitative measures, such as the program performance metrics discussed earlier in this decision and process evaluations, serves a key role in providing feedback for the purposes of improving performance and supporting forward-looking corrections to utility programs and portfolios. In order to maximize return on ratepayer dollars, program evaluations must be completed on a timeline which informs mid-course corrections and/or program planning for the following cycle.

- **Market Assessment** - In a constantly evolving environment, market assessments are an essential EM&V product needed to set the baseline for strategic design and improvement of programs and portfolios. Saturation studies, surveys of emerging technologies and other such analyses which inform estimates of remaining program potential and forward-looking goal-setting are key aspects of market assessment.

- **Policy and planning support** - Consistent with prior program cycles, it is essential to reserve funding to support overarching studies and advisory roles which support Commission policy goals. Over the last program cycle this has been inclusive of potential and goals studies, maintenance of the Database for Energy Efficient

Resources, developing databases of best practices for program design and delivery, program design mix, and other means which support the Commission's oversight role, but do not fall under the core EM&V categories described above.

- **Financial and Management audit** - Supporting the Commission's oversight function of ensuring the efficient and effective expenditures of ratepayer funds within the Utilities' energy efficiency portfolios is another objective of EM&V activities. Rigorous financial and management audits overseen by Commission staffs.

133. We reject Southern California Edison's proposal to change the Fund Shifting Rules.

134. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall devise and implement more careful management of all funds authorized in the Energy Savings Assistance and California Alternate Rates for Energy Programs, including all pilots and studies, and if a pilot is approved to be administered by a party other than the Utilities, this duty to carefully manage all pilot programs and funds extends to that party and Fund Shifting Rules should be viewed only as an option under extraordinary circumstances.

135. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall continue to follow the Fund Shifting Rules in the Energy Savings Assistance and California Alternate Rates for Energy Programs in the 2012-2014 program cycle, as follows:

(a) **COMMITMENT OF FUTURE FUNDING FOR LONG-TERM PROJECTS**: For those long-term projects that require funding beyond the current budget program cycle and that will not yield savings in the current cycle, if applicable, these Utilities may anticipatorily commit funds

for such projects for expenditure during the next program cycle, under strict limitations as follows:

(i) These Utilities shall seek authorization for such long-term projects and current and future cycle funding commitment by itemization of each long-term project in the utility portfolio plan, including an estimate of the total costs broken down by year and an estimate of associated energy savings, if any;

(ii) These Utilities shall seek authorization and commitment of all funding for long-term projects in the current program cycle and actually encumber such funds in the current program cycle;

(iii) All contracts with any and all types of implementing agencies and businesses must explicitly allow completion of long-term project related work beyond the current budget program cycle;

(iv) The amount of next cycle funds encumbered for long-term projects may not exceed 20% of the current program cycle budget;

(v) These Utilities shall separately track and report all long-term projects and obligations, including all information regarding funds encumbered and estimated date of project completion until such project is completed; and

(vi) Energy savings for projects with long lead times shall be calculated by defining the baseline as the codes and standards applicable at the time the building permit for the project is issued.

(b) **ENERGY SAVINGS ASSISTANCE PROGRAMS FUND SHIFTING AND LIMITATIONS**: Utilities are permitted to shift funds under the following conditions in the Energy Savings Assistance Program. are permitted to shift funds under the following conditions in the Energy Savings Assistance Program.

(i) Within 2012-2014 Budget Cycle: Except for the shifting of funds described in subsection b(3) below, the Utilities are permitted to shift funds from one year to another within the 2012-14 cycle without prior approval.

(ii) Fund Shifting Between 2012-2014 Budget Cycle and Future Budget Cycle:

a. "Carry back" Funding: Except for the shifting of funds described in subsection b(3) below, Utilities are permitted to shift and borrow from the next budget cycle, without prior approval of such fund shifting, if (a) the next cycle budget portfolio has been approved by the Commission; and (b) such fund shifting is necessary to avoid interruptions of those programs continuing into the next cycle and for start-up costs of new programs; and

b. "Carry forward" Funding: Utilities are permitted to carry over all remaining, unspent funds from program year to program year or budget cycle to budget cycle and shall include all anticipated carry over funds in the upcoming budget applications.

