

Decision 22-04-037 April 7, 2022

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to
Address Energy Utility Customer Bill
Debt Accumulated During the
COVID-19 Pandemic.

Rulemaking 21-02-014

**DECISION REQUIRING DEVELOPMENT OF COMMUNITY BASED
ORGANIZATION CASE MANAGEMENT PILOT PROGRAM TO REDUCE
ARREARAGES ASSOCIATED WITH THE COVID-19 PANDEMIC**

TABLE OF CONTENTS

Title	Page
DECISION REQUIRING DEVELOPMENT OF COMMUNITY BASED ORGANIZATION CASE MANAGEMENT PILOT PROGRAM TO REDUCE ARREARAGES ASSOCIATED WITH THE COVID-19 PANDEMIC	1
Summary	2
1. Background	3
1.1. Procedural Background	4
1.2. Existing IOU CBO Networks	5
1.2.1. Southern California Gas	9
1.2.2. SDG&E	9
1.2.3. SCE	10
1.2.4. PG&E	10
1.3. November 9, 2021 Workshop on Expanding CBO Networks	12
1.3.1. LIHEAP Administered by the CSD	12
1.3.2. TEAM/CHANGES	13
1.4. Other CBO Networks	14
1.5. Emergency Rental Assistance Program (ERAP) Test Case	15
2. Issues Before the Commission	17
3. CBO Pilot Purpose	18
3.1. Gap #1: Case Management	19
3.1.1. Bill Presentations May Heighten Customer Confusion	19
3.2. Gap #2: Targeting, By Geography and Community Type	21
3.3. Gap #3: Navigating Multiplicity of Relief and Assistance Programs	21
3.3.1. Immediate Triage and Trouble-Shooting to Facilitate Resolution of Arrearages	22
3.4. Residential Customers Will Remain In Debt After Application of CAPP	23
4. CBO Pilot Working Group Charge	23
4.1. Customers and CBOs Eligible	24
4.2. IOU Contract Administrators	28
4.3. Scope of Work	28
4.4. Funding Source and Compensation Model	28
4.5. IOUs to Transform the IOU CBO Network Template Into IOU CBO Network Database and Map for Consideration By the CBO Pilot Working Group	29
4.5.1. Leadership of CBO Pilot Working Group	30
4.5.2. Identify CBOs Familiar with the Targeted Communities	31

4.5.3.	Budget	31
4.5.4.	Structure of Payments	31
4.5.5.	CBO Training, Partnerships, and Tools	32
4.5.6.	Reporting and Evaluation	32
4.6.	Small Business Customers.....	33
5.	ERAP Reporting Suspended Until Conclusion of ERAP.....	33
6.	Conclusion.....	34
7.	Comments on Proposed Decision	35
8.	Assignment of Proceeding	35
	Findings of Fact.....	35
	Conclusions of Law	39
	ORDER	40

Appendix A – Composition of Community Based Organization Arrears Case Management Pilot Working Group

Appendix B – Straw Proposal and Questions to Be Addressed by Community Based Organization Arrears Case Management Pilot Working Group

Appendix C – Investor-Owned Utilities’ Community Based Organization Network Template as of February 18, 2022

Appendix D – Example of Targeted Communities for Community Based Organization Arrears Case Management Pilot

DECISION REQUIRING DEVELOPMENT OF COMMUNITY BASED ORGANIZATION CASE MANAGEMENT PILOT PROGRAM TO REDUCE ARREARAGES ASSOCIATED WITH THE COVID-19 PANDEMIC

Summary

This decision provides a framework to establish and operate a Community Based Organization (CBO) Case Management Pilot Program (CBO Pilot). The CBO Pilot is designed to operate in targeted California communities where, during the first year of the COVID-19 pandemic, electric bills were highest relative to the available resources of the community.

The CBO Pilot is intended to serve customers who would otherwise continue to face difficulty in resolving their utility bill debt once the statewide relief distributed to utilities is applied to customer accounts. The statewide relief program requires energy utilities to apply relief funds to customer accounts by the end of March 2022. Pursuant to the relief program, the energy utilities are prohibited from disconnecting customers in receipt of relief for 90 days after the funds are applied.

We will establish a CBO Pilot Working Group to guide and oversee the development of the program, including selection of the CBOs in the targeted communities. Together with a CBO selected by the Working Group at the initial meeting, Pacific Gas and Electric Company (PG&E) will co-lead the CBO Pilot Working Group. Representatives from a variety of advocacy groups, oversight boards, and CBOs are invited to participate in the CBO Pilot Working Group. We expect approximately 12,000 customers to receive case management services from the CBO Pilot, with the CBO Pilot Working Group recommending a specific

number in the proposal to be filed in R.18-07-005. We also expect retention of these customer accounts in good standing, and require an update on the status of the customer utility accounts within a year past the debt resolution mark.

Today's decision also requires the CBO Pilot Working Group to consider and propose a budget, payment structure, criteria to target communities, and evaluation methods for the CBO Pilot. The budget, payment structure, criteria by which communities are targeted, and evaluation method for the CBO Pilot will be filed as the CBO Pilot Working Group's formal proposal for the CBO Pilot by PG&E in the *Order Instituting Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs*, Rulemaking (R.) 18-07-005. Assessment of and issuance of a proposed decision for the CBO Pilot will occur in R.18-07-005.¹

This decision closes the instant proceeding and transfers all remaining issues and implementation to R.18-07-005.

The proceeding is closed.

1. Background

This Rulemaking was established to address customer debt associated with the COVID-19 pandemic. In summer 2021, we ordered energy utilities to automatically allow customers two years over which to pay off outstanding utility bill debt through payment plans. Subsequently the state's California Arrearage Payment Program (CAPP)² distributed to the energy utilities enough

¹ Any party to this proceeding that intends to participate in development of or comment on the CBO Pilot should seek party status in R.18-07-005.

² CAPP (Assembly Bill 135, Chapter 85, Statutes of 2021) is codified in Government Code Section 16429.5.

funding to reduce each residential customer's debt (the same debt wrapped up in payment plans) by more than half, as displayed below in Section 3.4.³

At the same time in D.21-06-036, we acknowledged the extra time afforded by payment plans may not be sufficient for certain customers to resolve their utility bill debt. To enhance the likelihood of success in eliminating utility bill debt, we paired payment plans with intensive follow-up efforts by CBOs. Examination of the existing CBO networks revealed the current services provided by CBOs do not include case management, a necessary service to help customers navigate the variety of assistance and relief options developed during the COVID-19 pandemic.

We have identified case management as missing from the existing CBO networks. The cost for case management is relatively high, and the need to nurture and build CBO capacity takes time, therefore we start to tackle this issue by targeting and prioritizing a limited number of communities, and customers, for CBO assistance for purposes of the initial CBO Pilot. The two targets for CBO case management are (1) communities where electricity is most unaffordable in California; and (2) customers at highest risk of disconnection, in accordance with investor-owned utility (IOU) disconnection policies and practices.

1.1. Procedural Background

On October 18, 2021, the assigned Commissioner issued a Ruling and Staff Proposal, setting a workshop and comment cycle in November 2021 to

³ CAPP relieves utility bill debt associated with billed service between March 2020 and June 2021. The Commission's COVID-19 Payment Plans covers utility bill debt accumulated at any time before September 30, 2021. Some customers may have continued to accumulate utility bill debt since October 2021, for which neither CAPP nor the Commission's COVID-19 Payment Plans apply, with a few exceptions. CAPP rules are available on the California Department of Community Services and Development (CSD) website at <https://www.csd.ca.gov/Pages/CAPP.aspx>.

address the role of CBOs. On November 9, 2021, Commission staff conducted a workshop to facilitate discussion on how to expand and grow the CBO networks (November 9, 2021 Workshop). On November 18, 2021, PG&E, San Diego Gas & Electric Company (SDG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCalGas), The Utility Reform Network (TURN), California Community Choice Association, jointly Leadership Counsel for Justice and Accountability (Leadership Council)/California Environmental Justice Alliance (CEJA)/The Greenlining Institute (Greenlining), Small Business Utility Advocates (SBUA), the Center for Accessible Technology (CforAT), and the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) filed opening comments. On November 30, 2021, the IOUs, TURN, Utility Consumers Action Network, SBUA, and CforAT filed reply comments. The case was submitted on November 30, 2021.

