

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

Application of Southern California Edison
Company (U 338E) for Approval of its Energy
Savings Assistance and California Alternate
Rates for Energy Programs and Budgets for
Program Years 2015-2017.

And Related Matters.

Application 14-11-007
(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

**ANNUAL PROGRESS REPORT OF PACIFIC GAS AND ELECTRIC
COMPANY (U 39 E) ON THE FAMILY ELECTRIC RATE ASSISTANCE (FERA)
PROGRAM, JANUARY 1, 2017 - DECEMBER 31, 2017**

DARREN P. ROACH

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-6345
Facsimile: (415) 973-5520
E-Mail: Darren.Roach@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: May 1, 2018

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

Application of Southern California Edison Company (U 338E) for Approval of its Energy Savings Assistance and California Alternate Rates for Energy Programs and Budgets for Program Years 2015-2017.

And Related Matters.

Application 14-11-007
(Filed November 18, 2014)

Application 14-11-009
Application 14-11-010
Application 14-11-011

**ANNUAL PROGRESS REPORT OF PACIFIC GAS AND ELECTRIC
COMPANY (U 39 E) ON THE FAMILY ELECTRIC RATE ASSISTANCE (FERA)
PROGRAM, JANUARY 1, 2017 - DECEMBER 31, 2017**

Pacific Gas and Electric Company (PG&E) files its Annual Progress Report on its 2017 Family Electric Rate Assistance (FERA) Program efforts in compliance with the FERA reporting requirements developed jointly by the utilities, DRA, Energy Division, Latino Issues Forum, and TURN as set forth in PG&E's Advice Letter 2498-E-A, which became effective June 17, 2004. This advice letter was a requirement of Decision 04-02-057, page 59, and Ordering Paragraph 5.

Respectfully submitted,

DARREN P. ROACH

/s/ Darren P. Roach

By: DARREN P. ROACH

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-6345
Facsimile: (415) 973-5520
E-Mail: Darren.Roach@pge.com

Dated: May 1, 2018



ANNUAL PROGRESS REPORT TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION

FAMILY ELECTRIC RATE ASSISTANCE (FERA) PROGRAM ANNUAL REPORT FOR PROGRAM YEAR 2017

May 1, 2018

PACIFIC GAS AND ELECTRIC COMPANY
FERA PROGRAM
MAIL CODE N7R
PO BOX 770000
SAN FRANCISCO, CA 94177

TABLE OF CONTENTS

FERA PROGRAM

I.	PARTICIPANT INFORMATION.....	2
II.	PROGRAM COSTS	5
III.	OUTREACH.....	8
IV.	PROCESSING FERA APPLICATIONS.....	13
V.	PROGRAM MANAGEMENT.....	14

FAMILY ELECTRIC RATE ASSISTANCE (FERA)

PG&E has administrated the Family Electric Rate Assistance (FERA) Program since 2004. The FERA Program provides a monthly 12% discount on electric bills for income qualified households of three or more persons.

The FERA Program, also known as the Lower Middle Income Large Household Program, was authorized by the Commission in Decision (D.) 04-02-057 and is a rate assistance program for lower to middle income large household participants of three or more people and the household has an income between 200% + \$1 and 250% of the Federal Poverty Guideline levels.

FERA Program is applicable to domestic customers in individually metered single-family accommodations, or domestic submetered tenants residing in multifamily master-metered accommodations. Qualifying Direct Access, Community Choice Aggregation, and Transitional Bundled Services customers are also eligible for the FERA Program.

The FERA Program was designed to assist large families that are ineligible for the CARE rate because their income level is slightly above the CARE Program income limits. Customers or sub-metered tenants participating in the CARE Program cannot concurrently participate in the FERA Program.

By year-end 2017, PG&E estimates that 169,875 of its customers within PG&E's territory are eligible for the FERA discount and 27,464 customers are enrolled in the FERA program. This signifies 16% of the PG&E's qualified customers have been successfully outreached and enrolled in the FERA program and nearly \$60.2 million in cumulative subsidies have been provided to PG&E's FERA customers since 2004.

