

Decision **PROPOSED DECISION OF ACALJ AVA TRAN AND
ALJ GARRETT TOY** Mailed on (4/10/2023)

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric
Company for Approval of Energy
Savings Assistance and California
Alternate Rates for Energy Programs
and Budgets for 2021-2026 Program
Years. (U39M).

Application 19-11-003

And Related Matters.

Application 19-11-004
Application 19-11-005
Application 19-11-006
Application 19-11-007

**DECISION IMPLEMENTING PROCESS FOR CREATION OF
A LOW-INCOME CUSTOMER CONCURRENT APPLICATION
PROCESS SYSTEM AS REQUIRED BY SENATE BILL 1208**

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**DECISION IMPLEMENTING PROCESS FOR CREATION OF
A LOW-INCOME CUSTOMER CONCURRENT APPLICATION
PROCESS SYSTEM AS REQUIRED BY SENATE BILL 1208**

Summary

This decision lays out the procedure for implementation of the Low-Income Customer Assistance Program Concurrent Application System (CAS), as required by Senate Bill 1208 (2022). This decision establishes a working group which shall provide Pacific Gas and Electric Company (PG&E) and the Commission's Energy Division with design recommendations and advice during the development process of the CAS. PG&E is directed to issue a Request for Proposals (RFP) for the CAS within forty-two (42) days after receiving design recommendations from the Commission's Energy Division and the CAS governance group, but no later than December 29, 2023. PG&E, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company (collectively, the IOUs) shall submit a Tier 3 Advice Letter seeking approval for the CAS development contract, within 220 days after release of the CAS development RFP. The IOUs shall each establish a two-way balancing account to record CAS development costs, and submit a Tier 1 Advice Letter within 30 days of the effective date of this decision to establish these balancing accounts.

Applications 19-11-003, 19-11-004, 19-11-005, 19-11-006, and 19-11-007 are closed.

1. Background**1.1. Procedural Background**

Applications (A.) 19-11-003, 19-11-004, 19-11-005, 19-11-006, and 19-11-007 were originally submitted on November 4, 2019, by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas &

Electric Company (SDG&E), Southern California Gas Company (SoCal Gas) (collectively, the IOUs), and Marin Clean Energy (MCE), respectively. These applications pertain to the IOUs' California Alternate Rates for Energy (CARE), Energy Savings Assistance (ESA), and Family Electric Rate Assistance (FERA) programs for program years 2021-2026 and MCE's pilot ESA program. These applications reflected proposals for new program budgets, delivery models, targets and goals, measures offerings, and marketing, outreach, and enrollment practices, among other program and policy changes. The IOUs filed these applications in compliance with Decision (D.) 19-06-022,¹ while MCE filed its application in compliance with D.16-11-022.²

On June 7, 2021, the California Public Utilities Commission (Commission) issued D.21-06-015, approving the budgets for, and directing, the IOUs' administration of their respective CARE, FERA, and ESA programs for the 2021-2026 program cycle. D.21-06-015 also directed the IOUs to set up a Universal Application System (UAS) Working Group (UAS Working Group), as part of the ESA Working Group, and directed the UAS Working Group to develop the program design, user experience, and requirements for a system by which the CARE, ESA, and FERA programs could be integrated into a single statewide application process.

Pursuant to this direction, the UAS Working Group developed the "Universal Application System Sub-Working Group Recommendation Report" (UAS Report),³ which responded to questions and requirements about the

¹ D.19-06-022, at Ordering Paragraph 1.

² D.16-11-022, at 390-391.

³ Universal Application System Sub-Working Group Recommendation Report, July 1, 2022, available at : <https://pda.energydataweb.com/#!/documents/2626/view>

feasibility of developing a low-income programs-centric UAS. The UAS Working Group that developed the report included IOUs, the Commission's Energy Division (Energy Division), Community-Based Organizations (CBOs), ESA contractors, and others with experience and expertise in application systems. The UAS Working Group has already begun consideration of issues related to implementation of the UAS, many of which are relevant to the Concurrent Application System (CAS). The UAS Report lays out a flow chart that provides the process by which a customer would interface with a potential UAS/CAS. The UAS Report made five overarching recommendations:⁴

1. Continue development of the UAS by leveraging the California Department of Social Services's (CDSS) Statewide Verification Hub (SVH), refining the scope of the UAS, and soliciting a Request for Information (RFI);
2. Expand program offerings that can be integrated into the UAS beyond CARE, ESA, and FERA;
3. Incorporate a feedback mechanism to allow customers to see the status of their low-income program application(s);
4. Involve stakeholders during UAS development; and
5. Ensure that the UAS directs customers to other low-income and clean energy programs not integrated into the UAS.

The UAS Report noted extensive discussion surrounding the definitions of "universal" and "integration."⁵ The UAS Working Group and UAS Report also discussed customer privacy and data security issues, as well as other examples of similar application systems. In addition to recommending that a project lead be identified to initiate the RFI and coordinate with the SVH development team, the UAS Report also recommended that the UAS development team utilize the

⁴ UAS Report, at 4-6.

⁵ UAS Report, at 6-8.

regularly scheduled ESA Working Group meetings for updates and stakeholder engagement.⁶

1.2. Senate Bill (SB) 1208

On September 29, 2022, Senate Bill (SB) 1208 (2022) was chaptered by the Secretary of State.⁷ SB 1208 included Sections 1-4, which added Section 731 and Section 910.8 to the Public Utilities (Pub. Util.) Code⁸ and explains its purpose.