1.2. Existing IOU CBO Networks

In the Phase I decision in this proceeding,⁴ we ordered the IOUs to systematically display where and how they currently engage CBOs.

Energy utilities should jointly develop a template of the map displaying their current CBO networks. Either on the map or in a companion report there should be listings of the functions each CBO performs, the communities with which they engage, and the compensation structure, if any. At a minimum, communities should be labeled as DACs, ESJs, hard-to-reach, Small Business, tribes, or access and functional needs.⁵ More specific labels for types of communities are preferred. Energy utilities shall submit their

⁴ D.21-06-036.

⁵ Only the CBOs must be geographically identified, not necessarily types of communities. Types of communities may instead be listed alongside the CBO(s) that specialize in outreach to the particular community.

template to the Energy Division via a Tier 2 Advice Letter filing within 60 days of the issuance of this decision.⁶

Through a series of filings beginning in August 2021 and ongoing, the IOU display of CBO information (IOU CBO Network Template) was accepted by the Commission's Energy Division.⁷

For each CBO, the IOU CBO Network Template displays

- Location/communities served⁸
- Payment mechanisms⁹
- CBO services generally provided
- IOU programs about which the CBO provides information to clients
- Characteristics of the communities targeted "audience reach"

The IOUs indicate that the current IOU CBO Network Template may not include all CBOs supporting other ratepayer-funded program activities, such as the IOUs' portfolio of demand-side management programs. For example, it appears that CBOs contracted for the San Joaquin Valley Disadvantaged

⁶ D.21-06-036 at 42. *Also see* OP 8.

⁷ By non-standard disposition letter dated December 17, 2021, the Commission's Energy Division approved the joint utility Supplemental Advice Letter (AL) 5857-B, *et al.* (SoCalGas AL 5857, SDG&E AL 3839-E/3010-G, PG&E AL 4483-G/6407-E, SCE AL 4577-E), effective November 5, 2021. AL 5857-B, *et al.* was the second supplemental filing on CBO reporting/mapping that replaced AL 5857-A in its entirety.

⁸ At the Commission's request, all IOUs continue to solicit locations served by zip codes from CBOs. The IOUs also provide the information of city and county associated with each zip code served. The IOUs also provide the information of city and county associated with each zip code served.

⁹ Whether paid, and if so, the payment mechanism and frequency of the payment. Payment mechanisms include contract, grant, fee based, purchase order, stipend, and external funding (i.e. LIHEAP).

Communities pilots¹⁰ are not included in the completed IOU CBO Network Template. The IOUs suggest that procedural steps must be taken in order to “determine the universe of proceedings and programs they would like to see included in the [IOU] CBO Network [Template].”¹¹

The final IOU filing containing the approved IOU CBO Network Template, AL 5857-B, *et al.* states the intention for all of the IOUs to complete the template. as some have not tracked certain information. At this stage of development, the IOU CBO Network Template is the best available overview of the existing CBO networks, and we utilize this data in conjunction with other IOU reports of CBOs (such as monthly and annual low-income assistance reports)¹² to build upon existing CBO networks as we establish this new CBO Pilot.

Based on the most recent update to data in the IOU CBO Network Template,¹³ which remains under development, and the associated supplements to AL 5857, *et al.* the IOUs have in place paid arrangements with the following number of CBOs.

Table 1: CBO Networks (as of February 18, 2022)

Utility	Total paid CBOs¹⁴	Total Annual Funding	Program budgets through which paid CBOs are funded
----------------	-------------------------------------	-----------------------------	---

¹⁰ The Commission ordered to assist certain select communities in the San Joaquin Valley to retrofit their homes with gas and better manage their electric bills in D.18-12-015, further modified by D18-08-019 and D.20-04-006 in R.15-03-010.

¹¹ AL 5857-B at 6.

¹² The IOUs file monthly and annual low-income assistance reports for the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA) and Energy Savings Assistance (ESA) Programs in the Application (A.) 19-11-003 proceeding docket.

¹³ Most recent data is provided in Attachment C to this decision.

¹⁴ As well as LIHEAP LSPs which are not IOU-funded and instead are paid by the California Department of Community Services and Development (CSD).

Utility	Total paid CBOs¹⁴	Total Annual Funding	Program budgets through which paid CBOs are funded
PG&E	81	Not specified	10+ programs (may include CARE/FERA/ESA, EV ¹⁵ , WE&T ¹⁶ , microgrids, PSPS, ¹⁷ LIHEAP ¹⁸)
SCE	138	\$250,000	CARE/ESA, PSPS, Rate choices, LIHEAP
SoCalGas	52	Not specified	CARE/ESA, Medical Baseline, LIHEAP
SDG&E	201	Not specified, although SDG&E provides a range paid to each CBO between \$750-\$6,000	CARE/ESA, Energy Efficiency, Rate Plans, EV, Medical Baseline, Wildfire Mitigation/PSPS, LIHEAP

D.21-06-015 authorized low-income assistance programs for the years 2021-2026.¹⁹

Included in the IOU CBO Network Template are 41 Low-Income Home Energy Assistance Program (LIHEAP) Local Service Providers (LSPs) statewide, and CARE Capitation contractors.²⁰

The IOU CBO Network Template is included as Attachment C to this decision and on the CPUC Energy Arrearages website.²¹

¹⁵ Electric Vehicle.

¹⁶ Workforce, Education and Training.

¹⁷ Public Safety Power Shutoff.

¹⁸ Low-Income Home Energy Assistance Program.

¹⁹ In D.21-06-015, *see* Section 4.3, “CARE Marketing, Education, Outreach, and Leveraging.”

²⁰ It is unclear whether the 27 Telecommunications Education and Assistance in Multiple Languages/Community Help and Awareness of Natural Gas and Electric Services (TEAM/CHANGES) CBOs are included in the IOU CBO Network Template.

²¹ <https://www.cpuc.ca.gov/consumer-support/consumer-programs-and-services/electrical-energy-and-energy-efficiency/energy-utility-arrearages>

1.2.1. Southern California Gas

SoCalGas views the CBO arrearage case management program as complimentary to their current CBO Marketing, Education and Outreach (ME&O) efforts. SoCalGas “expects to administer a request for proposal (RFP) for CBOs that can provide arrearage case management services.”²²

Currently, SoCalGas works with approximately 40 CBOs under a Memorandum of Understanding (MOU). Their CBO funding is authorized in D.21-06-015. SoCalGas states that the scope of work for current CBOs excludes case management services. While no case management services are provided, SoCalGas cites one-on-one customer contact, established through door-to-door canvassing, as a highly successful method of achieving new customer enrollments.²³

1.2.2. SDG&E

SDG&E operates an Energy Solutions Partner Network with nearly 200 CBOs, which has grown from 25 CBOs over the past ten years. SDG&E utilizes a MOU to explain the agreement with each CBO. The amount per CBO ranges from \$750 to \$6,000 annually.

SDG&E is the only IOU asserting their CBOs have an ongoing approach to customer engagement.²⁴ SDG&E expects their CBOs to help customers evaluate energy solutions and bill debt options and references the ongoing customer coaching identified in the Staff Proposal.²⁵

²² SoCalGas Reply Comments, dated November 30, 2021, at 2.

²³ D.21-06-015 at 55.

²⁴ Reporter’s Transcript of November 9, 2021 Workshop at 46:14-28, 47:1-6.

²⁵ The Staff Proposal was issued with the assigned Commissioner Ruling dated October 18, 2021.