I. PARTICIPANT INFORMATION

A. Provide the total number of FERA customers by month, for the reporting period.

PG&E provides the total number of FERA customers by month, for the reporting period, at Table 1.

Table 1	
2017	FERA Enrolled ¹
January	29,932
February	30,216
March	30,120
April	29,836
May	29,721
June	29,201
July	29,201
August	29,933
September	29,505
October	27,973
November	27,986
December	27,464

Note:

¹ Does not include sub-metered tenants, as required.

B. Provide the total number of FERA-eligible households, FERA-participating households, and FERA household penetration rates by quarter.

PG&E provides the total number of FERA-eligible households, FERA-participating households, and FERA household penetration rates by quarter, at Table 2.

Table 2			
FERA Penetration Rate			
2017 Quarter Ending	FERA-Eligible Households ¹	FERA-Participating Households ¹	FERA Household Penetration Rate ²
March 31	169,875	30,120	18%
June 30	169,875	29,201	17%
September 30	169,875	29,505	17%
December 31	169,875	27,464	16%

Notes:

¹ Does not include sub-metered tenants, as required.

² FERA Household Penetration Rate is calculated by dividing FERA Participating Households by FERA-Eligible Households.

C. Discuss how the estimates of current FERA-eligible households were developed.

To develop current estimates of FERA-eligible households, PG&E, Southern California Edison Company, Southern California Gas Company, and San Diego Gas and Electric Company used the joint utility methodology adopted by the CPUC in D.01-03-028 for developing monthly penetration estimates in 2017. This methodology requires IOUs to estimate eligibility for CARE, ESA, FERA and other income-by-household size parameters at the small area (block group, census tract, ZIP+2, etc.) for each IOU territory and for the state as a whole.

The requirements for 2017 eligibility correspond to the current estimate of 200 percent of the Federal Poverty Guidelines, provided in the January Health and Human Services (HHS) Poverty Guidelines [Federal Register /Vol. 82, No. 19 /Tuesday, January 31, 2017 /Notices; p.8832].

The sources PG&E relied upon to estimate FERA-household eligibility include HHS Poverty Guidelines for 2017, 2017 small area vendor marginal distributions on household characteristics, Census American Community Survey Public Use Microdata Sample (PUMS) 2011-2015 survey data, utility meter and master meter household counts, Department of Finance Consumer Price Index series, and various Geographic Information System sources. PG&E also adjusted small area

(block group) income distributions to match the latest American Community Survey distributions at the Public Use Microdata Area.

Annually, PG&E applies county level eligibility fractions to a new set of “technical eligibility counts” (for FERA these are individually metered and occupied housing units) obtaining an estimate of income/demographic eligibility in household count form. Monthly, PG&E counts the number of households (by small area, by county, and overall) that are enrolled in FERA. The FERA household total, including individually metered and sub metered occupied housing units, is divided by the total income/demographic eligibility.

D. Provide the current FERA sub-metered tenant counts at year-end.

There were 227 sub-metered tenants enrolled in the FERA Program at year-end 2017.

E. Discuss any problems encountered during the reporting period administering FERA for sub-metered tenants and/or master-meter customers.

The problems encountered by sub-metered tenants and/or master-metered customers include: 1) understanding the FERA discount on their bills; 2) understanding the difference between the FERA discount and the CARE discount; and 3) understanding whether or not these customers can apply for both discounts. These were consistent issues throughout the reporting period.

PG&E provides a monthly FERA certification report to landlords/managers. PG&E also requests that landlords/managers contact PG&E when tenant information needs to be updated. Nonetheless, some landlords/managers still fail to notify PG&E when a FERA-certified tenant moves out of the facility.

