

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

Applications of Pacific Gas and Electric Company for Approval of the 2009-2011 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget (U39M)	Application 08-05-022 (Filed May 15, 2008)
Application of San Diego Gas & Electric Company (U 902 M) for Approval of Low Income Assistance Programs and Budgets for Program Years 2009 – 2011.	Application 08-05-024 (Filed May 15, 2008)
Application of Southern California Gas Company (U 904 G) for Approval of Low Income Assistance Programs and Budgets for Program Years 2009 – 2011.	Application 08-05-025 (Filed May 15, 2008)
Application of Southern California Edison Company (U 338-E) for Approval of Low Income Assistance Programs and Budgets for Program Years 2009, 2010 and 2011.	Application 08-05-026 (Filed May 15, 2008)

**ANNUAL REPORT ACTIVITY OF SAN DIEGO GAS & ELECTRIC COMPANY
(U 902 M) ON LOW INCOME ASSISTANCE PROGRAMS FOR 2010**

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(U 902 M) ON LOW INCOME ASSISTANCE PROGRAMS FOR 2010**

This report presents the results and expenditures for San Diego Gas & Electric Company's (SDG&E's) California Alternate Rates for Energy (CARE) program and Energy Savings Assistance Program for program year (PY) 2010. The purpose of this report is to consolidate activity for the CARE program and Energy Savings Assistance Program, and provide the Energy Division with all the necessary information to assist in analyzing the low-income programs.

Respectfully Submitted,

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**Energy Savings Assistance Program
and
California Alternate Rate for Energy (CARE)
Program Annual Report**

**2010 Results
May 2, 2011**

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ENERGY SAVINGS ASSISTANCE PROGRAM ANNUAL REPORT

1. Energy Savings Assistance Program Executive Summary

San Diego Gas & Electric Company's (SDG&E's) Energy Savings Assistance Program¹ offers its low income natural gas and electric customers weatherization services, energy efficient lighting, energy efficient appliances, energy education and other services at no cost. In recognition of the changes in the energy markets and the environment, as well as the needs of the low income customers and the larger community, the California Public Utilities Commission (CPUC) in Decision (D.) 07-12-051 updated its policy objectives for the Energy Savings Assistance Program stating:

“[T]he key policy objective for the LIEE programs, like that of our non-LIEE energy efficiency programs, is to provide cost-effective energy savings that serve as an energy resource and to promote environmental benefits. We retain our commitment to ensuring the LIEE programs add to the participant's quality of life, which implicates, equity, energy affordability, bill savings and safety and comfort for those customers who participate in LIEE programs.”²

To achieve these objectives, the CPUC adopted a programmatic Energy Savings Assistance Program initiative (programmatic initiative) “to provide all eligible LIEE customers the opportunity to participate in LIEE programs and to offer those who wish to participate all cost effective energy efficiency measures in their residences by 2020.”³

The long-term California Energy Efficiency Strategic Plan (Strategic Plan) lays out two goals in achieving the vision: 1) By 2020, all eligible customers will be given the opportunity to participate in the Energy Savings Assistance Program, and 2) The Energy Savings Assistance Program will be an energy resource by delivering increasingly cost-effective and longer-term savings.

¹The Energy Savings Assistance Program was formerly known as the Low-Income Energy Efficiency (LIEE) Program.

² D.07-12-051 at page 25.

³ *Id.*

In D.08-11-031, the CPUC approved SDG&E's Energy Savings Assistance Program design and budget for program years (PY) 2009-2011. SDG&E intends to support the CPUC's key policy objective of making the Energy Savings Assistance Program a reliable energy resource and to achieve the adopted goal of reaching 25% of all SDG&E's willing and eligible households (within its territory) during the 2009-2011 program cycle.

In PY2010, SDG&E and SoCalGas jointly filed a petition for modification (PFM) of D. 08-11-031. The CPUC's D. 10-12-002 will have positive future impacts on the Energy Savings Assistance Program because the decision approved the inclusion of inadvertently omitted measures in the program, and authorized a memorandum account to track unanticipated and unforeseen NGAT costs.⁴ Inclusion of the omitted measures will allow SDG&E to provide a wider array of measures for customers. The establishment of the memorandum account will allow SDG&E to track unexpected costs associated with increased NGAT activity for potential future recovery.

