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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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

R.21-02-014
(February 11, 2021)

**CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S
COMMENTS ON ASSIGNED COMMISSIONER'S RULING SEEKING
COMMENTS AND NOTICING WORKSHOP ON STRATEGIES TO ENHANCE
COMMUNITY BASED ORGANIZATION SUPPORT FOR CUSTOMERS
TO ACCESS COVID-19 RELIEF**

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SUMMARY OF RECOMMENDATIONS

- The Community Based Organization (CBO) network must include CBOs with already established and trusted relationships with local communities;
 - Community Choice Aggregators (CCAs) should be consulted regarding CBO selection in a CCA's territory, as CCAs are local entities with close ties to their local communities;
 - Program Management Plans for CBOs should include requirements regarding accurate and effective communications, including written materials, concerning CCAs and CCA programs as well as Commission and Investor-Owned Utility (IOU) programs;
 - Evaluation of CBO programs should be conducted every six months, with the results provided to stakeholders, to assess all aspects of the CBO programs, including messaging, the number of bundled and unbundled customers reached and enrolled, and costs.
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The California Community Choice Association¹ (CalCCA) submits these Comments in response to the *Assigned Commissioner's Ruling Seeking Comments and Noticing Workshop on Strategies to Enhance Community Based Organization Support for Customers to Access COVID-19 Relief* (Ruling), issued on October 18, 2021.

I. INTRODUCTION

CalCCA supports the California Public Utilities Commission's (Commission's) efforts to utilize and expand IOU networks of CBOs to ensure the hardest to reach customers navigate the various programs available for COVID-19 arrearage and bill relief. CBOs can provide an exceptionally important and trusted channel of communication to local community members. Existing relationships of CBOs should be utilized to ensure effective outreach.

¹ California Community Choice Association represents the interests of 23 community choice electricity providers in California: Apple Valley Choice Energy, Baldwin Park Resident Owned Utility District, Central Coast Community Energy, Clean Energy Alliance, Clean Power Alliance, CleanPowerSF, Desert Community Energy, East Bay Community Energy, Lancaster Choice Energy, Marin Clean Energy, Peninsula Clean Energy, Pico Rivera Innovative Municipal Energy, Pioneer Community Energy, Pomona Choice Energy, Rancho Mirage Energy Authority, Redwood Coast Energy Authority, San Diego Community Power, San Jacinto Power, San José Clean Energy, Santa Barbara Clean Energy, Silicon Valley Clean Energy, Sonoma Clean Power, and Valley Clean Energy.

The Comments below provide issues of relevance to CCAs and their customers regarding CBO outreach on COVID arrearages. CCA unbundled customers account for over four million customer accounts, or approximately 32 percent of the load in the IOU territories.² Unpaid CCA charges currently total nearly \$122 million, and after the allocation of COVID relief to customers through the California Arrearage Payment Program (CAPP), approximately \$67 million of unfunded CCA customer arrearages will remain.³ CCA unbundled customers and IOU bundled customers can all benefit from outreach from CBOs to navigate the various programs available to address the remaining arrearages.

CalCCA recommends the following in response to the *Staff Proposal for IOU Collaborative Arrearage Case Management and Questions for Parties on Staff Proposal* (Staff Proposal) and the insights gleaned from the November 9, 2021 Workshop:

- The CBO network must include CBOs with established and trusted relationships with local communities;
- CCAs should be consulted regarding CBO selection in a CCA's territory, as CCAs are local entities with close ties to their local communities;
- Program Management Plans for the CBOs should include requirements regarding accurate and effective communications, including written materials, concerning CCAs and CCA programs as well as Commission and IOU programs;
- Evaluation of CBO programs should be conducted every six months, with the results provided to stakeholders, to assess all aspects of the CBO programs, including messaging, the number of bundled and unbundled customers reached and enrolled, and costs.

² This number will rise by close to one million customers when SDG&E customers transition to San Diego Community Power in 2022. See CCA: Power in Numbers (listing the annual load of CCAs in California), located at: <https://cal-cca.org/cca-impact/>.

³ CAPP Program Notice No. 2021-06-E2 (Nov. 2, 2021), located at <https://www.csd.ca.gov/Shared%20Documents/CAPP-PN-2021-06-E2.pdf> (arrears figures for IOUs and CCAs as of November 2, 2021).

