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Advice Letter 4304-E/3240-G
(San Diego Gas & Electric Company ID U 902 M)

Advice Letter 5122 -E
(Southern California Edison Company ID U 338 E)

Advice Letter 6206-G
(Southern California Gas Company ID U 904 G)

Advice Letter 7045-E/4812-G
(Pacific Gas and Electric Company ID U 39 M)

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

SUBJECT: Joint IOU Advice Letter Pursuant to Decision 21-06-015 Proposing an Updated Program List for Categorical Eligibility for Enrollment in The Energy Savings Assistance, California Alternate Rates for Energy and Family Electric Rate Assistance Programs.

PURPOSE

Pursuant to Ordering Paragraph (OP) 171 of the California Public Utilities Commission (CPUC or Commission) Decision (D.) 21-06-015, Southern California Edison Company (SCE), Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E)[1] (collectively, the IOUs) respectfully submit their Tier 2 joint Advice Letter (AL), proposing an updated list of categorical programs for enrollment in the Energy Savings Assistance (ESA), California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs, or collectively low income programs.

[1] Pursuant to Rule 1.8(d) of the Commission's Rules of Practice and Procedure, SDG&E is authorized to submit this joint advice letter on behalf of the investor-owned utilities (IOUs).

Pursuant to OP 171 of D.21-06-015, the AL will address:

- How the findings of the recent Categorical Eligibility Study[2] informed the IOUs' recommendations;
- Feedback received from stakeholders during the study and how it was taken into consideration;
- Budgetary impacts the proposed changes to the categorical eligibility categories would have on the ESA, CARE and FERA programs;
- The implementation plan for incorporating any changes in categorical eligibility into these programs; and
- The communication plan to customers, partnering community-based organizations (CBOs) and other agencies supporting marketing, education and outreach and program enrollment efforts, as well as programs impacted by these changes.

BACKGROUND

On December 14, 2006, in response to the IOUs' Low Income Energy Efficiency (LIEE) and CARE Applications, the Commission issued D.06-12-038, which approved the IOUs' automatic and categorical eligibility proposal to streamline and facilitate enrollment for low-income programs.[3] The initial list of programs implemented by the IOUs included: Medicaid/Medi-Cal, Food Stamps, Temporary Assistance for Needy Families (TANF), Woman Infants and Children (WIC), Low Income Home Energy Assistance Program (LIHEAP), and Healthy Families A & B. At that time, no systematic analysis was initially done to assess their alignment with the ESA and CARE guidelines as the primary goal was to increase program penetration by expanding enrollment options and easing the enrollment process. Customers were still required to provide proof of income as part of the post-enrollment verification process.

In D.08-11-031, the Commission expanded the list of categorical eligibility programs by requiring the IOUs to "immediately implement the directive that the programs that allow categorial eligibility for LifeLine and LIEE/CARE be the same."[4] The IOUs were directed to investigate the eligibility requirements of each of the benefit programs and to request workshops if the IOUs identified programs that differed from the requirements for CARE and LIEE.[5] Additionally, D.08-11-031 addressed the issue with the implementation of Section 8 participants for the CARE and LIEE programs, noting that the IOUs should make a "reasonable effort to differentiate between eligible and ineligible public housing residents" and left it up to the IOUs' discretion on how to do this in their service territory but required the IOUs to "not enroll ineligible customers in the programs."[6]

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[2] Evergreen Economics, 2022 Categorical Eligibility Study, A Report to the California Investor-Owned Utilities (June 26, 2023) (2022 Categorical Eligibility Study), available at https://www.calmac.org/publications/Categorical_Eligibility_Report_-_Final.pdf.
[3] *See* Application (A.) 06-06-032*,* A.06-06-033, A.06-06-034, and A.06-07-001; *see also* D.06-12-038 at OP 21.
[4] D.08-11-031 at 31.
[5] The Commission renamed LIEE, the Energy Savings Assistance Program. *Id.* At 66.
[6] *Id.* at 135.

In the IOUs' Applications filed May 16, 2011, PG&E, SCE, SoCalGas, and SDG&E requested the Commission reexamine categorical eligibility, based on concerns "that many of the programs pre-approved for the Categorical Eligibility and Enrollment Program currently have income levels, definitions of income, and other income eligibility criteria that are not in alignment with the CARE income threshold."[7] On August 23, 2012, the Commission issued D.12-08-044, which retained the list of programs that qualify for categorical eligibility, but addressed the IOUs' concern by requiring the IOUs to review and propose a list of categorical programs by January 31 of each year, and file a Tier 2 AL providing a list of updated programs that align with the income threshold requirements for the CARE and ESA programs. The Energy Division (ED) was to review the IOUs' AL and issue an approval letter with the updated list of approved programs.[8] Additionally, in D.12-08-044, the IOUs were directed to "take all reasonably necessary actions to ensure the program integrity."[9]

To comply with the directive in D.12-08-044, the IOUs hired an independent consulting firm, ICF International (ICF), to complete an assessment of the list of categorically eligible programs available at that time to determine alignment with the CARE and ESA program guidelines. ICF researched and analyzed over 70 federal, state and county-level public assistance programs for low-income individuals. Based on ICF's extensive research, their findings determined that CalFresh/Supplemental Nutrition Assistance Program (SNAP) and the National School Lunch Program (NSLP) aligned "broadly" with the eligibility requirements.[10] On January 31, 2013, in compliance with D.12-08-044, the IOUs filed a joint AL[11] seeking approval to modify the list of categorical eligibility programs to include only CalFresh/SNAP, NSLP, and WIC. On April 30, 2013, the ED rejected the AL without prejudice stating, "it raise[d] significant unforeseen policy issues requiring review in a formal proceeding."[12]

On June 7, 2021, the Commission issued D.21-06-015 adopting the IOUs' Program Applications for the ESA, CARE, and FERA programs for the 2021-2026 program cycle.[13] As part of the Decision, the Commission approved the IOUs' proposal to conduct another statewide categorical eligibility study that allowed for and includes stakeholder input as part of the study process. The proposed study was expected to examine the "eligibility requirements of currently

[7] D.12-08-044 at 202.
[8] *Id.* at OP 88 (a) and (b).
[9] *Id*. at 212.
[10] ICF International, CARE Categorical Eligibility Study, (January 15, 2013) (2013 Categorical Eligibility Study) at 7-8 ("While CalFresh/SNAP and NSLP requirements align broadly with the CARE/ESA program 200 percent income eligibility cap and the use of household as a unit of measure; the inclusions and exclusions in each program's income calculations prevent those two programs from matching the CARE/ESA eligibility criteria."), *available at* https://pda.energydataweb.com/#!/documents/2580/view.
[11] *See* SoCalGas AL 4457, SDG&E AL 2455-E/2170-G, PG&E AL 3361-G/4186-E, and SCE AL 2849-E.
[12] Letter from ED to SoCalGas (April 30, 2013) at 1, *available at* https://tariff.socalgas.com/regulatory/tariffs/tm2/pdf/submittals/GAS_4457__et_al_.pdf.
[13] *See* A.19-11-003, A.19-11-004, A.19-11-005, A.19-11-006, A.19-11-007.