This report provides information on SDG&E's Energy Savings Assistance Program accomplishments and expenditures for PY2010. In 2010, the SDG&E Energy Savings Assistance Program exceeded its goal for the number of homes treated, as the program served 21,593 customers, which is 106% of the 2010 goal. The program spent 89% of its authorized budget, while achieving a 93% very satisfied customer rating.

1.1. Alignment of Energy Savings Assistance Program with Strategic Plan Goals and Strategy

1.1.1. Please identify the IOU strategies employed in meeting Strategic Plan Goal 1: Improve Customer Outreach

Implementation Plan and Timeline

⁴D.10-12-002, at Ordering Paragraph (OP) 1.

Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
1.1: Strengthen program outreach using segmentation analysis and social marketing tools.	<ul style="list-style-type: none"> • Identify, implement and evaluate effective marketing, education and outreach methods for targeting low income customer segments. • Use social marketing to effectively engage low income customers in program participation. 	<ul style="list-style-type: none"> • SDG&E continued to utilize customer segmentation data provided by the Claritas PRIZM codes.⁵ PRIZM data allows for targeted messaging and focused channel outreach to distinct customer segments. • The expansion of online/social media helped SDG&E to effectively reach customers who did not respond to more traditional outreach tactics. • Expanding the community based organization (CBO) network to drive enrollments in hard to reach segments was also effective in 2010.
1.2: Develop a recognizable and trustworthy Brand/Tagline for the programs.	<ul style="list-style-type: none"> • Develop a statewide program name and description for Energy Savings Assistance Program which is coordinated with the ME&O efforts for energy efficiency, demand response and any other demand-side options. • Implement branding. 	<ul style="list-style-type: none"> • In 2010, the CPUC adopted two statewide energy efficiency brands: Engage 360 (Energy Efficiency) and the Energy Savings Assistance Program (Low income Energy Efficiency). • SDG&E Energy Savings Assistance Program prepared for 2011 implementation of the statewide branding initiative by updating its communication materials to begin using the statewide program name “Energy Savings Assistance Program” and logo. Branding implementation includes the replacement of the former utility program name with the new statewide name “Energy Savings Assistance Program” and logo on all promotional, marketing, education, and outreach documents and materials.⁶

⁵PRIZM codes are a set of area-based customer segmentation data widely used for marketing purposes in the United States. The data consist of demographic clusters that categorize every U.S. household into a segment. These segments were developed in part from the analysis of U.S. census data and categorize U.S. consumers into 14 distinct groups and 66 segments. The segments help marketers tailor content to consumers’ needs and look at a variety of factors, including income, likes, dislikes, lifestyles and purchasing behaviors.

⁶ See *Assigned Commissioner’s Ruling Providing Guidance Concerning the California Alternative Rates for Energy (CARE) Program and Energy Savings Assistance Program (Formerly and Generally Referred to as Low Income Energy Efficiency (LIEE) Program) and Related 2012-2014 Budget Applications*, at p. 4 (issued March 30, 2011).

Implementation Plan and Timeline		
Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
1.3: Improve program delivery	<ul style="list-style-type: none"> • Use information from segmentation analysis to achieve efficiencies in program delivery. • Leverage with Local, State, and Federal agencies as well as other organizations to increase seamless coordination, efficiency and enrollment 	<ul style="list-style-type: none"> • SDG&E continued to utilize segmentation analysis to improve efficiencies in the Energy Savings Assistance Program. Outreach tactics were followed sequentially to ensure customers received at a minimum a direct mail piece and an outbound automated call prior to canvassing occurring in targeted areas. This increased the likelihood that customers will respond favorably when an Energy Specialist is canvassing their neighborhood. The high number of enrollments that Energy Savings Assistance Program canvassing produced indicates that the method has been successful. • SDG&E continued to identify opportunities to leverage with public agencies to reach customers for the Energy Savings Assistance Program. SDG&E's regional public affairs group engaged public officials in discussions on how best to serve their constituents and provided information on the program. • SDG&E has leveraging agreements with two LIHEAP contractors who provide services to Energy Savings Assistance Program customers under both programs resulting in customers receiving more measures and both programs running more effectively. • SDG&E added a new contractor to the Energy Savings Assistance Program, which will allow leveraging within SDG&E's shared service territory with Southern California Gas Company (SoCalGas). The addition of this new contractor also minimizes duplicative efforts and costs for both utilities, while also allowing both utilities to better serve their customers in these shared territories.