(iii) Administrative Law Judge's Prior Approval: For any shifting of funds, within or out of cycle, except for "carry forward" funding considered by the Commission through budget applications, the Administrative Law Judge's prior written approval is required if any of the following applies:

a. Shifting of funds into or out of different program categories including, but not limited to: (a) administrative overhead costs, (b) regulatory compliance costs, (c) measurement and evaluation, and (d) the costs of pilots and studies;

b. Shifting of funds into or out of Education subcategory;

c. Shifting of funds between gas/electric programs; and/or

d. Shifting of funds totaling 15% or more of the total current annual Energy Savings Assistance Program budget.

(iv) These Utilities shall secure prior written approval of the fund shift from the Administrative Law Judge when required by subsection b(3) above, of this ordering paragraph, by filing a motion pursuant to Article 11 of the Commission's Rules of Practice and Procedure. Upon showing of good cause, the Administrative Law Judge may issue a ruling approving the requested fund shift. Utilities, in the motion, must show good cause by setting forth the following:

a. The reason(s) why such fund shifting is necessary;

b. The reason(s) why such motion could not have been brought sooner; and

c. Justification supporting why the proposed shifting of funds would promote efficient, cost effective and effective implementation of the Energy Savings Assistance Programs.

(v) Utilities shall track and maintain a clear and concise record of all fund shifting transactions and submit a well-documented record of such transactions in their monthly and annual reports relevant to the period in which they took place.

(c) **CALIFORNIA ALTERNATE RATES FOR ENERGY FUND SHIFTING AND LIMITATIONS**: These Utilities are permitted to shift California Alternate Rates for Energy funds in the same manner as they did in the 2006-2008 budget cycle, but shall report all such shifting.

136. Within 60 days from the date of this decision, the Utilities shall submit by filing a petition to modify this decision under the Commission's Rule 16.4, any

and all updated budget augmentations, testimonies and attendant updated tables (for measures and NOT already accounted for in this decision's approved budget) for approval by the Commission.

137. SCE requested additional budget for the add back of Central Air Conditioner maintenance measure is reasonable and is approved.

138. SDG&E requested additional budget for HVAC measure is reasonable is reasonable and is approved.

139. SoCalGas requested additional budget for Domestic Hot Water, Enclosure, and HVAC measures as well as a budget increase for Inspections are reasonable and are approved.

140. SCE's request to continue to fund gas service to low income customers on Catalina Island with the Energy Savings Assistance Programs funds is approved.

141. SCE's request to continue to fund gas service to low income customers on Catalina Island with the Energy Savings Assistance Programs funds is approved.

142. We delegate authority to the assigned Commissioner and Administrative Law Judge to make changes to the dates set forth in this decision at their discretion.

143. Within 30 days after this decision is issued, Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company shall consult with Energy Division on to the format for all the reports ordered in this decision.

144. Unless expressly approved, all other proposals made in the Applications of Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company and San Diego Gas & Electric Company or by other parties in this proceeding are denied.

145. Unless otherwise provided in this decision, all required Advice Letters shall be Tier 2 Advice Letters pursuant to General Order 96-B.

146. The due date for the Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets applications for 2015-2017 is July 1, 2014.

147. Application (A.) 11-05-017, A.11-05-018, A.11-05-019, and A.11-05-020 shall remain open, until the completion of the second phase of the consolidated proceeding.

This order is effective today.

Dated August 23, 2012, at San Francisco, California.

MICHAEL R. PEEVEY
President
TIMOTHY ALAN SIMON
MICHEL PETER FLORIO
CATHERINE J.K. SANDOVAL
MARK J. FERRON
Commissioners

I reserve the right to file a concurrence.