authorized programs and seek to add others with similar criteria."[14] The results of the study were expected to inform an updated list of categorical programs that align with income eligibility criteria for the CARE and ESA programs.[15] To comply with this directive, the IOUs conducted a competitive solicitation and contracted with an independent consulting firm, Evergreen Economics (Evergreen), to complete a comprehensive study designed to understand how well current categorical programs are aligned with the intended eligibility criteria for low income energy programs.[16] Evergreen completed the study on June 30, 2023, and prepared a written report that details the study, its findings, and recommendations.[17]

Stakeholder Feedback on Study

During the study process, the IOUs created multiple opportunities for stakeholder feedback. These included informal discussions with stakeholders and the Energy Division, presentations in public forums, and review and comment periods for draft deliverables.[18]

In addition, D.21-06-015 established an ESA CARE Study Working Group (Working Group) to "provide a collaborative, stakeholder-inclusive and consensus-based process towards managing the Utilities' non-statutory ESA and CARE studies during the program cycle."[19] The Working Group includes members from the IOUs, Energy Division, the Public Advocates Office, Community Housing Opportunities Organization, American Ecos, and The Utility Reform Network. The Working Group provides feedback on the work scopes, timelines, budgets, and deliverables of non-statutory studies related to CARE and ESA. Throughout the process of the categorical eligibility study, the Working Group was kept informed of its progress and findings and encouraged to provide feedback to the work scope and all project deliverables.

Attachment 1 provides a description of the stakeholder engagement for this study. Additionally, it provides details on the comments received and how they were incorporated into the study.

Summary of the 2022 Categorical Eligibility Study and Findings

Evergreen collected data on seventeen third-party assistance programs which were identified by the IOU study team and stakeholders, including the nine statewide programs currently used for categorical eligibility by CARE and ESA. The nine current programs include the Bureau of Indian Affairs General Assistance (BIA General Assistance), CalFresh (Food Stamps) / SNAP, CalWORKs

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[14] D.21-06-015 at 397 (citation omitted).
[15] *Id.* at 396-397.
[16] 2022 Categorical Eligibility Study at 2.
[17] *See* 2022 Categorical Eligibility Study.
[18] The low income program evaluation practices are used to support public awareness and a transparent evaluation solicitation process. This includes providing at least two public workshops to engage stakeholders and solicit public involvement. An initial workshop is conducted when the study research plan has been drafted, and a second workshop is held when draft results or a draft report are available. As part of the process, the public and external parties are encouraged to participate in the workshops and provide verbal and/or written comments through Energy Division's Public Documents Area (PDA). These practices are common and well-known to stakeholders interested in being involved in the study process.
[19] D.21-06-015 at OP 176.

(TANF) or Tribal TANF, Head Start Income Eligible (Tribal Only), Low-Income Home Energy Assistance Program (LIHEAP), Medicaid/Medi-Cal for Families A & B, National School Lunch Program (NSLP), Supplemental Security Income (SSI), Women, Infants and Children (WIC). Additional programs assessed include California Head Start, Lifeline, Children's Health Insurance Plan (CHIP), Housing Choice Voucher Program (Section 8), Supportive Housing for the Elderly (Section 202), California's Military Family Relief Fund (CMFRF), Chafee Foster Care Independence Program (CFCIP), Child Care and Development Block Grant (CCDBG).

The study team developed a set of criteria to organize and assess the alignment of the programs with the statutory eligibility requirements for CARE and ESA. Criteria for assessment included the unit of eligibility (e.g., individual or household), income eligibility thresholds, other non-income eligibility criteria, duration of program participation, and assurance of eligibility. Each categorical program was then assessed and classified according to the extent it aligned with CARE and ESA eligibility requirements. Table 1 below shows the results by category.

Table 1: Evergreen Study Recommendations by Category[20]

Category	Category Description	Recommendation	Programs
1	Best aligned	Recommended	CalFresh, WIC
2	Next best aligned	Recommended with modest risk	LIHEAP
3	Partially aligned and possibly feasible	Option to use partially if feasible to allow only income qualified	AIAN Head Start, California Head Start, CalWORKS, Lifeline, SSI
4	Partially aligned and less feasible	Not recommended	CHIP, Medi-Cal, NSLP, Section 8, Section 202
5	Least aligned	Not recommended	CMFRF, CFCIP, CCDBG
6	Unable to assess due to lack of information	No recommendation possible	BIA General Assistance

As demonstrated above, Evergreen recommended the IOUs consider retaining both category 1 and category 2 programs as categorical eligibility enrollment options. In addition, they noted that category 3 programs could potentially be used on a partial basis if a discrete subset of likely eligible participants could be identified for categorical enrollment and the remaining participants could then qualify based only on income eligibility. Evergreen recommended not using programs in categories 4 and 5 for categorical enrollment as their use would include a significant risk of enrolling non-eligible customers. Category 6 included only one program, and Evergreen determined no recommendation could be made because they were unable to assess the program due to insufficient information.

[20] 2022 Categorical Eligibility Study, Table 3 at 24 and Table 6 at 39.

It is important to note that none of the recommendations made by Evergreen preclude any income-eligible household from receiving reduced rates under CARE or energy-saving measures under the ESA program. The elimination of categorical programs does not change any income eligible household's access to CARE or ESA. Households may still apply through self-certification of their income.[21]

Use of Categorical Eligibility for FERA

Evergreen determined that the use of categorical eligibility for FERA is not practical given FERA's narrow income range for eligibility and because none of the third-party programs analyzed use a minimum household size of three individuals.[22]

DISCUSSION

Pursuant to D.21-06-015, based on the results of the study, the IOUs present their recommendation on the updated list of categorical programs in further detail below.

IOUs' Recommendations

Table 2: Summary of IOUs' Recommendations

Categorical Programs	SDG&E, SCE, PG&E	SCG	Evergreen Classification
CalFresh/Supplemental Nutrition Assistance Program - Food Stamps	Keep	Keep	Category 1 – best aligned
Women, Infants, and Children Program (WIC)	Keep	Keep	Category 1 – best aligned
Low-income Home Energy Assistance Program (LIHEAP)	Keep	Keep	Category 2 - next-best aligned
Head Start Income Eligible - (Tribal Only)	Remove	Keep w/ modification	Category 3 - partially aligned
Supplemental Security Income (SSI)	Remove	Keep w/ modification	Category 3 - partially aligned
CalWORKs/Temporary Assistance for Needy Families (TANF) or Tribal TANF	Remove	Keep w/ modification	Category 3 - partially aligned
Medicaid/Medi-Cal Healthy Families A&B	Remove	Keep Medi-Cal for adults only	Category 4 – do not recommend

[21] *See* 2022 Categorical Eligibility Study at 1, "Households whose incomes exceed the CPUC-specified program guidelines would be the only households that may not qualify."
[22] *Id.* at 4 – 5.