Implementation Plan and Timeline		
Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
1.4: Promote the growth of a trained Energy Savings Assistance Program workforce.	<ul style="list-style-type: none"> • Incorporate Energy Savings Assistance Program training needs into the Workforce Training needs assessment. • Develop Training Roadmap which includes funding requirements and sources other than IOUs. • Implement Energy Savings Assistance Program workforce education and training. 	<ul style="list-style-type: none"> • SDG&E has worked with its Human Resources Department to coordinate a workforce needs assessment with the Workforce Readiness Initiative. The Workforce Readiness initiative identifies gaps in the SDG&E workforce and targets individuals who may be able to fill those jobs.

**1.1.2. Please identify the IOU strategies employed in meeting
Goal 2: Energy Savings Assistance Program is an
Energy Resource**

Implementation Plan and Timeline		
Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
2.1: Increase collaboration and leveraging of other low income programs and services	<ul style="list-style-type: none"> • Identify key areas where data sharing would be possible and advantageous. • Develop partnerships with community organizations and other agencies to leverage resources available from local governments, federal, state, and private project funding sources. 	<ul style="list-style-type: none"> • SDG&E identified areas where data sharing would be advantageous with its LIHEAP agencies. However, due to⁷ concerns with the confidentiality of customer information related to sharing data with SDG&E, a data sharing agreement has not yet been reached with its two LIHEAP agencies.
2.2: Coordinate and communicate between Energy Savings Assistance Program, energy efficiency and DSM programs to achieve	<ul style="list-style-type: none"> • Ensure Energy Savings Assistance Program participants are aware of energy efficiency and DSM/EE programs. • Coordinate with CSI programs to provide Energy Savings Assistance Program. 	<ul style="list-style-type: none"> • SDG&E continued to work with the Energy Efficiency (EE) and Demand Response (DR) teams to make certain that Energy Savings Assistance Program customers are aware of the programs offered by these groups. This includes collateral that provide program and contact information for EE and

⁷ Energy Specialists are Outreach and Assessment contractors.

Implementation Plan and Timeline		
Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
service offerings that are seamless for the customer.	<p>services in qualified low income housing for both single family and multi-family CSI programs.</p> <ul style="list-style-type: none"> • Coordinate AMI delivery and Energy Savings Assistance Program. 	<p>DR.</p> <ul style="list-style-type: none"> • Energy Savings Assistance Program's Energy Specialists are trained to recognize opportunities with customers that may be served through EE or DR and to discuss those options with customers during the assessment and enrollment process. • SDG&E Energy Savings Assistance Program includes information about DR/EE programs on its direct mail letters to potential eligible marketed customers. • SDG&E worked with the AMI groups to pilot its in-home display (IHD) initiative. For 2010, the Low Income IHD pilot was grouped with other EE pilots under the Home Area Network umbrella. This was done to coordinate efforts that would be mutually beneficial to each pilot and to leverage the Smart Meter technology. • SDG&E has worked closely with Grid Alternatives⁸ to quickly serve Energy Savings Assistance Program eligible customers with all feasible measures and ensure the solar installation for single family homes can be accomplished as quickly as possible. For Multi-family units that may qualify for the Multifamily Affordable Solar Housing (MASH) program, SDG&E has made certain that CBOs who may own and manage qualifying units are both aware of the MASH program and that the

⁸ GRID Alternatives is the statewide Program Manager for the Single-Family Affordable Homes (SASH) program on behalf of CPUC. The SASH Program offers incentives on PV solar systems to qualifying low-income homeowners in the Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and SDG&E service territories. In San Diego, the MASH Program Administrator is the California Center for Sustainable Energy. SASH and MASH are California Solar Initiative (CSI) programs.

Implementation Plan and Timeline		
Strategies	Near Term 2009 – 2011	IOU strategy employed this program year
		Energy Savings Assistance Program will serve their units prior to design work for the MASH program.
2.3: Provide low income customers with measures that result in the most savings in the Energy Savings Assistance Program	<ul style="list-style-type: none"> Assess design of programs to ensure increasingly cost effective measures, while reducing low income customers' bills and improving quality of life. Continue to include measures that provide long term energy savings, such as refrigerators. 	<ul style="list-style-type: none"> In 2010, SDG&E began the installation of High Efficiency (HE) clothes washers which was shown to be cost effective and assisted in reducing customer bills. SDG&E plans on continuing the installation of HE clothes washers in 2011.
2.4: Increase delivery of efficiency programs by identifying segmented concentrations of customers.	<ul style="list-style-type: none"> Identify and develop segmented approach to deliver services to households Improve use of CBOs in delivering services 	<ul style="list-style-type: none"> SDG&E continued to use segmentation to target potential eligible customers. The demographic data available within SDG&E's segments has allowed SDG&E to better target and customize marketing efforts, resulting in better customer responses. SDG&E leveraged existing opportunities with CBOs who already work to promote the CARE program, through capitation efforts, and has partnered with several of them to include Energy Savings Assistance Program as part of their services through approval of AL 2140-E/1922-G.

