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SOUTHERN CALIFORNIA EDISON®

(U 338-E)

Cross-cutting Issues Impacting SCE's ESA, CARE, and FERA Programs

Before the
Public Utilities Commission of the State of California

Rosemead, California
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Southern California Edison's Testimony in Support of Energy Savings Assistance (ESA) Program and Budget for Program Years 2028-2033 – SCE-04

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I.

EXECUTIVE SUMMARY

This SCE-04 Cross-Cutting testimony highlights the integrated and customer-centric nature of Southern California Edison's (SCE) Income-Qualified Programs (IQPs), which are comprised of CARE, FERA, and ESA. Rather than approaching these programs in isolation, SCE proposes to build upon its existing coordinated strategy by deepening the alignment of policy, operations, and outreach. Shared eligibility criteria and centralized data systems facilitate transitions between programs, enabling customers to access both bill discounts and energy efficiency offerings with minimal administrative burden. This synergy is further supported by coordinated marketing, outreach, and upfront eligibility verification efforts. SCE's cross-cutting approach also bridges broader policy areas such as clean energy, decarbonization, wildfire mitigation, and emergency preparedness. ESA's electrification measures support California's climate goals, while CARE and FERA play a vital role in Public Safety Power Shutoff (PSPS) response efforts through outreach at Community Resource Centers. The testimony also highlights SCE's commitment to environmental and social justice (ESJ), tribal engagement, and partnerships with Community-Based Organizations (CBOs) by leveraging local trust and cultural responsiveness to reach underserved populations. Initiatives like the Tribal Grant Program and the use of capitation agencies for income verification exemplify this inclusive approach, while also addressing proposed changes to categorical eligibility and SCE's perspective on implementing the Concurrent Application System (CAS).

Additionally, this testimony presents findings from evaluations and research studies, some conducted in collaboration with other IOUs and the California Public Utility Commission's (CPUC's or Commission's) Energy Division, that assess both the impacts and implementation processes of IQP programs and pilots. These include the 2023 and 2025 Income Qualified Potential and Goals Studies and the 2022 and 2025 Low Income Needs Assessment (LINA) studies. These efforts go beyond measuring energy savings; they aim to identify opportunities for program design and delivery improvements based on customer needs and outcomes.

To further streamline operations and focus resources on customer impact, SCE is proposing to retire several legacy compliance requirements that have become outdated due to changes in technology and program delivery. By sunsetting these obligations, SCE aims to reduce administrative burden and enhance efficiency, ensuring compliance efforts remain aligned with current regulatory priorities and customer needs.

The exhibit brings together multiple programs within a single, coordinated framework to reduce confusion and duplication for stakeholders. This integrated presentation ensures that overlapping eligibility criteria, shared operational processes, and common outreach strategies are clearly articulated, highlighting how these programs complement one another to deliver a seamless customer experience.

Through its Cross-cutting Issues testimony, SCE demonstrates a holistic strategy that integrates IQP with broader state policy goals, shared infrastructure, and inclusive community partnerships. By aligning program design with climate and resilience objectives, streamlining customer access through coordinated systems, and continuously evaluating program effectiveness, SCE helps its low-income customers receive support that addresses both immediate affordability and long-term energy equity.

II.

IQP PROGRAM COORDINATION AND ALIGNMENT

SCE is advancing a coordinated, customer-focused strategy to better support income-qualified households by identifying opportunities to align its offerings with a broad network of state, federal, and community-based low-income programs. This approach aligns with the CPUC's Energy Efficiency Policy Manual (Version 6), which supports integrated demand-side management and encourages coordination across utility portfolios, third-party implementers, and CBOs. The manual promotes shared funding, streamlined program design, and inclusive outreach to underserved populations, principles that are central to SCE's strategy.[1]

This integrated approach is designed to improve service delivery, reduce access barriers, and ensure that customers receive comprehensive support that addresses both their immediate needs and long-term energy goals. By fostering collaboration across agencies and service providers, SCE is working to simplify enrollment processes, enhance outreach efforts, and create seamless pathways for customers to access a wide range of benefits that include financial assistance, energy efficiency equipment upgrades, and participation in the clean energy transition. A key component of this strategy involves leveraging activities between programs when funding or service gaps are identified. In cases where individual program limitations such as benefit caps, eligibility restrictions, or resource constraints pose challenges to implementation, SCE actively seeks to stack complementary programs to fill those gaps. This approach allows for more flexible and effective service delivery, providing customers with the full spectrum of available support. To strengthen this coordination, SCE is building deeper partnerships with public agencies and CBOs, enhancing data integration and referral systems to streamline customer experiences, and investing in inclusive outreach strategies to reach historically underserved populations. Additionally, SCE is developing user-friendly tools and resources to make programs easier to understand and navigate. Through

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1 *See* CPUC Energy Efficiency Policy Manual, Version 6, April 2020, *available at* www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/energy-efficiency/eepolicymanualrevised-march-20-2020-b.pdf.

these efforts, SCE is committed to delivering more equitable, efficient, and impactful services so that all income-qualified customers can benefit from a cleaner, more resilient energy future.

A. Enhancing IQP Program Integration with Complementary Programs

1. CARE/FERA Coordination with ESA Leads and Enrollments

SCE continues to align its CARE, FERA, and ESA programs to better serve income-qualified customers. These programs share similar eligibility criteria based on Federal Poverty Guidelines, which enables streamlined coordination and integrated outreach efforts. CARE and FERA enrollment data is actively leveraged to generate leads for the ESA Program, allowing SCE to identify customers who are enrolled in CARE or FERA but have not yet participated in ESA. SCE proactively contacts them for enrollment. Likewise, ESA leads are evaluated for CARE and FERA eligibility, and customers are enrolled in the applicable rate discount program upon consent.

During the current program cycle, SCE implemented a streamlined process to reduce redundant income verification requirements across the CARE, FERA, and ESA programs. ESA customers who have already completed income verification are now exempt from CARE/FERA post-enrollment verification. In SCE-03 Section III, SCE proposes an upfront eligibility process that requires new and existing customers to submit income documentation or proof of eligibility at the time of enrollment. Building on the streamlined process implemented in the current cycle, once verified in the CARE/FERA upfront eligibility process, customers will not need to provide additional income documentation for future participation in the ESA Program, streamlining the process and improving customer experience.

By eliminating duplicative documentation requests, this integrated strategy significantly reduces the customer's (and SCE's) administrative burden, accelerates enrollment timelines, and improves the overall customer experience. For contractors, the streamlined process simplifies eligibility confirmation, allowing them to focus more on delivering energy-saving measures rather than navigating complex verification procedures. This proposed streamlining directly supports

broader participation in energy efficiency and electrification programs. ESA participants gain easier access to energy efficiency upgrades and building electrification measures, while CARE/FERA discounts may help mitigate potential bill impacts during the transition to electrified technologies.

In addition, to reduce barriers, SCE will continue to share income verification data across its CARE, FERA, and ESA programs in compliance with all applicable privacy and regulatory requirements. This integration not only facilitates timely enrollment but also ensures that eligible customers are not discouraged by repetitive paperwork or delays.

Finally, SCE will continue to use shared marketing materials and coordinate outreach to promote all three programs together, boosting awareness, increasing visibility, and ensuring eligible households receive the support they need. By aligning operations and outreach, SCE is making energy-saving services more accessible and customer-friendly. These efforts help expand program reach, simplify processes, and improve service delivery. SCE will continue to refine and strengthen these practices throughout the 2028–2033 program cycle to better serve income-qualified customers.

2. Integration of Building Electrification and Clean Energy Initiatives into the ESA Portfolio

Exhibit SCE-02 highlights SCE's leadership in advancing California's clean energy and decarbonization objectives through the ESA Program. In the current 2021–2026 program cycle, SCE introduced building electrification measures through the ESA Building Electrification Pilot, enabling eligible households to replace natural gas appliances with high-efficiency electric alternatives such as heat pump HVAC systems, heat pump water heaters, induction cooktops, and electric clothes dryers. These measures deliver significant benefits, including reductions in greenhouse gas emissions, improved indoor air quality, enhanced comfort and safety, and lower energy costs for income-qualified customers.

Looking ahead, SCE proposes to build on this foundation by continuing and substantially expanding electrification measures during the 2028–2033 program cycle. These measures will transition from pilot status to core ESA offerings across single-family, mobile/manufactured, and

multifamily housing segments. The proposed expansion will be supported by comprehensive contractor training and workforce development initiatives to promote effective delivery and customer education. SCE will also seek to strengthen program coordination with statewide efforts such as the Equitable Building Decarbonization Program[2] to address service gaps, leverage additional resources, and extend benefits to underserved communities.

Further strategies include broadening heat pump installations to additional climate zones and integrating clean energy messaging into ESA outreach and application portals. In addition, SCE will proactively utilize existing collateral materials and capitalize on every customer engagement opportunity to inform CARE and FERA participants about California's broader decarbonization and clean energy objectives. Collectively, these actions reflect SCE's holistic approach to advancing energy equity, resilience, and sustainability, consistent with the state's 2045 carbon neutrality mandate and CPUC policy goals.

3. Maximizing Value Through Data Collaboration

Consistent with SCE's commitment to improving coordination across IQP programs, as previously discussed in Exhibit SCE-03 Section III.B.2, SCE proposes to enhance existing data-sharing arrangements to strengthen program integrity and streamline enrollment. Currently, SCE shares customer data with other IOUs, regulated and non-regulated water agencies, and LIHEAP to support coordinated service delivery. To further advance these objectives, SCE recommends expanding shared data fields to include indicators confirming whether a customer has been income verified or qualified through a categorical eligibility program. Ideally, this data would also include stated and verified income from the original application and the verification date to improve accuracy and efficiency in eligibility assessments.

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[2] *See*, CEC's Equitable Building Decarbonization Program webpage*, available at* https://www.energy.ca.gov/programs-and-topics/programs/equitable-building-decarbonization-program.

a) Inter-Utility/Agency Data Sharing

Access to these enhanced data elements is critical because inter-utility/agency CARE enrollments that lack income verification create a potential loophole that could undermine SCE's proposed upfront eligibility requirements. Under SCE's proposed design, customers must provide either income documentation or proof of categorical participation. Having verification data through expanded data-sharing agreements will further reduce administrative burden, improve customer experience, and support timely enrollments. SCE will auto-enroll customers who have completed income verification with another IOU. For those who have not, SCE will seek Commission approval to require upfront eligibility prior to enrollment in SCE's CARE/FERA program. This approach supports consistency with statewide objectives, closes potential gaps, and maintains fairness across IOU territories while leveraging data-sharing partnerships to deliver a more efficient and customer-focused process.

b) LIHEAP Data Sharing

In Decision D.20-06-003, the CPUC directed the IOUs to create an online Low-Income Home Energy Assistance Program (LIHEAP) pledge portal. This portal enables pledges to be submitted via the internet and provides customers with a standardized template for LIHEAP providers to submit pledges. It incorporates processes to support customer consent when information is shared. Additionally, the portal allows SCE to leverage data to automatically enroll eligible customers into the CARE program and share information about the Medical Baseline program. Similar to inter-utility data-sharing initiatives, SCE also plans to enhance collaboration with LIHEAP by requesting income verification data from the California Department of Community Services and Development (CSD), which administers LIHEAP. Access to this data will enable SCE to accurately segment customers into the appropriate rate discount programs (CARE or FERA) based on verified income levels. This approach will enable customers to be matched with the most suitable assistance program,

improves affordability, and reduces the need for duplicative documentation. The CPUC has previously recognized that sharing low-income customer information is essential to increasing participation in ratepayer assistance programs and has adopted guidelines to support such data-sharing practices. Leveraging these partnerships will enhance program integrity, streamline enrollment, and deliver a better customer experience.[3]

c) Additional Data Sharing Opportunities

Looking ahead, SCE plans to expand the scope of consent-based data fields included in future data-sharing agreements to incorporate income verification details and categorical eligibility indicators. These potential enhancements would allow participating agencies to minimize duplicative verification processes for customers enrolled in multiple programs. Authorized data sharing can significantly increase participation in low-income programs, reduce administrative burdens, and improve service delivery. This approach aligns with CPUC Decision 11-05-020, which identifies data sharing as a cost-effective strategy to enhance outreach and improve access for hard-to-reach customers.[4]

Additionally, SCE is exploring the use of an Area Median Income (AMI) to Federal Poverty Level (FPL) calculator to bridge the gap between programs that use different income eligibility metrics. Many state and federal programs rely on either AMI or FPL thresholds, which can create confusion for customers and inefficiencies for administrators. For example, CARE and FERA eligibility is based on percentages of FPL (200% and 250%, respectively), while programs like SOMAH and SGIP often use AMI-based thresholds (e.g., 60% or 80% of AMI).[5] The proposed calculator would leverage HUD-published AMI tables and HHS-

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[3] D.11-05-020, Attachment 1, the CPUC establishes guidelines for sharing low-income customer information among regulated water and energy utilities.

[4] D.11-05-020, pp. 26 - 28.

[5] CPUC Income-Qualified Customer Assistance Programs Fact Sheet, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/about-cpuc/documents/transparency-and-reporting/fact_sheets/cpuc-income-qualified-programs_11072025.pdf.

issued FPL guidelines to provide real-time conversions, enabling SCE and partner agencies to quickly determine cross-program eligibility. This tool would incorporate geographic-specific AMI data and household size adjustments, helping to improve accuracy for diverse service territories. The Pacific Northwest National Laboratory (PNNL) has already developed an AMI/FPL comparison tool for similar purposes, demonstrating the feasibility and value of such an approach.[6]

SCE seeks the Commission's support to broaden customer consent-based data-sharing protocols across state and federally administered low-income programs, including categorical eligibility programs under CARE such as CalFresh, Medi-Cal, WIC, and SSI. By aligning eligibility data and integrating tools like the AMI-to-FPL calculator, SCE aims to streamline benefit access, improve program delivery, and ensure timely support for income-qualified households.

To enable this improvement, SCE respectfully urges the Commission to actively endorse and advocate for the execution of secure, consent-based data-sharing agreements with partner agencies. This support will enhance the customer experience while ensuring full compliance with all applicable privacy and regulatory requirements.

B. IQP Program Transformation to Support Policy Integration

1. Tribal Engagement Strategy

SCE is committed to strengthening and expanding its engagement with California's federally and non-federally recognized tribes to support equitable access to energy affordability, energy efficiency resources, clean energy opportunities, and resilience planning.[7] Building on the foundation established in D.21-06-015, SCE will continue to prioritize meaningful, culturally

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[6] PNNL, AMI/FPL Comparison Tool: Home Energy Rebate Program Resources (2025), *available at* https://www.pnnl.gov/projects/rebate-tools/pre-program-launch.

[7] SCE serves 13 federally recognized tribes and over 20 non-federally recognized tribes and 20 other federally recognized tribes in various capacities. List of federally recognized tribes available at

responsive tribal outreach for its three IQP programs, while introducing greater flexibility to meet the unique needs of tribal communities. SCE's approach is grounded in trust, transparency, and partnership. Through regular consultation, collaborative planning, and culturally relevant outreach, SCE maintains strong relationships with tribes across its service territory and throughout the state.[8] These relationships provide tribal communities with necessary information to access available programs and resources.

A recent example of this commitment is SCE's partnership with the Bridgeport Indian Colony (BIC), which exemplifies a community-centered approach to energy efficiency. In June 2025, SCE collaborated with BIC to install energy-efficient appliances including refrigerators, freezers, and evaporative coolers for 23 households.[9] As part of this effort, SCE checked participating customers to determine if they were already enrolled in CARE or FERA and enrolled them accordingly if they were not on the rate. This initiative was the result of close coordination with tribal leadership, alignment on project scope, and proactive communication with residents. The phased approach had included an initial site visit to enroll eligible customers and install basic measures such as LED bulbs and smart power strips, followed by a three-day installation of major appliances for qualifying households, with ESA Program staff present to engage residents and distribute educational materials. This initiative demonstrated the value of early planning, local collaboration, and culturally sensitive solutions tailored to tribal needs. It served as a model for future tribal partnerships and reinforced SCE's broader commitment to equity and inclusive program implementation.

To further expand clean energy access, SCE plans to collaborate with non-profits or third-party organizations that specialize in advancing solar energy solutions for underserved communities, including tribal communities. For example, organizations such as GRID Alternatives, a nonprofit

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[8] *Ibid*.

[9] Joint IOUs Program Highlights – Low Income Oversight Board Meeting, June 11, 2025, p. 3, *available at* https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2025/06/Item-4-Joint-IOU_Presentation.pdf.

with deep expertise in solar energy deployment for underserved communities, have a proven track record of implementing solar photovoltaic (PV) systems, delivering workforce development programs, and enabling energy cost savings through community-based solar installations.[10] By aligning SCE's Income Qualified Programs (IQP) with GRID's tribal solar initiatives, these partnerships can co-develop integrated projects that combine solar energy, energy efficiency, and electrification. This collaboration will empower tribes to lead their own clean energy planning and implementation, while leveraging SCE's technical support and funding mechanisms. Together, these efforts can expand offerings such as rooftop solar, battery storage, and microgrid development tailored to tribal lands. Joint outreach and education initiatives will ensure tribal members are informed about available incentives and equipped to make decisions that reflect their cultural values and energy needs.

To further strengthen engagement, SCE plans to expand its Tribal Grant Program for the 2028–2033 cycle. These grants provide financial resources to help tribes advance energy affordability, efficiency, and resilience within their communities.[11] Moving forward, SCE plans to use these grants as a strategic tool to initiate personalized engagement with tribes, creating a structured pathway for tribes to participate in energy efficiency programs and reduce energy consumption. This approach not only supports tribal sovereignty and self-determination but also fosters trust by enabling tribes to lead outreach and education efforts in ways that reflect their cultural values and priorities. Grants will fund tribal-led events focused on bill assistance, energy conservation, and resilience, as well as outreach and education campaigns tailored to tribal communities and pilot projects introducing advanced energy solutions such as heat pump water heaters and smart thermostats.

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[10] *See,* GRID Alternatives, *Illuminating Tribal Communities: U.S. Bank Foundation and GRID Alternatives' Commitment to Sustainability* (October 25, 2023), *available at* https://gridalternatives.org/headquarters/news/illuminating-tribal-communities-us-bank-foundation-and-grid-alternatives.

[11] D.21-06-015, OP 194, directs the IOUs to offer mini-grants to the Tribes to assist in outreach for ESA and CARE.

Affordability remains a cornerstone of SCE's tribal engagement strategy. SCE offers a range of bill assistance programs including CARE/FERA rate discounts, payment assistance options, and energy-saving tools.[12] These resources will continue to be promoted through tribal-led events, direct outreach, and culturally relevant educational materials. In addition to energy efficiency outreach, SCE actively collaborates with tribes on wildfire mitigation and PSPS preparedness.[13] These efforts include sharing localized risk assessments, coordinating emergency response planning, and supporting critical infrastructure and vulnerable populations. SCE works closely with tribal governments to ensure wildfire safety and PSPS protocols are transparent, inclusive, and responsive to community needs.