Section 1 of SB 1208 states that the purpose of the bill is to:

- (1) Improve all low-income utility customer assistance program application processes and maximize upfront data sharing in order to reduce outreach and enrollment expenditures and increase participation by eligible individuals and families;
- (2) Maximize the use of existing and future technologies in order to facilitate the outreach and enrollment processes for low-income utility customer assistance programs; and
- (3) Coordinate the enrollment process for those programs between agencies and public and private utilities.
- (4) It is further the intent of the legislature that the concurrent application processes complement, rather than replace, existing application processes for each of those programs.

Furthermore, Section 2 of the bill adds Section 731(a) to the Pub. Util. Code, directing that:

- (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

⁶ UAS Report, at 9.

⁷ SB 1208 (Chapter 840, Statutes of 2022).

⁸ Any references to the “Code” shall be to the Public Utilities Code.

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 program described in Section 739.1;
- B. The Family Electric Rate Assistance program described in Section 739.12; and
- C. The Energy Savings Assistance Program described in Section 2790.

Pub. Util. Code Section 731 also states that the new process described shall be known as the CAS, and that it shall complement, rather than replace, other application processes. The Commission is directed to work with state agencies, electric corporations, and gas corporations to notify eligible individuals that they have been successfully enrolled or are in the process of being enrolled into other programs. Furthermore, Pub. Util. Code Section 731 requires before sharing data, that an electrical or gas corporation shall receive consent from its applicants to use already obtained application information to begin the enrollment process for other low-income electric or gas utility customer assistance programs.

SB 1208 also requires that the Low-Income Oversight Board (LIOB), on or before June 30, 2023, shall submit a report to the Legislature regarding the “opportunity and process for expanding the third-party administrator contract used for the Universal Lifeline Telephone Service (ULTS) program, or establishing a similar new contract, to include water, gas, and electric utility service for purposes of facilitating enrollment between low-income assistance programs, minimizing privacy and data sharing concerns, and expediting

eligibility verification processes. The report shall include a recommendation for funding the expansion of the contract or establishment of a new contract.”⁹

1.3. Assigned Commissioner’s Ruling

On January 26, 2023, an Assigned Commissioner’s Ruling Amending Scope and Inviting Comments to Determine Next Steps in Light of Enactment of Senate Bill 1208 (AC Ruling) was issued in this consolidated proceeding. The AC Ruling re-opened the instant proceeding, amended the scope, and sought party comments on issues related to the implementation of SB 1208 and the CAS, including budget authorization for software development and other costs, governance for platform design decisions, and privacy and data protection. The AC Ruling also designated PG&E as the lead IOU and fiscal sponsor in development and implementation of the CAS.¹⁰ PG&E is charged with:¹¹

1. Issuing the RFI (already issued on March 15, 2023; responses due April 12, 2023);¹²
2. Developing and issuing a Request for Proposals (RFP) for development of the CAS, including integration of IOU systems, testing, launch, and maintenance;
3. Aiding in the coordination of an advisory body to finalize system design requirements, and engaging stakeholders in the design and desired end use of the platform;
4. Executing the contract with the CAS platform developer;
5. Managing the contract with the platform developer; and

⁹ SB 1208.

¹⁰ AC Ruling, at 4-5.

¹¹ *Ibid.*

¹² See https://www.pge.com/pge_global/common/pdfs/for-our-business-partners/purchasing-program/bid-opportunities/2023-COA-RFI-139747-Income-Qualified-Program.pdf.

6. Advising the CAS platform developer on the creation of necessary bi-lateral agreements (e.g. data sharing) to integrate CARE, FERA, and ESA with the CAS.

Opening comments in response to the AC Ruling were filed on February 16, 2023, by the IOUs (jointly) and the Center for Accessible Technology (CforAT). On February 23, 2023, the IOUs and the Commission's Public Advocates Office (Cal Advocates) filed reply comments.

1.4. Submission Date

This matter was submitted on February 23, 2023, upon the filing of reply briefs to the AC Ruling.

2. Issues Before the Commission

Given that SB 1208 sets a deadline to implement the CAS, it is necessary to expedite the process. As this proceeding was the last Commission forum for discussion of the UAS, it is reasonable for administrative reasons to re-open this proceeding and amend the scope to include discussion of the implementation of the CAS. The AC Ruling amended the scope of this proceeding to include the following issues:¹³

- A. What entities are necessary to implement the requirements of SB 1208?
- B. How much should be authorized for the design and development of the CAS and other implementation needs related to compliance with SB 1208?
- C. How should the CAS and other implementation costs related to compliance with SB 1208 be funded, tracked, and recovered?
- D. What other features of the CAS, if any, should be considered?

¹³ AC Ruling, at 5.

Attachment 1 to the AC Ruling provided more specific questions for parties to comment on. This decision addresses the issues above, and lays out the method and means by which the CAS development process shall proceed. The Commission envisions a phased approach to the development of the CAS, with this initial Phase I focused on implementation of the requirements of SB 1208, by leveraging the findings of the UAS Working Group. Phase II will address the expansion of the CAS beyond the initial CARE/ESA/FERA programs to other potential offerings.

SB 1208 requires CAS implementation for electrical corporations and gas corporations that offer ESA, CARE, and FERA programs. This decision addresses CAS implementation for PG&E, SCE, SDG&E, and SoCal Gas. The Commission will address CAS implementation for the Small Multi-Jurisdictional Utilities (SMJUs) that offer ESA and CARE through the relevant SMJU ESA and CARE proceeding, at a later date.