1.2.3. SCE

SCE calls its CBO activities “outreach and engagement.” Since 2019 SCE has contracted with 30 CBOs, utilizing a pay-for-performance model, to increase awareness about Time of Use rates and Income Qualified Programs, such as CARE, FERA and ESA. By 2021, SCE’s CBO network had expanded to 50 CBOs and includes awareness of wildfire mitigation. “SCE has prioritized some customer classifications, including hard-to-reach, DACs [Disadvantaged Communities], single family renters, hot climate zone customers, areas with low CARE penetration rates, as well as high poverty communities.”²⁶

SCE’s plans to expand partnerships generally do not include compensating the new partners. They cite strengthening partnerships with government public assistance programs such as Women Infants Children, Supplemental Nutrition Assistance Program, and Medi-Cal. SCE intends to explore “affinity partnerships with entities such as Association for the Advancement of Retired People (AARP), American Automobile Association (AAA), CVS, Walgreens, ...”²⁷

SCE’s pay-for-performance structure for its CBOs provides tiered rates. SCE also makes capitation payments for program enrollments. SCE is in the process of considering RFPs similar to those currently out for PG&E.²⁸

1.2.4. PG&E

PG&E reports a multiplicity of efforts during COVID-19 to expand CBO ME&O. Prompted by the pandemic, PG&E attempted to expand CBO work beyond ME&O to better counsel customers in need. While it is not clear that PG&E transformed its CBOs from ME&O to case management, it is clear PG&E

²⁶ D.21-06-015 at 50.

²⁷ D.21-06-015 at 52.

²⁸ Reporter’s Transcript of November 9, 2021 Workshop at 44:21-24, 59:3-21.

made attempts to direct CBOs to go beyond mass marketing and education. As reported, “[PG&E’s] traditional marketing tactics will be complemented with one-on-one direct interactions with rural customers facilitated by CBO, door to door campaigns, health outreach workers, outreach through churches, faith-based groups, and other emerging opportunities.”²⁹ Utilizing existing program funds as well as the COVID-19 Pandemic Protection Memorandum Account (CPPMA) to the extent necessary, PG&E solicited CBOs for new paid contracts in 2021. The first new contract is for CBOs to perform ME&O for multiple programs, and the second is to form a CBO Advisory Council, to provide foundational guidance on improving CBO effectiveness.³⁰ PG&E also reports CBO purchase orders and grants agreements from January/June 2021-March 2022.³¹ Through most of 2021, PG&E paid about 25 CBOs \$120,000 for short-term work.

In D.21-06-015, the Commission highlighted PG&E’s proposal to train CBOs on “all equity programs including but not limited to CARE, FERA, ESA, Medical Baseline, Arrearage Management Plans (AMP), Relief for Energy Assistance through Community Help, rate options (Disadvantaged Communities Green Tariff), energy management tools, Self-Generation Incentive Programs and other assistance programs enabling CBOs to be knowledgeable about many program offerings for these households.”³²

²⁹ D.21-06-015 at 47-48.

³⁰ Reporter’s Transcript of November 9, 2021 Workshop at 42:10-25.

³¹ PG&E Opening Comments at 7.

³² D.21-06-015 at 64.

In 2022, PG&E will execute contracts for new CBO programs. Rather than set budgets or rates, PG&E expects CBOs to propose prices for their services.³³

PG&E's CARE program is currently utilizing geographic targeting by finding zip codes with both low CARE penetration and high disconnection rates.

1.3. November 9, 2021 Workshop on Expanding CBO Networks

At the November 9, 2021 Workshop, CBOs and administrators of particular CBO networks presented best practices for working with CBOs, and also presented compensation models for CBO networks. Panelists with the Bay Area Air Quality Management District (BAAQMD), and East Bay Municipal Utility District (EBMUD), Marin Clean Energy (MCE), and Mixteco Indigena Community Organizing Project (MICOP) offered a non-utility perspective on CBO engagement, specifically identifying the need for ongoing feedback and course corrections. The IOUs, as administrators of CBO networks, offered perspectives on CBO engagement. Finally, administrators of CBO networks other than the IOUs described their compensation models, including Liberty Hill Foundation, the regional administrator and funding intermediary for EmPOWER; the Association of California Community Energy Services (ACCES), LIHEAP LSPs; BAAQMD; and Self Help for the Elderly, the lead administrator of TEAM/CHANGES.

1.3.1. LIHEAP Administered by the CSD

IOUs have been charged with leveraging the LIHEAP program for decades. Approximately 41 CBOs are federally funded through the LIHEAP program. LIHEAP is federally funded and administered by CSD. LIHEAP CBOs

³³ Reporter's Transcript of November 9, 2021 Workshop at 70:10-23.

are known as LSPs. The 2021-2026 CARE/ESA decision³⁴ approves the IOU plans to “continue” leveraging with CSD. Specific improvements to leveraging cited in this decision are streamline the pledging process (PG&E), greater exchange of information (PG&E),³⁵ providing customers the ability to submit final disconnection notices electronically to LIHEAP coordinators (SCE), implementing any process that can facilitate more rapid LIHEAP pledge deliveries (SCE)³⁶ (SoCalGas).³⁷

1.3.2. TEAM/CHANGES

TEAM/CHANGES targets customers for whom English is not their first language, providing consumer education and direct one-on-one assistance with resolving utility bill disputes and participating in utility programs. The lead administrator for the TEAM/CHANGES program is Self Help for the Elderly. Their director provided the history of the programs at the workshop. TEAM began in 2008 and CHANGES in 2011. Initially both programs were contracted through the IOUs but once the program moved out of the pilot phase and became permanent, the contracts were moved from the IOUs to the Commission. The annual budgets for TEAM and CHANGES include the cost of the lead administrator as well as approximately 27 CBOs. TEAM/CHANGES CBOs support both TEAM and CHANGES, with payments ranging between \$60,000-68,000 annually.³⁸ The CBOs perform outreach and education as well as complaint resolution and dispute resolution.

³⁴ D.21-06-015.

³⁵ D.21-06-015 at 49.

³⁶ D.21-06-015 at 53.

³⁷ D.21-06-015 at 57.

³⁸ Reporter’s Transcript of November 9, 2021 Workshop at 93:6-11.

The Commission required the IOUs to fund and report on the CHANGES program through the CARE administrative budgets. CHANGES is budgeted at \$1,752,502 annually in the years 2021-2026.³⁹ The IOUs are currently obligated to report on CHANGES in their monthly and annual CARE reports and at the Low-Income Oversight Board meetings.⁴⁰ SoCalGas describes the services provided to SoCalGas customers by CHANGES CBOs as “non-CARE related assistance such as account set up, account changes, reconnections, bill payment assistance, payment plans and extensions.”⁴¹

1.4. Other CBO Networks

The IOUs operate CBO networks that are not included in the IOU CBO Network Template, such as CBO networks supporting demand-side management programs. SCE provides charitable funding for, but does not operate, a CBO program called EmPOWER. EmPOWER operates a network of between 6-10 CBOs annually at approximately \$80,000 each. In addition to SCE, EmPOWER receives funding from the Los Angeles Department of Water and Power (LADWP), and additional sources. At the November 9, 2021 Workshop, the representative from Liberty Hill (EmPOWER’s regional administrator) stated that it would be simpler if they would be able to have one governmental funding source, but that hasn’t been possible yet.⁴² They also train their CBOs on over 40 programs that may be helpful to their clients.

³⁹ D.21-06-015 at 75.

⁴⁰ D.21-06-015 at 71 and D.15-12-047 at 28.

⁴¹ D.21-06-015 at 72.

⁴² Reporter’s Transcript of November 9, 2021 Workshop at 97:5-9.

1.5. Emergency Rental Assistance Program (ERAP) Test Case

During the pandemic, a new program became available to relieve utility bill debt associated with the COVID-19 pandemic: the ERAP. At the emergence of ERAP, we directed the IOUs to perform case management for a small sample group of customers, defined as communicating directly with customers until the customer received the ERAP grant to relieve their utility bill debt.⁴³

We also directed weekly tracking and reporting of the key steps accomplished by the IOUs from start to finish.⁴⁴ The reported metrics are posted publicly on the Commission's website.⁴⁵ The IOUs presented their experiences case managing targeted customers⁴⁶ and interfacing with the external agency distributing the funds at an Evidentiary Hearing held May 27, 2021 in this proceeding.⁴⁷ Subsequently, an *ALJ Ruling Setting Joint Status Conference and Ordering Comments*⁴⁸ asked for updates on the process of helping customers secure ERAP funds. In responses filed September 13, 2021, energy utilities recommended areas for improvement in coordination with external agencies

⁴³ ALJ Ruling dated April 5, 2021.