To better reach tribal and rural communities, SCE will enhance its media strategy by developing culturally relevant content for digital platforms, partnering with tribal media outlets and radio stations, and launching targeted newsletters and radio campaigns to complement direct engagement. Through expanded grant support, integrated outreach, and proactive collaboration, SCE remains committed to ensuring that tribal communities have equitable access to energy affordability, clean energy opportunities, and resilience resources. These efforts reflect SCE's broader commitment to equity, environmental and social justice, and inclusive program implementation.

In future tribal engagement efforts, SCE recognizes that some tribal customers may not meet income eligibility requirements for programs such as CARE, FERA, and ESA. While these programs will continue to support income-qualified households, energy affordability challenges may still affect those who do not qualify under current criteria. To bridge this gap, SCE plans to expand access to market-rate energy efficiency programs tailored to support non-income-qualified tribal

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[12] Joint IOUs Program Highlights – Low Income Oversight Board Meeting, June 11, 2025, pp. 3, 11, 52, *available at* https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2025/06/Item-4-Joint-IOU_Presentation.pdf.

[13] SCE 2026- 2028 Wildfire Mitigation Plan, Rev. 1, September 15, 2025, pp. 454-456, *available at* https://www.sce.com/sites/default/files/AEM/Wildfire%20Mitigation%20Plan/2026-2028/SCE%202026-2028%20WMP%20R1%20(September%2015%2C%202025).pdf.

households. These offerings will include rebates, incentives, and technical assistance for energy-saving upgrades such as high-efficiency appliances, weatherization, and electrification measures.

By integrating these resources into its tribal engagement strategy, SCE aims to provide all tribal communities, regardless of income eligibility, with equitable opportunities to reduce energy use, lower utility bills, and participate in California's clean energy transition. This inclusive approach reflects SCE's ongoing commitment to energy equity and supports the long-term sustainability and resilience of tribal communities.

SCE respectfully seeks Commission approval to expand its Tribal Strategy for the 2028–2033 program cycle, strengthening partnerships and delivering culturally responsive services to Tribal communities.

Consistent with D.21-06-015, SCE is planning to fund the Tribal Grant Program using CARE and ESA Marketing Education and Outreach budgets, supporting Tribal-led initiatives that promote energy efficiency and equitable program access.[14]

2. Advancing Equity: The Environmental and Social Justice Action Plan

SCE is actively aligning its CARE/FERA and ESA programs with California's ESJ goals by embedding equity, inclusion, and community empowerment into every stage of program design and delivery. While SCE utilizes CalEnviroScreen to help identify and prioritize disadvantaged communities, its ESJ strategy extends far beyond geographic targeting.

At the core of SCE's approach is commitment to community engagement. SCE works closely with CBOs, tribal governments, and local leaders to ensure that program outreach, education, and enrollment efforts are culturally relevant, linguistically accessible, and responsive to the lived experiences of underserved populations. This collaborative model helps build trust and ensures that energy assistance programs reach those who need them most. For example, as part of its ongoing engagement with CBOs, SCE is expanding the role of capitation agencies, trusted community

[14] D.21-06-015, OP 194.

partners who assist with CARE and FERA enrollment, to support the upfront eligibility process proposed in Exhibit SCE-03. These agencies are uniquely positioned to help customers navigate eligibility requirements due to their deep relationships with local communities and experience administering low-income programs. By empowering capitation agencies to assist with income documentation and verification, SCE aims to reduce administrative barriers, improve enrollment accuracy, and enhance overall customer experience. This expanded role also supports program integrity and ensures that eligible customers receive timely access to bill discounts and energy-saving services.[15] Exhibit SCE-03 provides a detailed discussion of proposed changes to the Capitation Agency program.

SCE prioritizes workforce development and economic inclusion as part of its ESA Program, aligning with its ESJ mission to create equitable opportunities for disadvantaged communities. From 2021 to 2026, SCE advanced ESA Workforce Education & Training (WE&T) initiatives through several distinct programs. The Energy Career Training (ECT) program provided individuals from low-income communities with both technical and soft skills, while the Contractor Demand Building Program offered specialized Heat Pump Water Heater (HPWH) training. SCE also contributed to the statewide Career & Workforce Readiness (CWR) program, which placed participants in energy efficiency jobs and provided retention services. Separately, SCE launched a pilot program in partnership with a third party focused on delivering targeted training and employment support to underserved populations, further expanding access to clean energy career pathways.

To build on these efforts during the 2028–2033 cycle, SCE proposes two targeted initiatives to address workforce gaps identified in its ESA Contractors' Needs Assessment: localized ESA-specific training programs and an incentivized apprenticeship model. Delivered by a third-party provider, these initiatives will combine classroom instruction with approximately 80 hours of supervised, hands-on field experience. Financial incentives will be provided to both apprentices and

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[15] *See* overview of SCE's CARE & FERA Capitation Fee Program *available at* https://www.sce.com/save-money/income-qualified-programs/care-fera/capitation-fee-program.

mentors to support participation and retention. These efforts aim to strengthen contractor capacity, improve program delivery, and advance California's clean energy and equity goals by cultivating a skilled workforce capable of implementing energy efficiency and electrification measures in underserved communities. A comprehensive discussion of the ESA WE&T initiatives is further detailed in Exhibit SCE-02.

Additionally, SCE's coordination with LIHEAP supports the ESJ Action Plan by reducing enrollment barriers and improving access to energy affordability and efficiency for disadvantaged communities. Through streamlined program integration and data sharing, SCE helps ensure that income-qualified households can more easily access both state and federally funded energy assistance. This coordination minimizes duplicative documentation requirements, accelerates service delivery, and promotes equitable access to clean energy resources, key objectives outlined in the ESJ Action Plan.[16]

SCE's ESJ-aligned implementation of CARE, FERA, and ESA is rooted in data transparency and a commitment to continuous improvement. Through regular performance evaluations, community feedback collection, and strategic adjustments, SCE actively works to close participation gaps and optimize program effectiveness. This adaptive approach ensures that SCE's initiatives not only reduce energy burdens but also contribute to broader goals of environmental equity, economic opportunity, and climate resilience.[17]

3. Empowering Communities: The Distributed Energy Resources Action Plan

The CPUC's Distributed Energy Resources (DER) Action Plan 2.0 outlines a strategic path toward a cleaner, more affordable, and resilient energy future. Its vision centers on integrating DERs to maximize customer and societal benefits, support decarbonization, and promote equity. The plan's

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16 CPUC Environmental and Social Justice Action Plan – Version 2.0, April 7, 2022, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf.

17 *Ibid, p. 3-6.*

four tracks, load flexibility and rates, grid infrastructure, market integration, and customer programs, are increasingly vital in a system shaped by distributed technologies.[18]

SCE has actively advanced this vision by evolving its low-income programs to incorporate DER solutions that deliver meaningful benefits to underserved communities. In 2024, the ESA Program installed 1,218 smart thermostats for eligible customers, enabling more efficient energy use and enhancing comfort and reliability during peak demand and extreme weather events.[19] In addition, to deepen customer engagement, ESA contractors introduced Demand Response (DR) opportunities during HVAC installations, highlighting programs like the Smart Energy Program (SEP) and Summer Discount Plan (SDP). Informational brochures supported enrollment, and monthly data sharing between ESA and DR teams led to 539 ESA customers participating in DR (154 in SDP and 385 in SEP). This coordination exemplifies SCE's commitment to load flexibility and customer empowerment.[20]

In the 2028 to 2033 program cycle, SCE plans to integrate CARE and FERA outreach with Distributed Energy Resource (DER) education by embedding information on clean energy programs into existing customer engagement channels and collateral. This unified approach ensures that low-income households receive comprehensive, accessible information about opportunities such as Net Energy Metering (NEM), the Self-Generation Incentive Program (SGIP), and community solar. By aligning with initiatives like SOMAH (Solar on Multifamily Affordable Housing) and partnering with trusted community organizations, SCE can amplify awareness, build trust, and empower customers to adopt DER technologies. This integration streamlines communication and promotes equitable participation among low-income customers.

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[18] CPUC Distributed Energy Resources Action Plan Version 2.0, April 21, 2022, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M467/K470/467470758.PDF.

[19] SCE, Annual Report of SCE on ESA and CARE Programs for 2024, ESA Main Table 2, p. A-7.

[20] *Id.,* p. 66.

a) Bill Analysis and Rate Optimization Tool

Building on the success of the ESA Building Electrification (BE) Pilot (2021–2026), SCE introduced a digital rate analysis tool that enabled contractors to assess historical usage and forecast bill impacts of electrification measures. This tool improved transparency, boosted customer confidence, and helped avoid unintended bill increases, especially for households transitioning from gas to electric appliances.

Looking ahead to the 2028–2033 cycle, SCE plans to integrate a bill analysis and rate optimization tool as a standard component of ESA home assessments. By analyzing both electric and gas usage, the tool will identify cost-saving opportunities and match customers with optimal rate plans. It will also simulate projected bills under various retrofit scenarios including energy efficiency upgrades, electrification, and DER adoption, further aligning with the DER Action Plan's priorities of affordability, load flexibility, and customer empowerment. A comprehensive discussion of this integration is provided in Exhibit SCE-02.

b) Program Enrollments

As outlined in Exhibit SCE-03, SCE proposes a practical approach to streamline customer participation in affordability programs. Specifically, SCE recommends automatically enrolling eligible Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) participants into the CARE/FERA program. DAC-SASH program provides upfront incentives for rooftop solar installations to income-qualified homeowners in disadvantaged communities identified by CalEnviroScreen. Administered by GRID Alternatives, DAC-SASH also delivers job training, energy education, and consumer protections.[21]

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[21] Disadvantaged Communities – Single-Family Solar Homes (DAC-SASH) Program Handbook, 5th ed., p. 1–3, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/solar-in-disadvantaged-communities/dac-handbook-v5.pdf.

Because DAC-SASH already verifies income eligibility consistent with CARE thresholds, this integration eliminates redundant verification, reduces administrative burden, and enhances affordability for low-income customers. By coordinating program delivery, SCE advances the DER Action Plan objectives of expanding equitable access to clean energy benefits and improving customer experience.

Beyond DAC-SASH, there are additional opportunities for collaboration between CARE and the Self-Generation Incentive Program (SGIP). SGIP provides incentives for energy storage systems, with dedicated equity budget allocations for low-income and medically vulnerable customers, many of whom are already enrolled in CARE.[22]

SGIP already leverages CARE/FERA post enrollment verification data to confirm income eligibility, reducing duplication and streamlining the process for current participants. SCE's proposal to expand upfront eligibility to all CARE/FERA enrollees would further simplify enrollment, minimize administrative steps, and enhance customer experience for a larger number of future SGIP participants. This integration ensures customers avoid redundant income verification and accelerates access to SGIP benefits.

SGIP is scheduled to sunset in 2026; however, if extended, strengthening this alignment would deliver long-term benefits for CARE/FERA participants and support broader adoption of clean energy technologies.

Finally, SCE will continue contributing to data-driven planning by sharing insights from its low-income programs to support distribution planning and DER deployment. This includes identifying barriers such as cost, awareness, or housing type, and proposing practical solutions to improve access and participation. The CEC's DER Integration Research Roadmap underscored the importance of removing barriers to integrating DERs into low-

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[22] Self-Generation Incentive Program Handbook, August 1, 2023, Table 1.2, p. 10, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/self-generation-incentive-program/2023-sgip-handbook-v3.pdf.

income communities to enhance grid resiliency and ensure equitable access to clean energy technologies.[23]

SCE is not seeking additional budget for the aforementioned activities relative to the current program cycle.[24] All strategies described to support DER activities are embedded within and captured by the proposed CARE, FERA or ESA budget categories. Through these efforts, SCE reaffirms its commitment to the DER Action Plan and its continued alignment with its goals in the upcoming 2028–2033 program cycle, ensuring that all customers, especially those in underserved communities, benefit from California's clean energy transition.

4. Building Resilience: Managing Severe Weather and Public Safety Power Shutoffs

SCE is committed to supporting income-qualified customers enrolled in its IQP programs are supported during wildfire or storm-related emergencies and PSPS events. As part of its broader wildfire mitigation strategy, SCE is working to further integrate its IQP programs into its emergency preparedness and response framework to provide equitable access to resources and protections for vulnerable communities.

One key area of integration is the use of Community Resource Centers (CRCs) during PSPS events. These centers provide essential services such as device charging, water, snacks, and up-to-date outage information. SCE plans to enhance the role of CRCs by incorporating CARE/FERA outreach and enrollment support on-site, ensuring that customers impacted by outages are made aware of available bill discounts and energy assistance programs. ESA Program information can also

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[23] CEC, Distributed Energy Resources Integration Research Roadmap, p. 87-88, *available at* https://www.energy.ca.gov/publications/2021/distributed-energy-resources-integration-research-roadmap.

[24] Except for annual escalation increases.

be distributed at CRCs, with referrals for in-home energy efficiency services provided to eligible households.[25]

As part of the 2028–2033 IQP strategy, SCE recognizes the importance of regulatory flexibility and customer support during major emergencies. Accordingly, SCE will continue to comply with and implement provisions activated when the Governor of California issues an emergency proclamation in response to wildfires or other disasters. During these events, SCE takes proactive steps to assist CARE and FERA customers by temporarily suspending income verification requirements. This approach ensures that customers experiencing displacement, income disruption, or other hardships maintain uninterrupted access to bill assistance throughout the emergency period. Once the Emergency Protection Order (EPO) is lifted, SCE will resume standard verification procedures with appropriate customer notice and support.[26]

In parallel, the ESA Program will continue to monitor impacted areas and assess the feasibility of delivering services to affected households. Where safe and practical, ESA contractors will prioritize post-event outreach to provide energy-saving measures that aid in recovery and strengthen long-term resilience. These measures include weatherization, appliance upgrades, and energy education tailored to the unique needs of households in high fire-risk zones.

As discussed in Exhibit SCE-02, to further enhance resilience for vulnerable customers, ESA will expand its efforts by leveraging complementary programs such as the Critical Care Back-Up Battery Program. This initiative provides eligible customers, particularly those dependent on medical devices, with portable backup power solutions during extended outages. By integrating battery support with ESA's energy efficiency offerings, the program aims to reduce outage-related health

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[25] *See*, SCE's Community Resource Centers webpage, *available at* https://www.sce.com/outages-safety/safety-resources-support/community-resource-centers.

[26] CARE/FERA Post-Enrollment Verification and Emergency Protections Summary. Presented to the Low Income Oversight Board, September 2023, slides: 3-4, *available at* https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2024/09/Item-10-CARE-FERA-PEV-All-Slides.pdf.

risks, improve emergency preparedness, and deliver a comprehensive approach to customer safety and energy reliability.

By aligning CARE, FERA, and ESA with wildfire mitigation and PSPS initiatives, SCE is creating a more integrated and responsive support system for income-qualified customers. These efforts ensure that vulnerable households are not only protected during emergencies but also empowered to recover and thrive in the face of increasing climate-related risks. Since SCE is focusing on leveraging existing wildfire mitigation and PSPS activities, it will not seek additional funding to support these efforts.

5. Disconnections and Customer Protection Strategies

SCE remains committed to protecting energy access for its most vulnerable customers, particularly those enrolled in the CARE/FERA and ESA programs. In alignment with the goals of the disconnection proceeding,[27] SCE is implementing a comprehensive strategy to reduce arrears, prevent service interruptions, and promote long-term affordability. These efforts are designed to ensure that income-qualified customers can continue to meet their essential energy needs without disruption.

To proactively address disconnection risk, SCE integrates information about the Arrearage Management Plan (AMP) directly into its CARE/FERA collateral materials and online application portal. Customers applying for CARE or FERA are presented with AMP eligibility details and encouraged to enroll if they have past-due balances. This integration ensures that customers are made aware of AMP as a tool to manage arrears at the point of application, increasing visibility and uptake. Additionally, SCE's ESA Program promotes AMP during in-home visits and energy education sessions. ESA contractors are trained to identify customers who may benefit from AMP and provide tailored information during the visit. AMP details are also embedded into ESA's energy

[27] D.20-06-003, p. 4 states that limiting disconnections for customers is a primary goal.

education materials, reinforcing the connection between energy efficiency, bill reduction, and arrearage management.

Beyond program integration, SCE continues to enhance outreach through multilingual communications and partnerships with CBOs. These efforts help identify and engage customers who are behind on their bills or at risk of disconnection.

SCE will continue to strategically target zip codes with a high incidence of customer disconnections and elevated arrearages, reinforcing its commitment to equitable energy access and affordability. These communities, often disproportionately affected by economic hardship, remain central to SCE's outreach and support efforts. To address these challenges, SCE will continue to prioritize customers in these areas through intensified engagement with CARE, FERA and ESA programs. By leveraging data analytics and community-based partnerships, SCE will proactively identify and assist vulnerable households, ensuring they are informed about and enrolled in available bill assistance and energy efficiency offerings.

This targeted strategy is further supported by a suite of customer-focused tools, including flexible payment arrangements, emergency bill assistance through the Energy Assistance Fund (EAF) and the LIHEAP. The EAF, administered in partnership with United Way and over 80 CBOs, provides eligible customers with up to $200 in direct bill payment support, or up to $300 for all-electric households.[28] LIHEAP offers federally funded assistance to help income-qualified households manage high energy costs .[29] Additionally, SCE's AMP provides debt forgiveness of up to $8,000 for CARE and FERA participants, helping customers reduce short-term financial burden.[30]

These integrated efforts align with D.20-06-003, which emphasizes reducing residential disconnections, improving reconnection processes, and limiting disconnection rates in all zip

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[28] *See,* SCE's Energy Assistance Fund webpage, *available at* https://www.sce.com/save-money/rebates-financial-assistance/bill-assistance-programs/energy-assistance-fund.

[29] *See,* the California Department of Community Services and Development, LIHEAP webpage, *available at* https://www.csd.ca.gov/Pages/LIHEAPProgram.aspx.

[30] *See* SCE's Arrearage Management Plan*, available at* https://www.sce.com/save-money/income-qualified-programs/arrearage-management-plans.

codes.[31] SCE's approach reflects the Commission's objectives by combining data-driven targeting, programmatic outreach, and financial assistance to support customers at risk of disconnection. Through this multifaceted strategy, SCE continues to demonstrate its commitment to energy equity, ensuring that the most impacted communities receive the support necessary to maintain reliable electric service and long-term affordability.

6. Ensuring Access: Medical Baseline Support

SCE continues to explore opportunities to better align its Medical Baseline (MBL) program with CARE, FERA, and ESA programs to ensure that customers with critical health-related energy needs receive comprehensive support. Currently, ESA leverages co-marketing strategies to reach eligible MBL customers, providing targeted information about no-cost energy efficiency services that can help reduce energy usage and improve household comfort.

To build on this foundation, SCE plans to further integrate these programs through coordinated outreach and enrollment strategies. For example, SCE can use data matching to identify MBL participants who are not yet enrolled in CARE or FERA and proactively invite them to apply if they are eligible. Similarly, CARE and FERA applicants can be screened for potential MBL eligibility and referred accordingly, creating a two-way referral pathway that maximizes customer access to benefits.