Categorical Programs	SDG&E, SCE, PG&E	SCG	Evergreen Classification
National School Lunch Program (NSLP) - Free Lunch	Remove	Remove	Category 4 - do not recommend
Bureau of Indian Affairs General Assistance	Remove	Remove	Category 6 - could not be vetted sufficiently due to lack of information available

Category 1 and 2 Programs:
CalFresh, WIC, LIHEAP

After reviewing the study findings and recommendations, and Commission directives, the IOUs unanimously agree that CalFresh, WIC, and LIHEAP should continue to serve as programs that support categorical eligibility. These three programs were classified by Evergreen as programs that share substantial alignment with the income thresholds and units of measure consistent with the CARE and ESA programs.[23] The IOUs agree these programs will continue to adhere to legislative and regulatory requirements, maintaining program integrity and minimizing customer impacts, pursuant to Public Utilities Code (P.U.) sections (§) 739.1(a) and 739.1(f)(1).[24]

Category 3 Programs:
Head Start Income Eligible – Tribal Only, Supplemental Security Income (SSI), CalWORKs/Temporary Assistance for Needy Families (TANF) or Tribal TANF

SDG&E, SCE, and PG&E recommend these programs be removed from the list of categorical programs due to Evergreen's classification as "partially aligned" programs. The admittance of categorical programs that exceed the statutory income thresholds or programs that are not approved and income verified at the individual level only, instead of the household income level, does not comport with the assumption that the "other approved low income assistance program has already verified that customer's income and that verified income level is aligned with the CARE income threshold of 200% federal poverty guideline,"[25] which underpins the

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[23] *Id.,* Appendix A at 42-44.
[24] P.U. Code § 739.1 (a) states, the commission shall continue a program of assistance to low-income electric and gas customers with annual household incomes that are no greater than 200 percent of the federal poverty guideline levels, the cost of which shall not be borne solely by any single class of customer. For one-person households, program eligibility shall be based on two-person household guideline levels. The program shall be referred to as the California Alternate Rates for Energy or CARE program; *id.* § 739.1 (f)(1) states, the commission may determine that gas and electric customers are categorically eligible for CARE assistance if they are enrolled in other public assistance programs with substantially the same income eligibility requirements as the CARE program.
[25] D.12-08-044 at 202.

Commission's directive on the inclusion of categorical programs. The IOUs are concerned about the affordability of utility bills for all customers, particularly low-income customers, especially during times where inflation is on the rise. Keeping programs that do not substantially meet the statutory income guidelines creates program non-compliance issues and increases the subsidies paid by all customers to reduce rates for customers that do not actually qualify based on statutory requirements.

SoCalGas recommends HeadStart, SSI, and CalWorks/TANF continue to serve as categorical eligibility programs in consideration of the study's recommendation for programs in this category. Though grouped into Category 3 for having partial alignment, Evergreen recommends that these programs be considered for partial categorical eligibility if logistical challenges related to how the customers qualified can be overcome[26]. SoCalGas believes that programs that share a close alignment to eligibility requirements can continue to serve as a means for program enrollment in tandem with modest updates to program administration as described herein.

To better align enrollment through Category 3 Programs with eligibility guidelines, SoCalGas would include conditions on its forms. For CalWorks/TANF, SoCalGas proposes to add supplemental language following the program name as well as accompanying footnotes on the applications to denote that the program should only be selected if the customer qualified for CalWorks/TANF via income as opposed to an alternative path.[27]

For SSI, Evergreen noted that income eligibility guidelines are more stringent than those for CARE and ESA and could be continued as a categorical eligibility option, and that ideally, "this enrollment option would be restricted to one- and two-person households to ensure that SSI participants are eligible for the IOU programs."[28] SoCalGas proposes to change the program name as it appears on the application to "Supplemental Security Income (SSI) for Households of 1-2 Persons Only" and to include a short footnote to further clarify that customers should only select this categorical option if they have one or two persons in the household.

SoCalGas believes that these recommended modifications will facilitate differentiation between participants who qualified for these programs based on income as opposed to other paths, which aligns with Evergreen's recommendation to use them partially for categorical eligibility. In instances where the customer is no longer able to select these Category 3 programs or any other categorical eligibility option, the customer will continue to be able to self-certify that they qualify via household income.

[26] 2022 Categorical Eligibility Study, Table 6 at 39.

[27] The Categorical Eligibility Study defines alternative paths as non-financial ways to qualify for the program. 2022 Categorical Eligibility Study, at 3.

[27] *Id.*, Appendix A, at 51.

For all these programs, SoCalGas believes that ESA enrollment documentation would mirror the same updates, and contractors would receive necessary training to ensure that applicants who select this program meet the aforementioned requirements.

Category 4 Programs
Medi-Cal and National School Lunch Program (NSLP)

SDG&E, SCE, and PG&E recommend Medi-Cal be removed from the list of categorical programs. On July 14, 2023 and August 3, 2023, the IOUs met with the Center for Accessible Technology and California Public Advocates Office, respectively, to hear their feedback on the study's results, including the potential removal of Medi-Cal. Evergreen classified Medi-Cal as a category 4 program, which indicates there are several issues associated with alignment. The primary disqualifiers for Medi-Cal from the CARE statutory requirements are (a) the unit of qualification used by Medi-Cal and (b) income threshold, as well as individual versus household focus. Medi-Cal is complex, with many types of subprograms and levels of eligibility that are not clearly distinguished or easily distinguishable, and since the last study, certain Medi-Cal subprograms for different populations have been merged into the larger Medi-Cal program, creating eligibility differences amongst the Medi-Cal population. Additionally, Medi-Cal has numerous conditions and caveats associated with receiving benefits not applicable for a utility program. Hence, the study classified Medi-Cal overall as a category 4 program and therefore did not support including this program to establish ESA and CARE eligibility.[29] Medi-Cal provides for the potential medical needs of an individual, regardless of the overall household needs, as opposed to a utility program, which serves all members of a household. Evergreen states, "We do not recommend Medi-Cal for categorical eligibility…households would be challenging to include as categorical enrollees and maintain confidence in alignment and eligibility. Households would need to provide nuances about their proof of enrollment that are not easily accessible."[30] Further, Evergreen's assessment of Medi-Cal found that Medi-Cal determines income eligibility via Modified Adjusted Gross Income (MAGI) and Non-MAGI, instead of federal poverty guidelines. Accommodating these nuances requires additional steps for customers during the enrollment process, which may create barriers to enrollment and increase administrative costs.

In consideration of partial alignment with eligibility requirements, SoCalGas recommends that Medi-Cal continue to serve as a categorical program for households with adults as the income requirements align with those of CARE and ESA. Of note, Medi-Cal has an income threshold of 138 percent of the Federal Poverty Level (FPL) for adults and up to 266 percent of the FPL for children, with program options that increase the FPL threshold for some households to 317 percent.[31] Because Medi-Cal is one of the more frequently used avenues for customers to enroll into CARE and ESA, SoCalGas recommends modifying the categorical eligibility program

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[29] *Id.*, Table 6 at 39.
[30] *Id*., Appendix A at 53.
[31] *Id*., Appendix A at 52.

list so that only "Medi-Cal for Adults" remains a categorical eligibility option. This adjustment aligns with the FPL-equivalent of MAGI income eligibility thresholds for CARE and ESA, therefore acknowledgement of participation in Medi-Cal for Adults would be an acceptable form of proof for program enrollment. SoCalGas proposes to change the program name as it appears on the application to "Medi-Cal for Adults Only" and to include a short footnote to further clarify that customers should only select this categorical option if they are adults and not enrolled in any Medi-Cal SCHIP programs.