PG&E also experienced problems obtaining sufficient FERA discount information on the tenant’s bill from the facility billing agency. For example, the billing agency may not display the FERA discount as a separate line item on a bill, making it difficult for the tenants to verify whether they were receiving the discount. In this situation when the tenant calls PG&E to inquire about the FERA discount, PG&E confirms whether the tenant is certified for the program and reviews the bill with the tenant to ensure they are receiving the discount. If it appears the tenant is not receiving the FERA discount, the tenant is advised to contact their manager or billing agency for further clarification. If the tenant does not obtain resolution with their billing agency and/or sub-metered facility manager, PG&E advises the tenant to contact their County’s Department of Weights and Measures (DWM). DWM helps tenants with meter reading accuracy/testing, proper meter installation, billing accuracy, and verification of the correct rate. If contacting the DWM does not resolve the tenant’s billing question, the tenant is advised to file a complaint with the CPUC.

PG&E observed continued turnover within mobile home park ownership (MHP) and management in 2017, which resulted in undelivered reports and delayed communications. Whenever a change of ownership or change of management occurred, PG&E contacted new owners to transfer existing FERA-certified tenants' data to new accounts, updated the contact information in the database and informed owners and management about the FERA Program and processes. To promote the FERA program, PG&E also mails program applications to landlords/managers annually so the landlords/managers can have the program applications available onsite to eligible tenants. However, some of these packets of applications are either returned or undelivered due to the high turnover of landlords/managers, which results in lower new enrollments.

Additionally, tenants may have moved from one MHP to another MHP or from a residential house to a MHP and thought their FERA discount would be transferable. In these cases, PG&E explained to these customers that the discount is not transferable and advise them to complete a new Sub-Meter application and apply for FERA.

II. PROGRAM COSTS

A. Discount Cost

1. State the average monthly FERA discount received, in dollars per FERA customer.¹

The average monthly FERA discount in 2017, per FERA customer, was \$18.07.

Note:

¹ Does not include sub-metered tenants.

2. State the cumulative annual discount for all FERA customers.¹

The 2017 annual FERA discount was \$6,351,061.

The 2004 through 2017 cumulative annual discount is \$60,166,414.

Note:

¹ Does not include sub-metered tenants.

B. Administrative Costs**1. Show the FERA Program's administrative costs by category.**

PG&E provides the FERA Program's administrative costs by category, at Table 3.

Table 3	
FERA Program Administrative Costs by Category and Benefits	
Category	Cost
Outreach	\$7,379
Processing, Certification, and Verification	\$534
General Administration	\$0
Billing System / Programming	\$0
Regulatory Compliance	\$0
Energy Division Staff Funding	\$0
TOTAL PROGRAM COSTS [1]	\$7,914
CUSTOMER BENEFITS	\$6,351,061
TOTAL PROGRAM COSTS & CUSTOMER BENEFITS	\$6,358,975

[1] Per GRC D.17-05-013, employee benefit burdens are included in the program recorded costs and in the FERA balance when it is transferred for recovery.

2. Explain what is included in each administrative cost category.

Outreach: This category includes costs related to bill inserts, applications (printing and mailing), postage, sub-metered outreach, information technology (technical support and software licensing), staff labor, event staffing, website design, and other outreach.

Processing, Certification and Verification: This category includes costs related to staff labor for application processing, certification, recertification, verification and training.

General Administration: This category includes costs related to office supplies, printing, program management labor, travel expenses, conference, training, and information technology (technical support and software licensing).

Billing System / Programming: This category includes costs related to manual rebilling, Information Technology (IT) programming, software enhancements, system maintenance and IT labor.

Regulatory Compliance: This category includes costs related to program applications and advice filings, comments and reply comments, hearings, reports and studies, working group meetings, public input meetings, and tariff revisions.

Energy Division Staff Funding: This category includes costs related to funding for the Energy Division staff.

Customer Benefits: This category includes costs related to rate discounts.

3. Explain how costs of joint CARE/FERA activities are charged to each program.

For joint CARE/FERA activities, PG&E charges the expenses to the appropriate CARE/FERA order numbers based on the nature of the activities and the number of hours spent on each program.

C. Provide the year-end December 31 balances for the FERA balancing account for both the current and prior reporting periods.

The year-end December 31, 2017 balance for the FERA balancing account was a debit of \$6,396,125.

The year-end December 31, 2016 balance for the FERA balancing account was a debit of \$5,564,978.

The year-end December 31, 2015 balance for the FERA balancing account was a debit of \$3,621,240.