3. Implementation, Design, and Development

The AC Ruling designated PG&E as the lead utility and fiscal sponsor of the development and implementation of CAS. At a minimum, implementation would include: 1) software development for a CAS that allows customers to concurrently apply, or begin to apply, to multiple customer assistance programs, at a minimum to include ESA, CARE, and FERA, and leverages design requirements from the UAS recommendations report as much as possible; 2) integration with the IOUs' existing ESA, CARE, and FERA enrollment processes, and associated data flows, including updates to the existing enrollment systems to allow for integration; 3) platform design and development with the scalability and flexibility for future development, such as integration with external program applications and leveraging other existing technologies to further reduce

enrollment barriers and administrative burden; 4) CAS data storage and management capabilities that adhere to applicable data security and privacy laws, both for regulated entities and regulators; and 5) system testing, launch, and ongoing support and maintenance of the platform. The AC Ruling sought party comments on what other features of the CAS should be considered.¹⁴

3.1. Party Comments

3.1.1. Joint IOUs

The IOUs seek Commission direction regarding the scope of the CAS – should it include programs other than CARE, ESA, and FERA, and what other state agencies and resources should be included and leveraged in designing it? The IOUs note that SB 1208 (as well as the UAS Report) directs that the CAS, to the extent possible, should enable customers to apply to multiple low-income customer assistance programs, including but not limited to CARE, FERA, and ESA.¹⁵ To that recommendation, the IOUs recommend waiting for the LIOB recommendation report mandated by SB 1208, which is expected by June 30, 2023, and which the IOUs expect will provide information about possibly expanding existing income-qualified assistance program third-party administrator contracts to also cover the CAS.¹⁶

The IOUs state that it would be beneficial to explore potential synergies with other ongoing efforts across the state to provide similar platforms, such as CDSS's Statewide Verification Hub, emPOWER, or Access Clean California.¹⁷ The IOUs state that they lack the expertise and authority to determine the best

¹⁴ AC Ruling, Scoping Issue D and Attachment 1, at 1.

¹⁵ IOU Opening Comments, February 16, 2023 (IOU Opening Comments), at 5-6.

¹⁶ *Id.* at 10-11.

¹⁷ *Id.* at 6.

path forward for collaboration on these issues, and ask that the Energy Division take the lead and dictate the vision, scope of work, and budget for development of the CAS.¹⁸

3.1.2. Cal Advocates

Cal Advocates agrees that the Commission should provide clarification for short-term and long-term goals for the CAS, especially with regards to what programs shall be included.¹⁹

3.2. Discussion

The Commission acknowledges the hard work and thought parties and other stakeholders have put into the working group and the development of the UAS. However, we note that this work will not necessarily dictate the development of the CAS. The following sections discuss a phased approach to CAS development, with Phase I focused on CAS development to meet the requirements of SB 1208 and a Phase II which will look to expand the programs offerings in CAS.

3.2.1. Phase I

Due to the deadlines and requirements imposed by SB 1208, we implement a phased approach to the development of the CAS, with Phase I focused on implementation of the minimum requirements of SB 1208, by leveraging the findings of the UAS Working Group. As the lead CAS implementer, PG&E shall issue the RFP (following Energy Division review of the contents of the RFP) and oversee the implementation of Phase I. Phase I shall focus on ensuring that, at a minimum, the CARE, ESA, and FERA programs are integrated into the CAS. In

¹⁸ *Id.* at 4-5.

¹⁹ Cal Advocates Reply Comments, February 23, 2023, at 2-3.

order to meet the requirements of SB 1208, and to leverage the UAS Report's findings, Phase I of the CAS shall include the following features:

1. The CAS will recommend programs the customers may be eligible for after gathering eligibility information from the user;
2. CAS users will be able to concurrently apply, or begin to apply, for the CARE, ESA, and FERA programs through a single platform;
3. The CAS will transmit customer information to program administrators to facilitate the enrollment of customers in other eligible programs;²⁰
4. The CAS will be accessible to all types of users, including supporting Web Content Accessibility Guidelines, or equivalent, and available in multiple languages;²¹ and
5. The CAS will allow customers to provide consent to share personal information, and the platform shall follow data privacy and security rules.²²

Each IOU should be prepared to integrate their existing CARE, ESA, and FERA enrollment systems to allow for integration into the CAS. The scope of work for Phase I may be further refined by Energy Division after additional information is gathered from the RFI issued by PG&E,²³ and after discussion with the CAS Working Group (see Section 6). In preparation for Phase II, considerations should be paid to scalability and flexibility for future

²⁰ Recommendation 3 of the UAS Report recommends that customers be allowed to complete one application for multiple programs. UAS Report, at 24.

²¹ The UAS Working Group recommended that the CAS should be available in multiple languages. The working group identified some other non-English languages spoken in California, but does not specifically recommend which languages should be included in the application system. UAS Report, at 8, 25, 30.

²² *Id.* at 20, 28.

²³ *See* AC Ruling, at 4.

development, such as integration with external program applications and leveraging other technologies to reduce enrollment barriers and administrative burden.²⁴

PG&E shall issue an RFP for Phase I of the CAS within 42 days after receiving design recommendations from the Commission's Energy Division and the CAS governance group, or by December 29, 2023 if such condition has yet to be satisfied. No contract may be awarded without the bidder clearing a Commission-conducted conflict of interest screen. The IOUs shall jointly submit a Tier 3 Advice Letter (AL) within 220 days after the RFP release, seeking Commission approval for the negotiated and executed contract for CAS development. This Tier 3 AL shall seek approval of the bid selection and contract execution, as a result of the RFP selection process, including the use of a fair competitive bid process, sufficient adherence to recommendations by the Energy Division and CAS Working Group in the design of the RFP, contract scope, and potential for success. Within 180 days after contract execution,²⁵ the IOUs shall establish agreements with the CAS developer, including data sharing agreements.