1.2. Energy Savings Assistance Program Overview

SDG&E's Energy Savings Assistance Program is designed to achieve energy savings, by serving as a resource to the State of California and helping to reduce low income customers' energy bills. SDG&E's Energy Savings Assistance Program serves all eligible low income customers by providing, at no cost, all feasible Energy Savings Assistance Program measures as determined by the CPUC and implemented through SDG&E's outreach, assessment and installation process.

During PY2010, SDG&E's Energy Savings Assistance Program treated⁹ a total of 21,593 homes and gave in-home energy education to 21,316 customers. SDG&E weatherized¹⁰ 17,710 homes, and as part of its comprehensive services to eligible Energy Savings Assistance Program participants, SDG&E provided:

- 110,806 CFLs
- 49,713 LED Night Lights
- 17,330 Water Heater Conservation Measures
- 16,313 Envelope and Air Sealing Measures
- 11,313 Interior Hard-Wired CFL Fixtures
- 9,048 Furnaces Clean and Tunes
- 8,994 Torchieres
- 6,676 Thermostatic Shower Valve
- 3,537 Exterior Hard Wired CFLs
- 1,953 Energy Efficient Refrigerators
- 2,115 Furnace Repair or Replacements
- 971 High Efficiency Washers
- 775 Attic Insulations
- 742 Duct Sealing
- 714 Microwaves
- 499 Room Air Conditioner Replacements
- 331 Forced Air Unit Standing Pilot Change-Outs
- 72 Gas Water Heater Replacements
- 40 A/C Tune-ups
- 241,942 Measures in Total

⁹ Per D.02-12-019, the CPUC defines a “treated” home as an income-qualified home that has received any measure or service under the Energy Savings Assistance Program, including energy education, compact fluorescent lamps, weatherization and appliances. Under the Energy Savings Assistance Program, a treated home must receive all feasible measures for which it qualifies.

¹⁰ Per D.02-12-019, the CPUC defines a “weatherized” home as a subset of treated homes, and are defined as income-qualified homes that have received any weatherization measures (e.g., weatherstripping and caulking) under the Energy Savings Assistance Program.

See Energy Savings Assistance Program Table 2 for a comprehensive listing of the energy savings and expenditures associated with the measures installed through SDG&E's Energy Savings Assistance Program in PY2010.

Weatherization and appliance installations resulted in annual energy savings of 7,277,554 kilowatt hours (kWh) and 425,630 therms. The average per home lifecycle bill savings for the 2010 Energy Savings Assistance Program was \$520. The energy savings achieved through the 2010 Energy Savings Assistance Program will contribute to the CPUC's energy savings goals adopted for program year 2006 and beyond as set forth in D.04-09-060.¹¹ Furthermore, SDG&E's Energy Savings Assistance Program contributes to the CPUC's programmatic initiative. Associated Energy Savings Assistance Program expenditures and energy savings are reflected in Section 1.2.1, see the summary table on the following page.

**1.2.1. Provide a summary of the Energy Savings Assistance
Program elements as approved in Decision 08-11-031:**

Program Summary¹²			
	Authorized / Planning Assumptions	Actual	%
Budget	\$21,184,008	\$18,890,522	88
Homes Treated	20,384	21,593	106
kWh Saved	8,887,914	7,277,554	81
kW Demand Reduced	2,010	549	27
Therms Saved	478,745	425,000	89

¹¹ Findings of Fact 13.

¹² In 2010 SDG&E and SoCalGas jointly filed a PFM to request the inclusion of certain measures that were inadvertently omitted from its Application for its 2009–2011 Energy Savings Assistance Program Cycle. All measure expenditures and energy savings are reflected in Section 1.2.1 summary table, because eligible customers received the benefits of the Energy Savings Assistance Program and the energy savings contributed to the Commission's energy savings goal adopted by D.04-09-060. The CPUC issued D.10-12-002 December 2, 2010 on SDG&E's PFM.

1.3. Whole Neighborhood Approach Evaluation

1.3.1. Provide a summary of the geographic segmentation strategy employed, (i.e. tools and analysis used to segment “neighborhoods,” how neighborhoods are segmented and how this information is communicated to the contractor/CBO).