In looking at ESA program data, about 74% of SoCalGas' categorical enrollments in 2022 were from customers who qualified via Medi-Cal. Similarly, of the 1.7 million customers who received a CARE discount in 2022 from SoCalGas, 57% enrolled for CARE via categorical eligibility programs. Of that percentage, 47% used one of the partially aligned programs, instead of the most aligned programs. Though SoCalGas recognizes these customers may have been eligible via income eligibility, or through another program, these figures illustrate that partially aligned programs are currently being used to facilitate enrollment. This warrants the need to explore ways to keep these programs while maintaining program integrity.

SoCalGas recognizes that modifications to the application could result in customer confusion (to be addressed by operational changes described in Section 3.2 below). To address concerns surrounding customer confusion/error, and to preserve program integrity, SoCalGas will continue to exercise post-enrollment verification processes as needed. SoCalGas is authorized to verify up to 7.2% of CARE participants annually, and typically only sends verification requests to 1-4%. Furthermore, SoCalGas can revisit its CARE probability model to analyze whether modifications should be considered for any categorical enrollment related variables.

The IOUs unanimously agree that the NSLP should be removed from the list of categorical eligibility programs for the reasons outlined in the Study.[32]

Category 5 and 6 Programs:
California Military Family Relief Fund (CMFRF), Chafee Foster Care Independence Program (*CFCIP),* Child Care and Development Block Grant Act of *(CCDBG), Bureau of Indian Affairs General Assistance*

Programs classified as category 5 are not currently part of the statewide categorical programs and the IOUs do not recommend adding these additional programs at this time based on the Study's results.[33]

The IOUs unanimously agree that the Bureau of Indian Affairs General Assistance Program, classified as category 6, should be removed based on the Study's finding of insufficient information available for this program in order to properly assess it.[34]

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[32] *Id.*, Appendix A at 53-54.
[33] *Id.*, Appendix A at 56-59.
[34] *Id.*, Appendix A at 59-60.

See Attachment 2 for the full list of programs and their categorical classification.

IMPLEMENTATION PLAN AND IMPACTS

Implementation Plan for Categorical Eligibility Changes and Impacts

Once approved, the IOUs intend to implement the updated list of categorical programs for CARE and ESA by June 1, 2025. This effective date considers the timeline for the AL approval process and aligns the categorical programs update with the required annual income guidelines update for CARE and ESA.[35] The IOUs believe that synchronizing the proposed categorical programs update with the routine June 1 income update would be the least disruptive to program implementation to minimize customer and budgetary impacts.[36] The changes to ESA program enrollment would also take effect by June 1, 2025.

Moreover, the IOUs believe that the 2025 implementation date would allow time for a smooth program transition and assessment for crossover effects with the Demand Flexibility Proceeding.[37] Additional details are discussed in the Implementation Plan section.

Customer Impacts

The IOUs do not anticipate immediate impacts to CARE and ESA participants, as the proposed changes to the current list of categorical programs would not take effect until June 1, 2025.[38] Furthermore, the impact of the update would be limited to new CARE and ESA program enrollees and CARE participants who are subject to recertification and those who are selected for post-enrollment verification (PEV) after the changes take effect.

Additionally, the proposed recommendation would not affect CARE customers who enrolled via income. Currently, a household can enroll in the CARE program by one of two paths: (1) by attesting to meeting the income guidelines specific to the size of their household or (2) by attesting that member(s) of their households participate in one or more public assistance programs. There is no requirement to submit proof of eligibility at the time of enrollment.

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[35] Commission Resolution (Res.) E-3524, adopted February 19, 1998, established an annual process for changing the income levels for the CARE program, which are used for determining whether residential customers are eligible for a CARE discount on their energy bills. Res. E-3524 requires the Director of the Energy Division to set new income levels, by letter, to the utilities no later than May 1 of each year. Thereafter the utilities are required to file revised tariffs reflecting the new income levels to become effective by June 1 of each year through May 31 of the following year.

[36] Due to the currently planned Customer Information System transition SoCalGas may implement systems and operational changes at an earlier date.

[37] *See* Rulemaking (R.) 22-07-005, Order Instituting Rulemaking to Advance Demand Flexibility Through Electric Rates (July 14, 2022).

[38] Due to the currently planned Customer Information System transition SoCalGas may implement systems and operational changes at an earlier date.

The immediate effect of the updated list of categorical programs would be further muted because the impact of the categorical changes on the existing CARE population would only be felt during post-enrollment verification or recertification and only by customers requested to verify or recertify. Using PY 2022 data as a proxy, approximately 12% to 22% of CARE households across the IOU's territories were requested to verify or recertify their eligibility as illustrated by Table 3 below. Based on this information, and the fact that customers often qualify for multiple categorical programs, a significant proportion would likely retain their categorical eligibility via categorical eligibility programs or choose to qualify via income.

Table 3: PY 2022 PEV and Recertification[39]

	Total CARE Households Enrolled (PY 2022)	Households Requested to Verify Eligibility (PY 2022)	Households Requested to Recertify (PY 2022)	Households Requested to PEV/Recertify (PY 2022)	% of CARE Enrolled Requested to PEV /Recertify (PY 2022)
SDG&E	355,600	10,788	30,360	41,418	12%
SCE	1,165,186	45,854	174,571	220,425	19%
PG&E	1,469,724	97,925	223,286	321,211	22%
SoCalGas	1,781,805	23,332	359,044	382,376	21%

Budgetary Impacts for CARE, FERA, and ESA

To minimize the budgetary impacts of the proposed changes, the IOUs intend to complete these changes by the annual income guidelines update. All costs associated with enacting the proposed changes will be expensed out of the authorized CARE and ESA administrative budgets for program years 2021-2026. As such, the IOUs expect minimal budgetary impacts associated with the proposed changes to the categorical eligibility programs to CARE and ESA.

For FERA, SDG&E, SCE, and PG&E anticipate a possible increase in program enrollment and subsidies. These costs would be expensed out of the authorized FERA administrative and subsidies budgets for program years 2021-2026.

Operational Changes

3.1 Operational Changes for Existing CARE Customers

[39] A.19-11-003/-004, -005, -006, -007 (cons.), Annual Report Activity of SDG&E on ESA, CARE, and FERA Programs for 2022 (May 1, 2023), CARE Tables 3A and 6.

The IOUs expect minimal operational changes resulting from the proposed recommendation, if approved. Existing CARE customers would remain in the program until the customers' recertification date is reached (typically two or six years)[40] or when a customer is selected for PEV.

Starting in June 2025, customers subject to recertification would continue to attest that they are qualified for CARE by meeting the income guidelines for 2025-2026 or participating in one or more of the categorical programs on the updated list.[41] The Joint IOUs intend to notify affected customers per the established recertification and PEV processes.

The IOUs plan to update their existing recertification forms to reflect the updated list of categorical programs by the annual income eligibility update which is effective June 1 of each year. Existing CARE customers will continue to have the option to complete the recertification process through one of the existing options available for completing the recertification form such as mail, online, or by phone.

SDG&E, SCE, and PG&E plan to update their existing PEV form and High Usage form with the new categorical eligibility programs.[42] In the PEV process, SDG&E, SCE, PG&E, and SoCalGas will continue to require customers to provide proof of eligibility based on the customer's eligibility by providing proof of enrollment in a categorical program or by providing income documentation.