3.2.2. Phase II

Phase II will consider what other low-income energy programs should and can be integrated into the CAS as well as how to integrate non-energy programs. The LIOB report mandated by SB 1208 will also inform Phase II. Energy Division and the CAS Working Group shall prepare recommendations to present to the

²⁴ UAS Report, at 10-11.

²⁵ Contract execution shall be deemed to have occurred on the date the contract is signed by both the IOU and developer. Such action typically occurs before the IOU seeks contract approval via AL.

Commission regarding Phase II, as discussed below. Due to the potential for Phase II to involve many other industries and utilities, this decision makes no funding or procedural decisions regarding Phase II CAS development. PG&E is named the lead utility for only Phase I CAS implementation.

4. Privacy and Data Protection

In designing and implementing the CAS, the AC Ruling sought party comments on what privacy and data sharing policies and concerns should be considered, particularly if a third-party is used to administer the CAS.²⁶

4.1. Party Comments

4.1.1. Joint IOUs

The IOUs note that any administrator of the CAS will face privacy issues relating to application information, customer verification, and cybersecurity. Customers must necessarily provide sensitive personal information to apply for these low-income programs, as noted by the UAS Report.²⁷ Safeguards will need to be put in place during the customer data collection, processing, and retention processes.²⁸ Notice must be paid to relevant privacy laws, which can require onerous storage and breach notification obligations as well as data production obligations.²⁹ The IOUs note that they hire third parties to review the data protection policies of third parties who receive customer data from the IOUs. The IOUs also request that third parties must sign a confidentiality agreement that includes cybersecurity provisions. Any data sharing with additional government

²⁶ AC Ruling, Attachment 1, at 2.

²⁷ UAS Report, at 27-29.

²⁸ IOU Opening Brief, at 15.

²⁹ *Id.* at 16-17.

agencies will present additional complexities and costs that must be accounted for.³⁰

In response to the consent requirements of SB 1208, the IOUs state that any CAS must ensure customers are provided with the appropriate consent language that addresses not only program applications, but income verification.³¹

The IOUs also request that the Commission hold the IOUs harmless from liability for any other party's data loss for any reason. Instead, the IOUs request that the Commission set mandatory minimum cyber and physical security standards to mitigate risks and impose unambiguous accountability on the non-compliant third parties for data breaches.³²

4.1.2. CforAT

CforAT notes that any data holders should be restricted from using the data for any purpose other than ascertaining participating program eligibility, or marketing, education, and outreach regarding same programs.³³

CforAT supports an opt-out standard in the case of a CAS, once a customer has applied to one low-income program.³⁴ Since a customer is already presenting their data and information in order to receive payment assistance from one program, it would make sense to assume this customer would be amenable to sharing the same information to test eligibility for other programs that can provide the same benefit.

³⁰ *Id.* at 16-18.

³¹ *Id.* at 17.

³² *Id.* at 18.

³³ CforAT Opening Brief, February 16, 2023, (CforAT Opening Brief) at 4.

³⁴ CforAT Opening Brief, at 4.

4.2. Discussion

The Energy Division and CAS Working Group shall use findings from the RFI on data privacy, collection, and consent to determine best practices³⁵ with regards to privacy and data collection, for inclusion in the RFP Scope of Work. The administrative needs for data collection should be balanced with the need to keep customer data safe and secure. At a minimum, the CAS shall follow strict privacy and confidentiality protocols and protections that comply with Commission, State of California, and federal, privacy regulations and laws. Such laws and regulations include but are not limited to the California Consumer Privacy Act (CCPA), California Privacy Rights Act (CPRA), and Commission Rule 42 privacy and security protections for energy usage data.

5. Budget and Cost Recovery

The AC Ruling sought party comments on how much funding should be authorized for the design and development of the CAS and other implementation needs related to compliance with SB 1208. Additionally, parties were asked to comment on how such costs should be funded, tracked, and recovered.³⁶

5.1. Party Comments

5.1.1. Joint IOUs

The IOUs note that without clarity regarding the scope of the CAS, it is difficult to determine CAS development costs and responsibility.³⁷ They note that the IOUs' CAS funding contributions must be limited to IOU-delivered programs. The IOUs recommend that federal and state funding sources be

³⁵ "Best Practices" shall include compliance with existing Commission decisions and rules, applicable laws, and the IOU's tariff rules regarding data privacy and management.

³⁶ AC Ruling, at 4.

³⁷ IOU Opening Brief, at 11.

leveraged to reduce ratepayer impacts. To the extent that the Commission decides to assign costs to the IOUs, the IOUs recommend assigning one utility as the lead to handle contracting, and utilizing the established co-funding approach in the CARE/ESA/FERA proceeding of 30 percent of CAS costs to PG&E, 30 percent to SCE, 25 percent to SoCal Gas, and 15 percent to SDG&E.³⁸

5.1.2. Cal Advocates

Cal Advocates states that to the extent the CAS includes non-energy utility income customer-assistance programs, these costs should be equitably split amongst all participating ratepayers that utilize the CAS.³⁹

5.2. Discussion

We expect the CAS development process will require the IOUs to incur shared costs, including costs related to the RFI, RFP, contract funding, launch, testing, maintenance and the Working Group. Given that Phase I development of the CAS will include only IOU low-income energy assistance programs, it is reasonable to utilize the co-funding approach previously approved for joint efforts for these programs. Therefore, all costs for Phase I of the CAS shall be allocated accordingly: 30 percent to PG&E, 30 percent to SCE, 25 percent to SoCal Gas, and 15 percent to SDG&E. However, IOU-specific costs, including those costs related to each IOU's integration of each program with the CAS, are not shared costs and should be recorded on the individual IOU's balancing account only.