SDG&E continued to utilize PRIZM codes as the foundation for its geographic segmentation strategy used for the Whole Neighborhood Approach (WNA). SDG&E’s service territory was initially segmented according to zip codes and further segmented by a residential customer profile. This segmentation allowed for targeted messaging to customers with high potential for eligibility, and the utilization of customer’s preferred channels of communication enabled SDG&E to drive customer enrollment. For the WNA, a series of communication tactics such as direct mail, outbound calling, and door-to-door canvassing were deployed to potentially eligible customers within specific neighborhoods to optimize resources and reinforce the message.

In order to minimize travel time and carbon footprint for weatherization and HVAC contractors, SDG&E divided its territory into six regions and assigned jobs to contractors based on their geographic location. SDG&E continued to work with locally based contractors to serve the outlying areas of its service territory in southern Orange County and the back country in the eastern part of the territory. Coordinated direct mail and outbound calling campaigns helped generate program awareness and customer interest in these areas.

1.3.2. Provide a summary of the customer segmentation strategies employed (i.e. tools and analysis used to identify customers based on energy usage, energy burden and energy insecurity) and how these customer segments are targeted in the Whole Neighborhood Approach to program outreach.

SDG&E assessed the three “most promising” household characteristics identified in the KEMA Report,¹³ adopted by the CPUC in D.08-11-031, to identify potential WNA neighborhoods. SDG&E continues to address each of these household types with a tailored approach and delivered targeted outreach in an effort to increase enrollment in these segments. For example, the majority of eligible Energy Savings Assistance Program customers are low energy users. Because their gas and electric bills are so low, saving money on their SDG&E bill is not necessarily a top priority for these customers. Therefore as a way to gain interest in the program, SDG&E incorporated a message about making homes more secure and comfortable. For households with a high energy burden, saving money on their SDG&E bills is a larger concern and was therefore highlighted in communications to them. For the households with high energy insecurity (customers with late payments and/or threatened service shut-off), SDG&E developed a direct mail campaign targeted to those customers who had paid their bills at a bill payment office for three consecutive months and had received a collections notice. Since it is difficult to segment each of these specific groups by neighborhood, they became a subset of SDG&E’s WNA efforts. When SDG&E targeted a specific neighborhood with a large concentration of households meeting one or more of the “most promising” characteristics, the outreach campaigns were linked.

1.3.3. Describe how the current program delivery strategy differs from previous years, specifically relating to Identification, Outreach, Enrollment, Assessment, energy Audit/Measure Installation, and Inspections.

SDG&E continued its practice of inspecting Energy Savings Assistance Program customer measure installations, in accordance with the statewide Energy Savings Assistance Program Policy and Procedures Manual (P&P) as adopted by the CPUC. The following provides detail regarding the changes that have occurred in specific areas; measure installation strategies have not changed from previous years¹⁴:

¹³ Phase II Low Income Needs Assessment Final Report prepared by KEMA, Inc, dated October 12, 2007.

Identification and outreach - Due to the effects of the downturn in the economy, customers, who may not have been eligible for Energy Savings Assistance Program in previous years, now may be eligible, and customers who had never needed to utilize social services or low income programs before, now need assistance. SDG&E continued to increase program awareness through mass media campaigns, special messaging on its website and outreach targeted specifically to the newly unemployed.

Enrollment- To make the enrollment process more streamlined and less cumbersome for customers, SDG&E continued to offer a direct connect feature to automated outbound calling, allowing more efficient screening and scheduling from one quick call.

Assessment – SDG&E’s outreach and assessment contractors have conducted ongoing training for their Energy Specialists on any new program policies and procedural changes. With the installation of HE clothes washers in 2010, outreach and assessment workers needed to be trained on the new installation feasibility criteria. With this additional training, the Energy Specialists were able to communicate to customers the benefits of installing this additional measure. SDG&E Field Specialists continued to assist Energy Specialists in determining the feasibility of measures to help manage the customer experience and set appropriate expectations.

1.4. Energy Savings Assistance Program Customer Enrollment Evaluation

1.4.1. Distinguish between customers treated as “go backs” and brand new customers so that the CPUC has a clear idea of how many new customers the IOUs are adding to the Energy Savings Assistance Program.