SCE is also enhancing contractor training to ensure ESA field staff are equipped to identify potential indicators of MBL eligibility during in-home visits without directly asking questions about a customer's medical condition or disability, in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) privacy requirements. Contractors are trained to observe contextual clues such as the presence of medical equipment, oxygen tanks, or specialized appliances that may suggest a household could benefit from the Medical Baseline program. When such indicators are present, contractors can provide general information about the program and encourage

[31] D.20-06-003, p. 36, directs IOUs not to exceed a disconnection rate of 30% in any zip code.

customers to explore eligibility through SCE's official channels, such as SCE.com which includes a video and information presented in sign language.[32]

SCE will continue to promote the MBL program through ESA energy education materials, ensuring that eligible customers are fully informed about the benefits available to them. These materials will clearly explain how MBL provides additional energy allotments at the lowest rate tier and offers critical protection for customers with qualifying medical conditions who rely on life-support equipment or require controlled indoor temperatures. By integrating MBL information into ESA in-home education, SCE empowers vulnerable households to access essential energy support, reduce financial stress, and maintain safe, healthy living environments. Further integration can be achieved through joint outreach campaigns and deeper collaboration with CBOs, particularly those serving seniors, individuals with disabilities, and medically vulnerable populations. These organizations can play a key role in identifying eligible customers and assisting with enrollment across all programs.[33]

To strengthen its support for Access and Functional Needs (AFN) communities, SCE plans to deepen partnerships with agencies that specialize in serving seniors, individuals with disabilities, and medically vulnerable populations. Organizations such as Disability Rights California, California Department of Aging, Independent Living Centers (ILCs), and Area Agencies on Aging (AAA) are well-positioned to help identify eligible customers and facilitate enrollment in SCE's MBL, CARE, FERA, and ESA programs. By collaborating with these agencies, SCE can co-host educational workshops, distribute multilingual outreach materials, and leverage trusted community networks to reach underserved populations more effectively.

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[32] *See*, SCE's Medical Baseline Allowance webpage, *available at* https://www.sce.com/save-money/rebates-financial-assistance/bill-assistance-programs/medical-baseline-allowance.

[33] *See,* CPUC Continues Low Income Energy Programs to Benefit Consumers, News Release, June 3, 2021. CPUC expands relationships with CBOs, *available at* https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-continues-low-income-energy-programs-to-benefit-consum.

To improve outreach to MBL-qualified customers, SCE plans to implement joint enrollment events at community health fairs, senior centers, and disability advocacy forums. These events can offer on-site assistance with applications, provide demonstrations of energy-saving technologies, and share information about program benefits in accessible formats. Additionally, SCE can develop community-tailored engagement strategies by working with local organizations such as Los Angeles Aging Advocacy Coalition (LAAAC) or California Foundation for Independent Living Centers (CFILC) to tailor messaging that resonates with diverse communities. By integrating feedback from these partners and investing in community ambassador programs, SCE can build trust and ensure that customers with critical health-related energy needs are aware of and able to access the full suite of available support services.

By aligning MBL more closely with CARE, FERA, and ESA, SCE can create a more seamless and supportive experience for customers, ensuring that those with the greatest needs receive the full range of assistance available to maintain safe, reliable, and affordable energy service.

7. Balancing Costs: Advancing Rate and Affordability

As energy costs continue to rise across California, the financial burden on utility customers, particularly those not enrolled in low-income assistance programs, has become increasingly significant. SCE recognizes the importance of maintaining affordability for all customers while ensuring that its low-income programs remain sustainable, equitable, and targeted to those who truly qualify.

The CARE and FERA programs provide substantial discounts on electric bills for income-qualified households. These discounts are funded through a cost-shifting structure in which non-participating customers subsidize the reduced rates. As enrollment in these programs grows,

financial impact on the broader customer base increases, raising concerns about long-term affordability and fairness especially as energy rates continue to escalate.[34]

A key challenge to the integrity of the CARE and FERA programs lies in the current enrollment process, which relies primarily on self-attestation of income. While originally designed to streamline access for those in need, this method has become increasingly problematic. Without the upfront eligibility process proposed in SCE-03, there is no assurance that all enrolled customers meet eligibility criteria. This opens the door for ineligible customers to receive benefits, undermining program integrity and placing additional financial pressure on non-CARE/FERA customers who fund the subsidies.

CARE enrollment often serves as a gateway for customers to access additional affordability-focused programs, such as the AMP, which forgives past-due balances for eligible customers, or EV incentive programs that provide rebates for low-income households adopting clean transportation. Beyond SCE's offerings, CARE and FERA eligibility is also used as a qualifying criterion for energy efficiency rebates, weatherization assistance, and public benefit programs such as LIHEAP.[35] As of November 2025, CARE and FERA eligibility was also used to determine customer placement within the Base Services Charge (BSC) tier structure, further integrating income-based considerations into rate design. These programs are designed to reduce financial strain and promote energy equity. However, when CARE enrollment is based solely on self-attestation, customers who do not truly qualify can gain access to these additional benefits, compounding the affordability challenge. As the FERA Study notes, "FERA and CARE enrollments are intentionally light on customer expectations with an emphasis on convenience. This process functionally enables customers to self-report an estimate of their income without needing to look up or prove actual

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[34] SCE. (2024). CARE/FERA & ESA Annual Report CARE Table 1, shows that in 2024 SCE provided approximately $855 million in CARE subsidies.

[35] Annual Report Activity of SCE on ESA, CARE, and FERA Programs for 2022, May 1, 2023, p. 29 – 31, *available at* docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M507/K387/507387424.PDF.

income, which could lead to intentional or unintentional tendencies toward reporting CARE-eligible incomes."[36]

To address these challenges, SCE is proposing a critical reform: the introduction of upfront eligibility for CARE and FERA enrollment. The details of this proposal are located in Exhibit SCE-03. This change would ensure that only eligible households receive program benefits, preserving the financial viability of the programs and reducing unnecessary cost burdens on other customers. By implementing this verification step, SCE aims to strengthen program accountability, improve targeting of assistance, and support a more balanced and equitable distribution of energy costs.

The ESA Program will play a critical role in addressing affordability during the 2028–2033 cycle by reducing energy consumption for income-qualified households through no-cost energy efficiency measures. By lowering household energy usage, ESA helps customers achieve long-term bill savings, complementing the immediate relief provided by CARE and FERA discounts. This dual approach of reducing both rates and consumption ensures that low-income customers experience meaningful and sustainable affordability improvements.

Importantly, CARE and FERA also help mitigate potential bill shock for customers undergoing ESA electrification upgrades. As homes transition to electric appliances and heating systems, there may be concerns about increased electricity usage. However, the discounted rates provided by CARE and FERA act as a buffer, softening the impact of higher electric loads and ensuring that customers do not face sudden or unaffordable increases in their bills. When paired with ESA's energy-saving measures, such as weatherization, appliance upgrades, and energy education, this integrated strategy supports a smoother and more affordable electrification journey for low-income households. Additionally, ESA's targeted delivery of high-impact measures maximizes cost-effectiveness and ensures that program benefits reach those most in need.

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[36] Evergreen Economics, PG&E Family Electric Rate Assistance (FERA) Study: An Assessment of Achievable Enrollment and Program Efforts, August 22, 2025, p. 50, *available at* 2025-06-06 - FERA Study Draft Report.pdf.

In addition to these core programs, SCE is leveraging partnerships and complementary initiatives to maximize customer offerings and further address affordability. For example, SCE coordinates with state and federal programs such as LIHEAP, the Equitable Building Decarbonization of CEC, wildfire mitigation programs like the Critical Care Backup Battery Program, and local community-based initiatives. These collaborations allow customers to access multiple forms of assistance such as bill credits, energy efficiency upgrades, and debt relief through a streamlined process, reducing barriers and enhancing overall affordability.

This proposal reflects SCE's broader commitment to affordability, equity, and responsible program management. By enhancing eligibility controls and ensuring that subsidies are directed to those who truly qualify, SCE is taking proactive steps to protect the long-term sustainability of CARE, FERA and ESA while maintaining affordability for all customers.

III.

ALTERNATIVE APPROACH TO CATEGORICAL ELIGIBILITY

A. Proposed Changes

SCE affirms its support for the continued use of categorical eligibility as a proven strategy to streamline enrollment in the CARE and ESA programs and ensure that assistance reaches households most in need. By automatically qualifying customers who are already enrolled in designated public assistance programs, categorical eligibility reduces administrative barriers and facilitates access to essential energy affordability resources.

In 2023, Evergreen Economics completed a CPUC-commissioned study evaluating the alignment of categorical programs with CARE income thresholds. The study concluded that only three programs, CalFresh, LIHEAP, and the Women, Infants, and Children Program (WIC), demonstrated strong alignment with CARE's income eligibility criteria. In response to this study, Joint IOUs submitted an advice letter proposing to update the list of categorical programs.[37] However, the Director of the Energy Division rejected this request, deeming it insufficient and non-compliant with D.21-06-015.[38] Although SCE disagreed with the findings of the advice letter disposition, SCE continues to utilize the full list of approved categorical programs for CARE and ESA enrollment and maintains all CPUC-authorized categorical pathways.[39]

Looking ahead to the next program cycle, SCE recommends removing the National School Lunch Program (NSLP) from the list of qualifying categorical programs. With the implementation of California's Universal Meals Program in the 2022–2023 school year, all public school students now receive free meals

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[37] The Joint IOUs include: SCE (Advice 5122-E); San Diego Gas and Electric (Advice 4304-E/3240-G); SoCalGas (Advice 6206-G); and PG&E (Advice 7045-E/4812-G).

[38] Letter from Leuwam Tesfai, Director of Energy Division, September 6, 2024, *available at* https://www.pge.com/tariffs/assets/pdf/adviceletter/GAS_4812-G.pdf.

[39] Evergreen Economics, Categorical Eligibility Report Presentation to the Low Income Oversight Board, slide 15, presented June 15, 2023, *available at* https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2023/06/Categorical-Eligibility-Presentation-to-LIOB-Evergreen-Econ-2023-06-15.pdf.

regardless of household income.[40] As a result, NSLP no longer serves as a reliable proxy for income eligibility. Its continued inclusion could inadvertently allow enrollment of customers who do not meet CARE's income requirements, potentially compromising program integrity and diverting resources away from income-qualified households.

As such, SCE proposes to remove the NSLP from the list of qualifying categorial programs to help provide that program eligibility remains aligned with current policy and income verification standards.

B. Proposed Categorical Eligibility Process Review

SCE proposes the establishment of a formalized framework to guide the periodic assessment of categorical eligibility programs used to qualify customers for CARE, FERA and ESA programs. Rather than commissioning a new study for each review cycle, SCE recommends development of a standardized evaluation framework that can be applied every three years to determine whether categorical programs remain substantially aligned with CARE income eligibility requirements. This timing would be in the middle of the 2028 to 2033 program cycle and is consistent with SCE's proposed three-year re-enrollment time frames. It promotes regulatory consistency, administrative efficiency, and program integrity. This proposal also aligns with D.21-06-015, which emphasizes the importance of periodic evaluation to ensure alignment with CARE and FERA income thresholds.[41] The review would assess whether categorical programs remain "substantially aligned" with CARE income criteria, as required by Public Utilities Code § 739.1(f)(1), which authorizes categorical eligibility for customers enrolled in other public assistance programs with similar income standards.[42]

The 2022 Categorical Eligibility Study, conducted in response to D.21-06-015, introduced a methodology for evaluating public assistance programs based on income thresholds, verification processes,

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[40] *See* California Department of Education, California Universal Meals webpage, *available at* https://www.cde.ca.gov/ls/nu/sn/cauniversalmeals.asp.

[41] D.21-06-015, p. 396 – 401.

[42] Cal Pub.Util.Code § 739.1(f)(1).

benefit duration, and unit of eligibility (household vs. individual).[43] Programs were placed in one of six categories based on their alignment with CARE criteria.[44] SCE proposes that this study provide a foundational structure for a proposed framework, which would institutionalize such metrics into a repeatable process for future evaluations.

To initiate development of the framework, SCE recommends that the Energy Division take the lead in convening and facilitating an ad hoc working group. This working group would refine evaluation criteria, identify relevant data sources, and establish procedures for applying the framework during triennial reviews. Once developed, the framework should be shared publicly to solicit feedback from stakeholders, including consumer advocates, Tribal representatives, and CBOs. The topic could then be added to a scheduled IQP workshop for broader discussion and refinement. Upon finalization, the Energy Division and IOUs can use the framework to assess which categorical programs should remain on the eligibility list and which new programs may be added. This formalized process ensures that categorical eligibility remains a valid and equitable pathway for low-income customer enrollment, consistent with statutory and regulatory standards.

C. Proposed Studies

SCE does not propose any new studies to reassess the existing list of qualifying programs. This decision is informed by the outcomes of two prior categorical eligibility studies: one conducted by ICF in 2013,[45] and another by Evergreen Economics in 2023.[46] Both studies were designed to review the alignment of various public assistance programs with the eligibility criteria of the CARE program, with the goal of identifying additional programs that could support categorical enrollment. Despite the thoughtful analysis and stakeholder engagement involved in both efforts, the proposals developed through these studies were ultimately not adopted by the Commission. As a result, the time and funding allocated to these initiatives

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[43] Evergreen Economics, 2022 Categorical Eligibility Study, June 26, 2023, pp. 12-13, *available at* https://www.calmac.org/publications/Categorical_Eligibility_Report_-_Final.pdf.

[44] *Id.*, p. 18, 24.

[45] ICF International prepared the first CE Study for CARE and ESA, dated January 29, 2013

[46] *See,* Evergreen Economics, 2022 Categorical Eligibility Study, June 26, 2023, *available at* https://www.calmac.org/publications/Categorical_Eligibility_Report_-_Final.pdf.

did not lead to actionable or lasting changes in program design or delivery. As such, SCE recommends its alternative approach (as described above) and does not propose any new categorical eligibility studies for the upcoming 2028–2033 program cycle.

IV.

ALIGNING CARE/FERA AND ESA INITIATIVES WITH STATE AGENCY PRACTICES

A. Low Income Oversight Board and Disadvantaged Communities Advisory Group

SCE supports continued coordination with the Low Income Oversight Board (LIOB) and believes that maintaining quarterly meetings remains an effective and appropriate cadence for collaboration. These meetings provide a consistent forum for sharing updates, gathering feedback, and obtaining alignment on key priorities related to IQP programs.[47]

In addition to LIOB engagement, SCE recommends strengthening coordination with the Disadvantaged Communities Advisory Group (DACAG). Given DACAG's focus on equity and environmental justice, increased engagement between IQP representatives and DACAG members would enhance awareness and alignment on issues affecting low-income and disadvantaged communities. To support this, SCE proposes that IQP topics be formally included on the DACAG agenda at least once per year. This would ensure that DACAG participants are informed about IQP activities and have the opportunity to provide input on strategies that promote equitable access to energy affordability and clean energy programs.[48]

By maintaining regular engagement with the LIOB and expanding collaboration with DACAG, utilities can foster more inclusive and informed decision-making that better reflects the needs of the communities they serve.[49]

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[47] LIOB charter and meeting schedule, *available at* https://liob.cpuc.ca.gov/.

[48] DACAG Equity Framework, 2024 Update, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/infrastructure/disadvantaged-communities/2024-dacag-equity-framework.pdf.

[49] DACAG Charter, *available at https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/infrastructure/disadvantaged-communities/dacag-charter-updated-march-2020.pdf*.

B. Community Services and Development (CSD) Department

SCE is committed to strengthening coordination with the California Department of Community Services and Development (CSD) to better serve income-qualified customers through more practical and impactful collaboration. Historically, efforts to integrate CSD's weatherization programs with SCE's ESA Program have faced challenges, with limited success in identifying customers who could benefit from both offerings. This experience underscores the need for a more targeted and data-driven approach.

As part of an updated strategy, SCE proposes prioritizing consent-based data-sharing as a foundational step. In the upcoming program cycle, SCE plans to refresh and expand its collaboration with CSD, building on its existing relationship LIHEAP. Specifically, SCE will formally request that CSD make LIHEAP income eligibility data available to SCE, subject to appropriate privacy and data security protocols.

Access to this verified income data would allow SCE to more accurately and efficiently assign customers to the appropriate CARE or FERA program category. This targeted approach ensures that customers receive the correct level of benefits, while also reducing administrative costs, minimizing enrollment barriers, and avoiding over-subsidization. By improving benefit accuracy and streamlining eligibility verification, SCE can deliver assistance more effectively and generate savings not only in operational costs but also in ratepayer-funded subsidies, thus preserving program integrity and optimizing the use of public resources. Research has shown that coordinated low-income energy programs, including LIHEAP and weatherization efforts, can significantly reduce energy burdens and improve cost-effectiveness.[50]

Additionally, customers identified through CSD data who have existing arrears may be proactively enrolled in the AMP and other bill assistance programs, helping to stabilize their energy costs and improve overall affordability. This approach enables SCE to deliver immediate, tangible benefits to customers while laying the groundwork for future program integration.

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[50] American Council for an Energy-Efficient Economy (ACEEE). Estimating the Impacts of Weatherization Readiness Programs. June 26, 2025, *available at* https://www.aceee.org/research-report/b2504.

Through this refreshed strategy, SCE aims to enhance program efficiency, reduce duplication of efforts, and ensure that low-income customers receive the full spectrum of available support.

C. California Department of Developmental Services' Regional Centers

SCE is exploring opportunities to strengthen coordination with both the California Department of Developmental Services' (DDS) Regional Centers and the California Office of Data and Innovation (ODI) to better support vulnerable and income-qualified customers.

To engage with DDS Regional Centers, which serve individuals with developmental disabilities, SCE proposes to establish a consent-based data-sharing agreement to help identify customers who may be eligible for programs such as CARE, FERA, ESA, MBL, and AMP. SCE also plans to collaborate directly with Regional Center staff by providing training and resources to help integrate utility assistance into their client support services. In addition, SCE would partner with the centers to host joint outreach events, such as resource fairs or virtual enrollment workshops, tailored to the needs of individuals with developmental disabilities and their families.

In partnership with ODI, SCE proposes exploring a data integration initiative that securely matches customer records with state benefit programs such as Medi-Cal, CalFresh, and SSI. This would allow SCE to proactively identify eligible customers and streamline enrollment into its low-income programs.

SCE respectfully requests that the CPUC support the establishment of consent-based data-sharing agreements with the DDS and the ODI. These agreements will enable SCE to better identify and assist vulnerable and income-qualified customers, ensuring they have access to critical programs and resources. These efforts reflect SCE's commitment to practical, data-driven collaboration that enhances access, equity, and affordability for customers who need it most.

D. California Emerging Technology Fund (CETF) for Broadband

SCE affirms its ongoing support for the updated California Emerging Technology Fund (CETF) stipulation,[51] recognizing the meaningful benefits this collaboration brings to income-qualified customers and the broader community. SCE's approach centers on leveraging co-marketing opportunities that align with its overall customer engagement strategies, including the integration of broadband messaging into community outreach events and interactions with ESA contractors. These efforts are designed to complement SCE's existing initiatives serving vulnerable populations, ensuring that customers are informed about affordable internet options.

To further promote broadband awareness, SCE will continue to feature low-cost internet providers on its website and incorporate broadband messaging into IQP materials, such as Community Resource Guides and other appropriate collateral. These actions help maintain the visibility of affordable broadband options and reinforce SCE's commitment to digital inclusion.