The year-end December 31, 2014 balance for the FERA balancing account was a debit of \$6,312,202.

The year-end December 31, 2013 balance for the FERA balancing account was a debit of \$7,777,274.

The year-end December 31, 2012 balance for the FERA balancing account was a debit of \$7,873,940.¹

The year-end December 31, 2011 balance for the FERA balancing account was a debit of \$7,881,273.

The year-end December 31, 2010 balance for the FERA balancing account was a debit of \$6,671,717.

The year-end December 31, 2009 balance for the FERA balancing account was a debit of \$4,643,804.

The year-end December 31, 2008 balance for the FERA balancing account was a debit of \$2,566,392.

The year-end December 31, 2007 balance for the FERA balancing account was a debit of \$1,603,094.

The year-end December 31, 2006 balance for the FERA balancing account was a debit of \$1,658,767.

The year-end December 31, 2005 balance for the FERA balancing account was a debit of \$1,340,372.²

The year-end December 31, 2004 balance for the FERA balancing account was a debit of \$340,948.

Notes:

¹ The December 31, 2012 figures were adjusted and different from the 2012 Annual Report.

² The December 31, 2005 figures were adjusted and different from the 2005 Annual Report.

III. OUTREACH

A. Discuss utility outreach activities and those undertaken by third parties on the utility's behalf.

PG&E's outreach for the FERA Program is coordinated with PG&E's CARE and Energy Savings Assistance (ESA) Programs outreach efforts consistent with the direction in D.04-02-057, at page 56, that, "[A]dditional [FERA] outreach should be undertaken when it can be done at little cost."

During 2017, PG&E leveraged the CARE multi-touch, multi-channel acquisition campaigns efforts to residential customers that included direct mail, emails, and automated voice messaging and telephone outreach. Each campaign was bi-lingual (English/Spanish) to reduce accessibility barriers. The purpose of this outreach was to introduce customers with a high propensity for eligibility to the FERA Program

The following are 2017 outreach initiatives undertaken by the CARE Program at no additional cost or minimal cost to promote the FERA Program:

Bill Inserts

PG&E inserted postage-paid bilingual applications in English and Spanish into customers' monthly bill packages six times throughout 2017. This initiative reached residential PG&E customers who were not already enrolled in the FERA Program.

Community Events and Engagement

PG&E's Community Engagement (CE) staff partnered with community based organizations to create awareness and provide education about low income programs:

- PG&E partnered with the California School Age Consortium (CalSAC) to promote PG&E's Energenius® curriculum to out-of-school time (OST) field staff. The OST field staff CalSAC serves encompasses afterschool, school-age child care, school-based programs, summer learning, parks and recreation, YMCA's, Boys and Girls Clubs, private programs, licensed family home care, and community based organizations. Not only do these programs provide safe places for children, they also help working families and employ members of the community. These programs also provide meaningful first time jobs and career pathways to teaching and other youth serving professions. In order to expand on these afterschool programs in hard-to-reach communities, PG&E and CalSAC collaborated to market the new Energenius® OST program in an effort to raise awareness about environmental stewardship and to increase access to PG&E services, like CARE/FERA and ESA, for low-income families.
- PG&E continued the Community Ambassador Pilot Program (CA) that started in 2016. PG&E partnered with five nonprofit organizations that serve the following counties: Alameda, Marin, Monterey, Sacramento, San Benito, San Francisco, San Mateo, Santa Clara, and Santa Cruz. These CA organizations served as PG&E's "point of contact" resource for community engagement efforts and were designed to foster trust and connections through targeted community partnerships. They were equipped to deliver county-based customer support in hard-to-reach communities. They completed a comprehensive program training that included additional capacity building tools such as customer service skills, outreach best practices, and program knowledge on the full breadth of PG&E's Low Income Portfolio of programs and services. Community Ambassadors also supported hard to reach customers by staffing or hosting community events.