II. BACKGROUND

The Commission, in Decision (D.) 21-06-036, addressed the significant financial impacts on energy utility customers from the COVID-19 pandemic, including the significant customer arrearages on utility bills.⁴ Even after the nearly \$695 million of COVID relief for utility bill arrearages through the CAPP is allocated to customers, approximately \$845 million in IOU and CCA total customer arrearages will remain (of which nearly \$67 million will constitute CCA customer arrearages).⁵ D.21-06-036 establishes mandatory, automatic amortizations of debt in the form of COVID-19 Relief Payment Plans for both residential and small business customers. These payment plans will assist customers with remaining arrearages after the CAPP allocations are complete.⁶ Given the mixed record of success of similar payment plans in the past, the Commission in D.21-06-036 pairs the payment plans with intensive follow-up efforts by CBOs to residential customers.⁷

To assist the Commission in assessing the current reach of CBOs to residential customers, D.21-06-036 requires Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) (collectively, the IOUs) to jointly file a Tier 2 Advice Letter with a “reporting template” to display the current relationships with CBOs.⁸ The

⁴ D.21-06-036, *Decision Addressing Energy Utility Customer Bill Debt Via Automatic Enrollment in Long Term Payment Plans* (June 24, 2021).

⁵ Cal. Govt. Code § 16429.5(d)(2) (directing \$694,953,250 of the nearly \$1 billion in COVID relief to “all distribution customers of investor-owned utilities, including customers served by a community choice aggregator”); California Dept. of Community Services and Development, California Arrearage Payment Program, CAPP Program Notice No. 2021-06 (Oct. 28, 2021) and CAPP Program Notice No. 2021-06-E2 (Nov. 2, 2021) (noting the total outstanding arrearages, and detailing the allocations of the relief), located at: <https://www.csd.ca.gov/Shared%20Documents/CAPP-PN-2021-06-E.pdf> and <https://www.csd.ca.gov/Shared%20Documents/CAPP-PN-2021-06-E2.pdf>.

⁶ D.21-06-036 at 18-26.

⁷ *Id.* at 2, 38-40.

⁸ *Id.*, Findings of Fact 30-33 at 47-48, Conclusions of Law 8 at 49, and Ordering Paragraph 8 at 51-52.

IOUs filed their Advice Letter on August 30, 2021,⁹ which was amended on October 6, 2021, after input from Energy Division Staff (the Amended AL).¹⁰ On October 18, 2021, CalCCA filed a Response to the Amended AL, recommending its approval, and stating that: (1) CalCCA agrees with the IOUs that the Commission should order a stakeholder process to discuss gaps and opportunities regarding CBO networks; (2) CalCCA is interested in participating in the stakeholder process to ensure the accuracy of information (including information regarding CCA services and programs) provided by CBOs to customers; and (3) to the extent the Commission expands the universe of programs and proceedings involving the CBO networks, CalCCA is interested in participating in the stakeholder process exploring such expansion.¹¹

In addition to the COVID-19 Relief Payment Plans, other programs have been established to assist customers struggling with arrearages and ongoing bills, including the Arrearage Management Plan (AMP)¹² and the Percentage of Income Payment Plan Pilot Program (PIPP).¹³ Individual CCAs have also established COVID relief programs to help their customers, in addition to the programs that the IOUs provide.¹⁴

⁹ SoCalGas Advice No. 5857, SDG&E Advice No. 3839-E/3010-G, PG&E Advice No. 4483-G/6307-E, and SCE Advice No. 4577-E (Aug. 30, 2021).

¹⁰ SoCalGas Advice No. 5857-A, SDG&E Advice No. 3839-E-A/3010-G-A, PG&E Advice No. 4483-G-A/6307-E-A, and SCE Advice No. 4577-E-A (Oct. 6, 2021).

¹¹ The Advice Letter process concerning the development of a template on IOU and CBO partnerships, networks and funding structures with the required geographic display is currently pending. Ruling at 5.

¹² D.20-06-003 establishes the AMP to assist customers with arrearages who are on California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA). D.20-06-003, *Phase I Decision Adopting Rules and Policy Changes to Reduce Residential Customer Disconnections for the Larger California-Jurisdictional Energy Utilities*, Rulemaking (R.) 18-07-005 (June 11, 2020).

¹³ D.21-10-012 authorizes IOU and CCA participation in a Percentage of Income Payment Plan Pilot Program (PIPP). D.21-10-012, *Decision Authorizing Percentage of Income Payment Plan Pilot Program*, R.18-07-005 (Oct. 7, 2021) at 82, Conclusion of Law 11 (regarding CCA participation in the PIPP pilot).