For cost recovery, each IOU shall establish a two-way balancing account to record and recover its proportional CAS Phase I development related costs, to satisfy the requirements of SB 1208. IOUs should use existing processes to

³⁸ IOU Opening Brief, at 11-12.

³⁹ Cal Advocates Reply Comments, February 23, 2023, at 3.

separately track IOU-specific costs within the balancing accounts. The IOUs may seek to recover these costs through each IOUs' respective annual rate change implementation advice letters.⁴⁰ Electric costs may be recovered through Public Purpose Program rates from retail customer classes based on the allocation methods used by each IOU in the percentage of income payment plan and gas costs can be recovered through transportation rates from all customers on an equal cents per therm basis.

Due to the unknown cost requirements for CAS implementation, it is reasonable for each IOU to establish a two-way balancing account for recording these costs. Given unknowns with regards to a cost estimate for this process the budget will be the cost of the executed CAS development contract plus any other CAS Phase I development related costs (recorded to date and forecasted through Phase I launch). The IOUs shall submit proposed budgets with the Tier 3 AL described above (seeking approval for the PG&E RFP process and contract selection).

Each of the IOUs shall file a Tier 1 AL within 30 days of the effective date of this decision to establish these two-way balancing accounts. Approval of the Tier 3 AL mentioned above and corresponding CAS development contract will constitute approval of the IOUs' budget and related revenue requirement contained therein, and the recovery of those costs recorded to the two-way balancing account.

⁴⁰ The IOUs' January 1st rate change implementation advice letters have different names for the different IOUs - PG&E's is the "Annual Electric True Up." SCE's is the "Consolidated Revenue Requirement and Rate Change," while SDG&E has two that get filed late in the year, one called the "Annual Electric Regulatory Account Update" which then gets rolled into the "Consolidated Filing to Implement January 1, 202X, Electric Rates."

For future CAS costs beyond Phase I launch (such as for ongoing maintenance), the IOUs may submit a forecasted budget and revenue requirement in their next IOU CARE, FERA, and ESA program and budget applications. Costs related to CAS Phase II development will be considered at a later date. The IOUs are no longer required to submit an AL to fund the UAS, as required by D.21-06-015, Ordering Paragraph 47.

6. CAS Working Group

The AC Ruling identified a need for a formal governance body for the CAS to adapt and update the system based on new needs and requirements. The AC Ruling sought party comments on: 1) whether a governance body should be established to govern decisions on setting design requirements; 2) who should be included on the governance body; 3) how other stakeholders should be included during the development process; and 4) what additional responsibilities should be part of the governance body.⁴¹ This decision establishes a working group to provide the Energy Division and PG&E with advice and recommendations throughout the process.

6.1. Party Comments

6.1.1. Joint IOUs

With regards to the CAS Working Group composition, the IOUs support collaboration with stakeholders, noting that doing so ensures that the development process considers both technical and customer needs.⁴² The IOUs recommend that Commission staff, state agencies, participating program

⁴¹ AC Ruling, Scoping Issue A; Attachment 1, at 2.

⁴² IOU Opening Brief, at 13-14.

members, ESA contractors, and CBOs be CAS Working Group members, and that a compensation mechanism be developed to ease participation.⁴³

6.1.2. CforAT

CforAT recommends that the UAS Working Group members⁴⁴ be included in the CAS Working Group, along with groups that represent the needs of low-income and disadvantaged populations, including the LIOB and Disadvantaged Communities Advisory Group.⁴⁵ CforAT also recommends that Commission staff, state agencies, participating program members, ESA contractors, and CBOs be CAS Working Group members, and that a compensation mechanism be developed to ease participation. CforAT recommends that membership be balanced to ensure that the IOUs do not have an outsized influence on the CAS Working Group, and that privacy experts be included to ensure consumer protections.⁴⁶ CforAT also recommends that the CAS Working Group be charged with determining the requirements for the new system and benefits for customers, monitoring developments in applicable law, as well as providing a place for real world testers to interact with the CAS and provide feedback.⁴⁷

6.2. Discussion

We establish the formation of a CAS Working Group which shall provide the Energy Division and PG&E with recommendations to guide the technical system design and launch aspects of RFP development, contract negotiation,

⁴³ *Ibid.*

⁴⁴ The UAS Working Group was composed of state agencies, intervenors, implementers, and utilities.

⁴⁵ CforAT Opening Brief, at 2.

⁴⁶ *Id.* at 3, 5.

⁴⁷ *Id.* at 3.

system development, and Phase II. Energy Division is charged with requesting participation in and approving the final membership list of the CAS Working Group. To that end, the CAS Working Group membership shall include, but not be limited to, the following: the Commission's Energy Division and Information Technology Division; the lead IOU and fiscal sponsor (PG&E); an additional IOU; non-energy utilities (including at least one water and one telecommunications utility representative); the California Department of Community Services and Development; CBOs and/or other stakeholders;⁴⁸ and another relevant state government agency, preferably one with potential for platform development synergies. Energy Division shall establish standards for selection, which may include factors such as participation in the UAS Working Group, as well as knowledge of customer experience with the low-income assistance programs and members' lack of conflicts of interest. Energy Division will not confirm membership in the CAS Working Group until the member has both completed a conflicts of interest disclosure and confidentiality certification (non-disclosure agreement) for documents related to RFP development, bids, and resulting contracts. Membership may be re-evaluated by the CAS Working Group in conjunction with Energy Division.