/s/ MARK J. FERRON
Commissioner

Concurrence of Commissioner Mark J. Ferron on Item #46 (D.12-08-044)
Decision on Large Investor-Owned Utilities' 2012-14 Energy Savings Assistance (ESA) and California Alternate Rates for Energy (CARE) Applications

Overall, I believe the revisions to the PD made over the last few weeks have been positive, and that I agree that we should move forward with this Decision today. I would like to focus my remarks on future cycles of these programs and how we can get there from here.

First off, I would like to be clear that I support whole-heartedly both bill relief and targeted energy efficiency programs for low-income consumers. These are critical public-purpose programs and they must remain a cornerstone of the services that our energy utilities provide.

But I do have concerns about certain program design elements. There are some areas that we should look at carefully while the current programs are running in order for us to be ready for possible improvements in the future.

Based on my further review of the CARE subsidy, I seriously question whether we are targeting the right overall objective. In the past, the Commission has focused on the program's overall participation level as a key Program Target, adopting a goal of 100% participation by 2020. It seems that as we push beyond 90% participation and approach the 100% participation goal, the incidence of ineligible participants in the program goes up. We need to balance the societal benefits of maximizing the number of eligible participants against the excessive costs of having too many ineligible participants. I think that we need to more closely examine this going forward. The truth is, we just do not know if the benefits of pushing for wider enrollment justify the growing costs associated with this subsidy. And we should know this.

I am particularly concerned that we monitor and effectively use the data that we are ordering the IOUs to track in this Decision. The Decision provides three opportunities for us to ensure that we are being good stewards of the public dollar: 1) the Initial Enrollment Stage, which requires limited documentation of the customer's eligibility, or in the case of so-called self-certified participants, no documentation at all; 2) the Re-Certification Stage, which requires the customer to document - or in the case of self-certified customers, to attest to - their continued eligibility; and 3) the Post-Enrollment Verification process, by which the IOUs monitor changes in eligibility

between verification cycles and obtain data for use in improving the accuracy of customer enrollments.

In this decision, we order the utilities to improve their current probabilistic sampling and modeling efforts. We instruct them to track, monitor and report on their Post-Enrollment Verification activities. They will spend the next year refining their models and the following year deploying the improved models. The IOUs' data should provide us with a clearer sense of the population of all participating customers by the end of this program cycle.

It is my hope that we will have a better understanding of the statistical profile of both eligible and non-eligible customers relative to the entire population, which will inform future decisions in time for the next application cycle. I am particularly concerned that we understand the impact of allowing customers to enroll and to continue to participate by means of self-certification alone. I am hopeful that through a robust and scientific verification process, we will have high confidence that our programs are readily accessible to those who are truly eligible for assistance, and yet have adequate safeguards against ineligible participation.

Turning to the Energy Savings Assistance Program, the PD identifies the main issues that are still pending, but it is unclear to me how these issues will be resolved in a timely fashion. For example, the PD identifies many unresolved multi-family issues, in particular landlord/tenant matters, as needing further work. These are complex issues affecting consumers of all income levels and, as assigned Commissioner for the main EE proceeding, I intend to follow this work very closely.

Secondly, we need a better strategy for dealing with the ineligibility of certain high energy users in the ESA program. This disconnect between the CARE program and the ESAP eligibility rules seems to be a missed opportunity for energy savings and is not the best use of the CARE subsidy dollar. These customers, who are 400% above baseline, are paying way too much for electricity, even with bill assistance. Rather than an ongoing outlay of a bill subsidy through CARE, I would much rather see *aggressive* energy efficiency deployed.

An additional strategy not explicitly mentioned in the PD is a greater emphasis on behavior based programs which are customized for the low income community. For example, in the mainstream EE program, we see Energy Usage and Behavioral companies like OPower use comparison data to promote behavior change and hence energy savings - - by showing people how much money their neighbors are saving, and

how they are doing so. I see a lot more opportunity to utilize this approach in the low-income community, perhaps with a partnership between Energy Behavioral specialist and Community Based Organizations. I am convinced that this approach will result in verifiable, additional, cost-effective savings on top of the physical measures discussed in the Decision. I could also imagine significant savings based on this approach from the high energy users who also consume a large share of the CARE subsidy.