3.2 Operational Changes for New CARE and ESA Customers

The IOUs intend to update all existing enrollment forms used for initial enrollment in CARE and ESA, as well as any applicable program education/marketing materials, and contractor training materials with the updated list of categorical programs. This includes paper applications in the various available languages and all IOU online application forms. Further information regarding SDG&E's and SCE's communication strategies can be found in the Communication Plan below.

SDG&E, SCE, and PG&E will implement changes to their Customer Information Systems (CIS), Interactive Voice Response (IVR) Systems, and online application portals with the new categorical programs during the time of the annual income guideline update as mentioned previously.

SoCalGas has existing processes in place to assist customers with incomplete forms or in instances where additional support is needed for enrollment, post-enrollment verification and recertification. SoCalGas intends to leverage these processes as part of the transition to updated forms along with any necessary system changes.

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[40] D.21-06-015 at OPs 6,7, and 9.
[41] Due to the currently planned Customer Information System transition SoCalGas may implement systems and operational changes at an earlier date.
[42] SoCalGas does not have a high usage form.

4. Communication Plan

SDG&E, SCE and SoCalGas' marketing, education, and outreach (ME&O) plan will consist of disseminating key messaging highlighting the program changes and providing training to branch offices, the Customer Care Center, CBOs, CCAs, and program implementers and contractors. All applicable websites, marketing collateral, and applications will be updated with the categorical program changes. Outreach Teams will update training presentations with the program changes. Program collateral will be updated to be shared at workshops and community events. Similar to SDG&E and SCE, PG&E will conduct outreach to update key stakeholders, customer-facing co-workers, and other groups such as ESA implementers and contractors, to explain changes to categorical eligibility. Once the scope of change is determined, PG&E will work with all stakeholder groups to manage change, update materials, and respond to additional needs.

Programs and Proceedings Impacted by the Proposed Changes

5.1 Percentage of Income Payment Plan (PIPP) Pilot

The IOUs anticipate minimal impact of the potential categorical eligibility changes to the PIPP Pilot[43]. Each IOU has either reached enrollment capacity, or is nearing enrollment capacity, for PIPP and will move into managing a waitlist. Should a customer become ineligible for CARE, and thereby no longer meeting the eligibility requirements of the PIPP Pilot, they will be disenrolled from the PIPP Pilot. Customers impacted by the proposed categorical eligibility changes will be required to renew their eligibility for CARE on their recertification date by self-attesting their eligibility in CARE by meeting the income or categorical eligibility guidelines.

5.2 Demand Flexibility - Income Graduated Fixed Charge (IGFC)

The three electric IOUs—PG&E, SCE and SDG&E—anticipate the Demand Flexibility Rulemaking Proceeding (R.22-07-005) may impact CARE enrollment, as several parties proposed or support CARE and FERA enrollment as the basis for assignment of IGFCs, which are required by Assembly Bill (AB) 205 to be set "so that a low-income ratepayer in each baseline territory would realize a lower average monthly bill without making any changes in usage."[44]

Because income verification will be required to place customers on different IGFC income tiers, and there is at present no mechanism for performing income verification of all utility customer households, PG&E, SCE and SDG&E have proposed a first version of IGFC with fixed charge levels corresponding to three income tiers, namely (1) CARE customers with income of 100% FPL or less, (2) CARE and FERA customers with income between 100% and 250% FPL, and (3) non-CARE and non-FERA customers. Under this proposal, CARE or FERA enrollment will

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[43] The duration of the PIPP Pilot is 48 months. *See* D.21-10-012 at Attachment A, p. 3.
[44] AB 205 codified in P.U. Code § 739.9(e)(1).

automatically result in placement on a discounted fixed charge tier[45], making it even more important to ensure that enrollees in those programs are qualified to receive the discounts provided based on their income. If the proposal is approved, the electric IOUs believe this reinforces the need to discontinue categorical enrollment into CARE based on enrollment in other programs that are weakly aligned with the income parameters of CARE. Oversubscription in CARE by customers whose income is too high to qualify for those programs will result in incorrect placement on discounted tiers of the IGFC. Additionally, the removal of weakly-aligned categorical eligibility programs may encourage a higher proportion of CARE customers to provide household income information, which in turn will be used to more accurately determine the correct IGFC bracket for that customer.

SoCalGas notes that as a gas-only utility it is not subject to the abovementioned considerations, and while supportive of electric utility needs, recommends consideration of the full range of customer impacts when updating the list of programs (for any purpose).

EFFECTIVE DATE

Pursuant to OP 171 of D.21-06-015, SDG&E is submitting this Advice Letter with a Tier 2 designation (effective upon disposition), and respectfully requests an approval date of November 12, 2023, 30 days after the date submitted. The IOUs recognize the importance of a unified customer experience across the service territories for customers applying for CARE or ESA and acknowledge a Tier 3 AL designation may be appropriate for the Energy Division to reconcile differing IOU recommendations contained herein via a Commission Resolution.

PROTEST

Anyone may protest this Advice Letter to the California Public Utilities Commission. The protest must state the grounds upon which it is based, including such items as financial and service impact, and should be submitted expeditiously. The protest must be submitted electronically and must be received by November 2, 2023, which is 20 days from the date filed. There is no restriction on who may file a protest.

The protest should be sent via e-mail to the attention of the Energy Division at EDTariffUnit@cpuc.ca.gov. A copy of the protest should also be sent via e-mail to the address shown below on the same date it is delivered to the Commission.

Attn: Greg Anderson
Regulatory Tariff Manager
E-mail: GAnderson@sdge.com
SDGETariffs@sdge.com

[45] R.22-07-005, Opening Comments of the Joint IOUs In Response to Administrative Law Judge's Ruling on Implementation Pathway for Income-Graduated Fixed Charges (July 31, 2023) at 4-10.

For SCE: Connor Flanigan
Managing Director, State Regulatory Operations
Southern California Edison Company
E-mail: AdviceTariffManager@sce.com

Marissa Blunschi
Principal Manager, State Regulatory Relations
c/o Karyn Gansecki
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For PG&E: Eric Jacobson
Director, Regulatory Relations
c/o Megan Lawson
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Sidney Dietz
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c/o Megan Lawson
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San Francisco, California 94177
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E-mail: PGETariffs@pge.com

For SoCalGas: Attn: Gary Lenart
Regulatory Tariff Manager
E-mail: GLenart@socalgas.com
Tariffs@socalgas.com

NOTICE

A copy of this filing has been served on the utilities and interested parties shown on the attached list and Service List A. 19-11-003, by either providing them a copy electronically or by mailing them a copy hereof, properly stamped and addressed.

Address changes should be directed to SDG&E Tariffs by e-mail at SDGETariffs@sdge.com.