The CAS Working Group is charged with making a number of recommendations to the Energy Division and PG&E, and shall regularly report to the ESA Working Group and LIOB the results of its actions. PG&E shall provide the CAS Working Group with anonymized results of the RFI to inform the development of recommendations. Other responsibilities can be broken

⁴⁸ Community based organization and/or stakeholder membership shall be established through Energy Division staff.

down with regards to their relation to the CAS and RFP implementation timeline as further discussed below.

1. Tasks Prior to RFP release:
 - Recommending CAS use cases in Phase I;
 - Recommending preliminary design requirements for Phase I; and
 - Recommending which IOU Energy low income-assistance programs are scoped for Phase I.⁴⁹
2. Tasks Prior to Contract negotiation:
 - Recommending the final design requirements to execute under the negotiated contract; and
 - Aiding the lead IOU or system developer by providing advice on CAS design, user testing feedback, participant training, and feedback on potential for CAS Phase II scalability.
3. Tasks During System Development:
 - Recommending details for data sharing processes for Phase I implementation, with consideration for Phase II requirements;
 - Providing feedback on data exchange standards and formats;
 - Recommending what data should be exchanged; and
 - Recommending data security controls and what security standards should be applied to ensure customer data privacy and security.
4. Develop Recommendations for Phase II (to be presented to the Commission for consideration, not for immediate IOU action) by:
 - Reviewing and utilizing the LIOB SB 1208 report recommendations;

⁴⁹ When considering additional programs to be included or integrated with the CAS, the Working Group should consider UAS Report's discussion of what "universal" and "integration" mean to ensure CAS will come as close as possible to allowing customers to apply, or begin to apply, to multiple programs. *See* UAS Report, at 26. The CAS Working Group should consider CAS accessibility for customers with limited broadband access.

- Recommending pathways for expansion for additional program offerings and features;
- Preparing a list of potential features and programs to consider for Phase II;
- Considering data sharing issues for Phase II; and
- Any other actions necessary to support the development of Phase II.

The CAS Working Group shall collectively approve recommendations on each of the above tasks. The Energy Division shall make the final determination, if the group is unable to reach consensus. Energy Division staff shall provide PG&E with final determinations for the above tasks 1-3, using the CAS Working Group recommendations. Energy Division shall separately present the CAS Working Group recommendations for Phase II (task 4) to the Commission for consideration. PG&E shall provide all necessary contract information to and work collaboratively with the CAS Working Group to develop the scope of the RFP and design of the selected bid, and ensure that the RFP and resulting contract adheres to the CAS RFP resolution's and Energy Division's recommendations. PG&E shall also provide the Energy Division and CAS Working Group with ongoing updates when critical milestones are met, including the establishment of data sharing agreements, and shall consult with the Energy Division and CAS Working Group on the following IOU and third-party deliverables: technical aspects of the RFP, technical aspects of the contract with the system developer (prior to execution), testing design and execution, and launch strategy. Energy Division shall review contents of the RFP prior to release.

The UAS Working Group may be reformed by the IOUs, if stakeholder input is needed prior to the establishment of the CAS Working Group. Additional costs incurred to re-institute and facilitate the UAS Working Group

may be recorded with other ESA Working Group costs, as in the past. The CAS Working Group may request that the IOUs convene public workshops via the UAS Working Group to aid in consideration of CAS issues.

As discussed above, any costs related to the CAS Working Group shall be co-funded by the IOUs and recorded in the two-way balancing accounts established in this decision.

Both the IOUs and CforAT recommend that a compensation scheme be developed for CAS Working Group members, to ensure that groups representing low-income populations and consumer interests have adequate resources to effectively participate.⁵⁰ The Commission will issue a resolution following review of the Tier 3 AL seeking approval of PG&E's RFP process, contract selection, and budget for CAS Phase I development related costs. Participants in the CAS Working Group may seek intervenor compensation for work that results in a substantial contribution to the development of that resolution.

7. Conclusion

The Phase I scope of the CAS shall include, at minimum, integration of the application processes for the CARE, ESA, and FERA programs, as required by SB 1208. PG&E shall issue an RFP for Phase I of the CAS within 42 days after receiving finalized RFP recommendations from the Energy Division and CAS Working Group, but no later than December 29, 2023. The IOUs shall submit a joint Tier 3 AL within 220 days after the release of the CAS development RFP. The IOUs are directed to establish two-way balancing accounts to seek recovery of costs related to CAS implementation.

⁵⁰ CforAT Opening Brief, at 2; IOU Opening Brief, at 14.

The CAS Working Group is established to provide the Energy Division and PG&E as the lead IOU and fiscal sponsor with recommendations and advice that will inform the development of the CAS. The CAS Working Group shall consist of a varied group of state agencies, CBOs and/or other stakeholders, and IOUs. The CAS Working Group shall provide the Energy Division and PG&E with recommendations to guide the technical system design and launch aspects of RFP development, contract negotiation, system development, and Phase II.