Last, but certainly not least, I think that there are some conflicting guiding principles at play here. The Commission needs to ask itself if the main goal of the ESA program is A) to improve health, comfort and safety; B) to provide cost-effective energy efficiency savings; or C) to lower customers' bills beyond the CARE rate subsidy. While obviously we can have a program with multiple objectives, it is time to take a harder look at what we want from the Energy Savings Assistance Program and make certain that the program design aligns with our priorities.

My hope in sharing these thoughts on next steps is to help provide some guidance, both in the next part of this proceeding and also for future cycles. I wish to commend Commissioner Simon and to thank ALJ Kim and the staff who have worked hard on this decision.

Dated August 23, 2012 in San Francisco

/s/ MARK J. FERRON
Mark J. Ferron
Commissioner

Exhibit 55

High Energy Use

Are you a CARE customer?

Did you use more electricity during the hot weather?

Did your bills suddenly increase?

You may have lost your CARE discount if you used too much electricity!

If your bills have suddenly increased or you have received a letter about losing your CARE discount due to 'high energy use' contact CHANGES for help.

It is important to conserve energy for many reasons:

1. It helps the environment!
2. It saves you money.
3. If you use too much energy you could lose your CARE discount.

To make sure you are still getting your CARE discount, check your bill.

Changes in the weather may lead to you using more energy than usual. You may have already received a letter notifying you that you are using too much energy, but you may not have noticed because the letter was in English. Your CHANGES organization can help you figure out if you are still enrolled in the CARE Program.

CARE stands for California Alternate Rates for Energy. It is an income-based program and customers who are enrolled receive a 30-35 percent discount on their electric bill and a 20 percent discount on their natural gas bill.

Here's how to find to out if you are still enrolled in the CARE program:

1. Locate the page with the details of electric charges.
2. Look for a credit from the "CARE Discount".
3. Or, ask your CHANGES organization to help you check your bill or call the utility company for you.

If you use too much electricity
(over 400% of your baseline allowance)
you might lose your CARE Discount!

Here's how to check if you are using 400% of your baseline allowance:

1. Check your bill and locate your Baseline Allocation (the amount of kilowatt-hours (kWh) in Tier 1).
2. Multiply that Baseline Allocation by 4. This is your 400% amount.
3. Look for your Total Energy Usage (kWh used in all Tiers for the month).
4. If your Total Usage of kWh is lower than the 400% amount, then you are safe for that month. Try to stay within that amount every month to be sure that your CARE discount is safe.
5. If your Total Usage of kWh is higher than the 400% amount, then you are in danger of losing your CARE discount. You need to reduce your electricity usage. Your CHANGES organization can help you find ways to lower your energy use.

What will happen if you use more than 400% of your baseline allowance?

1. You will receive a letter from your utility company that requires you to TAKE ACTION. The letter may be in English. If you receive a letter form your utility company, bring it to your CHANGES organization for help.
2. You will need to send documentation to prove that you are eligible for the CARE program within 45 days. The forms include:
    a. Income documentation (tax forms of everyone in household)
    b. Completed High Energy Form / Income Verification Post-Enrollment Form
    c. Apply for Energy Savings Assistance Program (ESAP)

    Ask your CHANGES organization to help you complete the forms.
3. If all steps are submitted on time and approved by the utility company, your CARE discount should continue.
4. After this, the utility company will closely monitor how much electricity you use every month.
5. If you use over 600% of your Baseline Allocation in ANY month, you will get another letter informing you that you have 90 days to lower your usage.

If you don't complete the steps above:

1. You will be dropped from CARE and lose your discount and be banned from the Program for 24 months.
2. The CHANGES program will help you appeal if you provide a reasonable explanation.

Your CHANGES organization can check your bills, help you fill out paperwork, talk to the utility company for you, and answer your questions and/or concerns.

Contact your local CHANGES organization for assistance:

Community Help and Awareness of Natural Gas and Electricity Services
"CHANGES"

CHANGES is a program of the California Public Utilities Commission – www.cpuc.ca.gov