SCE supports the LifeLine Pilot (see Section IV.G in this Exhibit SCE-04 for details) as part of its commitment to expanding access to affordable connectivity, which is increasingly vital for education, employment, healthcare, and daily life. By combining broadband and LifeLine messaging, SCE delivers a unified and consistent message across its outreach and marketing activities, ensuring customers are fully aware of all available low-cost internet and LifeLine resources. This integrated approach streamlines communication and avoids duplication of efforts, making it easier for customers to understand and access these essential services. The stipulation[52] empowers SCE to efficiently coordinate these efforts, maximizing the impact of digital inclusion initiatives while maintaining cost-effectiveness and operational efficiency.

SCE's ongoing partnership with CETF and other stakeholders facilitates regular coordination and high-level reporting, fostering transparency and continuous improvement in outreach strategies. This collaborative approach streamlines administrative processes and leverages established community relationships, maximizing the impact of digital inclusion efforts. By exercising discretion in implementation

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[51] D.21-06-015, Attachment 6.

[52] *Id.*, Attachment 6 Updated Version November 2025.

and aligning activities with approved program budgets, SCE ensures these initiatives remain cost-effective and sustainable.

Ultimately, supporting the stipulation strengthens SCE's commitment to equity and inclusion, helping to bridge the digital divide for vulnerable populations. It positions SCE as a proactive utility provider that not only delivers energy services but also supports broader community needs in an increasingly connected world. Through these efforts, SCE empowers customers with the tools and information they need to thrive in both energy and digital environments.

E. LifeLine

SCE proposes a coordinated strategy to support and align with the California LifeLine Program during the 2028–2033 cycle. This initiative is intended to enhance affordability and digital access for low-income customers by increasing awareness and facilitating enrollment in LifeLine, which offers discounted phone and mobile services to eligible households.[53]

As part of this strategy, SCE plans to incorporate LifeLine messaging into its existing income-qualified outreach efforts, including CARE, FERA, and ESA. LifeLine information may be included in customer-facing materials such as the SCE website, bill inserts, email campaigns, and other collateral. This integration is designed to ensure that customers seeking energy assistance are also informed about available telecommunications support—addressing a key barrier to participation, as current enrollment in LifeLine remains significantly low among eligible households.[54]

To further improve access, SCE is exploring opportunities to align eligibility and income verification processes with LifeLine administrators. Where feasible, secure, consent-based data sharing could be evaluated to help identify and pre-qualify eligible customers or enable more targeted outreach. This

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[53] CPUC. California LifeLine Program webpage, *available at* https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/lifeline.

[54] Benton Institute for Broadband & Society. The Importance and Effectiveness of the Lifeline Program. August, 2023, *available at* https://www.benton.org/blog/importance-and-effectiveness-lifeline-program.

approach draws on research from USC Annenberg, which highlights that cross-program data sharing and automation can reduce administrative burdens and improve participation rates.[55]

SCE also intends to leverage its network of CBOs to distribute LifeLine materials and provide culturally relevant, in-language enrollment support. These CBOs could be trained to assist customers with understanding eligibility and navigating the enrollment process—particularly for limited-English-proficient, elderly, and rural populations. This approach aligns with best practices identified by the Federal Communications Commission for increasing LifeLine participation.[56]

As previously noted, and as part of its ongoing commitment to support the updated CETF Joint Stipulation, SCE plans to support the LifeLine Pilot, which is designed to bridge the digital divide and promote equitable access to essential services. Participation in the pilot would reinforce SCE's commitment to cross-sector collaboration and its role in integrating energy and telecommunications outreach. Insights from the pilot may inform future efforts to streamline enrollment, improve program visibility, and expand access to affordable connectivity and energy resources for low-income households.

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[55] Galperin, H., Bar, F., & Alvarado Rojas, A. Promoting Digital Equity by Automating Enrollment in Consumer Support Programs. USC Annenberg, June 2024, p.1, . *available at* https://arnicusc.org/wp-content/uploads/2024/06/Automation-Report-3-ver-2.pdf.

[56] Federal Communications Commission. Strategies and Recommendations for Promoting Digital Inclusion. January 2017, p.26, *available at* https://docs.fcc.gov/public/attachments/DOC-342993A1.pdf.

V.

INTEGRATING CARE/FERA WITH BASE SERVICES CHARGE IMPLEMENTATION

SCE is committed to keeping income-qualified customers fully informed and supported throughout the implementation of the BSC. As part of this effort, SCE is integrating targeted messaging about the CARE and FERA programs into all BSC-related communications. While some customers may benefit from the BSC, this strategic integration is designed to ensure that customers who may be impacted by the BSC are aware of the additional financial relief available through CARE and FERA, which offer bill discounts—up to 32.5% and 18%, respectively[57]—that can help offset the effects of the BSC, particularly for households that are truly low- and moderate-income.

By embedding CARE/FERA enrollment information into both existing and new outreach materials, SCE aims to promote awareness of income-qualified assistance programs among newly affected customers, encourage enrollment for those who may now qualify due to changes in billing structure, support continued participation by reinforcing the importance of re-enrollment compliance, and enhance customer understanding of how CARE/FERA benefits interact with the BSC. This coordinated communication strategy aligns with SCE's broader IQP strategy.

In parallel, SCE is actively participating in ongoing income verification workshops related to the BSC.[58] These workshops are focused on exploring methods for verifying customer income eligibility for potential future BSC Tier levels focused on moderate to high income customers. If a proposal is eventually adopted through this process, SCE will review the approved approach and assess its potential to enhance income verification and enrollment procedures for the CARE and FERA programs. This evaluation will explore opportunities to reduce administrative burden, improve customer experience, and strengthen the integrity of program delivery. Studies from the U.S. Government Accountability Office (GAO) and the

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[57] *See*, SCE CARE & FERA Discounted Rates webpage, *available at* https://www.sce.com/save-money/income-qualified-programs/care-fera.

[58] D.24-05-028, *See* COL 14 discussing the scope of the Process Working Group to explore, among other things, "Proposed income verification processes and alternatives."

Department of Health and Human Services (HHS) emphasize the value of using electronic data sources and cross-program verification to improve accuracy and reduce fraud in income-based programs.[59]

Additionally, SCE is evaluating a targeted outreach initiative for Tier 2 BSC customers to increase enrollment in the FERA program. This effort focuses on residents of deed-restricted affordable housing, who are assigned Tier 2 rates by default[60] and face barriers to accessing IQP programs despite being consistently eligible.

Using existing customer data and rate structures, SCE will identify households likely to qualify for FERA and conduct proactive outreach to simplify enrollment. Strategies may include direct communication, partnerships with housing providers, and educational campaigns to clarify eligibility and the enrollment process. This approach aims to reduce complexity, improve targeting, and align with CPUC directives to expand access to income-qualified benefits.

The initiative reflects a shift toward data-driven, equitable enrollment practices to close the gap between authorized participation targets and actual enrollment—an area where SCE has historically underperformed. By leveraging partnerships with CBOs, government agencies, and local stakeholders, SCE seeks to ensure eligible customers are informed and empowered to access available support. This integrated approach is expected to boost participation, reduce confusion, and promote equitable access to energy affordability resources during the BSC transition and beyond.

As utilities nationwide face rising energy costs and evolving rate structures, proactive and empathetic communication strategies—such as those employed by SCE—are increasingly recognized as best practices for maintaining trust and supporting vulnerable populations.[61]

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[59] *See,* U.S. Government Accountability Office. Means-Tested Programs: Information on Program Access Can Be Used to Inform Efforts to Meet Participation Goals, (March 2025) p. 35, *available at* https://www.gao.gov/assets/gao-05-221.pdf.

[60] Resolution E-5356, p 24, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M551/K477/551477707.PDF.

[61] E Source. (2023, December). Empathy-infused messaging: How utilities can connect with customers during rising costs. R, *available at* https://www.esource.com/report/10109-001/embrace-empathy-utility-bill-communications.

VI.

EXPANDED METRICS FOR CARE AND FERA PROGRAM EVALUATION

SCE does not propose the addition of new metrics for the CARE and FERA programs for the 2028-2033 program cycle.

SCE currently tracks and reports a comprehensive set of metrics that provide stakeholders with meaningful insights into the performance, outreach, and operational effectiveness of the CARE and FERA programs. SCE includes these metrics in both monthly and annual reports submitted to the CPUC. The reports contain detailed enrollment data, including the total number of customers participating in each program, segmented by customer class and geographic region. They also present estimates of the eligible population and corresponding penetration rates, which help assess the effectiveness of outreach and enrollment strategies.

SCE tracks application activity through metrics that reflect the volume of new enrollments, recertifications, and income verifications processed during the reporting period. SCE documents outreach and marketing efforts through summaries of campaigns, community events, and partnerships with local organizations aimed at increasing awareness and participation. SCE also monitors program attrition by reporting the number of customers removed due to ineligibility or non-response. Where available, the reports include demographic insights—such as household size and income brackets—to better understand the populations served. Additionally, the reports provide financial tracking of program expenditures, including administrative costs and outreach budgets, which support evaluation of cost-effectiveness and resource allocation.

While SCE is proposing to streamline certain aspects of the IQP monthly and annual reports, as discussed in Section IX of this Exhibit SCE-04, the intent is to enhance reporting efficiency and reduce redundancy without compromising the quality or depth of information provided. The revised reporting framework will continue to deliver substantial and actionable data that supports robust program oversight. By refining the structure and presentation of these reports, SCE aims to maintain transparency and uphold the integrity of program monitoring. Stakeholders will continue to have access to the necessary information

to evaluate program performance, customer outcomes, and the effectiveness of outreach and operational activities.

In addition to the CARE and FERA program reports, SCE also provides Rate Advisory Notices online and within bills on a quarterly basis, or more frequently as needed, to inform stakeholders and customers of upcoming rate changes.[62] These notices include projected rate impacts, with specific attention to how changes may affect CARE and FERA participants. They provide a detailed breakdown of rate components, including generation, transmission, distribution, and public purpose program charges. The notices also outline customer communication plans, including multilingual outreach strategies and targeted messaging for low-income customers, as well as implementation timelines for rate changes and customer notifications. These notices serve as a proactive tool to ensure customers and stakeholders are well-informed about rate adjustments and their implications.

Furthermore, SCE submits monthly and annual Disconnection Reports,[63] that offer critical insights into customer affordability and service continuity. These reports include the total number of customers disconnected for non-payment, segmented by CARE, FERA, and non-participant status. They also provide reconnection rates, showing the number and percentage of customers who were reconnected within specific timeframes. Additional data includes the average arrearage at the time of disconnection, year-over-year comparisons, seasonal trends, and summaries of customer protections in place for CARE and FERA participants—such as disconnection moratoriums, payment arrangements, and targeted outreach efforts to prevent service interruptions.

Together, these reporting mechanisms form a robust framework for oversight and evaluation. They ensure that stakeholders, including the CPUC, advocacy groups, and the public, have access to detailed and actionable information regarding low-income customer programs. Given the breadth and depth of existing reporting, and SCE's continued commitment to transparency and accountability, SCE does not find it necessary to introduce new metrics.

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[62] SCE Rate Advisory webpage, *available at* https://www.sce.com/save-money/rates-financing/sce-rate-advisory.

[63] D.18-12-013, OP 6.

VII.

CONCURRENT APPLICATION SYSTEM PROPOSAL

A. Background

The development of the Concurrent Application System (CAS) has progressed significantly since its inception under Senate Bill 1208 and D.23-05-006. Phase I of CAS officially began with the release of a Request for Proposals (RFP) by PG&E in December 2023. This followed extensive input from the CAS Working Group, which helped shape the design requirements for the system. These requirements included features such as API integration with utility systems, refined program recommendations based on customer data, and the ability for users to submit full or partial applications to multiple IQP programs—including ESA, CARE, and FERA—from a single platform.[64]

The most recent regulatory milestone came with CPUC Resolution E-5394, adopted on June 12, 2025. This Resolution approved the joint request from PG&E, SCE, SoCalGas, and SDG&E for the bid selection and executed contract for Phase I development of CAS. This Resolution also authorized a total of $4,051,000 in ratepayer-funded costs for the three-year development contract, and incremental utility-specific administrative budgets: $1,489,483 for PG&E, $1,280,266 for SCE, $3,621,692 for SDG&E, and $3,398,000 for SoCalGas.[65] The CPUC denied requests for administrative costs beyond the three-year contract term, signaling a focus on timely and efficient implementation. Together, these developments mark a major step forward in creating a streamlined, accessible system for low-income Californians to apply for utility assistance programs.

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[64] CPUC, Energy Division and CAS Updates – Low Income Oversight Board Presentation, March 25, 2025, Retrieved from: https://liob.cpuc.ca.gov/wp-content/uploads/sites/14/2025/03/Item-6-Energy-Division-and-CAS-Report.pdf.

[65] Resolution E-5394, OP2 and 3. Concurrent Application System Phase I Development Contract for Income-Qualified Programs, June 12, 2025, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M570/K185/570185749.PDF.

B. Phase 1

1. Optimizing Program Access: CAS Benefits for SCE IQP Customers

SCE customers benefit significantly from the implementation of the CAS, particularly those who are income-qualified and seeking utility assistance because one of the primary benefits of CAS is streamlined access to multiple assistance programs—such as CARE, FERA, and ESA—through a single, unified application platform. CAS eliminates the need for customers to navigate separate enrollment processes for each program, reducing administrative burden and improving the speed of access to benefits.[66] As further support of the anticipated benefits, studies have shown that unified application systems and digital enrollment tools significantly improve access to low-income utility assistance programs, especially when paired with analytics to identify and support customers with high energy burdens. "Many U.S. states and territories operate integrated eligibility and enrollment systems (IEE), which allow people to apply for multiple public benefits programs through one process rather than having to apply through separate processes for each program. Some of these systems are an integrated application tied to multiple back-end systems for enrollment and case management, while others are a unified application and back end across programs."[67]

The CAS also enhances equity and accessibility by supporting multiple languages and complying with Web Content Accessibility Guidelines, providing that customers from diverse backgrounds and with varying abilities can use the system effectively.[68] Additionally, the platform includes features that allow customers to consent to secure data sharing, which helps verify eligibility across programs without requiring redundant documentation. This is especially beneficial

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66 *Ibid*., p. 8.

67 Beeck Center for Social Impact + Innovation. (2025). Implementing benefits eligibility + enrollment systems: State responses to H.R. 1. Digital Government Hub, *available at* https://digitalgovernmenthub.org/publications/implementing-benefits-eligibility-enrollment-systems-state-responses-to-h-r-1/.

68 Resolution E-5394, Concurrent Application System Phase I Development Contract for Income-Qualified Programs, June 12, 2025 p.8, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M570/K185/570185749.PDF.

for SCE customers who may already be enrolled in one program and want to apply for others without repeating the entire process.

From a financial perspective, CAS is expected to reduce overhead costs and improve program efficiency, which could help SCE maintain or even expand assistance offerings without increasing administrative expenses. The CPUC authorized $1,280,266 in ratepayer-funded costs specifically for SCE's Phase I CAS development cost for years 2025 to 2027, reflecting a strong commitment to making the system work for its customer base.[69] Future cost savings will be evaluated once the Phase 1 development is complete and the CAS tool is launched.

2. CAS Marketing & Outreach

To increase the utilization of CAS, SCE plans to promote and conduct outreach using a comprehensive approach designed to reach income-qualified customers, particularly those who are vulnerable or hard to reach. Building on its existing outreach infrastructure for programs such as CARE, FERA, and ESA, SCE will integrate CAS messaging into its current communication platforms, including its website, customer service lines, and printed materials distributed via mail and at community events. This approach aligns with recommendations from the Universal Application System Working Group, which emphasizes the importance of coordinated outreach across various platforms to improve program visibility and enrollment.[70]

To further enhance CAS awareness and adoption, SCE will continue leveraging its long-standing partnerships with CBOs, including faith-based groups, nonprofits, and local advocacy organizations. These trusted partners will play a critical role in educating customers about the CAS tool and its benefits, such as simplified enrollment and streamlined access to multiple assistance

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[69] Resolution E-5394, p. 10. Concurrent Application System Phase I Development Contract for Income-Qualified Programs, June 12, 2025, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M570/K185/570185749.PDF.

[70] CPUC.(2022). Universal Application System Recommendation Report & Appendices: Final Report, *available at* https://pda.energydataweb.com/api/view/2626/UAS%20Recommendation%20Report%20%26%20Appendices%20Final%20Report.pdf, p. 3-5.

programs through a single application. SCE also plans to host community workshops and webinars—both in-person and virtual—to demonstrate how to use the CAS, answer questions, and provide hands-on support. These sessions will be tailored to meet the needs of specific communities, including those with limited digital literacy or language barriers.

SCE plans to incorporate informational links to the Disadvantaged Communities Green Tariff (DAC-GT) and the Arrearage Management Plan (AMP) into CAS outreach materials and digital platforms. These additions are intended to improve customer understanding of available support programs and promote awareness of energy-saving and financial assistance opportunities. By making these resources more accessible, SCE aims to help customers—especially those in multifamily and income-qualified housing—navigate and benefit from programs designed to meet their specific needs.

In addition, SCE plans to develop multilingual and culturally relevant outreach materials to ensure messaging is accessible and resonates with diverse customer groups. SCE plans that its digital campaigns will be launched across social media platforms and other online channels, featuring testimonials, instructional videos, and visual content that clearly explain the CAS and its benefits. CAS messaging is also planned to be embedded into high-traffic customer interactions, including bill inserts, call center scripts, and MyAccount portals, ensuring consistent exposure throughout the customer journey. SCE will also explore partnerships with local governments and social service agencies to cross-promote the CAS and integrate it into broader referral networks that serve low-income populations.

To ensure the effectiveness of these efforts, SCE will monitor engagement metrics, collect feedback from CBOs, and analyze enrollment data to assess outreach performance and make data-driven adjustments. Through these coordinated and inclusive strategies, SCE aims to maximize awareness, understanding, and utilization of the CAS, ultimately improving access to assistance programs for those who need them most.

3. CAS Performance and Impact Metrics

In response to evolving business needs, the CAS contracted developer is responsible for producing a set of standardized reports within the CAS to strengthen program oversight and support data-driven decision-making. As discussed below, these reports provide SCE with critical insights into program performance, stakeholder engagement, and operational effectiveness.

The Program Application & Referral Summary Report will provide a comprehensive view of application volumes and referral trends. This report will help SCE evaluate program reach, identify high-performing referral sources, and refine outreach strategies to improve customer engagement.

The CBO-Assisted Application Report will track applications submitted with support from CBOs, allowing SCE to assess the effectiveness of community outreach, monitor support levels, and ensure equitable access for applicants across diverse communities.

The CBO/Case Worker KPI Report will evaluate the performance of both CBOs and individual case workers, distinguishing between contractual and non-contractual partners. Through Key Performance Indicators (KPIs), this report is expected to enable SCE to measure relationship effectiveness, optimize resource deployment, and recognize top-performing organizations and staff.

The Service Provider KPI Report will provide visibility into service provider interactions with the Investor-Owned Utility (IOU) system. This report will support analysis of usage patterns, identification of system improvement opportunities, and assurance of consistent program delivery.