Through its Home Energy Assistance Tracking (HEAT) database, SDG&E maintains comprehensive records for customers served going back to 1996. The customers who

¹⁴ Not all updates are related to WNA.

were served prior to 2002 may be eligible for certain go back measures if they still meet program eligibility criteria. SDG&E does not actively market to these customers because the goal of the Energy Savings Assistance Program is to serve as many new customers as possible during a program cycle. If a customer contacts the Energy Savings Assistance Program and has not been served in 10 years or has a qualifying go back measure (refrigerator, attic insulation, furnace) SDG&E will re-qualify and serve that customer. This results in customers receiving services they are eligible for while keeping the program focused on new customers who have never received services. In 2010, SDG&E had 392 customers served as “go backs”.

1.4.2. Please summarize new efforts to streamline customer enrollment strategies, including efforts to incorporate categorical eligibility and self-certification.

SDG&E works closely with its outreach and enrollment contractors to make certain that the enrollment of customers meets CPUC requirements, while not being so cumbersome that customers decide not to participate. Through its CBO network, SDG&E works with many customers who are categorically eligible¹⁵ and customers are made aware of that at the time they sign up for these services at their local agency. This cross selling of the program by the agency representative under categorical eligibility provides a simpler enrollment experience for the customer and a comfort level that the agency is working with SDG&E to promote this valuable program. Self certification¹⁶ through PRIZM code

¹⁵ Categorical programs include: Medicaid/Medi-Cal, Women, Infants, and Children Program (WIC), and LIHEAP, SNAP, Tribal Temporary Assistance to Needy Families (TANF), Bureau of Indian Affairs General Assistance (BIA GA), National School Lunch Program (NSLP), Tribal Head Start, State Supplemental Security Income (SSI), and Healthy Families A & B.

¹⁶ In D.05-10-044 the CPUC allowed SDG&E and SoCalGas to use 2000 census tract data to identify neighborhoods where they could suspend income documentation requirements enroll customers in the ENERGY SAVINGS ASSISTANCE PROGRAM program through self-certification, if those customers lived in areas where 80% of the households were at or below 200% of the federal poverty line. In D.06-08-025, D.06-12-038, and D. 08-11-031, the CPUC allowed continuation of the self-certification process described above.

remains the least intrusive enrollment method for both the customer and outreach and assessment contractors. The contractors are able to target areas and multi-family complexes that are believed to have a high number of potentially eligible customers and provide a streamlined enrollment experience for customers. When customers are able to easily enroll in the program they are more likely to share that experience with friends and family and ideally drive more eligible customers to the Energy Savings Assistance Program.

1.4.3. If the IOU has failed to meet its annual goal of number of households served, please provide an explanation of why the goal was not met. Explain the programmatic modifications that will be implemented in order to accomplish future annual goals of number of households served.

SDG&E exceeded its goal for the number of homes treated in PY2010, as SDG&E served 21,593 homes, and SDG&E's PY2010 goal was to serve 20,384 homes.

1.5. Disability Enrollment Efforts

1.5.1. Provide a summary of efforts to which the IOU is meeting the 15% penetration goal.

SDG&E promotes all customer assistance programs in large font, Braille, and videos in American Sign Language (ASL) to customers with vision and hearing impairments. ASL interpreters are available to customers at outreach events and in the home when Energy Savings Assistance Program measures are being installed.

1.5.2. Describe how the Energy Savings Assistance Program customer segmentation for ME&O and program delivery takes into account the needs of persons with disabilities.

SDG&E's Marketing, Education, and Outreach (ME&O) communications are designed to specifically address the communication needs of its customers with disabilities.

For customers with visual impairments, SDG&E provides:

- Large-font printed materials
- Audio formatted communication on CD and cassette

For customers with hearing impairments, SDG&E provides:

- Videos in American Sign Language (ASL)
- ASL interpreters in the home when low income energy efficiency services are being installed
- Closed-captioned videos
- Web link to SDG&E's programs through the Deaf and Disabled Telecommunications Program (DDTP)

1.5.3. Identify the various resources the IOUs utilize to target the disabled community and the enrollments as a result:

SDG&E actively marketed the Energy Savings Assistance Program with outreach efforts to over 20 CBOs (list follows). Information is shared with disabled communities through an active web link on the DDTP. Video logs in ASL are posted on the Deaf Community Services of San Diego website and are available in DVD format through other organizations serving the needs of the disabilities communities such as the San Diego Regional Center and the San Diego Health and Human Services Administration – Aging and Independence Services.