/s/ Clay Faber
CLAY FABER
Director – Regulatory Affairs

ADVICE LETTER SUMMARY

ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No.:

Utility type:
- ELC
- GAS
- WATER
- PLC
- HEAT

Contact Person:
Phone #:
E-mail:
E-mail Disposition Notice to:

EXPLANATION OF UTILITY TYPE

ELC = Electric	GAS = Gas	WATER = Water
PLC = Pipeline	HEAT = Heat	

(Date Submitted / Received Stamp by CPUC)

Advice Letter (AL) #: Tier Designation:

Subject of AL:

Keywords (choose from CPUC listing):

AL Type: Monthly Quarterly Annual One-Time Other:

If AL submitted in compliance with a Commission order, indicate relevant Decision/Resolution #:

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL:

Summarize differences between the AL and the prior withdrawn or rejected AL:

Confidential treatment requested? Yes No

If yes, specification of confidential information:
Confidential information will be made available to appropriate parties who execute a nondisclosure agreement. Name and contact information to request nondisclosure agreement/ access to confidential information:

Resolution required? Yes No

Requested effective date: No. of tariff sheets:

Estimated system annual revenue effect (%):

Estimated system average rate effect (%):

When rates are affected by AL, include attachment in AL showing average rate effects on customer classes (residential, small commercial, large C/I, agricultural, lighting).

Tariff schedules affected:

Service affected and changes proposed[1]:

Pending advice letters that revise the same tariff sheets:

[1]Discuss in AL if more space is needed.

Protests and all other correspondence regarding this AL are due no later than 20 days after the date of this submittal, unless otherwise authorized by the Commission, and shall be sent to:

CPUC, Energy Division Attention: Tariff Unit 505 Van Ness Avenue San Francisco, CA 94102 Email: EDTariffUnit@cpuc.ca.gov	Name: Title: Utility Name: Address: City: State: Telephone (xxx) xxx-xxxx: Facsimile (xxx) xxx-xxxx: Email:	Zip:
	Name: Title: Utility Name: Address: City: State: Telephone (xxx) xxx-xxxx: Facsimile (xxx) xxx-xxxx: Email:	Zip:

General Order No. 96-B
ADVICE LETTER SUBMITTAL MAILING LIST

cc: (w/enclosures)

Public Utilities Commission
CA. Public Avocates (CalPA)
R. Pocta
F. Oh
P. Cunningham

Energy Division
M. Ghadessi
M. Salinas
L. Tan
R. Ciupagea
K. Navis
Tariff Unit

CA Energy Commission
B. Penning
B. Helft

Advantage Energy
C. Farrell

Alcantar & Kahl LLP
M. Cade
K. Harteloo

AT&T
Regulatory

Barkovich & Yap, Inc.
B. Barkovich

Biofuels Energy, LLC
K. Frisbie

Braun & Blaising, P.C.
S. Blaising
D. Griffiths

Buchalter
K. Cameron
M. Alcantar

CalCCA
Regulatory

CA Dept. of General Services
H. Nanjo

California Energy Markets
General

California Farm Bureau Federation
K. Mills

California Wind Energy
N. Rader

Cameron-Daniel, P.C.
General

City of Poway
Poway City Hall

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S. Anders

Energy Regulatory Solutions Consultants
L. Medina

Energy Strategies, Inc.
K. Campbell

EQ Research
General

Goodin, MacBride, Squeri, & Day LLP
B. Cragg
J. Squeri

Green Charge
K. Lucas

Hanna and Morton LLP
N. Pedersen

JBS Energy
J. Nahigian

Keyes & Fox, LLP
B. Elder

Manatt, Phelps & Phillips LLP
D. Huard

McKenna, Long & Aldridge LLP
J. Leslie

Morrison & Foerster LLP
P. Hanschen

MRW & Associates LLC
General

NLine Energy
M. Swindle

Stoel Rives LLP
S. Hilton
L. McKenna
M. O'Brien
S. Holdstock

NRG Energy
D. Fellman

Pacific Gas & Electric Co.
M. Lawson
M. Huffman
Tariff Unit

RTO Advisors
S. Mara

SCD Energy Solutions
P. Muller

SD Community Power
L. Fernandez
L. Utouh

Shute, Mihaly & Weinberger LLP
O. Armi

Solar Turbines
C. Frank

SPURR
M. Rochman

Southern California Edison Co.
K. Gansecki

TerraVerde Renewable Partners LLC
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TURN
M. Hawiger

UCAN
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US Dept. of the Navy
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US General Services Administration
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A.19-11-003 et.al.

Attachment 1

<u>Working Group and Energy Division Informed the Scope of Work</u>

Prior to procuring a consulting firm to conduct the study, and pursuant to D.21-06-015, the IOUs met three times in the fall of 2021 with the ESA CARE Study Working Group[1] (Working Group) to discuss the scope of work for this study. During these discussions, the previous 2013 Study[2] and related advice letter protests were discussed. Stakeholders commented that the new categorical eligibility study should consider programs that substantially align with CARE and ESA income-eligibility requirements and not restrict to programs that perfectly align. The Working Group also discussed data needs for the upcoming study and developed a list of data for the study to collect. This included data on the application process, eligibility requirements, verification process, targeted groups, unit of qualification, percentage of participants meeting various income thresholds, and other relevant data. In addition, the Working Group recommended the utilities provide data on CARE and ESA enrollments for each categorical program. It was suggested the study could evaluate what portion of categorical program participants met the CARE and ESA thresholds even if the program's requirements did not align.[3] The Working Group's suggested issues and data points were included in the scope of work.

In February 2022, Energy Division (ED) reviewed the final scope of work for the study before the Request for Proposals was released. Their comments included several suggestions related to wording and readability and one addition to the study objectives: to include a review of relevant CPUC decisions and P.U. Code statutory language regarding categorical eligibility programs and alignment with CARE, ESA and FERA programs. All the suggested edits were included in the final scope of work.

Table 1 below presents examples of the comments and suggestions offered as part of developing the scope of work.

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[1] *See* D.21-06-015 at 399. The Working Group includes representatives from the IOUs, Energy Division, the Public Advocates Office, Community Housing Opportunities Organization, American Ecos, and The Utility Reform Network. The Working Group provides feedback on the work scopes, timelines, budgets, and deliverables of non-statutory studies related to CARE and ESA.

[2] ICF International, CARE Categorical Eligibility Study, January 2013. Available at: https://pda.energydataweb.com/api/view/2580/ICF%20Categorical%20Eligibility%20Study%202013%2001%2015%20.pdf

[3] While the study attempted to do this, the necessary data on participant incomes was not available from the categorical programs.

Stakeholder Feedback on the Categorical Eligibility Study

Table 1: Comments on Work Scope Development - Quarter 4 2021

Comment	Action Taken
The 2013 ICF Study assessed alignment of categorical programs with CARE in a strict sense; there should be tolerance for programs that substantially but not perfectly align. For example, if most of the participants would meet the CARE or ESA income requirements, then that program should be considered even though not perfectly aligned.	Data on income distributions for the categorical programs assessed was not available. However, the study collected as much relevant detail on the programs as possible and provided categories of alignment to aid in understanding the nuances of eligibility requirements for the programs assessed.
The working group developed a list of data items the study should collect, including the application process, eligibility requirements, verification process, targeted groups, unit of qualification, % of participants meeting various income thresholds, and others.	The list of data items to collect was included in the final work scope.
The Study should compare the eligibility requirements across programs and the characteristics of the participants to CARE and ESA requirements. For example, a program's stated requirements may not align but in practice most of their participants may meet the income requirements for CARE.	This was included in scope; however, it was uncertain whether the data would be available.
The IOUs should provide data on percentage of CARE and ESA customers that use each categorical program to enroll.	This data was provided to the study consultant.
The Consultant should provide the results of their data collection and assessment and not offer policy recommendations.	This direction was made clear in the work scope and throughout the study.
The data collection should include details on the programs to aid in discussion in case there is ambiguity regarding program alignment.	This was included in the work scope.