Collectively, these reports will be essential tools for SCE to monitor stakeholder performance, maintain regulatory compliance, and drive continuous improvement in program administration.

4. CAS Support of CARE/FERA Upfront Eligibility

SCE proposes that, contingent upon Commission approval of its CARE and FERA program design for upfront eligibility, the CAS be enhanced to include functionality for collecting income documentation or proof of categorical eligibility during initial enrollment. The CAS tool was initially scoped to support only self-certification within current business requirements; however, this

proposed enhancement expands its role to facilitate secure document submission through the CAS interface. Data submitted will not be stored within CAS but will be transmitted and retained within SCE's secure systems to ensure compliance with privacy and regulatory standards. The enhanced interface will provide guided prompts for accurate document uploads, real-time validation for completeness, and dynamic workflows to triage applications based on income or categorical eligibility. Automated processes will accelerate approvals for customers qualifying through categorical programs, while income-based applications will be routed for review. Integration with existing processes will maintain consistency and transparency, and reporting capabilities will support CPUC oversight.

As Phase II scope is defined, particularly regarding agencies that should use CAS, income eligibility confirmation will become even more streamlined, especially where other state and federal programs adopt upfront income verification similar to SCE's proposed design. These enhancements will deliver significant benefits, including reduced administrative costs, faster enrollment for low-income customers, improved accuracy in eligibility determinations, and an enhanced customer experience through a fully digital, self-service process. By implementing these functions, CAS evolves into a scalable platform that meets CPUC objectives for efficiency and accessibility while leveraging secure data handling within SCE's systems. Following approval of the upfront eligibility, SCE may request additional funding to augment the CAS interface to support these expanded capabilities and ensure seamless integration with future participating agencies.

5. 2028-2033 Budget

Resolution E-5394 authorized $1,280,266 in ratepayer-funded costs for SCE's share of Phase I CAS development, covering expenses through 2027.[71] The same Resolution also approved administrative budgets through 2029.

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[71] Resolution E-5394, OP 2 – 3, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M570/K185/570185749.PDF.

As described below, SCE will utilize the authorized administrative budget for 2028 and 2029 and proposes an administrative forecast for the extended period of 2030 to 2033.[72]

Similarly, SCE proposes extending the development budget beyond 2027 to support continued maintenance and enhancement of the CAS beginning in 2028. These activities are for future enhancements and maintenance essential to maintain system security, efficiency, and responsiveness to evolving program needs. The total estimated cost to support the CAS from 2028 through 2033 is approximately $1.1 million for administrative activities, as shown in Table VII-1 below, and $1.6 million for tool maintenance and development, as shown in Table VII-2 below. Additionally, SCE is not seeking additional funding to support marketing and promotion of the CAS tool. All outreach activities will be conducted using existing resources and infrastructure, ensuring cost-effective implementation while maintaining a strong focus on customer engagement and program accessibility.

SCE further requests continued authorization to record and recover both administrative and development costs associated with the CAS through the Customer Concurrent Application Process System Balancing Account (LICCAPSBA), pursuant to Decision 23-05-006.[73] This cost recovery mechanism ensures transparency, regulatory oversight, and prudent cost management as the system evolves.

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[72] Standard 3% escalation added to CAS Administrative and Maintenance and Enhancement budget forecast.

[73] D. 23-05-006, OP 4.

Table VII-1
CAS Phase 1 Administrative Budget
($s in Thousands)

Description	2028[(a)]	2029[(a)]	2030	2031	2032	2033	Total
CAS Phase 1 Adminstration	$171	$178	$183	$189	$195	$200	$1,116

(a) 2028-2029 was Authorized per Resolution E-5394.
Note: Totals may not sum due to rounding.

Table VII-2
CAS Maintenance and Enhancement Budget
($s in Thousands)

Description	2028	2029	2030	2031	2032	2033	Total
CAS Enhancement and Maintenance	$255	$263	$271	$279	$288	$296	$1,652

Note: Totals may not sum due to rounding.

a) SCE CAS-related Administrative Costs

SCE proposes a CAS administrative budget of $1.1 million for 2028–2033, primarily for labor costs. Funding will support IT personnel to maintain tool functionality, ensure integration with CARE, FERA, and ESA systems, and uphold compliance with privacy regulations, including California Consumer Privacy Act (CCPA). A dedicated SCE resource will oversee operations, coordinate outreach and marketing, and manage reporting. These expenditures are necessary to support program continuity, regulatory compliance, and increased participation among eligible customers.

b) SCE CAS-related Enhancements and Maintenance Costs

SCE proposes a $1.6 million budget for 2028–2033 to support CAS enhancement and maintenance. This funding will ensure continued integration with CARE, FERA, and ESA

programs, and maintain a secure, high-performing platform for low-income customers. Covered activities include server hosting, software updates, performance monitoring, and implementation of security measures to comply with privacy regulations such as CCPA. The budget also supports usability improvements, multilingual access, and system scalability to accommodate future program growth and policy changes.

C. Phase 2

In response to the potential expansion of the CAS under Phase II, SCE acknowledges the importance of enhancing coordination across low-income assistance programs. However, it is premature to provide definitive recommendations without clarity on which sectors and programs will be included in the expansion. While SCE supports coordination with non-energy assistance programs to benefit shared customers, the lack of a defined scope makes it difficult to identify necessary changes to improve program coordination or to develop appropriate marketing, education, and outreach (ME&O) strategies.[74]

SCE also highlights the importance of establishing an equitable cost-sharing structure with non-SCE programs to ensure that energy ratepayer funds are not used inappropriately to promote non-ratepayer-funded services. SCE currently utilizes CAS balancing accounts to manage CAS-related costs and ME&O expenses could increase if required to support new CAS marketing efforts while maintaining outreach for existing IQP programs.[75]

SCE clarifies that the current CAS design is structured to enable secure and efficient data sharing exclusively between the CAS platform and its participating programs, not directly between the IOUs and external entities.[76] To further enhance functionality and customer experience, if income verification is incorporated into CAS Phase II, SCE recommends embedding this capability directly within the CAS

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[74] PG&E, SDG&E, SCE, & SoCalGas. (2023, May 1). Opening comments of IOUs on the Proposed Decision Implementing Process for Creation of a Low-Income Customer Concurrent Application Process System as Required by Senate Bill 1208 (A.19-11-003 et al.). p. 15.

[75] *Ibid.*

[76] D.23-05-006, OP 1.a pp. 5, 8.

enrollment process. This approach, as outlined in Section VII.B.4 of this Exhibit SCE-04, represents SCE's proposed enhancement to CAS and is contingent upon CPUC approval of SCE's upfront eligibility proposal. Integrating income verification at this stage would streamline enrollment procedures and reduce redundancies, delivering a more seamless experience for customers. Importantly, this proposal assumes no changes to the existing policy that prohibits CAS from storing customer data, as any deviation from this standard would introduce significant privacy concerns. To ensure regulatory consistency and maintain strong privacy protections, SCE requests that the CPUC consider adopting SCE's proposed approach for implementing CARE/FERA upfront eligibility requirements within CAS Phase II once its scope is formally established.

VIII.

MEASUREMENT, EVALUATION, AND OTHER STUDIES

A. Plan To Incorporate Findings From Relevant Studies and Information

Exhibit SCE-03 refers to many relevant findings and recommendations from SCE's program and pilot evaluations and studies that examine the needs of the income-qualified population in its service territory, such as the 2022 and 2025 Low Income Needs Assessments (LINAs) and SCE IQP pilot evaluations. The ESA Program design proposed for the PY2028-2033 cycle is in part based upon the learnings from the body of work described in this section.

Over the 2021-2026 program cycle and bridge year 2027, SCE will have co-funded and participated in several studies to examine how best to provide energy savings and health, comfort, and safety to income-qualified customers and disadvantaged communities. SCE will also have completed and planned evaluations of several IQP programs and pilots to assess the performance of these offerings and whether there are improvements that could enhance the delivery of benefits to participants. Table VIII-3 below lists the studies and evaluations that have been completed or are in progress since the beginning of the PY2021-2026 cycle. Summaries of these studies and evaluations are presented below with lessons learned and how SCE will incorporate the findings into future offerings referenced in Exhibit SCE-03.

SCE is committed to integrating findings from relevant studies such as the LINAs, Potential and Goals Study, and other CPUC-directed research into the design and implementation of its customer programs. If key findings are released after the 2028 to 2033 IQP application is submitted, SCE will incorporate them through formal mechanisms such as mid-cycle filings or advice letters. These updates will allow SCE to refine program strategies, improve targeting of eligible customers, and align with evolving regulatory guidance and best practices. SCE notes the importance of ensuring the Commission and stakeholders support maintaining informal and formal regulatory mechanisms that allow for expedient and nimble program changes throughout the program cycle. This is especially true to ensure the least amount of lag time between generally agreed upon study results and the ability to incorporate them into the program.

Additionally, SCE will collaborate with the IQP Working Group and other stakeholders to ensure that study insights are appropriately reflected in program adjustments. This approach ensures that program design remains responsive to new data and continues to meet the needs of income-qualified customers effectively.

Table VIII-3
Studies and Evaluations Completed or In Progress
During PY 2021-2026 and Bridge Year 2027

Study/Evaluation Name	Status (Completed/In Progress)
2022 Low Income Needs Assessment (LINA)	Completed
2025 LINA	Completed
2023 IQ Potential & Goals (P&G) Study (led by CPUC)	Completed
2025 IQ P&G Study (led by CPUC)	Completed
2025 ESA Non-Energy Impacts (NEI) Study	Completed
PG&E Family Electric Rate Assistance Barriers and Opportunities Study	Completed
2019-2021 Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) Program Evaluation	Completed
2025 CHANGES Program Evaluation	Completed
Clean Energy Homes (CEH) Pilot Evaluation	Completed
Building Electrification (BE) Pilot Evaluation	In Progress - expected completion in Mar 2027
Whole Home (Plus/Deep) Pilot Evaluation	In Progress - expected completion in May 2027

B. Current IQP Studies

1. 2022 and 2025 LINA Studies

Assembly Bill (AB) 327 (California Public Utilities Code Section 382) mandates the four California IOUs to conduct a Low Income Needs Assessment (LINA) every three years. The purpose of these assessments is to explore the energy related needs of low-income households and use the findings to inform the design and implementation of offerings such as the ESA Program and

the CARE Program. Each LINA focuses on a topic that helps elucidate the hardships, language needs, and economic burdens of low-income electricity and gas customers. The 2022 LINA examined issues associated with the low-income rental market, which spans both single-family homes and multifamily (MF) buildings. The 2025 LINA, which was completed in October 2025, yielded insights into the needs of both high and low energy users and how the ESA Program can best serve customers in these segments.[77]

a) 2022 LINA

The 2022 LINA focused on the energy related needs of renters, both of single and multi-family spaces. It focused on issues that specifically face rental households, including the participation barriers they face in relation to the measures and services available to them through the ESA Program. Key findings from the 2022 LINA noted the following:

- Almost two-thirds of the low-income population that are eligible for the ESA Program are renters. However, renters comprise 50 percent of ESA participants. This indicates a potential gap in ensuring low-income renters receive full benefits from the ESA Program.[78]
- Income-qualified renters may have less of an incentive to participate in the ESA Program relative to owners79 because they face lower energy bills and have lower overall and median energy burdens.80
- The split incentive barrier between property owners and tenants in MF buildings persists and has an impact on MF renter participation in ESA. One

[77] High and low usage income qualified households are defined as the 90th and 10th percentiles of annual electricity and gas consumption by climate zone. Evergreen Economics, 2025 Low Income Needs Assessment: Final Report, October 30, 2025, p. 1, *available at* https://pda.energydataweb.com/api/view/4241/2025%20LINA%20Final%20Report_103025.pdf.

[78] Evergreen Economics, 2022 Low Income Needs Assessment: Final Report, December 9, 2022, p. 3 – 4, *available at* https://pda.energydataweb.com/api/view/2749/2022_LINA_Report_120922_FINAL.pdf.

[79] *Ibid*.

[80] Energy burden refers to the ratio of a household's income relative to its energy costs.

way to overcome renter concerns that landlords will not engage with the ESA Program is to develop outreach strategies that engage renters and landlords simultaneously and that lets renters know the program will work with landlords on their behalf.[81] The Southern Region MFWB Program, implemented by SDG&E on behalf of SCE and SoCalGas, has targeted property owners and managers for participation while also including tenants, thereby reducing effort to contact occupants of each unit separately.

- Though the study recommended a modified approach to overcome the split-incentive barrier (described in the bullet above), it also found limited potential or benefit in targeting MF renters (relative to single family renters) since achieving savings in MF tenant units is more difficult due to their smaller size and number of inapplicable energy saving measures. This led to a prioritization of single-family renters due to higher energy burdens and relatively higher interest in program participation.[82]

SCE revised its ESA Program strategy based on lessons learned, restructuring its budget to prioritize treating customers who actively expressed interest, and were enrolled in the program. While single family rental households and owners may offer greater potential energy savings, SCE remains committed to equitably serving all income-qualified customers. Notably, the ESA Southern Region MFWB Program launched in 2023 with the goal of extending program benefits to income-qualified MF properties. As part of the program, led by SDG&E with support from SCE and SoCalGas, SCE contributed to customer measure installations and worked closely with the implementer to reduce barriers for multifamily renters by exploring measure modifications and installation policies tailored to rental units.

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[81] Evergreen Economics, 2022 Low Income Needs Assessment: Final Report, December 9, 2022, pp. 5 – 6, *available at* https://pda.energydataweb.com/api/view/2749/2022_LINA_Report_120922_FINAL.pdf.

[82] *Ibid*, p. 57.

These joint efforts reflect SCE's commitment to expanding access to energy-saving measures for income-qualified multifamily households.

b) 2025 LINA

The IOUs collaborated with Energy Division on the topic to cover in the 2025 LINA, and with the approval of the LIOB, they decided to examine data about high and low energy low-income users to understand the customer characteristics of these segments and to provide recommendations on how to best serve them. The study carried out stakeholder engagement, market characterization, focus groups in English, Spanish, Cantonese, and Vietnamese, and survey development and implementation to gather information allowing for a characterization of high and low energy using households and what types of measures, outreach, and behavioral interventions are most appropriate for the customer segments.

The study found that households with high electricity usage consume more electricity in the summer, live in high fire threat regions, have more appliances beyond what is considered "standard"[83], are likely to be on medical baseline, use central AC as their primary method of cooling, and are more likely to have furnaces compared to their low energy using counterparts. Low energy using households are more likely to take energy-saving actions such as turning lights off when not in use, adjusting home thermostats, running appliances less frequently, and unplugging items when not in use compared to high electricity using households. These actions are harder for high electricity using households to take because they typically occupy larger homes, have more appliances, more central systems, and more people.

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[83] The study describes "standard" appliances as washers, dryers, refrigerators, stoves, and water heaters. Evergreen Economics, 2025 Low Income Needs Assessment: Final Report, October 30, 2025, p. 30, *available at* https://pda.energydataweb.com/api/view/4241/2025%20LINA%20Final%20Report_103025.pdf.

Based on data collection and analysis, the LINA study provided findings and recommendations to help high users optimize their energy usage and low users improve their health, comfort, and safety. The most salient ones are listed below:

- Study findings support existing ESA Program actions such as replacing second refrigerators and replacements for primary cooling systems.[84] Other upgrades or replacements to consider include expanded pump offerings, adding dishwashers and clothes dryer upgrades where there is old equipment, addressing non-central AC systems in hot climates, and including retrofit controls for existing systems along with property owner education for the MFWB ESA program.[85]
- The LINA also recommended tailored conservation messages for high energy using households including development of targeted materials and case studies, promotion of medical baseline enrollment, conducting post-program follow ups to ensure these customers are implementing program recommendations, and encouraging as many occupants as possible to attend educational portion of home visits.[86]
- Customized education for low energy using households should flag dangerous behaviors (such as blowing out pilot lights) and outreach should include fact sheets about dangerous practices.[87] The LINA pointed out the importance of continuing Spanish language messaging as well.

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[84] *Id.,* p. 80, 82.

[85] *Id.*, p. 46, 80 - 83.

[86] *Id.*, p. 83 – 84.

[87] *Id.*, p. 84 – 85.

2. 2023 and 2025 Income-Qualified Potential and Goals Study

The 2023[88] and 2025[89] Income Qualified Potential and Goals Studies forecast energy efficiency and fuel substitution potential for the IOUs' ESA Program portfolios through program years 2035 and 2037, respectively. For both studies, the IOUs provided measure lists and their associated energy savings for the base modeled year, which forms the foundation of the potential forecasts. SCE's position is that both the 2023 and 2025 studies overestimated the ESA Program's true energy saving potential for the reasons described below. The ESA Program goal setting process for the 2028-2033 program cycle should ensure a reasonable balance between realistic energy savings and the ability to serve customers with other equally important program benefits that may not specifically result in calculated energy savings.

The Potential and Goals study is only one reference point for establishing goals. Since 2023, the ESA Program has repeatedly demonstrated that a significant difference can exist between achievable potential energy savings and what can be realistically achieved through actual program implementation, especially for highly rule-driven programs that maintain competing interests other than energy savings.[90] Overvaluing energy potential can significantly constrain the ability to achieve health, comfort and safety and electrification benefits, especially when there is a need to achieve energy savings goals as a matter of compliance.

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88 Guidehouse, Low Income Program Energy Efficiency Potential Study - 2023 Potential and Goals Study, May 2023, *available at* https://pda.energydataweb.com/#!/documents/2818/view.

89 Guidehouse, 2025 Income Qualified Energy Efficiency Potential Study, March 2025, *available at* https://pda.energydataweb.com/#!/documents/4152/view.

90 SCE's ESA program savings from its 2023 and 2024 Annual Reports were reported as 6,043 MWh and 18,334 MWh. The base achievable potential estimated for SCE's low income programs was 25,750 MWh for 2023 and 39,950 MWh for 2024. See Guidehouse, Low Income Program Energy Efficiency Potential Study – 2021 Potential and Goals Study, April 2021, *available at* https://webproda.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/energy-efficiency/2021-potential-goals-study/low-income-report.pdf?sc_lang=en&hash=E87140B4DA742DFEB0A1A90371FF8D1C and Guidehouse, Low Income Program Energy Efficiency Potential Study - 2023 Potential and Goals Study, May 2023, *available at* https://pda.energydataweb.com/#!/documents/2818/view.

The forecasted savings provided by the IOUs that inform the potential forecasts have shown to be significantly higher than realized (or ex-post) savings, which likely has led to over-estimated savings potential for the forecasting period. For example, the last ESA Program impact evaluation[91] was conducted for program years 2015 to 2017 and based on the claimed and evaluated savings for 2017, SCE's electric realization rate[92] is equal to 42%. The IOUs are in the planning stages of the next ESA impact evaluation, but, based on SCE's more recent forecasted savings and claimed achievements, ratios of claimed-to-forecasted electric savings continue to come in well below 100%. The 2023 forecasted electric savings for the ESA Program were 22,416 MWh, and the ex-ante claimed savings equaled 6,043 MWh. This results in a claimed-to-forecasted electric savings rate of 27%. Since the potential model is based on overestimated savings as the starting point of the analysis, the energy savings escalation will apply throughout the entire forecasting period, resulting in unrealistic savings forecasts.