Organizations serving the disabilities communities that promote Energy Savings Assistance Program¹⁷:

- Deaf Community Services of San Diego*

¹⁷ Asterisk (*) shows organizations that SDG&E participated in meetings and outreach events.

- San Diego Center for the Blind*
- Aging and Independent Services (San Diego In-Home Support Services Authority)*
- San Diego Regional Center*
- Access to Independence San Diego*
- California Council of the Blind—San Diego Chapter*
- National Federation of the Blind—North San Diego Chapter*
- Red Cross of San Diego*
- Disability Rights California—San Diego Regional Office*
- Elder Help of San Diego*
- Southern Caregiver Resource Center*
- United Cerebral Palsy of San Diego*
- CA Department of Rehabilitation—San Diego District Office*
- Toward Maximum Independence, Inc.*
- ARC—San Diego Chapter*
- Californians for Disability Rights—San Diego Chapter*
- Employment and Community Options
- San Diego Deaf Mental Health Services
- San Diego Autism Society
- Burn Institute
- National Alliance on Mental Illness
- Mental Health Systems

Disability Enrollments			
Source	Enrollments	Disability Enrollments	% of Disability Enrollments
Bill Insert	139	17	1%
Branch Offices	29	4	0%
Calling Campaign	1,991	283	16%
Canvassing	11,922	593	34%
CBO	69	8	0%
Contractor Referral	1,407	125	7%
Customer Referral	1,566	166	10%
Direct Mail	2,054	272	16%
Email Campaign	95	7	0%
Employee Referral	1,176	128	7%
Internal SDGE Programs	100	16	1%
Energy Savings Assistance Program			
Capitation	304	37	2%
Media	169	27	2%
Online Web	399	42	2%
Outreach Events	26	1	0%
Outreach & Marketing Team	147	17	1%

Total	21,593	1,743	8%
Target Enrollment Rate	20,384	3,058	15%

1.5.4. If participation from the disabled community is below the 15% goal, provide an explanation why:

SDG&E was unable to attain the 15% goal because it is continuing to hone the best marketing, outreach, and enrollment strategies to target this unique community. Future Customer Assistance marketing campaigns will include elements specifically for the hearing impaired and visually impaired. For the visually impaired, SDG&E's written materials for Energy Savings Assistance Program will be available in large-font, Braille and in audio format on cassette and CD. SDG&E customers with hearing impairments will continue to have videos, with closed captions or transcript, available to them in ASL on the Deaf Community Services website and in DVD format which is available through many community based organizations. Programs and services will continue to be marketed in partnership with the DDTP through a link on their web site. For "live" events, such as community outreach and education and Energy Savings Assistance Program installations, SDG&E has the ability to provide ASL interpreters on site.

1.6. Leveraging Success Evaluation, Including LIHEAP

1.6.1. Describe the efforts taken to reach out and coordinate the Energy Savings Assistance Program with other related low income program offered outside the IOU that serve low income customers.

SDG&E continued to work with the community based organization Rebuilding Together San Diego (RTSD) to leverage the non-profit agency's home renovation efforts with Energy Savings Assistance Program energy-efficient upgrades for qualified homeowners. In addition to installation of energy-saving measures for homeowners who will receive comprehensive home renovation under the RTSD program, all applicants for grants under

RTSD's home renovation program became new leads for possible participation in the Energy Savings Assistance Program.

As part of the Green Neighborhoods initiative¹⁸, in conjunction with the installation of new "Smart Meters," SDG&E worked with local community groups such as the City Heights Development Corporation and the Environmental Health Coalition to educate customers about energy conservation and install energy-saving measures. As a result of this initiative, SDG&E plans to install energy-saving measures in more than one hundred homes in central San Diego and the South Bay community.

1.6.2. In addition to tracking and reporting whether each leveraging effort meets the above criteria in order to measure the level of success, please describe the Other Benefits resulting from this particular partnership not captured under the 3 criteria described above.

The primary benefit of the leveraging was that customers received better overall service because they were able to simultaneously participate in multiple programs in a manner that was seamless to the customer. Customers did not have to contact individual programs separately, thereby improving the level of service offered to customers.

1.6.3. Please provide a status of the leveraging effort with CSD. What new steps or programs have been implemented for this program year? What was the result in terms of new enrollments?

¹⁸ Green Neighborhoods initiative, is a pilot program. The program is part of the smart meter education efforts, and its main objective is to educate the community about smart meter technology and energy education to include conservation and energy efficiency.