⁴⁴ The IOUs report weekly on (1) number of customers identified, (2) number of customers agreed to apply, (3) number of customers applications submitted, (4) number of applications verified by program administrator, (5) number of applications in receipt of relief, (6) total dollar amount of relief, and (7) percentage of debt relieved.

⁴⁵ As directed, the IOUs submitted weekly reports available at a May 27, 2021 Evidentiary Hearing. The reports and the transcribed testimony are available on the Commission webpage Energy Utility Arrearages at <https://www.cpuc.ca.gov/consumer-support/consumer-programs-and-services/electrical-energy-and-energy-efficiency/energy-utility-arrearages>.

⁴⁶ Reporter's Transcript of May 27, 2021 Evidentiary Hearing at 119:1-20.

⁴⁷ Reporter's Transcript of May 27, 2021 Evidentiary Hearing.

⁴⁸ ALJ Ruling Setting Joint Status Conference and Ordering Comments dated July 29, 2021, Questions 2 and 3 in Section 4: *Inter-Industry Coordination to Support COVID-19 Relief and Affordability*.

administering relief and provided an estimate of the total payments received from ERAP and the total number of customers assisted by ERAP to-date.

As directed, PG&E, SCE, SDG&E and SoCalGas identified 250, 2,748, 182 and 101 customers, respectively, with high arrearage amounts that were good candidates for the ERAP program. Within a matter of 8 weeks, PG&E, SCE, SDG&E and SoCalGas reported 184, 267, 96 and 47 applications submitted by their customers. As of February 1, 2022, ERAP payments have been forthcoming for only 45, 37, 5, and 36 of the applicants, respectively. The average relief received by customers has been significant: \$2,821, \$875, \$718 and \$936 for PG&E, SCE, SoCalGas and SDG&E customers, respectively.

The lessons learned⁴⁹ from ERAP are:

- A wide pool of customers must be contacted in order to result in a few customers successfully applying for a program;
- Ongoing communication between the IOUs and the program administrator was necessary, especially in the first few weeks and months of the program to establish processes that met the needs of the utility and the program administrator;
- If the utility does not administer the assistance offered to customers or does not have necessary agreements in place with administering agencies, relying solely on communications with customers for tracking and reporting may not be sufficient.
- It is possible for the IOUs to identify customers with significant amounts of debt for assistance, and even to identify customers according to strict criteria not necessarily tracked by the IOUs (renters); and

⁴⁹ Reporter's Transcript of May 27, 2021 Evidentiary Hearing at 105-111.

- The utility bill issued to the customer presents a lump sum of utility bill debt without much explanation of how the debt was accrued and sources of payment on the debt in the past. To understand how payments were applied, the customer must have kept track of this separately over time and must reconcile all types and sources of payments to make sense of the utility bill.

2. Issues Before the Commission

The July 29, 2021 Ruling Amending the Scope elevated the issue of CBO engagement in the second phase of this proceeding. The Phase 2 scoped issue addressed in today's decision is:

If any, what outstanding barriers, gaps, improvements in documentation and partnerships remain with Community Based Organizations in order to make sure that the hardest-to-reach customers navigate important relief programs.

Consideration of relief for energy customers impacted by the COVID-19 pandemic necessarily relies upon broader Commission proceedings authorizing ongoing customer assistance, including the Disconnections Rulemaking,⁵⁰ Affordability Rulemaking,⁵¹ and the CARE/ESA Applications.⁵² In particular, issues of debt and disconnection are considered broadly in the Disconnections Rulemaking, and this proceeding may be understood as a subset of the Disconnection Proceeding going forward. We addressed the overlap between proceedings in the Scoping Memo, stating, "As such, the instant proceeding will rely on experience and data developed in related proceedings though the activities in this proceeding are necessarily conducted on an expedited basis."

⁵⁰ R.18-07-005.

⁵¹ R.18-07-006.

⁵² A.19-01-003, *et al.*

Party comments in response to the following scoping questions⁵³ inform this decision.

10. How can arrearage relief integrate with the recently adopted orders in D.20-06-003? Are any adjustments needed?
11. Should arrearage relief be coordinated with the utility transition plans ordered by the Commission in Resolution M-4849, including customer outreach?
12. What lessons, if any, should the Commission leverage from other relevant Commission proceedings addressing disconnections and bill affordability, and why?

This decision utilizes strategies approved for the Percentage of Income Payment Plan approved in D.21-10-012 and analysis of geographic customer groupings produced in R.18-07-006 to identify and prioritize areas and populations the CBO Pilot will target.

3. CBO Pilot Purpose

In D.21-06-036, we determined CBO assistance to be a promising method of assisting customers in meeting the terms of payment plans or renegotiating plans. We also determined that expanding and growing CBO networks is key to reaching utility customers in Environmental and Social Justice (ESJ) Communities and other hard-to-reach populations.⁵⁴ At the time, we did not

⁵³ Numbers are from the scoping memo

⁵⁴ The Commission defines ESJ communities as: predominantly communities of color or low-income, underrepresented in policy settings or decision-making processes, subject to a disproportionate impact from one or more environmental hazards, and likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities. Information about the Commission's ESJ Action Plan available on the Commission website at <https://www.cpuc.ca.gov/news-and-updates/newsroom/environmental-and-social-justice-action-plan>.

establish funding for such CBO assistance, preferring first to determine whether existing CBO networks were indeed providing such services.

Now that we have a better (although not yet complete) picture of existing CBO networks, we move forward with establishing a framework for a CBO Pilot, with the expectation that the IOUs and the Commission will continue to display and improve the picture of where and how CBOs amplify IOU efforts to assist customers.

3.1. Gap #1: Case Management

There is widespread acknowledgement by parties that case management is not prioritized in the scope of work for paid CBOs. Existing CBOs paid through IOU contracts primarily perform outreach and engagement functions, including messaging, communications and branding utilized by current CBOs to engage customers.

The CBO Pilot envisioned here is focused on case management for a relatively small group of customers to fill this gap. Case management, for the CBO Pilot, is defined as repeated interventions with a customer over time to accomplish a particular goal. In particular, the pilot will provide funding and instruction for CBOs to follow-up with customers until the customer's arrearage is either eliminated or a concrete plan to eliminate the arrearage over time is established, and the customer is able to execute the plan, and manage current bills going forward.

3.1.1. Bill Presentations May Heighten Customer Confusion

The ERAP Evidentiary Hearing, together with the November 9, 2021 Workshop, revealed an underlying flaw in delivering customer assistance and relief: the inability of the customer to understand their utility bill debt, including

how and when payments are applied to the total amount due. The IOUs explained that, from a customer perspective, there is no reasonable way for a customer to understand how much relief was applied and how it may impact the customer's total debt remaining on their monthly utility bill. The CBO representative speaking at the workshop indicated a similar inability to know or help a customer know which assistance was most useful in solving their debt problem. The bill confusion identified at the workshop is documented in additional IOU research.⁵⁵

We are concerned that the current forms of relief available may simply resolve debt without distinguishing between the amount due, and prior amount owed. To address this issue the CBO Pilot should include follow-up sessions with the customer in the year following the resolution of debt, with reporting on whether the customer remained current in their utility account or, based on their first case management lessons and experience, was better able to address any newly occurring debt. The CBO Pilot should tackle the "black box" (difficulty for CBO to track progress after the application is filed) identified by panelists at the November 9, 2021 Workshop, and acknowledged by IOU witnesses at the ERAP hearing.⁵⁶

⁵⁵ "More than half of respondents found one or more parts of their SCE bill to be confusing or difficult to understand. Some customer dialed in on specific sections of the bill while others cited overarching sources of confusion with the information presented on the bill." *Bill Salience, Bill Design, and their Impacts on Residential Energy Consumption*, dated January 14, 2022 available at <http://www.calmac.org/download.asp?id=3845>.