Because the Potential Studies assume aggressive adoption rates that are not based on real world observations, SCE suggests referencing the base scenario (instead of the high and double scenarios) for future goal setting purposes. Additionally, the 2025 Potential Study did not incorporate the Commission's statewide 60% willingness and feasibility to participate factor, which is essential to the appropriate estimation of measure adoption.[93] SCE makes this recommendation since its 2024 Annual Report shows that SCE achieved 18.3 GWh in electric savings, falling short of meeting its forecasted kWh savings goal of 31.7 GWh by 13.4 GWh.[94] Again, the ratio of claimed-to-forecasted electric savings falls well below 100% (e.g., 58%).

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91 DNV-GL. ESA Program Impact Evaluation PY 2015-2017, April 26, 2019, *available at* https://pda.energydataweb.com/#!/documents/2173/view.

92 *Id.,* p. 15 and 53. The realization rate for SCE for 2017 based on information in the ESA Program Impact Evaluation is = 13,262,244 kWh (evaluated savings) /31,651,052 kwh (claimed savings) = 42%.

93 D.16-11-022, p.269-270.

94 SCE Low Income Annual Report: Program Year 2024. May 2025. p.7.

Both Potential Studies used upward trending adoption rates that resulted in accelerated adoption rates up to 138%, 157%, and 200% at the end of the forecasting periods, for the base, high, and double scenarios, respectively.[95] SCE has concerns with the validity of these growth assumptions given that many ESA-eligible homes have been treated at least once and during treatment, they received all applicable measures. It is therefore unlikely that the adoption rates are an appropriate assumption of future growth when households have received large appliances that will not need replacement soon.

California has some of the most aggressive energy and appliance codes and standards in the country. Building envelopes, appliances, and other energy equipment in existing homes are becoming more efficient over time, thus narrowing the remaining potential that can be realized with stock turnover. Because the Potential Studies use forecasted ESA Program energy savings in the base model year and assume the same energy savings will continue at a similar trajectory over time, SCE believes this will result in over-estimated saving potential over the forecasting period. Additionally, the most recent ESA Program Impact Evaluation shows a declining trend in SCE's energy savings per household over 2014 to 2017.[96] Given the difficulties with achieving deeper energy savings, these factors should also be taken into consideration in the ESA goal setting process for PY 2028-2033.

While SCE recognizes the value of the CPUC's EE and Income Qualified Potential and Goals Studies as inputs into identifying long-term energy savings opportunities, particularly through fuel substitution and building electrification, SCE recommends that the study be used primarily for informational and planning purposes. The study's estimates help guide strategic direction but should not be directly adopted into program design due to several limitations. For example, the fuel

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[95] Guidehouse, Low Income Program Energy Efficiency Potential Study - 2023 Potential and Goals Study, May 2023, *available at* https://pda.energydataweb.com/#!/documents/2818/view and Guidehouse, 2025 Income Qualified Energy Efficiency Potential Study, March 2025, *available at*: https://pda.energydataweb.com/#!/documents/4152/view.

[96] DNV-GL, ESA Program Impact Evaluation: Program Years 2015-2017April 26, 2019. p. 39, *available at* https://pda.energydataweb.com/#!/documents/2173/view.

substitution potential modeled for the IOUs' ESA portfolios does not account for critical infrastructure and auxiliary costs such as panel upgrades, rewiring, remediation, and utility service planning, which are often necessary to enable electrification. SCE noted concern with CPUC's 2025 EE Potential and Goals Draft Study's "emphasis on Fuel Substitution measures which introduce unique hurdles that were less pronounced in previous studies."[97] Additionally, customer bill impacts remain uncertain, as electricity is generally a more expensive fuel, and behavioral responses to appliance replacements are not yet well understood. Despite these limitations, SCE's ESA Building Electrification strategy aligns with the study's broader findings by targeting high-impact building electrification measures in income-qualified and multifamily housing, while maintaining flexibility to adjust program elements through mid-cycle filings or advice letters as new data becomes available.

3. 2025 ESA Program Non-Energy Impacts (NEI Study)

The ESA Working Group's Cost Effectiveness Sub-Working Group recommended that ED and the IOUs conduct a NEI Study, authorized by D.21-06-015,[98] to estimate California-specific values for non-energy impacts, with a focus on health, comfort, and safety. Many of the NEI values in the ESA Cost-Effective Test (ESACET) valuation tool are from studies that are 15-25 years old and are based on jurisdictions with weather and energy efficiency programs that differ significantly from those in California.[99] To conduct the study, a survey was sent to 865 ESA participants and 438 non-participant income-qualified households that served as a comparison group to assess changes in comfort, noise, certain chronic health conditions, and indoor air quality. Analysis of the survey data

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[97] Guidehouse, 2025 Energy Efficiency Potential and Goals Study, June 23, 2025. p. K-4, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/energy-efficiency/2025-potential-goals-study/2025-group-e-potential--goals-study-final-report-20250717.pdf.

[98] D.21-06-015, Conclusion of Law (COL) 25 and OP 172.

[99] APPRISE. California ESA Program Non-Energy Benefits Final Report, January 2021. p. 1, *available at* https://www.appriseinc.org/wp-content/uploads/2021/01/California-Energy-Savings-Assistance-Program-Non-Energy-Benefits-Final-Report.pdf.

showed small but statistically significant improvements in the NEBs associated with comfort, noise, and indoor air quality experienced by ESA participants.[100] The study estimated the average ESA participant who participated in ESA in 2023 through Q1 of 2024 received $9 of first-year NEBs in comfort, $1 of first-year NEBs in indoor air quality improvements, and $1 of first-year NEBs in noise reduction from their participation in the program.[101] IOU-specific values have been incorporated into ESACET to allow the utilities to conduct cost-effectiveness testing for the ESA Program. These updates are included in the tool used to support this 2028-2033 program cycle application. Because the study was unable to estimate health and safety NEBs, the IOUs propose conducting another NEI Study and tool update during the next program cycle.

4. PG&E FERA Barriers and Opportunities Study

PG&E contracted with Evergreen Economics to examine the enrollment challenges associated with its FERA program and how PG&E could increase enrollment using funds from its FERA program budget.[102] The study included a review of PG&E's FERA-associated marketing and enrollment activities, and it concluded that PG&E is comprehensive and extensive in its outreach efforts to inform its eligible customers about FERA and encourage enrollment.[103] FERA is a voluntary, opt-in program, and has two ways to influence enrollment: through outreach and by simplifying the enrollment process. Based on survey results, the study noted a strong level of awareness of income-based rate discounts amongst PG&E's customers based on the utility's outreach.[104] Enrolling in PG&E's FERA program is considered less time intensive than the time it

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[100] Evergreen Economics, ESA Program Non-Energy Impact Study: Final Report, June 17, 2025, p. 29, *available at* https://pda.energydataweb.com/api/view/4163/2025ES~1.PDF.

[101] *Ibid*, p. 27 – 28.

[102] Evergreen Economics, PG&E Family Electric Rate Assistance (FERA) Study: An Assessment of Achievable Enrollment and Program Efforts, August 22, 2025, *available at* https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/energy-division/documents/energy-efficiency/2025-potential-goals-study/2025-group-e-potential--goals-study-final-report-20250717.pdf.

[103] *Id.*

[104] *Id* p. 2.

takes to enroll in a means-tested agency benefit, such as LIHEAP, CalFresh, and the Women, Infants, and Children Program (WIC).[105]

The PG&E FERA study provided insights to elucidate why a disparity exists between enrollment in CARE vs. FERA, as the former boasts an enrollment of 95 percent of the eligible population while the latter has enrollment of approximately 25 percent. Total enrollment in CARE and FERA combined is 89 percent of the eligible population.[106] It is unlikely that a large drop-off in enrollment occurs at 200 percent of the Federal Poverty Line (FPL) below which a customer qualifies for CARE, and thus a larger discount, than is available through FERA. Rather, the study report notes, it is possible that households that are counted toward FERA enrollment goals could end up enrolled in CARE instead if categorical eligibility allows a household to enroll in CARE even if their income does not meet the standard; or customers are incorrectly enrolled into CARE when they should have been enrolled in FERA.[107] This misassignment could occur if customers experience a great deal of income volatility such that when enrolling in a rate discount program, their incomes are low enough that they qualify for CARE, but most of the time, they earn an income that is between 201%-205% of the FPL.

The study suggested combining CARE and FERA into a single low-income discount rate as a long-term solution as it simplifies outreach and enrollment.[108] PG&E reportedly adopted several of the study recommendations associated with setting goals and conducting marketing, education, and outreach for the FERA program.

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[105] *Id* .

[106] *Id*, p. 9.

[107] *Id.*

[108] *Id*, p. 42.

5. ESA/CARE/FERA Specific Evaluation Studies

a) SCE Building Electrification (BE) Pilot (in progress)

SCE designed the BE Pilot in response to R.19-01-011 and SB 1477 building decarbonization policy framework to implement electrification programs and pilots. The BE Pilot is available to SCE low-income residential customers who reside in single-family homes, meet the income threshold for the ESA Program, and reside in Disadvantaged Communities (DACs) as identified in the latest version of CalEPA's CalEnviroScreen.[109] Program outreach primarily focuses on customers with high annual energy consumption located in SCE's climate zones with higher Cooling Degree Days yielding high HVAC cooling loads.

Research and evaluation efforts for the Pilot are ongoing, with key activities focused on both process and impact evaluations, as well as an assessment of the Pilot's third-party Bill Impact (Eligibility) Tool. SCE expected to complete "interim" evaluation activities (including iterative analysis at different stages of the Pilot) in Q4 2025 and in Q3 2026. The interim process evaluation, deployed and completed in Q3 2025, provided insights about participant motivations, barriers, satisfaction, and experience with various aspects of the Pilot. A key objective is to assess customer satisfaction with participation in the Pilot. SCE and its consultant evaluating the pilot found positive interim process results and findings (including lessons learned), suggesting high customer satisfaction with the Pilot.

The interim impact evaluation, including the assessment of natural gas savings from the implementation of fuel substitution measures, was initiated in Q3 in 2025 and expected to be completed in Q4 2025. The evaluation team is currently analyzing monthly natural gas usage and utility billing data for 200 joint SCE and SoCalGas's participating customers.

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[109] California Communities Environmental Health Screening Tool: CalEnviroScreen 4.0, May 2023, *available at* https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40.

SCE and SoCalGas will use the data to assess if and how much the measures provided through the Pilot resulted in changes to both electric and gas energy usage, utility bills, and GHG emissions as well as fuel substitution eligibility requirements, e.g., reductions on source energy and GHG emissions. Further, initial analysis of the natural gas savings suggests significant reductions and/or displacement of natural gas from fuel substitution / building electrification measures.

SCE expects completion of final evaluation activities, including final impact and process evaluations and reporting, in Q1 2027.

Further, the evaluation team is expected to continue evaluating the implementer's BE Pilot eligibility tool through Q4 of 2025 to better understand how it estimates bill forecasts used to primarily determine customer bill impacts. The tool is critical as it is used to qualify customers for the BE Pilot. An initial assessment suggests that the tool's calculator may overestimate gas usage for older, smaller homes. While it is possible that the tool self-corrects if this bias exists in both the pre-installation and post-installation forecasts, the evaluation team cannot validate this until post-installation usage for these sites is evaluated.

Future iterations of the Pilot may potentially use the CPUC's fuel substitution "Customer Electrification Estimator Tool" directed under D.23-04-035, for qualifying customers.[110] The public release of the CPUC tool has been considerably delayed; however, it is expected to be available in draft form sometime before Q2 2026.

b) <u>SCE & SoCalGas Pilot Plus/Deep (Whole Home) Pilot (in progress)</u>

In D.21-06-015, the Commission granted approval for a pilot-based redesign concept of the ESA Program. The newly designed pilot program, known as ESA Whole Home or ESA Pilot Plus/Deep (PP/D), is a collaborative effort between SCE and SoCalGas.[111] It

[110] D.23-04-035, pp. 25-26.

[111] D.21-06-015, OP 39.

targets selected CARE high-usage single-family owner-occupied homes who have surpassed their allocated baseline allotments (300% or higher for SCE, 200 percent or higher for SoCalGas) and reside within Los Angeles, Riverside, and San Bernardino counties. These customers have the option to participate (opt in). A guiding principle of the pilot is to achieve deeper energy savings for each treated home, which generally equates to a higher investment per customer household.

The main recommendations from the Whole Home Pilot evaluation effort thus far are covered in research memos prepared by Illume Advising who has been contracted with to evaluate the Whole Home Pilot[112]:

- Continue to refine and expand direct marketing efforts to reach eligible customers with the goal of both generating leads and growing program knowledge among eligible customers so that recruitment efforts have a better possibility of success.
- Consider retraining recruiters, enrollers, assessors, and others who interact with customers to help accurately record why customers are deemed ineligible to inform utility staff on the reasons for non-participation in the pilot and to inform future lead list generation.
- Continue to identify the most current customer contact information within the utility data sources and share it with the implementer for lead generation. Improving the completeness and accuracy of customer data will make it less challenging for contractors to profitably participate in the program, reduce more customers' energy burden, and expand program savings.

[112] Recommended in two memos: Illume Advising, LLC. Southern California Edison & Southern California Gas Joint Pilot (ESA Whole Home Pilot) Nonparticipant Survey Results. October 2024. and Illume Advising, LLC. Whole Home Pilot: Feedback from Contractor Interviews Memo. August 8, 2025. p. 5.

In addition, qualitative research from the EM&V consultant provided the following process recommendations.[113]

- Explore ways to help elevate the customer's level of trust in contractors such as by creating a list of contractors working on the Whole Home Pilot or materials also branded with contractor logos for them to use with customers.
- Ensure all outreach materials are available in both English and Spanish and have Spanish-speaking contractors available to serve Spanish-speaking customers. This could help eligible customers be more receptive to the Pilot and improve lead conversion.
- Consider when marketing using direct mail that includes both English and Spanish language in areas with a higher percentage of elderly and/or Spanish-speaking customers, as this could help raise awareness overall but especially among those harder-to-reach populations.

Overall, the research effort has met these challenges driven by low participation by adjusting the evaluation objectives. In particular, the research team increased the weighting on the qualitative side - to explore how these problems could be mitigated in future pilot efforts or full-scale programs. Low participation in DSM programs is not peculiar to this pilot effort, so the team has adjusted the evaluation effort to maximize the value of qualitative primary research.

In addition, the low participation rate suggested a movement away from a strict experimental design to a quasi-experimental approach. Changes in both the evaluation goals and research methods demonstrate an adaptive and responsive evaluation approach.

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[113] *Ibid*.

c) SCE Clean Energy Homes New Construction Pilot

The ESA Clean Energy Homes (CEH) Pilot, an SCE-only offering, provides incentives for low-income housing developers to incorporate innovative low-carbon technologies and building practices into residential new construction designs that will provide housing with low utility cost to residents. This Pilot supports the state's ambitious GHG reduction goals and strives to bring environmental equity to vulnerable customers. It offers technical design assistance, location-specific GHG-driven financial incentives, and coordinated education and outreach to overcome barriers to affordable all-electric construction. The Association for Energy Affordability (AEA) served as the implementer.

During 2024, geographic limitations hindered project recruitment and enrollment into the pilot. Despite reasonable efforts to enhance interest in the pilot, interest remained low.[114] Since the pilot's inception, it only managed to secure eight total project applications. SCE has worked closely with the implementer throughout 2025 to enact the ramp down plan which provides work in progress, project statuses and slated incentive payment months. All participants have been informed of the program closure timeline through the end of 2025. All active recruitment efforts have concluded, and there will be no further recruitment for program enrollment. The remaining budget allocated for the pilot program will be reallocated to support other ESA Program activities.

SCE commissioned Apex Analytics to provide qualitative insights to guide any related program efforts. The main conclusions follow:

- **Geographic Eligibility:** Expanding the program territory to include all Southern California Edison (SCE), Investor-Owned Utility (IOU), and non-IOU areas could have significantly increased the pool of eligible applicants. Demonstrating success in CEH pilot was challenging due to market

[114] Apex Analytics. September 2025. Clean Energy Homes Report, p. 12. Internal document.

conditions, geographic constraints, and eligibility parameters. This broader reach may have led to higher overall participation and a more equitable distribution of program benefits.

- **Design Assistance & Incentive Offering:** Removing the pre-permit design review requirement while still offering best practice recommendations would have better aligned with typical development workflow, reduce administrative friction, and broaden eligibility. Though the intention for the pre-permit requirement was to allow maximum opportunity for implementing provided recommendations, projects could have still benefited from exposure to best practices, thereby supporting the program's goal of market transformation.
- **Design incentives need to be more robust**: Increasing base design incentives on a per-bedroom basis could have enhanced the program's appeal. Based on the allocated incentive budget for Design Incentives, the program was targeting 67 projects to receive up to $50,000. The market for this program could not meet this supply - increasing the incentive cap may have made the program more compelling for developers.
- **Tenant Education Offering:** A more structured approach to Tenant Education component of the program could have involved two distinct pathways: one offering a standardized menu of pre-approved activities supported by program-developed materials, and another allowing applicants to propose custom scopes of work with corresponding incentive requests. Many participants required ongoing reassurance regarding reimbursement for time spent, indicating a need for more transparent and supportive communication.
- **Clear Guidance on Reimbursable Costs:** Providing clear guidance on how labor expenses can be reimbursed could have encouraged participants to invest time in developing meaningful educational content. Reimbursable costs for projects should have included general administrative costs, no more than

15% of the total incentive claimed, and included activities that provide indirect benefits to the residents, including site management training and operations and maintenance training for maintenance staff. The equipment installed is new, therefore the program should support the development of new strategies to maintain the GHG reduction goals of the projects and the program.

These recommendations aim to improve program accessibility, streamline workflows, and enhance participant engagement. By refining eligibility criteria, incentive structures, and support offerings, future programs can better achieve their goals of market transformation and broader participation.

6. CHANGES

When CHANGES began in 2011, it operated with a budget of $500,000 in the first year and was later formalized as an ongoing statewide program through D.15-12-047 (effective January 1, 2016), with an annual budget not to exceed $1,750,000 co-funded by the four CA IOUs.[115] The budget has remained steady at a co-funded amount of approximately $1,750,000 annually for PY 2021-26 via D.21-06-015.[116] SCE's portion has remained steady at $525,000. D.15-12-047 established CHANGES as an ongoing program and authorized CARE as the funding source. D.21-06-015 approved the continuation of CHANGES using the CARE budget for PY2021-2026 but noted in OP 21 that the IOUs should determine what the most appropriate funding source for the CHANGES program is based on which customers benefit from the program.

D.21-06-015 authorized up to 4% of the combined 2021-2026 authorized CHANGES budgets (or $420,600) to fund completion of at least two evaluations for the program.[117] For both

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[115] D.15-12-047, OP 4.

[116] D.21-06-015, Table 3, p. 75.