- Through the Health Outreach Workers Initiative, PG&E partnered with Vision y Compromiso, a nonprofit organization supporting the Latino community, to deliver a culturally and linguistically specific outreach community engagement model that provides community-based health outreach workers with relevant training and support to increase Latino families' awareness of and enrollment in PG&E's low income portfolio of programs while also enhancing families' energy education and energy savings. Ten health outreach workers helped PG&E reach out to strategic networks that promoted the penetration of low income programs through education. This outreach effort was focused in Alameda and Yolo counties in 2017. Outreach activities undertaken by this group included Spanish markets, churches, schools, Women Infant Children (WIC) offices and farm fields.

In 2017, PG&E participated in community events to engage customers about low income assistance programs and services that help customers save money and energy.

- PG&E hosted several outreach activation booths during the month of January and February at Chinese Lunar New Year events and local grocery locations that serve the Chinese community. Representatives focused on promotion of PG&E's low income programs, offering help to customers in-language with questions and on-site enrollment. Radio promotions on Chinese stations aired prior to events to drive awareness and foot traffic.
- PG&E Community Engagement (CE) staff participated in and/or supported 288 community and local PG&E Customer Service Office (CSO) outreach events to create awareness and provide education about assistance programs. These outreach events were staffed by Customer Service Representatives (CSRs) helping customers with questions and understanding their accounts and educating customers about CARE, ESA, FERA and assistance programs. CSRs provided information on Medical Baseline, Budget Billing, Large Print Bills, and In-Language Bills to give customers more information on our programs. This outreach effort resulted in over 23,487 customers receiving educational touches.

Email, Direct Mail, and Automated Voice Messaging (AVM)

PG&E leveraged the CARE acquisition campaigns to outreach to FERA customers, including direct mail, email, and automated voice messaging in multiple languages. The campaign utilized the optimized frequency and sequencing cadence of acquisition direct mail, email and automated voice messaging outreach. Throughout these efforts, PG&E continued to identify optimization opportunities and implemented learnings in real time for improved results, efficiency and cost-effectiveness.

Additionally, customers could also call PG&E directly at 1-800-743-5000 to self-certify their eligibility and enroll/recertify in the FERA Program via AVM technology .

Integration

The FERA Program is integrated with CARE, Cooling Centers and ESA Programs in an effort to generate FERA enrollments. FERA applications are available to participants at Cooling Centers partnering with PG&E. FERA Program information and applications are also distributed at various CARE and ESA Program outreach events. Also, CARE Community Outreach Contractors (COCs) assisted in enrolling FERA customers at no additional cost to PG&E.

CARE customers who notified PG&E of a change in income status and no longer qualified for the CARE discount, were then informed about the FERA Program and provided with an opportunity to apply, if qualified. Additionally, customers who applied for the CARE discount and were ineligible, but income-qualified for the FERA discount, were automatically enrolled in the FERA Program.

FERA features other financial assistance information on its applications. Each 8.5" x 11" application provides a brief description of other assistance programs available as well as contact numbers.

FERA applications are also available at PG&E's local offices. Local office customer service representatives (CSRs) have been trained to speak about the program benefits with every customer and mail any completed applications to the FERA Program team on a regular basis.

Online Enrollment

PG&E relies upon its website and mobile platform to promote the FERA Program, by providing detailed information about FERA and other assistance programs. With online applications available in several languages, customers can enroll using one of two options: complete a simple non-automated form which requires no registration, or via "Your Energy", which requires registration for sign-in or one time access. Customers are able to complete the necessary household and income eligibility information, and submit the application electronically.

PG&E utilizes an online mailbox – CAREandFERA@pge.com – as an internal and external communication tool for any program-related inquiries.

Seniors and Disabled

PG&E's FERA Program continued its outreach to seniors and those with disabilities by having the large-print applications (minimum 16 point font) in the same languages as noted above available in print and on its website, which is mobile friendly and meets ADA standard for accessibility.

Sub-Metered

PG&E reached out to sub-metered tenants by mailing enrollment packets to sub-metered facility managers across its service area. The packets informed managers about the FERA Program benefits and encouraged them to distribute applications to their tenants.