⁵⁶ Liberty Hill described the process of completing the customer's initial enrollment as a "black box," where one is unable to determine the follow-up beyond submitting the application.

3.2. Gap #2: Targeting, By Geography and Community Type

The IOU CBO Network Template, supported by statements of the IOU representatives,⁵⁷ reveal that IOUs have general but not specific information about the geographic locations in which CBOs operate other than at the county level.⁵⁸

At the November 9, 2021 Workshop, MICOP explained the importance of developing assistance techniques that incorporate familiarity with the target community. For example, the MICOP used a promotora (promoter) model based on Latin American approaches and utilized an in-house community radio station to reach farm workers before and after their workday.

3.3. Gap #3: Navigating Multiplicity of Relief and Assistance Programs

The IOU CBO Network Template reports the number of programs on which each CBO is associated under the heading “CAP Outreach by CBO.” Consistent with SDG&E comments, the IOU CBO Network Template indicates SDG&E has the most comprehensive cross-training of CBOs hired to promote certain IOU programs.⁵⁹ PG&E’s reporting by CBO demonstrates significant cross training as well. TURN characterizes the problem, “there is a significant gap with respect to clearly explaining to CBOs — and therefore, to customers — how best to strategically manage the overlay and sequencing of different

⁵⁷ Reporter’s Transcript of November 9, 2021 Workshop at 77:17-23, 78:15-28, 79:1-8.

⁵⁸ “Information not currently available to the IOUs will be delivered as the CBOs respond to the IOUs’ request for the data. This includes, but is not limited to, geographical coverage such as zip code information, and organizational information such as the number of people served monthly by each CBO.” AL 5857-B at 5. PG&E 5857-A at 3.

⁵⁹For some CBOs, SDG&E CBO Outreach is inclusive of Rate Plans, Energy Efficiency, Customer Generation Programs, Electric Vehicles, COVID-19 Relief, CARE, Customer Generation Relief, Disconnections, ESA, Medical Baseline, LIHEAP.

programs.”⁶⁰ Such a gap existed prior to the state CAPP program and now is only worse.

TURN proposes that the Working Group be tasked with understanding and instructing how best to combine programs. We agree that effective case management requires CBOs to consider all available programs that may reduce customer utility bill debt, immediately and ongoing. The CBO Pilot Working Group shall consider this problem and propose solutions in their final proposal.

3.3.1. Immediate Triage and Trouble-Shooting to Facilitate Resolution of Arrearages

In establishing the new COVID-19 ME&O CBO grants in 2021, PG&E notes “CBOs were provided direct access to a PG&E Liaison to answer any questions or clarify any program details encountered during outreach efforts.”⁶¹ PG&E also cites the need to solicit and incorporate CBO input. To do so, PG&E reports it will survey currently participating CBOs on their experience with COVID debt relief outreach, host focus groups and other meetings.⁶² Several CBO administrators cautioned against developing a program without CBO input and then bringing in the CBO as an afterthought.

Leadership Counsel/ CEJA/Greenlining recommend opportunities for party feedback throughout the program and also provide examples in the Solar Multifamily Affordability Housing program where the first-year program required several adjustments as the program developed.

SoCalGas recommends troubleshooting and oversight through the monthly and annual CARE/FERA/ESA monthly reporting.

⁶⁰ TURN Opening Comments at 4.

⁶¹ AL 5857-A, *et al.* October 6, 2021, Attachment B (p. 2, Footnote).

⁶² AL 5857-A, *et al.* October 6, 2021, Attachment B at 5.

3.4. Residential Customers Will Remain In Debt After Application of CAPP

The IOUs applied for \$915 million in CAPP relief and received approximately \$686 million for their customers. The CAPP relief will reduce residential customer debt by 75 percent for the 15-month period between March 2020 and June 2021. However, arrearages continued to accumulate during the fall of 2021, to a total of \$1,826 million by December 31, 2021. Considering all known residential debt to-date, CAPP relief is estimated to reduce residential customer debt by 38 percent.

Table 2: CAPP Relief⁶³

	PG&E	SCE	SDG&E	SoCalGas	TOTAL
Number of customer accounts	408,000	269,000	109,000	335,000	1,121,000
\$ debt	\$399M	\$317.9M	\$81.2M	\$116.9M	\$915M
\$ relief	\$340M	\$205M	\$62.5M	\$78.7M	\$686M
Percent of debt relieved	85%	64.5%	77%	67%	75%
Status of relief	Approved 1/21/22	Approved 1/22/22	Approved 1/20/22	Approved 1/6/22	
Average debt per customer	\$978	\$1,182	\$745	\$349	\$816
Average relief per customer	\$833	\$762	\$573	\$235	\$612

Source: <https://www.csd.ca.gov/Pages/CAPP.aspx>.

4. CBO Pilot Working Group Charge

Overcoming the identified gaps in existing IOU CBO networks requires further development before funding is authorized. This decision creates a CBO Pilot Working Group and delegates to the CBO Pilot Working Group the charge to include certain parameters in the CBO Pilot including (1) scope must include

⁶³ To be applied to customer accounts by end of March 2022, for arrearages accumulated between March 2020 and June 2021.

case management; (2) communities targeted by highest electric charges relative to the resources of the community; (3) an ERAP model for informal reporting, tracking and informal, nonprofessional evaluation; and (4) development of remaining features of the program consistent with these parameters.

Consistent with the information set out in the Appendices to this decision, the CBO Pilot Working Group should include representatives of IOUs, Community Choice Aggregators, CBOs, advocacy groups, Tribal Communities, the Commission's Energy Division, Self-Help Enterprises, and designees of the Low-Income Oversight Board and the Disadvantaged Communities Advisory Group. Representatives of the Small and Multi-Jurisdictional Utilities are not required to participate in the CBO Pilot Working Group. The CBO Pilot Working Group shall incorporate the defined parameters and develop a budget, payment structure, CBO training and formal evaluation processes. We identify PG&E to convene the first meeting of the CBO Pilot Working Group and thereafter co-lead the CBO Pilot Working Group together with a CBO nominated and selected at the first meeting by the Working Group. PG&E, on behalf of the CBO Pilot Working Group, shall submit a complete proposal within 120 days of the issuance of this decision in the Disconnections Proceeding, R.18-07-005. The Disconnections Proceeding is the logical umbrella proceeding as it considers arrearages and disconnections overall.

4.1. Customers and CBOs Eligible

The Commission employs a variety of definitions for communities in need of assistance. The number of households defined as vulnerable by the various

definitions account for a majority of Californians,⁶⁴ which is too many to support through the CBO Pilot. Similarly, party recommendations on prioritizing communities for relief capture broad swaths of California.

To focus this preliminary effort, we direct the CBO Pilot Working Group to utilize additional criteria to narrow the communities targeted. For the initial program proposal, the CBO Pilot Working Group should leverage the Commission's affordability metrics,⁶⁵ which provide a readily available, reasonable method to narrow ESJ communities to those likely to have become most vulnerable to disconnection of essential electric and gas service during the COVID-19 pandemic. An example of utilizing the affordability metrics to target communities for this initial effort and their associated zip codes can be found in Attachment D to today's decision and viewed on the Commission's interactive Affordability map at⁶⁶

⁶⁴ At least 25 percent of California households are captured through the Commission's designation of Disadvantaged Communities. Approximately 30 percent of California households, inside and outside of Disadvantaged Communities, are captured by the eligibility standards for low-income assistance programs. The Commission designates more Californians as ESJ communities beyond those in Disadvantaged Communities or eligible for the low-income assistance programs including: households with income below 80 percent of the area median income, people in predominately communities of color (the 2020 U.S. census reports 65 percent of Californians as non-white), all people living on tribal lands and people underrepresented in policy and decision-making and people disproportionately pollution-burdened.

⁶⁵ In D.20-07-032, the Commission adopted Affordability Metrics providing the power to divide and rank California into small geographic areas by resource levels and affordability of essential quantities of utility service. Complete details can be found here <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/affordability>.