[117] D.21-06-015, OP 22.

studies, the IOU contract manager at PG&E worked collaboratively with the CPUC's Consumer Affairs Branch, Energy Division, and evaluation staff from SCE, SDG&E, and SoCalGas, to devise the contract scope, with final approval by CPUC staff. Third-party evaluators were selected through competitive solicitations, and Commission staff were engaged throughout the entire solicitation and evaluation process.

Despite PG&E fulfilling the contract management role in an independent manner to ensure the evaluations were conducted with technical rigor reaching unbiased conclusions, stakeholder Melanie Vartabedian from the Ballard Spahr law firm verbally expressed serious concerns on the validity of evaluation results because of PG&E's role in the evaluations.[118] For future evaluations of the CHANGES program, SCE recommends the CPUC assumes the contract management role as in prior CHANGES evaluations, rather than delegating it to one of the IOUs. SCE believes this approach will address concerns expressed by CHANGES CBOs and stakeholders regarding conflict of interest and improve perceived validity of evaluation results. In addition, unless the CPUC substantially increases evaluation funding from what was authorized for the 2021-2026 program cycle ($420,600), SCE recommends requiring one instead of two evaluations or providing IOUs the flexibility to conduct one or two evaluations depending on program needs.

The 2019-2021 CHANGES evaluation covered five key areas: (1) Overall Performance, (2) Data Collection, (3) Program Value, (4) Program Costs and Funding, and (5) Program Operations and Structure. It also examined who the beneficiaries of the program are to determine whether it should be funded through the generate rate case (GRC) or CARE (the evaluation did not examine other potential funding sources). The 2025 CHANGES evaluation is conducting a benchmarking analysis and a market profile analysis. The consultant will also evaluate whether an increase in

[118] Comments from Melanie Vartabedian were made during the May 5, 2025 Public Workshop about the CHANGES Evaluation Plan prepared by Verdant Associates, LLC for the IOUs and CPUC. She said that during the previous CHANGES evaluation effort, the evaluator found the CHANGES budget insufficient to meet the needs of communities served. However, the final report, which she understood included the IOUs in its development, recommended no budget increase.

budget is warranted for the program since budgets have not increased for the program in close to ten years.

a) 2019-2021 CHANGES Evaluation

A mixed-methods approach was employed to leverage existing data sources and collect new primary data, which included in-depth interviews conducted with the program administrator and implementer, the IOUs, and select CBOs within the program. A mail survey was conducted with PY 2021 program participants and was made available in English and four other most common languages spoken by CHANGES customers, including Chinese, Spanish, Vietnamese, and Korean.

Overall, the evaluation indicated that the program adheres to its core principle and serves the energy-related needs of LEP customers. The analysis indicates that the CHANGES program helps customers in the target population to understand their energy bills, resolve bill disputes, service issues, and avoid disconnection. It also helped LEP customers understand how to access financial assistance and energy programs and learn about ways to save energy. The CBO network provided services in 44 languages, served 10,831 unique clients through case assistance, held 5,431 educational events and 215 community outreach events, and conducted 113 media outreach placements.[119] The evaluation identified a need to improve data collection and tracking practices, since at the time of the assessment, program staff could not identify whether a given participant received support multiple times or simply one time. The evaluation also recommended improving the tracking of customers who are channeled into other programs. It also urged the CPUC to examine whether an increase in funding is warranted in its next evaluation, as the budget for the program has remained

[119] Opinion Dynamics, Community Help and Awareness with Natural Gas and Electricity Services (CHANGES) Program Process Evaluation Study (2019-2021), May 2023, p. 19, *available at* https://pda.energydataweb.com/api/view/2807/2019-21%20CHANGES%20Evaluation%20Report%20%20FINAL.pdf.

steady even in the face of COVID and inflation. The evaluation noted that program costs may not be fairly distributed across the IOUs, as indicated by the services provided in their territories. Last, the evaluation concluded that funding the CHANGES program through CARE is appropriate.

b) 2025 CHANGES Evaluation

The CPUC is working directly with the consultant on this evaluation, and the IOUs are not involved in the meetings with the CPUC and the consultant about the evaluation, nor are they reviewing deliverables coming out of the study's activities. The two evaluation activities that comprise the 2025 CHANGES evaluation include:

- A benchmarking analysis that will examine similar programs to see if there are practices or processes that the CHANGES program could adopt and potentially streamline services offered through the program
- A market profile analysis to determine if the current program approach meets the needs of customers and to examine whether a change in funding is warranted given the level of program activity and the services it offers

The 2025 CHANGES evaluation launched earlier in 2025 and was served to the service list on December 23, 2025.

C. Proposed Studies

SCE proposes four categories of evaluation studies to support the continued improvement and strategic direction of its ESA and CARE programs for the 2028–2033 program cycle. These studies are designed to ensure that program design and implementation remains responsive to the evolving needs of income-qualified customers, while maintaining alignment with statewide energy equity, decarbonization, and cost-effectiveness goals.

Table VIII-4 lists the specific evaluations and studies and budgets proposed by the IOUs and SCE's funding portions based on the 30 percent cost share. SCE is not proposing any FERA or new pilot

evaluations. For all budget categories listed except for the LINA, SCE proposes that the ESA/CARE Study Working Group process, which was authorized in D.21-06-015,[120] be followed to determine the final scope, budget, and timeline.

Table VIII-4
Proposed Studies and Evaluations for 2028-33 Program Cycle

Study/Evaluation Name	[a] ESA Funded	[b] CARE Funded	[a+b] Proposed Budgets
2028 Low Income Needs Assessment (LINA)	$125,000	$125,000	$250,000
2031 LINA	$250,000	$250,000	$500,000
2034 LINA	$250,000	$250,000	$500,000
Impact Evaluations (2 studies): ESA Main & MFWB	$1,400,000	-	$1,400,000
Non-Energy Impacts Study and Tool Update	$500,000	-	$500,000
TOTAL	**$2,525,000**	**$625,000**	**$3,150,000**
SCE's Evolving Study and Data Needs	$350,000	-	$350,000
SCE's Cost Share (30% for all studies above TOTAL row plus SCE's Evolving Study and Data Needs Budget)	**$1,107,500**	**$187,500**	**$1,295,000**

Assumptions
[1] Funding for the 2028 LINA was approved in D.21-06-015 (OP 167) and is split evenly across ESA and CARE budgets. Work on this study is projected to take place in PY2027 and PY2028, so half of the total budget is shown here covering expected expenditures in 2028.
[2] For the 2031 and 2034 LINAs, assume spending is evenly spread across 2030 and 2031, and 2033 and 2034, respectively.
[3] The expenditures for LINA 2034 will occur over 2033 and 2034, though the full amount is shown in 2033 since this is the final year of the program cycle.
[4] For impact evaluations, assume program ramp-up will take place in 2028, and 2029 would be the representative year for program data analyses.
[5] For Non-Energy-Impacts Study, assume spending is evenly spread across program years 2029 and 2030.
[6] For Evolving Study and Data Needs budget, assume spending is spread evenly across program years 2029, 2030, and 2031.

1. Proposed Studies and Rationale

a) LINA 2031 and 2034

In accordance with Public Utilities Code requirements, the CPUC, with support from the LIOB, must conduct a LINA Study every three years. When the most recent study was

[120] D.21-06-015, OP 176.

completed on October 30, 2025, SCE in collaboration with the IOUs propose to complete the next LINA studies in 2028, 2031 and 2034, respectively.[121] These studies will be scoped in advance to allow for consultant selection and onboarding. SCE along with the IOUs will continue contract management for these upcoming studies, consistent with the past three cycles. Accordingly, a not-to-exceed budget of $500,000 per study is proposed, totaling $1.0 million for both studies. SCE's contribution toward these studies is expected to be approximately $300,000 for each. The IOUs will collaborate with the ED and LIOB to finalize the scopes should the CPUC approve the IOU applications. As with prior assessments, these studies will evaluate the evolving needs of low-income customers, considering new program designs and assessing the effectiveness of services and measures in addressing energy expenditures, hardship, language barriers, and economic burdens among low-income electricity and gas customers.

b) ESA Main and MFWB Impact Evaluations

Similar to the 2021-2026 program cycle, for 2028-2033 SCE proposes to conduct two Impact Evaluations—one for the ESA Main Program single family segment and another for the Multifamily Whole Building (MFWB) segment. These evaluations are scheduled across the 2030–2032 period, with a total budget of $1.4 million, of which SCE will contribute $420,000 to each using the traditional IOU funding split.[122] These studies will assess energy savings, cost-effectiveness, and customer outcomes associated with program participation, and will be instrumental in refining measure offerings and delivery models. These impact evaluations will build on lessons from the upcoming 2026–2027 ESA Impact & Process Evaluation which is currently being scoped. Assuming no program ramp-up delays, the two impact evaluations will examine PY 2029, which will allow evaluation of new program

[121] The 2028 LINA is supported through the IQP budget approved for PY2021-2026.

[122] PG&E and SCE each contribute 30%; SoCalGas contributes 25%, and SDG&E contributes 15%.

changes put in place early in the next program cycle. As approved in D.21-06-015, SCE proposes that the ESA/CARE Study working group finalize the specific scope and budget of these evaluations.[123]

c) Non-Energy Impacts Study and Tool Update

SCE plans to complete a NEI Study and tool update in the upcoming program cycle. A statewide budget of $500,000 is requested, of which SCE will contribute $150,000 from the ESA portfolio budget. The proposed budget is the same amount SCE contributed to the last Non-Energy Impact Study finalized in 2025.

The proposed study will update health and safety benefits experienced by ESA customers resulting from program measures and treatments. The 2025 NEI Study did not estimate these benefits due to limitations of using customer surveys as the primary data collection methodology.[124] The proposed study will explore a broad range of methodologies, such as pre- and post-participant and similar non-participant surveys, literature reviews related to health and safety benefits from low-income whole home programs in similar climates, and California-specific secondary data analysis. Using these methods, SCE can update health and safety related NEIs included in ESACET and ensure future evaluations reflect a more complete picture of ESA's value, aligned with evolving program designs, stakeholder priorities, and regulatory guidance.

SCE plans to conduct this study in 2029 and 2030 and complete the study by 2031, with the goal of using the results to inform the following program cycle application. SCE plans to finalize the scope of the study through the ESA/CARE Study Working Group.

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[123] D.21-06-015, p. 391 and OP 166.

[124] Energy Savings Assistance Program Non-Energy Impact Study: Final Report. Evergreen Economics. June 2025, *available at* https://pda.energydataweb.com/api/view/4163/2025ES~1.PDF (last accessed August 18, 2025). p. 9.

2. Evolving Study and Data Needs Budget

SCE proposes an additional budget allocation of $350,000, to be defined during the 2028–2033 period. This funding will support various program evaluation needs and is intended to address SCE's emerging research priorities and customer behavior studies. The funds are planned for use throughout 2028–2033 and are designed to provide flexibility in responding to evolving regulatory guidance, stakeholder input, and market dynamics. Potential study areas may include pilot program assessments and other miscellaneous data needs.

To ensure appropriate oversight of this expenditure, SCE recommends leveraging the ESA/CARE Study Working Group, applying governance principles like those used for EE M&E studies.

3. Timeline

Table VIII-5 shows the timeline for each of the studies proposed for the next program cycle.

Table VIII-5
Timeline of Studies and Evaluations Planned for the 2028-33 Program Cycle

Study/Evaluation Name	Proposed Timeline
2028 Low Income Needs Assessment (LINA)	2027 - 2028
2031 LINA	2030 - 2031
2034 LINA	2033 - 2034
Impact Evaluations (2 studies): ESA Main & MFWB	2030 - 2032
Non-Energy Impacts Study and Tool Update	2029 - 2030

4. Proposed Budget

The proposed budgets for the studies and evaluations planned for the next program cycle are presented in Table VIII-4.

IX.

IQP COMPLIANCE REPORTING

SCE proposes updating its IQP reporting framework for the 2028–2033 cycle to improve transparency, usability, and oversight. The new approach emphasizes streamlined, data-driven reporting while maintaining essential narrative elements. Final reporting formats will be developed collaboratively with stakeholders and the Energy Division, aligning with industry trends and regulatory expectations.

A. Compliance Reporting Background

The CPUC has long recognized the importance of standardized reporting in ensuring accountability and transparency in low-income energy programs. This commitment began with D.12-08-044, which established the requirement for Investor-Owned Utilities (IOUs) to submit consistent monthly and annual reports for programs such as the ESA, CARE, and FERA programs.[125] The directive was reinforced by D.17-12-009, which emphasized the collaborative development of reporting formats and the integration of stakeholder feedback to improve usability and consistency.[126]

More recently, D.21-06-015 authorized the continuation of ESA and CARE reporting requirements through 2026 and introduced a more flexible process for updating program manuals and reporting templates. Under this decision, IOUs are permitted to revise ESA Policy and Procedures (P&P) and Installation Standards (IS) manuals without filing an advice letter, provided changes are documented in monthly reports.[127] This approach streamlines regulatory processes and encourages adaptive program management while maintaining public transparency. Together, these decisions underscore the Commission's ongoing dedication to the effective oversight of IQP program activities and ensure that all stakeholders—including the Energy Division, the Low Income Oversight Board (LIOB), and the public—receive timely and comprehensive access to program data.

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[125] D.12-08-044, OP 9

[126] D.17-12-009, COL 103, p. 435.

[127] D.21-06-015, p. 419.

SCE fulfills its IQP reporting obligations in accordance with CPUC directives by submitting monthly narrative reports and annual summaries. The monthly reports provide detailed descriptions of program activities, performance metrics, and qualitative insights into implementation and outcomes. They also serve as a mechanism for documenting updates to ESA manuals as permitted under D.21-06-015. Annual reports, submitted by May 1 each year, offer a strategic overview of the prior calendar year's IQP activities. These reports include in-depth descriptions of each program, outlining target populations, outreach strategies, and implementation approaches. They also present quantitative data such as enrollment figures, energy savings, and participation trends, along with qualitative analysis of successes, challenges, and lessons learned. Additionally, the reports document alignment with CPUC goals related to equity, accessibility, and energy efficiency, and often include recommendations for program improvements and policy considerations.

Transparency and stakeholder engagement remain central to the CPUC's oversight framework, with D.12-08-044 affirming the Commission's support for robust public participation to ensure accountability in regulatory processes.[128] The Energy Division uses SCE's monthly and annual reports to monitor compliance and performance and to inform discussions at LIOB meetings.

B. Proposed Reporting Changes

1. Monthly Reports: Transition to Metrics Scorecard

SCE proposes two key improvements to enhance the monthly program reporting. The first is the introduction of a streamlined, two-page "Monthly Metrics Scorecard" to replace the current narrative-heavy reports. This new format will focus on essential performance indicators—such as CARE and FERA penetration rates, ESA Program energy and therm savings, and progress toward homes treated goals—presented through clear visual summaries for faster review and easier interpretation. To provide additional context, a brief, one-to-three page, summary will accompany

[128] D.12-08-044, OP 5.b, p.370.

the “Monthly Metrics Scorecard,” highlighting accomplishments, challenges, and critical performance topics. This revised reporting package will continue to be submitted by the 21st of each month, maintaining the existing schedule while improving clarity, accessibility, and stakeholder engagement.

2. Annual Reports: Continued Strategic Summaries

SCE will continue its current annual reporting requirement, submitting the IQP Annual Report by May 1st each year. The annual report provides a strategic summary of IQP activities over the previous calendar year, including detailed descriptions of programs, target populations, outreach and implementation strategies, quantitative enrollment and energy savings data, and qualitative analysis of successes and challenges. SCE also plans minor enhancements to improve report quality and streamline content. Data visualization reporting protocols will be maintained to ensure consistency and continuity in long-term tracking. SCE recommends aligning the FERA Annual Report due date with other IQP programs, proposing a unified May 1st submission.

3. Reporting Changes: Modernization and Safeguards

SCE supports integrating report presentation into the CEDARS portal or another suitable visual platform, to be finalized through a collaborative process with the Energy Division and stakeholders. Utilizing a tool like CEDARS offers the opportunity to centralize reporting, improve accessibility, and promote consistency across utilities—advancing broader goals of transparency and streamlined oversight.

SCE remains committed to enhancing the accessibility and clarity of its reporting by adopting visual formats and standardized metrics that enable quicker interpretation and more meaningful stakeholder engagement.

At the same time, SCE highlights the importance of establishing clear parameters and safeguards to protect customer privacy, especially as reporting becomes increasingly data-centric and publicly accessible. The use of visual platforms and centralized data systems introduces

potential risks, including inadvertent disclosure of personally identifiable information (PII), data security vulnerabilities, and misinterpretation of sensitive metrics without appropriate context.

To mitigate these risks, SCE recommends implementing robust data governance protocols, access controls, and anonymization standards to ensure customer confidentiality is preserved throughout the reporting process. These protections are essential to maintaining trust and fulfilling regulatory and ethical obligations while advancing transparency and modernization.

4. IQP Reporting Development Working Group and Advice Letter Submission

SCE recommends that the IOUs convene an ad hoc Reporting Development Working Group. This group would serve as a dedicated forum for collaboratively developing the structure and presentation of monthly and quarterly reports. Its purpose is to facilitate focused discussions among stakeholders to ensure reporting formats are comprehensive, consistent, and aligned with regulatory expectations. This sub-working group is intended to be a temporary engagement, operating for approximately six months, with the primary objective of finalizing the reporting templates.

Upon finalization of the reporting format through the Reporting Development Working Group process, SCE intends to submit an advice letter to the Commission requesting authorization to recover any incremental costs associated with the development, implementation, or enhancement of the CEDARS platform (or a comparable reporting tool) should such costs exceed levels reasonably accommodated within existing authorized budgets. These costs may include, but are not limited to, system upgrades, data integration efforts, and platform enhancements necessary to support the transition to a modernized and accessible reporting framework. In conjunction with this request, SCE will also seek CPUC approval to retire all existing Commission directives related to reporting requirements that are superseded by the standardized template developed through the Reporting Development Working Group process. SCE asserts that the adoption of a unified reporting format will streamline compliance obligations, eliminate duplicative reporting efforts, and ensure consistency across program filings. The advice letter will serve as a formal mechanism for

Commission review and approval of both cost recovery and regulatory alignment with the updated reporting structure.

C. Other Miscellaneous Cross-Cutting Topics

1. Mid Cycle Advice Filing

In D.16-11-022, as modified by D.17-12-009, the Commission delegated authority to Energy Division staff to approve budget and savings goal adjustments via Tier 2 Advice Letters, with this authority intended to sunset at a specified time. The Decision anticipated that studies such as the Energy Efficiency Potential Study, Low-Income Needs Assessment (LINA), and impact evaluations would inform updates to savings targets and directed IOUs to adjust their 2019 and 2020 goals accordingly.

SCE proposes to apply this precedent for the 2028–2033 IQP cycle by implementing a mid-cycle update through a Tier 2 Advice Letter. This approach is consistent with D.17-12-009, which established a regulatory precedent for modifying program budgets, cost-effectiveness methodologies, and design elements via advice filings rather than through a Petition for Modification. Using this streamlined process avoids the time- and resource-intensive nature of formal petitions, which can delay critical program adjustments and jeopardize program continuity.