8. Summary of Public Comment

Rule 1.18 allows any member of the public to submit written comment in any Commission proceeding using the “Public Comment” tab of the online Docket Card for that proceeding on the Commission’s website. Rule 1.18(b) requires that relevant written comment submitted in a proceeding be summarized in the final decision issued in that proceeding. Public comment in this proceeding was received encouraging the Commission to reduce customer removals from the CARE/ESA/FERA programs due to income verification requests.

9. Comments on Proposed Decision

The proposed decision of ALJ Garrett Toy and ALJ Ava Tran in this matter was mailed to the parties in accordance with Section 311 of the Code and comments were allowed under Rule 14.3 of the Commission’s Rules of Practice and Procedure. Comments were filed on May 1, 2023 by the Joint IOUs and CforAT, and reply comments were filed on May 8, 2023 by the Joint IOUs.

Comments by CforAT asked that the Commission keep the proceeding open, for transparency purposes and to set expectations for CAS Phase II

development.⁵¹ CforAT also asked that the decision provide additional clarification regarding the CAS development timeline, process, and CAS Working Group tasks. The Joint IOUs asked for additional time throughout the process to complete tasks, such as RFP issuance, Tier 3 AL submittal, and developer-IOU bi-lateral agreements. The schedule has been modified to remove the requirement that the Energy Division issue a resolution listing CAS RFP requirements, and to increase the amount of time granted to the IOUs to submit the Tier 3 AL, and to enter into bi-lateral agreements with the selected CAS developer. Clarifications regarding Phase I have been made throughout the decision; the CAS Working Group and Energy Division will direct and determine deadlines for the CAS Working Group process.

The Joint IOUs asked that the Commission make a number of changes to the CAS development process and CAS Working Group. The Joint IOUs asked that additional IOUs be allowed to participate in the CAS Working Group, and that the decision provide specific data privacy standards. PG&E and an additional utility is sufficient utility representation on the CAS Working Group; other utilities will have an opportunity to comment on system design requirements, testing, launch, and other technical aspects through separate working committee activities outside of and in preparation for the CAS Working Group. With regards to setting data privacy standard best practices, the CAS Working Group is best situated to determine that issue. Joint IOUs also asked that the CAS Working Group be tasked with determining CAS availability in multiple languages and that the decision be clarified to state that the CAS Working Group may only work on technical issues. Changes have been made to

⁵¹ CforAT Opening Comments on Proposed Decision, May 1, 2023.

the decision to reflect these comments. The Joint IOUs also ask that they be held harmless from liability for a third-party's data loss. This request is declined at this time.

Comments by the Joint IOUs suggested a number of clarifications and revisions to the cost recovery mechanism for CAS Phase I development costs. The Joint IOUs suggested that they be allowed to recover the CAS development costs in annual true-up advice letters after recording them in a two-way balancing accounts. The Joint IOUs also suggested that the balancing account budgets be set based on the cost of the CAS development contract, plus any administrative and incremental costs, and that they be allowed to propose this budget in the Tier 3 AL due following CAS development contract execution. The Joint IOUs also suggested that they recover CAS electric costs through PPP rates to retail customers on an equal percent of total revenues allocation method, whereas CAS gas costs be recovered from all customers through transportation rates on an equal cents per therm basis. These edits, for the most part, are accepted and the decision has been edited to reflect them.

CforAT asked that the Commission compensate intervenor groups for their participation in the CAS Working Group. The Joint IOUs proposed two potential methods for intervenor compensation. We clarify that participants in the CAS Working Group may seek intervenor compensation for work that results in a substantial contribution to the development of the resolution, approving PG&E's CAS RFP process and contract selection as laid out in the Tier 3 Advice Letter.

10. Assignment of Proceeding

Genevieve Shiroma is the assigned Commissioner and Ava Tran and Garrett Toy are the assigned Administrative Law Judges in this proceeding.

Findings of Fact

1. SB 1208 directs the Commission to establish a CAS for low-income customer assistance programs by June 30, 2024.
2. SB 1208 directs the Commission to consult with the Department of Community Services and Development and other relevant state agencies to develop the CAS.
3. SB 1208 requires that the CAS allow customers, at a minimum, to apply concurrently for the CARE, ESA, and FERA programs.
4. SB 1208 requires that the LIOB submit a report to the legislature by June 30, 2023, regarding the opportunity and process for the expansion of the third-party administrator contract used for the Universal Lifeline Telephone Service program to include water, gas, and electric utility service.
5. SB 1208 requires the Commission to work with state agencies and electrical and gas corporations to provide notice to CAS users of their successful or in process enrollment in low-income programs.
6. SB 1208 requires that electric and gas corporations receive consent from low-income applicants to use their information to begin the enrollment process.
7. D.21-06-015 directed the IOUs to set up a UAS Working Group to develop the program design, user experience, and requirements for a system by which the CARE, ESA, and FERA programs could be integrated into a single statewide application process, called the UAS.
8. The UAS Working Group produced the UAS Report, which provided recommendations for a process by which a customer would interface with a potential UAS, many of which are relevant to the CAS.
9. Use of a UAS/CAS will require customers to provide sensitive personal information to concurrently apply for low-income programs, requiring

safeguards to be put in place during the customer data collection, processing, and retention processes.

10. CAS development will require a budget for platform development and contracting, utility data integration and associated establishment of agreements between each IOU and the contracted CAS developer, and other potential costs.

11. The cost to develop the CAS is currently unknown, but the results from the PG&E RFI on March 15, 2023, issued in compliance with an Assigned Commissioner's Ruling, provide additional information.

12. Two-way balancing accounts can record the costs of approved efforts and activities, where the costs are unknown, and are subject to recovery based on reasonableness.