⁶⁶ The Commission's 2020 update to the Affordability Ratio map will not be posted publicly until April 2022 but the 2019 Affordability Ratio map nearly matches the 2020 data on which the CBO Pilot targeted communities are identified.

<https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/affordability/affordability-ratio>.⁶⁷

The Commission's Affordability Proceeding has adopted several methods to divide California into small geographic areas and rank each area by resource levels, taking into account how much communities must spend to pay for an essential amount⁶⁸ of utility service.⁶⁹ Both the utility bill data and demographic data are refreshed annually, and our determination relies upon the most recent data available.⁷⁰

Party recommendations are not targeted enough for the nascent CBO Pilot.⁷¹ Cal Advocates recommends targeting customers at the same time the customer learns they are at risk of disconnection. CforAT/National Consumer Law Center (NCLC) suggest prioritizing communities of color to promote equity,

⁶⁷ To view the CBO Pilot communities on the Commission's interactive Affordability map, the viewer must take three actions: 1. Click the "electric" option at the top of the California, 2. Select from the options alongside the map the AR50 (Affordability Ratio) and select as the "Electric Maximum" the value 0.05. The CBO Pilot communities highlighted in red or dark orange will be the CBO Pilot targeted communities. Moving one's cursor over the map will identify the names and associated affordability ratios of each community.

⁶⁸ D.20-07-032 adopts the term *essential service* to represent the bare minimum amount of utility service necessary for household consumption.

⁶⁹ D.20-07-032 adopts the Affordability Ratio (AR) as one of three metrics to gauge affordability by community. The AR produced by the commission for a representative household in the middle, resource-wise (AR50) and for a representative household at the lower end, resource-wise (20 percent of resources). In recognition that COVID-19 impacted all types of households, we ranked California communities by AR50 to target communities for the CBO Pilot.

⁷⁰ The most recent data published in the Affordability Proceeding is based on 2019 census and utility bill data, and the 2020 data is anticipated to be published by April 2022.

⁷¹ Party recommendations in response to Question 9, "How might any new COVID arrearage relief be targeted to customers most at risk of being disconnected?" from the April 2, 2021 ALJ Ruling Inviting Responses to Post-Workshop Questions and Extending Filing Dates of Briefs. Questions 10a and 10b also solicited party recommendations on fairness and equity in providing assistance and relief.

yet CforAT/NCLC state they lack data to precisely find these communities.⁷² They suggest utilizing areas with high disconnection rates, as well as participation in low-income assistance programs. They also recommend including Medical Baseline customers as a priority population though it is not income-qualifying. Leadership Counsel/CEJA/Greenlining object to establishing criteria to pick who is or is not deserving of relief. Most parties reference the CARE and FERA standards for identifying and prioritizing low-income customers in need.

The CBO Pilot Working Group may consider and propose an alternative to the targeted communities listed in Attachment D. The CBO Pilot Working Group shall not require households residing in zip codes associated with the communities targeted to demonstrate their need or document their income or participation in low-income programs. The COVID-19 pandemic is understood to have impacted households of different resource types, and notably the state budget relief distributed through CAPP had no income qualification. Rather, unpaid utility debt associated with the COVID-19 period, is the basis for distributing the CAPP relief to all residential customers. The proposal submitted by the CBO Pilot Working Group should utilize the affordability metrics similar to the example provided in Attachment D, which lists communities that, as a group, have some of the lowest incomes in the state, relatively extreme climate conditions, and high utility bills relative to income and housing costs.

⁷² We note that CalEnviroScreen 4.0, the tool utilized by the Commission to determine Disadvantaged Communities, has researched the intersection of communities of color with the rankings of communities by disadvantage. Their analysis is available here. <https://storymaps.arcgis.com/stories/f555670d30a942e4b46b18293e2795a7>.

4.2. IOU Contract Administrators

The CBO Pilot Working Group shall consider whether one IOU, or each IOU with targeted communities in their service territory, shall administer the contract(s).

There are two advantages to having the IOUs administer the contracts. First, IOU contracting is likely to be more expeditious than other options. Second, the IOUs are the only entity with direct knowledge of individual customer accounts and arrearages. Similar to the ERAP program experience, when IOUs identified customers with the greatest debt problems and referred them to the ERAP program, IOUs may also refer customers in targeted communities most at risk of disconnection to the CBO Pilot.

4.3. Scope of Work

The CBO Pilot Working Group shall incorporate into their final proposal the Scope of Work in Attachment B to this decision.

4.4. Funding Source and Compensation Model

The CBO Pilot will be funded through the CPPMA as it is the most readily available source of funds and is specific to COVID-19 relief efforts.

The CBO Pilot Working Group shall finalize a recommendation for the compensation model for the CBO Pilot in the proposal to be filed in the Disconnections proceeding. The proposal should give priority consideration to a grants type model that provides funding in advance of service delivery to focus CBO efforts primarily on service to their customers and less on reporting and documentation. Additionally, because IOUs can directly observe changes to the customer accounts in the targeted communities, there is less need for the CBOs to report arrearage statistics since the IOUs have direct access to this data. IOUs, in consultation with the CBO Pilot Working Group, should consider requiring

CBOs to provide reporting on issues and features that are not easily observable from the status of the served customers' utility accounts.

4.5. IOUs to Transform the IOU CBO Network Template Into IOU CBO Network Database and Map for Consideration By the CBO Pilot Working Group

The CBO Pilot Working Group will rely upon a transformed version of the IOU CBO Network Template to inform their proposal for the CBO Pilot, and to support their proposal to rely upon existing CBOs or solicit CBOs not yet contracted with by the IOUs. The IOUs shall create a single statewide database and map with confirmed and updated data for the geographic areas, and types of communities served by each CBO. The IOUs shall identify in the map the zip codes listed in Attachment D and shall separately identify zip codes approved for the CBO Pilot, if changed from the zip codes listed in Attachment D. All zip codes shall display arrearage and disconnection data, updated quarterly, in order to track progress toward the goal of reducing debt for these communities and to provide a holistic picture of arrearages and disconnections across the state. In addition to the quarterly update to arrearage and disconnection data, IOUs shall update annually the names and features of CBOs with the first annual update to occur within 90 days of the issuance of this decision.

As described in Section 1.2, *supra*, two critical features of the IOU CBO Network Template are incomplete: more specific, confirmed data on CBO geographies and audiences reached. Additionally, the IOUs shall standardize the designation of the administering program or agency for each CBO, including multiple designations as appropriate and including as CBOs administered by or contracted with the LIHEAP, CHANGES, and CARE Capitation programs. Finally, the IOUs shall choose one IOU to become the producer and distributor of

a map displaying the data in the database. The map and all associated source files (*i.e.*, shapefiles) shall be shared with the Commission within 30 days of each quarterly update for posting on the CPUC Energy Arrearages website,⁷³ as well as posted on the IOU's respective websites and be made available to the public.

4.5.1. Leadership of CBO Pilot Working Group

Of the four IOUs, PG&E has developed two new RFPs in 2021 and 2022 and hosted focus groups, specific to exploring how CBO networks can better support customers during the COVID-19 pandemic. PG&E also cites to some of the CBOs it works with performing case management.⁷⁴ In anticipation that PG&E will be able to leverage their current work to inform the CBO Pilot, we identify PG&E as the convenor of the initial meeting of the CBO Pilot Working Group. Subsequent meetings and working group activity will be co-convened by PG&E and a CBO nominated and selected at the initial CBO Pilot Working Group.

PG&E will submit the final proposal of the CBO Pilot Working Group as a compliance filing in the docket of R.18-07-005. The proposal shall include a proposal for the CBO Pilot Working Group to prepare an informal evaluation or "lessons learned" after the CBO Pilot has been in effect for one year, as well as a process for conducting a formal evaluation. In opening comments on the Staff Proposal, PG&E introduced a method of evaluation worth considering. PG&E identifies that evaluation must incorporate the complexity of case management and the difficulty of influencing outcomes. To illustrate, PG&E provided a concrete, relevant example of an evaluative technique appropriate to such

⁷³ <https://www.cpuc.ca.gov/consumer-support/consumer-programs-and-services/electrical-energy-and-energy-efficiency/energy-utility-arrearages>.