B. Discuss each of the following:

- 1. How FERA customer data and other relevant program information is shared within the utility, for example, between the ESA Program and other appropriate low-income programs.**

The FERA discount is recorded directly into the customer information system. This allows CSRs to see the FERA status of any customer calling PG&E's contact center for assistance. This provides important information for the CSR to use when discussing other benefits and services that may be of assistance to the income-qualified customer. FERA Program also utilizes the same system database as the CARE program, therefore relevant program information is shared between CARE, ESA and other low-income programs.

- 2. Discuss barriers to participation encountered during the reporting period and steps taken to mitigate them.**

PG&E did not encounter any barriers to participation during 2017.

IV. PROCESSING FERA APPLICATIONS

A. Processing Self-Certification and Self-Recertification Applications (individual and sub-metered customers)

1. Provide the number of utility and third-party FERA self-certification and self-recertification applications provided, received, approved, denied, pending/never completed, or duplicates for the reporting period.

PG&E provides the number of utility and third-party FERA self-certification and self-recertification applications provided, received, approved, denied, pending/never completed, or duplicates for the reporting period, at Table 4.

TABLE 4						
FERA Self-Certification and Self-Recertification Applications ¹						
	Provided ²	Received	Approved	Denied	Pending/ Never Completed	Duplicates
Utility	13,133	15,210	15,139	71	0	3,217
Capitation	0	0	0	0	0	0
Other Third-Party	0	0	0	0	0	0
Total	13,133	15,210	15,139	71	0	3,217

Notes:

¹ Includes sub-metered tenants.

² Excludes CARE/FERA outreach applications and multiple bill inserts.

B. Processing Random Post-Enrollment Verification Requests

1. Provide the total number of verifications requested, received, approved, denied, pending/never completed, or duplicates, for the reporting period.

PG&E provides the total number of verifications requested, received, approved, denied, pending/never completed, or duplicates, for the reporting period, at Table 5.

TABLE 5						
FERA Random Post-Enrollment Verification Requests ¹						
	Requested	Received	Approved ²	Denied	Pending/ Never Completed	Duplicates
Total			860			

Notes:

¹ Random Post-Enrollment Verification was not conducted specifically for FERA in 2017 due to the small number of enrollments and discounts.

² CARE Post-Enrollment Verification requests approved for FERA in 2017.

V. PROGRAM MANAGEMENT

A. Discuss issues and/or events that significantly affected program management in the reporting period and how these were addressed.

The FERA Program does not have a separate, authorized budget and is dependent on CARE outreach efforts. For that reason, the program is administered incrementally within the CARE Program Administrative budget and provides FERA outreach to customers at no additional, or minimal cost. For 2017, FERA Program penetration was at 16 percent.

In an ongoing effort to protect the environment, reduce printing and mailing costs, and increase self-services, PG&E continues to encourage residential customers to utilize our toll-free line, website, and online tools for enrollment and recertification. PG&E also encourages sub-metered facility landlords/managers to sign-up to receive their monthly FERA certification reports via e-mail. Many facilities have requested receipt of their reports electronically.

On July 13, 2015, CPUC issued Decision 15-07-001 on Residential Rate Reform, adopted a 12 percent discount for FERA customers at all usage levels. PG&E implemented the new discount on March 1, 2016. This new structure provided a discount to all FERA customers with electric usage instead just customers with Tier 3 electric usage. As the result, more customers are receiving the discount regardless of usage and benefiting from a greater average monthly bill discount of \$18.07 in 2017 compared to \$16.43 in 2016.

PG&E initiated the Mobile Home Park (MHP) Utility Upgrade program which is a voluntary 3-year pilot program from 2015 through 2017 aimed at replacing existing MHP gas and electric facilities with new direct utility service. Qualified and selected applicants will have their privately owned master meter/sub-metered

utility system replaced with new PG&E owned systems to deliver energy directly to park residents. The goal is to upgrade 10 percent of the 381,000 eligible MHP spaces over the next 3 years. This program will provide residents with safer, more reliable service, and will relieve owners from maintaining an aging system. The program will help overcome some of the administrative problems the FERA program encountered with sub-metered tenants and/or master-meter customers.