Public Comment on the Draft Research Plan

Pursuant to D.21-06-015, a public webinar was held on August 31, 2022, to present the draft work plan.[4] The work plan was also posted on the Energy Division's Public Document Area (PDA) online platform and provided to the Working Group. Comments included expanding the list of programs to be assessed and evaluating the ease of using application forms. For comments that suggested a feasible change to the work plan, the work plan was revised accordingly. A summary of the comments and responses is provided in Table 2 below.

[4] D.21-06-015 at 399.

Table 2: Comments on the Draft Work Plan - August 2022

Organization	Comment	Evergreen Response	Workplan Edits Made
Center for Accessible Technology (CforAT)	CforAT supports efforts to identify potential additional qualifying programs. (Study Plan at p. 1 Objective 2). All stakeholders have historically supported efforts to increase the reach of EE programs including ESA. This objective improves the likelihood of increased successful enrollments while reducing the overwhelming certification paperwork burden on already struggling low-income people and households.	Thank you for your comment.	No action needed.
	CforAT notes that the study plan anticipates interviewing program directors and staff about individual programs that have already been identified (Study Plan at p. 5). During these interviews, it would be useful to ask about other potentially appropriate program recommendations.	We will ask about program recommendations related to categorical eligibility.	On page 5 added a note that "As part of these interviews we will ask about feedback they have regarding the categorical eligibility process if they are currently familiar with it."

Organization	Comment	Evergreen Response	Workplan Edits Made
	CforAT notes that the study plan anticipates evaluating application forms from other programs to help determine if they are appropriate to use for categorical eligibility. (Study Plan at p. 5). In conducting these reviews, it would also be useful to evaluate the ease of use of these forms to provide useful models for reducing application burdens on potential applicants.	We can take note of the length and mode of forms (online, via phone) along with the page length if applicable. To evaluate the ease of use beyond these metrics we would need to survey customers, which is beyond the scope of this study.	Added detail to application form bullet on page 5
	In the context of efforts to advance automatic enrollment, CforAT notes the goal of collaboration with those working on state-wide eligibility hubs in other programs. (Study Plan at p. 16). CforAT has been an active participant in some of these efforts, including work to advance development of a “universal application” in this docket, and CforAT strongly supports ongoing efforts to	Thank you for your comment.	No action needed.

Organization	Comment	Evergreen Response	Workplan Edits Made
	ease enrollment for eligible customers.		
	When considering programs for categorical eligibility, stakeholders should include programs that may serve fewer people, but whose participants are primarily customers from populations that are hard to reach and/or underserved. The ‘low-hanging fruit’ of larger income-based programs can miss populations that are traditionally wary of government intrusion.	This is noted and we agree that we should include programs beyond larger income-based populations.	Added footnote on page 9
	In reviewing programs, stakeholders should take the opportunity to identify verification methods that are easier to satisfy and less burdensome on potential program participants as a way to advance program reach. For example, CforAT broadly supports the use of simpler forms	We have data collection about verification methods in the scope already. We don't expect to get to the level of detail of singling out or recommending specific types of forms. That is outside the scope of this research.	No action needed.

Organization	Comment	Evergreen Response	Workplan Edits Made
	to reduce enrollment barriers.		
Public Advocate's Office	The Public Advocates Office would like to highlight the Commission's California LifeLine program as example of a public purpose program currently engaging in and expanding the use of automatic eligibility determination during enrollment and recertification (See R.20-02-008 and D.22-05-014). The Categorical Eligibility Study should prioritize evaluating the LifeLine program to help assess the feasibility of using third-party database access for automatic enrollments into ESA/CARE/FERA. The Study should consider if the LifeLine program's eligibility framework can be adopted in part or in whole and what improvements can be made to the benefit of the	Evergreen will review the LifeLine program in our analysis.	Added sentence to page 15 under Task 5.

Organization	Comment	Evergreen Response	Workplan Edits Made
	ESA/CARE/FERA programs.		
Community Housing Opportunities Corporation (CHOC)	Please look at the volume of participants in the IOU programs that use categorical programs to enroll. There may be a categorical program that is used extensively to enroll in CARE but may not align with CARE income requirements; in this case, consider the impact to numbers enrolled if such a program were no longer used as a categorical program option.	Evergreen will request this data from the IOUs and include it in our analysis.	Added bullet on page 6. Added row to Table 1.

Stakeholder Feedback on Study Interim Results

In February 2023, the ESA CARE Study Working Group was asked by the study team to review and comment on an interim results memorandum (memo) provided by the study Consultant. Working Group feedback included making the report clear about what was found during the study and what could not be addressed due to lack of data or other reasons. It was suggested that it should be made clear where certain conclusions could not be made due to unavailable data. The Working Group also reviewed participation data that the IOUs presented on CARE categorical enrollments and discussed the current enrollment and verification processes. The Working Group met in March and April 2023 and continued to discuss the draft results of the study. the IOUs presented on CARE categorical enrollments and discussed the current enrollment and verification processes. The Working Group met in March and April 2023 and continued to discuss the draft results of the study.

Comments were received from ED staff on the interim memo. Most of the comments requested clarification where an explanation or figure was unclear. One comment suggested further disaggregation of the categories of alignment, which was incorporated into the final results. Specific comments provided and responses to the comments are provided in Table 3.

Table 3: Comments on the Interim Results Memo - Quarter 1 2023

Comment	Action Taken
Most of the comments requested clarification where an explanation or figure was unclear. In one instance, a missing value from a table was identified.	For the relevant sections, additional description or clarifying footnotes were provided in the draft report.
Make the report clear about what was found during the study and what could not be addressed due to lack of data or other reasons.	This was included in the draft report.
It was suggested the study should assess more programs in addition to the 17 identified in the study. In particular, the low-income water program was mentioned.	At that point in the study timeline, adding additional categorical programs for data collection and assessment was out of scope. The water program was included as part of the Automatic Enrollment task.
Two comments were made about further disaggregating the categories of alignment.	This was done for the final results. Originally, there were three categories, and this was changed to six.
Several comments questioned why particular data was not collected. For example, how each program derived their income thresholds, distributions of income and household sizes for each program's enrolled participants, and percentages of program participants enrolled via alternate pathways (not income verified).	The program representatives interviewed were unable to provide this data.
Concern was expressed that removing programs from the approved list would cause CARE customers to lose their discount.	It was clarified in the report that no eligible customer would be disenrolled or prohibited from enrolling.

Comment	Action Taken
Regarding the result for California Head Start, the CPUC is subject to the tribal consultation policy and potentially removing this program may warrant tribal consultation or engagement.	The study objective was to assess alignment of income eligibility and did not address policy impacts.
For programs with alternate enrollment paths that do not verify income, it would be difficult to operationalize using these programs when their eligibility letters do not differentiate how the customer was enrolled.	This observation was included in the final report.
Reminder to use culturally sensitive terms when referring to minority groups.	This was done in the final report.
Bureau of Indian Affairs participants are considered underserved by the Environmental and Social Justice Action Plan.	The study objective was to assess alignment of income eligibility and did not address policy impacts.