⁷⁴ Reporter's Transcript of November 9, 2021 Workshop at 84:8-9 and 17-21.

complexity. PG&E intends to compare AMP attrition between the CBOs and its own customer service representatives providing individualized communication support for AMP customers.

4.5.2. Identify CBOs Familiar with the Targeted Communities

Once the IOUs create and make available the IOU CBO Network Database and Map, the CBO Pilot Working Group shall utilize this information to examine which types of CBOs currently serve the targeted communities, whether the expertise of the existing CBOs serving the zip code are well matched with the types of communities in and around the zip code, and determine if new CBOs should be solicited, to ensure the community receives services from local CBOs familiar with the specific needs and challenges of the community.

4.5.3. Budget

The record in this proceeding lacks enough information on which to develop a budget. Necessarily we defer to the CBO Pilot Working Group to propose a budget based on serving a specific number of residential customers, to be recommended by the CBO Pilot Working Group, over a two year period.

4.5.4. Structure of Payments

Many parties and workshop presenters emphasize that structuring payments to incentivize CBO performance is the wrong way to think about getting the job done.⁷⁵ CBOs, for the most part, are mission driven organizations. Most workshop presenters and many commenters indicate the partnership relationship is a mutual beneficial goal, and the goal is to collaborate, and bring the information and technical knowledge of the utility together with the CBO that knows the community, through high-level communication. These factors

⁷⁵ EBMUD, MCE, MICOP, and BAAQMD.

should be taken into account when proposing a payment structure; specifically, the CBO Pilot Working Group should consider a grant-based payment structure.

4.5.5. CBO Training, Partnerships, and Tools

In addition to serving customers, the CBO Pilot Working Group should develop and include in the final proposal strategies to build CBO capacity for case management of the multiplicity of assistance programs.

“So the hardest thing is the handshake between, you know, the outreach and the case management I brought up before.”⁷⁶ “Outreach is the first step. And once you go on from there, then we move on from there to look at all the options and the enrollment and package it all for the client in the best — their best interest.”⁷⁷

Case management depends upon a feedback loop, knowing how well a strategy fits a customer’s unique situation. ACCES explained in depth how they are limited in stacking programs and following up to see if the customer needs help after the initial engagements. SCE agrees that ongoing coaching, or continuous contact with customers, is an area which needs expansion. SDG&E sees an area for additional CBO training, and for enhancing the feedback loop from CBOs in order to better understand what is happening on the ground.

4.5.6. Reporting and Evaluation

The CBO Pilot goal is similar to the goal we articulated in directing IOUs: to case manage customers to access program relief in order to reduce or eliminate customer debt. The main difference is the CBO Pilot should utilize all available and appropriate assistance while the ERAP example was only one assistance program. While we will defer to the CBO Pilot Working Group to propose a

⁷⁶ Reporter’s Transcript of November 9, 2021 Workshop at 129:4-6.

⁷⁷ Reporter’s Transcript of November 9, 2021 Workshop at 119:22-26.

tracking and evaluation process, we direct the CBO Pilot Working Group to consider the ERAP tracking and reporting as a starting point.

The new map associated with the IOU CBO Network Template should be considered for tracking program progress, as we direct the IOUs to include on the map, and regularly update, arrearages and disconnections by zip code.

The CBO Pilot Working Group should consider metrics to track that allow for assessment of (1) the degree to which a customer's debt is reduced; and (2) for customer accounts for which the debt is not eliminated by the application of all assistance after the case management period concludes, the continued reduction of the debt amount, or (3) for customer accounts for which the debt is entirely eliminated at the conclusion of the case management period, the persistence of the account remaining in good standing for the 12 months after the case management conclusion.

4.6. Small Business Customers

SBUA recommends inclusion of small business customers in the CBO arrearage assist program. While we agree that small businesses in targeted areas will also need support, the unique needs of small business customers should be considered through the small business pilot.

5. ERAP Reporting Suspended Until Conclusion of ERAP

Utilities have provided weekly reports to the Energy Division since April 2021 on ERAP. The Ruling directing the reporting anticipated that reporting would cease once the relief was distributed to all applicants, or once applicants were determined not to qualify for relief. As described in Section 1.5, the majority of applications remain in limbo; there is no indication that their applications have been denied, yet there is also no indication that they will be provided the relief they applied for. As ERAP payments appear to be within the

control of the external administering agency, the IOUs have completed their role in the process, we will suspend ongoing tracking and reporting until the ERAP program concludes. In the interest of making the ERAP outcomes and lessons learned available to all interested stakeholders, once the ERAP program concludes, energy utilities shall file and serve in the R.18-07-005 docket a final report with final metrics of the sample customers' applications approved, denied, unresolved, and dollar and percentage of relief granted for those customer approved.

6. Conclusion

The CBO Pilot Program to be adopted in R.18-07-005 is necessary due to the utility bill debt crisis in California that predated the COVID-19 pandemic, and has only been exacerbated by it. Nevertheless, filling identified gaps through a CBO Pilot should be considered more generally after the program concludes, because utility bill debt and disconnection for nonpayment are ongoing problems.

This decision identifies the following gaps in the IOUs' existing CBO networks: (1) case management; (2) knowledge of geographic areas covered; and (3) ability to support customers in combining assistance and relief to their advantage. This decision establishes a CBO Pilot Working Group to address the identified gaps and ensure a well-rounded proposal for a CBO Pilot Program. This decision creates a CBO Pilot Working Group with diverse representation, charged with submitting a final proposal to the Commission within 120 days of issuance of this decision. Not only will the CBO Pilot directly assist customers unable to resolve their utility bill debt associated with the COVID-19 pandemic, it will also begin building the capacity of CBOs for the future.

7. Comments on Proposed Decision

The proposed decision of ALJ Camille Watts-Zagha in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on March 24, 2022 by PG&E, SCE, SoCalGas, SDG&E, CEJA/Leadership Counsel, CforAT/NCLC, Cal Advocates, CASMU, CalCCA, and SBUA, and reply comments were filed on March 29, 2022 by PG&E, SCE, SoCalGas, SDG&E, CforAT/NCLC, Cal Advocates, SBUA, TURN and UCAN. Changes have been made throughout the decision in response to party comments.

8. Assignment of Proceeding

Darcie L. Houck is the assigned Commissioner and Camille Watts-Zagha is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. State relief approved through the CAPP program is estimated to relieve thirty-eight percent of residential utility bill debt reported in the Disconnections Proceeding as of December 31, 2021 and associated with the COVID-19 pandemic.

2. The IOU CBO Network Template approved by the Commission remains under development.

3. The IOUs indicate a need to further develop the IOU CBO Network Template by confirming locations served by CBOs, particular communities targeted, and updating the information annually.

4. The IOUs have recommended creation of a database to support displaying the data contained in the IOU CBO Network Template on a map that overlays

multiple geographic boundaries and areas similar to the Commission's maps produced in the Affordability Rulemaking.

5. The IOUs file reports monthly containing number of disconnections by zip code in R.18-07-005.

6. The IOU CBO Network Template allows for the identification of the following gaps in existing IOU CBO networks: case management, lack of knowledge of which specific communities are targeted by each CBO, and CBO limits in supporting a comprehensive set of assistance programs.

7. CBO case management is a promising approach to help certain customers access the variety of utility relief programs and to combine the varied utility relief programs to their advantage.

8. Case management is not currently included in the IOUs' scopes of work for contracted CBOs.

9. IOUs were directed to case manage a sample group of customers to apply for ERAP assistance.

10. For the ERAP program, the IOUs successfully identified customers with significant amounts of debt and assisted customers with applying for ERAP program relief.

11. IOUs reported weekly on the status of their ERAP case management efforts as directed in this Rulemaking.

12. Weekly ERAP reporting coupled with a hearing to describe the process allowed the Commission to identify obstacles to securing ERAP relief for some customers.

13. Customers with utility bill debt need assistance beyond the application stage in order to ensure the relief is secured and the customer understands how the relief appears on the utility bill and how to manage future bill payments.