The mid-cycle report submitted during the 2021–2026 cycle provided valuable insights into program accomplishments and areas for improvement.[129] While historically useful, these reports often duplicate information already captured in monthly and annual compliance filings. For the upcoming cycle, SCE recommends replacing the traditional comprehensive mid-cycle report with a streamlined Tier 2 Advice Filing focused on actionable updates. Advice filings remain subject to stakeholder review and Commission oversight, ensuring transparency while maintaining efficiency.

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[129] IOUs Joint Energy Savings Assistance (ESA) Mid-Cycle Progress Report, filed December 20, 2023, *available at* https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M521/K879/521879638.PDF.

The filing can include clearly defined content requirements and engagement protocols to ensure consistency and clarity.

SCE proposes to submit the mid-cycle advice filing in May 2031, the third year of the program cycle. This timing aligns with completion of key Measurement and Evaluation (M&E) studies, including LINA, Process and Impact Evaluations, and Non-Energy Impacts (NEI), which will provide robust data to assess program performance and inform potential adjustments to program design and implementation strategies.

The mid-cycle advice filing will also serve as a platform to identify best practices and emerging challenges that may impact program delivery or goal attainment, such as contractor ramp-up issues, customer engagement barriers, and budget utilization constraints. Based on these findings, SCE may propose refinements to program goals, delivery strategies, or design elements to ensure continued alignment with Commission objectives and customer needs. This approach is consistent with flexibility granted under D.21-06-015, which authorized mid-cycle modifications to ESA Program measures and delivery models to improve effectiveness.[130]

To ensure consistency and accountability, SCE recommends that the mid-cycle advice filing be established as a formal requirement in the next application cycle. The filing should be developed in coordination with the IQP Workshop and presented in a public forum to promote transparency and facilitate stakeholder input. This process will support continuous improvement, uphold program integrity, and ensure that income-qualified customers receive the full benefits of these essential programs.

[130] D.21-06-015, OP 163.

2. IQP Load Disaggregation Report

In accordance with D.16-11-022[131] and D.17-12-009,[132] the Commission directed PG&E, SCE, and SDG&E to select a vendor to develop individualized CARE/FERA customer reports illustrating disaggregated household electricity usage by end use over time. These reports are made available to ESA Program contractors via utility portals such as iEnergy and customers via My Account on SCE.com. Additionally, SCE distributes the report directly to individual customers who have an email address on file. In 2020, SCE informed the Energy Division that implementation of the Load Disaggregation Report would be delayed due to ongoing billing system upgrades. These enhancements impacted the timeline for integrating the necessary functionalities to support the report. Despite the delay, SCE moved forward in phases to ensure continued progress. Phase 1 launched in 2024, delivering reports directly to customers via email. Phase 2, initiated in early 2025, expanded access by allowing customers to download their reports through My Account, accompanied by updated welcome letters promoting the new tool. Reports are now available in six languages: English, Spanish, Chinese, Mandarin, Korean, and Vietnamese. To generate these reports, SCE partnered with a third-party provider to disaggregate customer usage data and create personalized electric end-use load profiles for CARE and FERA customers. These profiles help customers identify opportunities for bill savings through load shifting, demand response, time-of-use rates, energy efficiency tips, and ESA Program measures.

SCE's income-qualified customers benefit from personalized energy insights that help them better understand and manage their electricity usage. The disaggregated reports provide hourly usage breakdowns and identify major contributors to energy consumption, such as cooling or heating loads. These insights empower customers to make informed decisions about energy-saving behaviors and program participation, including ESA and demand response. The platform supports multilingual communications to ensure accessibility for diverse customer segments.

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[131] D.16-11-022, OP 98.

[132] D.17-12-009, OPs 94, 96, and 97.

The Load Disaggregation Report offers a detailed breakdown of household energy usage by end-use using actual billing data. This provides customers with more accurate and actionable understanding of their energy consumption patterns. The initiative aims to enhance customer satisfaction by offering insights into potential cost savings, particularly for vulnerable customer segments.

For program years 2028 through 2033, SCE proposes removing the requirement for ESA contractors to distribute the Load Disaggregation Report during in-home visits. Customers now have direct access to these reports through My Account, a secure, user-friendly platform available in multiple languages. This digital model enhances accessibility and consistency while reducing the operational burden on contractors.

Instead of distributing the report, ESA contractors will focus on conducting bill analyses during home evaluations, particularly when assessing eligibility for electrification measures. This targeted approach ensures customers receive relevant insights tied to potential upgrades, without duplicating efforts or requiring additional training or materials.

To further reduce redundancy and improve cost efficiency, SCE also proposes eliminating the email distribution of Load Disaggregation Reports to CARE/FERA customers. Since the reports are now readily available for download via My Account, this change avoids sending potentially unread emails and reduces the risk of messages being flagged as spam.

SCE will continue promoting the Load Disaggregation tool through coordinated outreach efforts, including email campaigns, multilingual communications, and community-based engagement. CARE/FERA new enrollment letter templates have been updated to inform customers about the availability of these reports through My Account.

SCE proposes an annual budget of $540,000 to support the distribution of Load Disaggregation Reports to CARE/FERA customers that reflect cost reductions from proposed improvements. In alignment with prior CPUC directives, costs will be shared between the CARE and ESA programs. However, since ESA contractors will no longer be distributing the report, SCE seeks Commission approval to continue funding this tool through the CARE budget, currently

captured within its Regulatory account. This continued investment will support program objectives and enhance customer energy insights for income qualified customers.

X.

IQP WORKSHOPS AND WORKING GROUP

A. IQP Workshops

SCE proposes to enhance stakeholder engagement for IQP programs during the 2028–2033 program cycle by establishing a new Income-Qualified Programs (IQP) Workshop. This new forum will replace the existing ESA Working Group and reflect a broader scope that includes ESA, CARE and FERA programs.

The IQP Workshop will serve as a collaborative platform for stakeholders to engage in meaningful discussions around program design, implementation, and evaluation across all income-qualified offerings. To improve alignment with program milestones and enhance the strategic value of engagement, SCE recommends adjusting the meeting cadence from quarterly to bi-annual. This change is intended to support more focused and outcome-driven discussions, allowing stakeholders to engage at key decision points in the program cycle.

To ensure balanced and effective representation, the IQP Workshop will operate as a public forum that fosters inclusivity, transparency, and collaboration. SCE invites participation from organizations that advocate for income-qualified customers and bring deep programmatic or community-based expertise. These may include CBOs, advocacy groups, local agencies, and other entities with direct insight into the needs and experiences of income-qualified populations.

The workshop will be designed to foster dialogue and incorporate diverse stakeholder perspectives. Through equitable engagement practices and thoughtful facilitation, the forum will promote a solutions-oriented environment where diverse perspectives are not only welcomed but actively integrated into program planning and decision-making.

The overarching goal is to build a stakeholder composition that reflects a broad and relevant spectrum of experience, while maintaining a consistent focus on the needs and interests of income-qualified customers. By doing so, the IQP Workshop will serve as a cornerstone of stakeholder engagement, driving innovation, accountability, and continuous improvement in SCE's IQP programs.

To support the effectiveness of IQP Workshops, SCE proposes that Investor-Owned Utilities (IOUs) assume a leadership role in planning, facilitating, and hosting meetings, in close consultation with California Public Utilities Commission (CPUC) Energy Division staff. This governance model promotes shared ownership and ensures that meeting agendas and discussions are informed by both operational insights and regulatory priorities, enhancing relevance and impact of stakeholder engagement.

The IQP Workshop will assume and expand upon responsibilities of the ESA Working Group and other existing forums. Topics to be addressed include:

- Reviewing ESA Program implementation status and progress toward energy savings and enrollment goals, ensuring accountability and transparency in meeting performance targets
- Discussing clean energy integration, including how IQP programs can support electrification, distributed energy resources, and demand-side management in alignment with California's decarbonization goals
- Evaluating CARE and FERA income verification processes, including categorical eligibility, enrollment strategies, and outreach effectiveness, with a focus on improving access and participation among underserved communities
- Recommending updates to program goals, design, and delivery as part of the mid-cycle update process, ensuring programs remain responsive to evolving customer needs and policy directives
- Sharing and discussing IQP Annual Report findings, including key performance metrics, customer feedback, and lessons learned to inform future planning
- Reviewing evaluation and study results, such as impact assessments and market studies, to support continuous improvement and evidence-based decision-making
- Identifying opportunities to leverage funding and improve cross-program coordination, including referrals and joint outreach with clean energy, building decarbonization, and other relevant initiatives
- Addressing emerging issues and new legislation that may affect IQP programs, providing a timely forum for stakeholder input and coordinated responses

In previous program cycles, the IOUs hosted several standalone compliance-focused stakeholder forums, each with a distinct purpose:

- IOUs host Clean Energy Workshops to explore how IQP programs can support California's clean energy transition.[133] These sessions integrate distributed energy resources, electrification, and building decarbonization into ESA and related programs.
- IOUs hold the Annual Report Public Meeting within 60 days of publishing their ESA/CARE Annual Reports.[134] This meeting offers stakeholders a forum to present and discuss program performance, expenditures, and customer participation outcomes.
- The IOUs and the Department of Community Services and Development (CSD) collaborate during the CSD Annual Workshop to align services, improve data sharing, and enhance outreach strategies for low-income customers.[135]

While these forums have historically provided value, their core content areas now significantly overlap with the expanded scope of the proposed IQP Workshop. By integrating these topics into a single, comprehensive forum, SCE aims to streamline stakeholder engagement, reduce redundancy, and foster more holistic and cross-cutting discussions. As such, SCE proposes to discontinue the Clean Energy Workshops, the Annual Report Public Meeting, and the CSD Annual Workshop as standalone compliance requirements for the 2028–2033 program cycle. These topics will be fully addressed within the IQP Workshop agenda, eliminating the need for separate sessions while maintaining transparency, accountability, and stakeholder access.

Collectively, these proposed enhancements are designed to elevate the strategic value of the IQP Workshops, strengthen stakeholder collaboration, and ensure that IQP programs continue to serve vulnerable populations in a cost-effective, equitable, and transparent manner.

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[133] D.21-06-015 OP 43, p. 480.

[134] D.12-08-044 OP 5.b, p. 370.

[135] D.17-12-009, p. 61, 63.

B. IQP Working Groups

SCE recommends the establishment of three specialized Working Groups to advance strategic coordination and enhance operational effectiveness within the IQP programs. These groups include the ESA Technical Sub-Working Group, the Study Working Group, and the Reporting Sub-Working Group.

Each Working Group will convene as a closed session comprised exclusively of IOU subject matter experts (SMEs). This structure is necessary to facilitate focused, technically substantive discussions that leverage the specialized expertise and operational experience of IOU staff. The closed format enables efficient deliberation, promotes consistency across utilities, and supports the development of actionable, data-driven recommendations. Each Working Group will meet no less than once per quarter to ensure continuity, maintain momentum, and support timely advancement of key initiatives. The closed nature of these sessions is critical to preserving the efficiency of technical discussions and enabling the resolution of complex issues in a manner that supports regulatory compliance and programmatic objectives.

The Working Groups will report on their activities and progress during scheduled IQP Workshops, thereby ensuring transparency and alignment with broader program planning efforts. In instances where regulatory interpretation, policy guidance, or issue resolution is required, the IOUs will engage directly with the California Public Utilities Commission's Energy Division to facilitate timely and informed decision-making.

While the Working Groups are structured as closed sessions to maintain technical focus and operational efficiency, they retain the discretion to invite external stakeholders for targeted consultation. Such engagement will occur when stakeholder input is necessary to inform specific topics, validate proposed approaches, or ensure alignment with broader program goals and Commission directives.

1. ESA Technical Working Group

SCE proposes the establishment of an ESA Technical Working Group (ETWG) to support the ongoing development and refinement of the ESA Program's technical framework. The ETWG will be responsible for maintaining and updating the ESA Policy and Procedures Manual and Installation Standards Manual (PPIS), ensuring these documents reflect current program design,

technical guidelines, and regulatory requirements. This group will play a key role in supporting consistent and effective program implementation across service territories.

The ETWG will evaluate ESA measures to determine which should be added, modified, or removed from the program. These evaluations will be based on technical feasibility, field performance, and alignment with program goals. The group will also conduct an initial assessment of healthy building materials used in ESA installations, identifying opportunities to incorporate safer, more sustainable materials that promote occupant health and environmental responsibility. Recommendations may include updates to material specifications and installation practices.

As needed, the ETWG may engage in discussions related to cost-effectiveness to ensure that ESA measures continue to deliver value to customers and the program. These discussions will consider whether measures provide reasonable energy savings relative to their implementation costs and will help inform decisions about measure prioritization and program design. When cost-effectiveness topics arise, the ETWG will include appropriate subject matter experts (SMEs) to provide technical insight and support informed decision-making.

The ETWG will convene regularly to review technical issues, assess program data, and provide actionable recommendations. At its discretion, the ETWG may engage stakeholders, including Energy Division, contractors, implementers, and utility representatives, to ensure that proposed changes are practical, data-driven, and aligned with the ESA Program's mission. Through this collaborative approach, SCE aims to strengthen the technical foundation of the ESA Program and ensure its continued success in delivering energy efficiency benefits to eligible customers.

2. Study Working Group

SCE proposes the formation of a Study Working Group to oversee and support evaluation and research activities across ESA, CARE, and FERA programs. This group will address a broad range of studies that inform program design, delivery, and effectiveness. Examples include the Low-Income Needs Assessment (LINA), Program Impact Evaluations, and Non-Energy Benefit Studies (NEBS), among others. The Study Working Group will play a key role in shaping the research

design of these studies and will coordinate with evaluation consultants prior to study initiation to ensure alignment with program objectives, regulatory requirements, and stakeholder priorities.

The group will review and interpret findings from completed studies, identify actionable insights, and recommend how results should inform future program planning and implementation. It will also identify and prioritize future evaluation topics that address emerging needs, data gaps, or opportunities for program improvement. At its discretion, the Study Working Group may engage stakeholders, including evaluators, implementers, and community representatives, to support the interpretation of findings, validate recommendations, and ensure that future studies are relevant, inclusive, and impactful.

3. Reporting Development Working Group

SCE recommends that the IOUs convene a Reporting Development Working Group, as discussed in SCE-04 Section IX.B.4. This ad hoc group would provide a dedicated forum for collaboratively developing the structure and presentation of monthly, quarterly, and streamlined annual reports.

The purpose of the group is to facilitate focused discussions among stakeholders to ensure that reporting formats are comprehensive, consistent, and aligned with regulatory expectations. This effort is intended to be temporary, with the group operating for approximately six months, during which time participants will work toward finalizing the format of proposed changes to the relevant reports.

By bringing together key contributors in a structured setting, the Reporting Development Working Group will support the creation of reporting templates that reflect shared priorities and regulatory requirements, while promoting transparency and consistency across IOUs.

XI.

IQP COMPLIANCE REQUIREMENTS FOR RETIREMENT

Since the inception of the IQP programs, SCE has tracked and fulfilled hundreds of compliance requirements stemming from various CPUC decisions. However, a number of these requirements originated from previous program cycles, with some dating back decades, and have become outdated or redundant due to changes in technology, customer engagement channels, and program delivery models.

SCE has identified seven compliance obligations that no longer provide meaningful insights into program performance. Many requirements were developed under legacy frameworks that do not reflect today's operational realities or evolving customer needs. Continuing to fulfill these outdated requirements diverts valuable resources to low-value activities that could otherwise be directed toward initiatives that more directly benefit customers.

To address this, SCE is formally requesting CPUC approval to sunset certain compliance requirements established in prior decisions. Many of these requirements were developed under legacy program structures and technological assumptions that no longer reflect current industry standards, customer expectations, or the capabilities of modern energy efficiency and demand-side management tools.

Retiring these outdated requirements will enable SCE to reduce administrative burden and eliminate unnecessary reporting, enhance operational efficiency by streamlining compliance processes, and reallocate staff and resources to higher-value activities that better support program goals and customer needs. This approach will foster a more agile and responsive program structure, consistent with the Commission's objectives of affordability, equity, and continuous improvement. By updating compliance obligations to reflect current realities, SCE can ensure that regulatory efforts remain purposeful, impactful, and aligned with today's priorities.

In support of this request, SCE has prepared SCE-05 Appendix E: Proposed IQP Compliance Requirements for Retirement, which details each proposed requirement for retirement. It includes references to the original CPUC decisions, descriptions of the requirements, and the rationale for their retirement. A summary of the justification for each requirement is provided below for review.

- AL 1566-E | A.00-11-020 | R.98-07-037 | AB 3 - Quarterly bill notices are outdated and ineffective. Digital outreach through email, SMS, and online notifications provides real-time, targeted engagement with higher conversion rates, while paperless billing reduces the impact of printed notices. Retiring this requirement enables more efficient, data-driven strategies that better serve customers.
- D.89-07-062, OP 3 - Retirement of the bill notice requirement is justified because it is outdated, ineffective, and tied to peak summer timing that no longer aligns with current rate structures. Modern outreach, digital campaigns, social media, and direct engagement, delivers far greater impact, while paperless billing reduces visibility of printed notices. Ending this requirement improves efficiency, cuts costs, and supports inclusive, data-driven strategies that better serve customers.
- D.16-11-022, OP 111 and p. 290, 327-328 - The program now focuses on maximizing energy savings and equity by targeting households with the highest usage and energy burden. Continuing to prioritize lower-impact customers diverts resources, reduces cost-effectiveness, and limits overall program performance, making the requirement outdated and unnecessary.
- D.17-12-009, OP 30 - Coordination with CSD, CEC, and DWR has provided minimal benefit in establishing ESA joint leads or co-funding opportunities. Misaligned program cycles, limited overlap, and insufficient data sharing have created barriers that hinder meaningful collaboration and resource leveraging. Tracking these efforts adds unnecessary burden without actionable insights. Discontinuing improves efficiency and allows resources to focus on strategies that deliver measurable outcomes.
- D.17-12-009, OP 29 - ESA no longer prioritizes hot water measures, and there has been no customer overlap or leveraging opportunities with DWR or CEC. Misaligned program cycles make coordination impractical, and tracking adds administrative burden without delivering value. Eliminating this requirement improves efficiency and allows resources to focus on strategies that generate meaningful impact.
- D.21-06-015, OP 129 - Normalized energy use reporting for multifamily common areas is no longer practical or meaningful because these measures now fall under SDG&E's Whole Building Program, and current projects deliver only minimal savings. Applying normalized analysis to such small impacts introduces inaccuracies and provides no actionable insights. Continuing this requirement adds unnecessary administrative burden without improving program evaluation, making its retirement the most efficient approach.

- D.21-06-015, p. 434-435 - Annual Report presentations have already been incorporated into ESA Working Group meetings with formal notice to the IQP service list covering CARE/FERA and ESA. In the next cycle, these presentations will move to the IQP Workshop, creating a single, streamlined forum for stakeholder engagement. Keeping a separate notification and meeting requirement would be duplicative and add unnecessary administrative burden.

Updating compliance requirements will preserve accountability while ensuring compliance efforts remain aligned with current program goals, customer needs, and regulatory priorities. SCE remains committed to transparency and collaboration with Commission staff to ensure that all active requirements are clearly defined, purposeful, and achievable.