¹⁴ For example, Marin Clean Energy offers a \$10 per month bill credit for residential customers enrolled in CARE or FERA through its MCE Cares Credit. See <https://www.mcccleanenergy.org/mce-cares-credit/>.

In Phase II of this proceeding, the Commission is considering how CBOs can “make sure that the hardest-to-reach customers navigate important relief programs.”¹⁵ Both the Staff Proposal and the November 9, 2021 Workshop explore funding, implementation and evaluation of CBO success in connecting customers to relief programs. The following provides CalCCA’s responses to the questions regarding CBO outreach posed in the Staff Proposal.

III. RESPONSES TO QUESTIONS IN STAFF PROPOSAL

1. What is the most appropriate funding model given resource cost, timing, efficiency and effectiveness concerns?

CalCCA does not offer an opinion on this question at this time.

2. What are reasonable budget levels for alternative funding models and program evaluation contracts?

CalCCA does not offer an opinion on this question at this time.

3. What is the appropriate duration over which these programs should be funded?

CalCCA does not offer an opinion on this question at this time.

4. How should these budgets be tracked and reconciled?

CalCCA does not offer an opinion on this question at this time.

5. Who should be responsible for administering the following?

- **Selection of contracted CBOs for each IOU**
- **Evaluation of CBO and IOU activities**
- **Transmission of payments to contracted CBOs**
- **Ongoing troubleshooting and program oversight**

CalCCA recommends that the actual outreach to customers be performed by local CBOs, who often already have established and trusted relationships with the local community and can

¹⁵ Ruling at 2 (“In D.21-06-036, we acknowledged that enrollment was only the first step and making payments until the debt is resolved may be challenging without additional support. We identified ongoing customer contact provided by CBOs as a necessary ingredient to making payment plans manageable and successful. We also stated that with support from CBOs, customers should know how and when to make contact with their utility should they need additional help”).

best ensure the hardest to reach customers are served. Therefore, to the extent a centralized entity selects, evaluates, pays and/or oversees the CBO programs, that entity should be tapping into the already existing CBO local programs to ensure the most effective outreach to customers.

With respect to selection of CBOs for each IOU, CCAs should be consulted as to the CBOs that can effectively reach vulnerable customers in that CCA's territory. CCAs are created to serve their local communities and are knowledgeable about local programs to assist customers and CBOs operating within their territories. CCAs are therefore an effective resource to consult regarding the most effective CBOs in a particular area.

6. What should program management plans include to ensure the coordinated development of outreach materials and consistent messaging?

Program Management Plans should be formulated with the input of CCAs to ensure that the CBO program acknowledge that CCA customers account for over four million customer accounts, or approximately 32 percent of the load, in the IOU territories.¹⁶ Therefore, the CBO program should ensure that the messaging formulated to assist customers accurately and effectively communicates the CCA's role if a customer is a CCA unbundled customer. In that case, a CBO would communicate not only regarding the Commission-established programs (such as the COVID-19 payment plans, the AMP, the PIPP, or other programs) and IOU programs, but should include accurate communications regarding the CCA's role and CCA programs.

7. What systems should be developed and implemented to ensure program efficiencies such as training and an exchange of best practices between CBOs?

CalCCA recommends that written materials be developed with CCA input regarding Commission, IOU and CCA programs that can assist customers with arrearages. Those written

¹⁶ This number will rise by close to one million customers when SDG&E customers transition to San Diego Community Power in 2022.

materials can be provided to the CBOs, to ensure that the CBOs communicate accurate information concerning the breadth of programs available to each customer.

8. How should IOUs and CBOs be evaluated to assess the effectiveness of the program and compliance with program rules?

The IOU programs regarding CBO outreach to residential customers should be evaluated to assess all aspects of the program, including but not limited to: (1) the CBOs enlisted to provide outreach to customers; (2) the number of bundled IOU and unbundled CCA customers contacted; (3) CBO success rate in enrolling customers in programs; and (4) the costs of the CBO programs.

9. When should the evaluations take place? Should there be an interim evaluation and a final evaluation? Should evaluations occur at fixed time periods, e.g., 6 months, 12 months, etc.?

To ensure that the CBOs are reaching customers effectively, CalCCA recommends frequent evaluations of all program components related to each CBO every six months, with the results provided to stakeholders for review. If a CBO's outreach is determined to be ineffective, the appropriate changes can be made to ensure that customers are benefitting from the CBO program.

IV. CONCLUSION

For all the foregoing reasons, CalCCA respectfully requests consideration of these comments and looks forward to an ongoing dialogue with the Commission and stakeholders.

Respectfully submitted,



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November 18, 2021