14. Customers will benefit from ongoing coaching and guidance beyond the point of enrollment in utility assistance applicable to their particular needs related to reducing utility bill debt and averting disconnection of utility service.

15. IOUs, the Commission and the state already operate CBO networks with extensive ME&O, also known as customer engagement, about utility assistance and relief programs.

16. PG&E solicited new contracts in 2021 and 2022 for CBOs to address debt resolution associated with the COVID-19 pandemic.

17. The Commission's definition of ESJ communities includes: predominantly communities of color or low-income, underrepresented in policy settings or decision-making processes, subject to a disproportionate impact from one or more environmental hazards, and likely to experience disparate implementation of environmental regulations and socioeconomic investments in their communities.

18. The Commission's Affordability Proceeding provides metrics and tools to divide California into communities and rank communities by various metrics including typical expenditures on utility services relative to incomes and other resource indicators.

19. The Commission's adopted affordability metrics update utility bill values and census-based demographic values annually.

20. The Commission's adopted affordability metrics provide a readily available, reasonable method to narrow ESJ communities to those likely to have become most vulnerable to disconnection of essential electric and gas service during the COVID-19 pandemic.

21. The Commission's adopted affordability metrics utilizing 2020 utility bill and census indicators are available but have not yet been published publicly and are appropriate to target communities impacted by the COVID-19 pandemic.

22. Examining existing CBO network structures and existing CBOs will expedite development of a CBO Pilot.

23. The Commission's direction to the IOUs to help their customers secure access to utility bill relief through ERAP included customer targeting, outreach and engagement, case management and tracking and reporting, for a small sample of customers.

24. IOU execution of case managing customers to secure funding through ERAP during the COVID-19 pandemic provides lessons learned in developing a CBO Pilot.

25. In order for CBOs to help customers combine utility and other relief programs to their advantage, they will need training, technical assistance and capacity building on the variety and array of assistance to relieve utility bill debt.

26. IOUs, in consultation with the CBO Pilot Working Group, are in the best position to train CBOs on the variety and range of assistance programs available to relieve utility bill debt.

27. Reaching diverse communities requires CBOs familiar with small communities and the type of households living in small communities.

28. Requiring individual CBOs to invoice and report frequently in order to be paid for their services may divert CBO attention away from where it is most needed, which is providing services to its constituents.

29. Providing grants to CBOs carefully selected and matched to the communities targeted for the CBO Pilot should be considered by the CBO Pilot

Working Group as appropriate to allow CBOs to prioritize serving customers over paperwork.

30. The CPPMA is the most readily available source of funds and is specific to COVID-19 relief efforts.

Conclusions of Law

1. It is reasonable to require the IOUs to continue developing the IOU CBO Network Template as proposed in accordance with their approved AL 5857-B, *et al.*

2. It is reasonable to require the IOUs to transform the IOU CBO Network Template into an IOU CBO Network Database and Map.

3. It is reasonable for the map associated with the IOU CBO Network Template to highlight communities targeted for the CBO Pilot and to display arrearage and disconnection data for each zip code.

4. It is reasonable to require PG&E to convene an initial meeting of the CBO Pilot Working Group, at which one CBO will be nominated and selected by the Working Group to co-lead the CBO Pilot Working Group with PG&E.

5. It is reasonable to adopt the following CBO Pilot Working Group provisions:

- a. The CBO Pilot Working Group should propose a CBO Pilot Program that addresses the elements set out in Attachment B to this decision, and propose a method to confirm tracking and reporting to develop a nonprofessional report of lessons learned after the CBO Pilot is operation for one year, evaluation plan, and the long-term program design, including funding sources for the program;
- b. The CBO Pilot Working Group shall be comprised of the representatives listed in Attachment A.

6. It is reasonable to consider development of a CBO Pilot for a specific number of residential utility customers, to be proposed by the CBO Pilot Working Group over a two-year period during the calendar years 2022, 2023 and 2024 that may be funded through the CPPMA.

7. It is reasonable for PG&E to file the final CBO Pilot Program Proposal on behalf of the CBO Pilot Working Group as a compliance filing in R.18-07-005.

8. Filings of the nonprofessional lessons learned from the CBO Pilot Working Group and the professional evaluation should be made in R.18-07-005.

9. It is reasonable for PG&E, SCE, SDG&E and SoCalGas to track and report the progress that CBOs contracted with the CBO Pilot make toward resolving customer debt.

O R D E R

IT IS ORDERED that:

1. Pacific Gas and Electric Company shall convene an initial meeting of stakeholders to form a Community Based Organization Arrears Case Management Pilot Working Group comprised of representatives identified in Attachment A to this decision within 60 days of the issuance of this decision.

2. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas and Electric Company, and Southern California Gas Company shall produce a single statewide database and map of Community Based Organizations (CBOs). The database and map shall be inclusive of the program(s) and agencies with which each CBO is contracted and administered, clearly identifying multiple program(s) and agencies as necessary, including reference to following data:

- (a) Low-Income Home Energy Assistance Program Local Service Providers designated as such;

- (b) CBOs working with the Telecommunications Education and Assistance in Multiple Languages/Community Help and Awareness of Natural Gas and Electric Services programs designated as such;
- (c) CARE Capitation contractors designated as such;

For each CBO:

- (d) confirmed and updated zip codes associated with the geographic areas served;
- (e) confirmed and updated types of communities which the CBO has expertise in serving;

For each zip code:

- (f) identify the zip codes listed in Attachment D;
- (g) separately identify any differences between the zip codes listed in Attachment D and zip codes approved for the Community Based Organization Arrears Case Management Pilot; and
- (h) baseline arrearage and disconnection data for all zip codes.

3. Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas and Electric Company, and Southern California Gas Company shall share the database and map of Community Based Organizations (CBOs) and all associated source files (*i.e.*, shapefiles) with the Commission for posting on the Commission Energy Arrearages website and on their respective websites. Both the database and map shall be updated within 90 days of the issuance of this decision, with updates to the arrearage and disconnection data by zip code to continue quarterly and updates to the CBO data to continue annually thereafter.

4. The Community Based Organization Arrears Case Management Pilot Working Group shall consider the parameters of a Community Based Organization Arrears Case Management Pilot Program as outlined in

Attachment B to this decision and develop and finalize a proposal for the following; budget, contract administration plan, payment structure, targeted communities specified by zip code and evaluation plan, within 120 days of the issuance of this decision.

5. Pacific Gas and Electric Company shall, on behalf of the Community Based Organization Arrears Case Management Pilot Working Group, submit a compliance filing proposing a Community Based Organization Arrears Case Management Pilot Program in the docket of Rulemaking 18-05-007 within 120 days of the issuance of this decision.

6. Upon issuance of this decision, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas and Electric Company, and Southern California Gas Company shall cease ongoing reporting to the Commission's Energy Division the status of customers' pending applications to the California Housing and Community Development Emergency Rental Assistance Program.

7. Upon issuance of this decision, PacifiCorp, Liberty Utilities, Southwest Gas Corporation and Bear Valley Electric Company, Inc. shall cease ongoing reporting to the Commission's Energy Division the status of customers' pending applications to the California Housing and Community Development Emergency Rental Assistance Program.

8. Upon the conclusion of the California Housing and Community Development Emergency Rental Assistance Program, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas and Electric Company, Southern California Gas Company, PacifiCorp, Liberty Utilities, Southwest Gas Corporation and Bear Valley Electric Company, Inc. shall file and serve in the docket of Rulemaking 18-07-005 a final report on the California

Housing and Community Development Emergency Rental Assistance Program., including the total number of sample customer accounts in receipt of relief, the total amount of relief applied to the sample customer accounts, and for the sample customer accounts in receipt of relief, the percentage of customer debt relieved at the time the relief payment was credited to the account.

9. Rulemaking 21-02-014 is closed.

This order is effective today.

Dated April 7, 2022, at San Francisco, California.

ALICE REYNOLDS

President

CLIFFORD RECHTSCHAFFEN

GENEVIEVE SHIROMA

DARCIE L. HOUCK

JOHN R.D. REYNOLDS

Commissioners