Stakeholder Feedback on the Draft Report

Pursuant to D.21-06-015, draft study results were presented in a public webinar on May 23, 2023.[5] The draft report was provided and posted on the PDA for comments. Center for Accessible Technology (CforAT) provided comments. The comments provided and responses to their comments are provided in Table 4 below.

Table 4: Comments on the Draft Report May 2023

Comment	Response
CforAT disagrees with the recommendations to remove programs as against policy interests. The draft Categorical Eligibility Study recommends substantially limiting the number of programs to be used to establish categorical eligibility for CARE. It asserts that this recommendation would not preclude income-eligible customers from enrolling (p. 39), but this assertion fails to acknowledge the structural barriers that limit the ability of many customers to enroll without the use of categorical eligibility. In particular, the elimination of MediCal and the School Lunch program from categorical eligibility may create substantial challenges to enrollment for many	The study team acknowledges the comments from CforAT on the draft Categorical Eligibility Study. The objective of the study was to evaluate a set of public assistance programs as to their alignment with income eligibility requirements for CARE and ESA as stated in Public Utilities Code Section 739.1 (a) and 2790 (f)(g) and as directed by the Commission. The study accomplished this objective and categorized the results to aid in understanding the extent to which certain programs aligned with

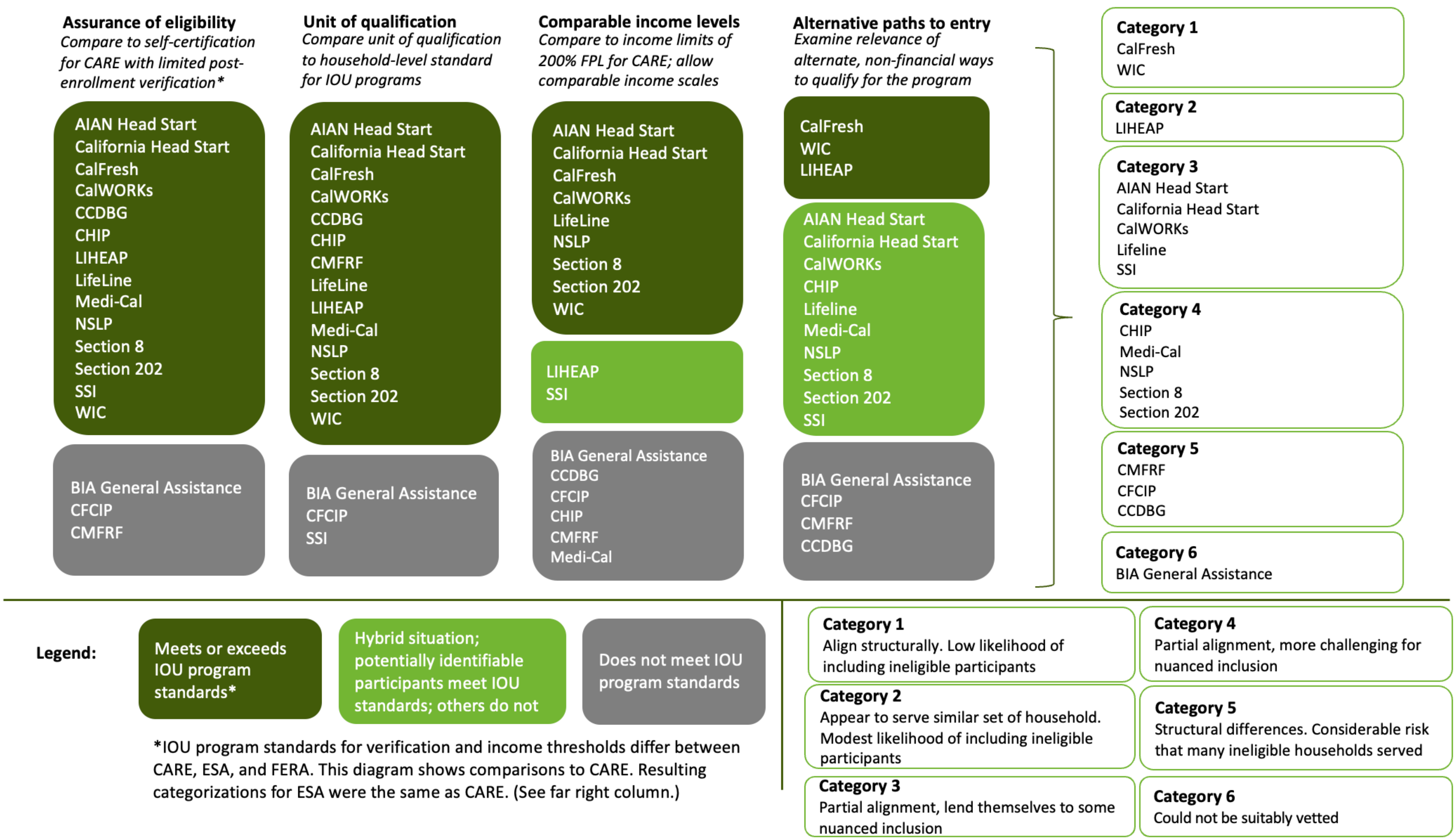
5 *See id.* at 411.

Comment	Response
households. The recommendations in this draft study run counter to recommendations by Commission Staff in other contexts in which staff recommends expanding the universe of programs establishing categorical eligibility (in the context of the federal ACP support program for broadband service) and recognizes that assistance is vital for "not only the most impoverished Californians, but also other low-income Californians." Staff Report attached to May 5 Ruling, issued in R.20-08-021 (CASF Proceeding), at p. 6 (attached here for convenience). This staff report conducts a detailed review of program eligibility for a number of assistance programs and compares the various standards. It appears that the work done by Evergreen in preparing the Categorical Eligibility Draft Report may duplicate the work of staff. CforAT recommends that program reviews be harmonized, and that all considerations of program eligibility keep in mind the equity needs of struggling Californians. Rather than establishing the most restrictive rules, categorical eligibility for CARE should consider the same principles as are articulated in the CASF Ruling, and work to provide support for low-income Californians broadly rather than seek to limit assistance only to the most absolutely impoverished.	CARE and ESA income eligibility requirements. It is important to note that no eligible customer would be prohibited from receiving the CARE rate or enrolling in ESA as a result of any changes to the list of categorical programs. The CARE program does not have “restrictive rules” as CforAT asserts; rather, the application process requires only a statement as to the amount of household income and number of residents.

Presentation of the Study Results at the June Low Income Oversight Board (LIOB) Meeting

A second public presentation of the study results was made at the LIOB meeting on June 15, 2023. The presentation deck and draft report were provided in advance of the meeting and comments were solicited during and after the presentation. No comments regarding the assessment of categorical programs were received in response to this presentation.

Figure 2: Third-Party Program Classifications



*IOU program standards for verification and income thresholds differ between CARE, ESA, and FERA. This diagram shows comparisons to CARE. Resulting categorizations for ESA were the same as CARE. (See far right column.)