13. D.21-06-015 approved a co-funding split for joint IOU CARE, ESA, and FERA costs at 30 percent for PG&E, 30 percent for SCE, 25 percent for SoCal Gas, and 15 percent for SDG&E.

14. The UAS Report recommended that the UAS development process include other stakeholders, closely consider customer privacy, accessibility, and data security issues, and select a project lead to conduct a RFI.

15. A working group is needed to adapt and update the CAS system based on new needs and requirements, as well as to ensure that fair and unbiased advice is provided during CAS development.

Conclusions of Law

1. SB 1208 requires expediency, therefore it is reasonable to phase the development of the CAS.

2. It is reasonable for Phase I of CAS development to focus on the integration of the CARE, ESA, and FERA programs while Phase II focuses on the expansion to other potential program offerings.

3. It is reasonable to leverage the UAS Report to aid in the implementation, design, and development of the CAS.

4. It is reasonable to require PG&E, as the project lead and fiscal sponsor, and SCE, SoCal Gas, and SDG&E, who will incur IOU-specific costs, to submit a Tier 3 joint Advice Letter for approval of its bid selection, executed contract, and CAS Phase I budget, as a result of the RFP, to ensure adequate Commission oversight.

5. It is reasonable to ensure that customer privacy is protected and data sharing policies are considered in the implementation, design, and development of the CAS.

6. Given unknowns with regards to budget requirements for CAS development, it is reasonable for the IOUs to establish two-way balancing accounts to record and recover CAS Phase I development-related costs.

7. It is reasonable for the IOUs to co-fund CAS Phase I development costs in the same proportions as previously approved in Decision 21-06-015.

8. After Commission review and approval via resolution, it is reasonable to allow the IOUs to seek recovery for CAS Phase I development costs through the IOUs' annual rate change implementation advice letters.

9. It is reasonable to establish a working group that will provide fair and unbiased recommendations regarding the CAS implementation, design, and development of Phases I and II.

10. To ensure fairness in the process, it is reasonable for Energy Division to oversee the selection of the working group membership which should be composed of Commission staff, the Department of Community Services and Development, other state agencies, Community Organizations, IOUs, and other stakeholders.

O R D E R**IT IS ORDERED** that:

1. Pacific Gas and Electric Company shall issue a Request for Proposals (RFP) for the development of an energy-program low-income customer assistance Concurrent Application System (CAS) within forty-two (42) days after receiving finalized RFP recommendations from the Commission's Energy Division and the CAS Working Group, but no later than December 29, 2023. No contract may be awarded without the bidder clearing a Commission-conducted conflict of interest screen. The RFP shall ask that proposals include, at the minimum:

- (a) The capability to allow low-income customers to simultaneously apply, or begin to apply, to the California Alternate Rates for Energy, Energy Savings Assistance, and Family Electric Rate Assistance programs;
- (b) The capability to allow customers to consent to the sharing of personal information in order to facilitate the CAS process; and
- (c) Stringent data security and accessibility standards.

2. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company shall submit a joint Tier 3 Advice Letter seeking approval of the bid selection and executed contract, resulting from the Request for Proposal (RFP) for the development of a Concurrent Application System (CAS) for low-income customer assistance energy programs, as well as the budget for CAS Phase I development related costs (recorded to date and forecasted through Phase I launch), within 220 days after the RFP release.

3. Pacific Gas and Electric Company, Southern California Edison Company, Southern California Gas Company, and San Diego Gas & Electric Company

(collectively, the IOUs) shall, within 180 days after the Concurrent Application System (CAS) developer contract signing date, each enter into the necessary bilateral agreements for the developer to succeed in the development of the CAS, integration of IOU systems with the CAS, and testing, launch, and maintenance of the CAS.

4. Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), Southern California Gas Company (SoCal Gas), and San Diego Gas & Electric Company (SDG&E), (collectively, the IOUs) shall each establish two-way balancing accounts to record costs associated with Phase I development of the Concurrent Application System (CAS) development, as required by Senate Bill 1208 (2022).

- (a) Each of the IOUs shall submit a Tier 1 Advice Letter within 30 days of the effective date of this decision to establish this balancing account.
- (b) Common CAS costs shall be recovered in the following proportions: 30 percent paid for by PG&E, 30 percent paid for by SCE, 25 percent paid for by SoCal Gas, and 15 percent paid for by SDG&E. For utilities that are both electric and gas, allocation among the utility electric and gas portions shall be based on the percentage of electric and gas customers.
- (c) Electric costs may be recovered through Public Purpose Program rates from retail customer classes based on the allocation methods used by each IOU in the percentage of income payment plan, and gas costs may be recovered through transportation rates from all customers on an equal cents per therm basis.
- (d) IOUs are no longer required to submit an advice letter as required by Decision 21-06-015, Ordering Paragraph 47.

5. Pacific Gas and Electric Company, as the lead utility and fiscal agent for implementation of the Phase I Concurrent Application System (CAS), and the other Investor-Owned Utilities shall consult with the Commission's Energy Division and the CAS Working Group on development of the CAS, including the Request for Proposals, contract development, and bidder selection.

6. A Concurrent Application System (CAS) Working Group will be established, with membership selected by the Commission's Energy Division, and tasked with making recommendations to the Commission's Energy Division and Pacific Gas and Electric Company, as the lead utility and fiscal sponsor, regarding the implementation, design and development of the CAS.

7. Applications (A.) 19-11-003, A.19-11-004, A.19-11-005, A.19-11-006, and A.19-11-007 are closed.

This order is effective today.

Dated _____, at San Francisco, California.