In 2009, SDG&E entered into a contractual relationship with the two local LIHEAP agencies in its service territory, Campesinos Unidos (CUI) and Metropolitan Area Advisory Committee (MAAC). SDG&E provided training and facilitated a close working relationship with CUI and MAAC to ensure that both agencies were leveraging energy-saving measures under LIHEAP with measures from the Energy Savings Assistance Program to eligible customers. By leveraging the resources of these agencies, SDG&E was able to seamlessly offer customers measures from both Energy Savings Assistance Program and LIHEAP programs. This benefitted both customers and the programs, as it stretched measure dollars and provided customers with the opportunity to receive the most measures available.

When feasible, eligible customers were referred to the appropriate agency for enrollment in LIHEAP in order to receive installation of measures not offered under the Energy Savings Assistance Program, such as stoves, and gas appliances for renters. 61 enrollments were leveraged resulting in \$19,865 in savings in PY 2010.

1.7. Integration Success Evaluation

1.7.1. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with the CARE Program.

SDG&E's CARE program and the Energy Savings Assistance Program work jointly to ensure that all qualified CARE and/or Energy Savings Assistance Program customers are fully aware of their eligibility for both programs and are assisted in enrollments. All new CARE customers who have not received Energy Savings Assistance Program services are targeted through direct mail, outbound calling, email blasts and canvassing efforts to ensure they have every opportunity to be served by the Energy Savings Assistance Program. When an Energy Specialist canvasses in a neighborhood, they are made aware of the customer's CARE status prior to engaging the customer in a

discussion about SDG&E's Customer Assistance Programs. Medical Baseline¹⁹ customers are also made aware of both CARE and Energy Savings Assistance Program even though Medical Baseline is not an income qualified program. Cross selling of both programs continues to increase enrollments through the outreach efforts of the CBO's currently under capitation contracts with SDG&E.²⁰

1.7.2. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with the Energy Efficiency Residential Program.

SDG&E Energy Savings Assistance Program works closely with SDG&E Residential EE program staff to integrate messaging to customers who may be able participate in Energy Savings Assistance Program services or EE rebate programs. In the moderate income segment, Energy Savings Assistance Program worked closely with EE to help identify measures, potential contractors and services the moderate income program may provide. Often customers who are not eligible for Energy Savings Assistance Program services are looking to improve their energy usage and providing information on where they can find these services is often beneficial to these customers.

In 2010, the Energy Savings Assistance Program laid the ground work for future integration with Energy Efficiency's Middle Income Direct Install program (MIDI). Ideally, the future integration efforts will better serve customers contacted through either program. Energy Savings Assistance Program and EE have begun discussions on a referral system to direct customers who do not meet Energy Savings Assistance Program's income guidelines to Energy Efficiency MIDI program for potential measure installation. SDG&E's Energy Savings Assistance Program is also working with the EE MIDI program to cross promote Energy Savings Assistance Program on collateral and through other communication opportunities such as outreach events. In addition, the

¹⁹ The Medical Baseline program is CPUC mandated, and provides additional baseline allowance (gas at the lowest rate) for people with specific medical needs.

²⁰ For example, the over 130 events SDG&E participated in yielded 1,548 CARE applications and 875 ESAP interest forms. In PY2010, 21 presentations yielded 118 CARE applications and 66 ESAP applications. Also, refer to the CARE Section of this report.

Energy Savings Assistance Program will provide EE contractors with Energy Savings Assistance Program information to be shared with low-income customers that may come in contact with the MIDI program.

1.7.3. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with the Energy Efficiency Government Partnerships Program.

SDG&E Energy Savings Assistance Program and Government Partnerships Program continue to identify opportunities to cross promote Energy Savings Assistance Program services through the partnership programs. In 2010, SDG&E Energy Savings Assistance Program provided training to University of San Diego students as a part of their sustainability curriculum. Students participated in energy audits in targeted low income communities in San Diego.

1.7.4. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with any additional Energy Efficiency Programs.

As Energy Savings Assistance Program is a residential program, SDG&E currently focuses its integration efforts with Energy Efficiency Residential Programs. This is discussed under Section 1.7.2 of this report.

1.7.5. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with the Demand Response Programs.

The Energy Savings Assistance Program promotes, where applicable, information on Demand Response programs to Energy Savings Assistance Program customers. The majority of SDG&E Energy Savings Assistance Program customers do not have end use equipment that lends itself to the DR programs.

1.7.6. Describe the new efforts in program year to integrate and coordinate the Energy Savings Assistance Program with the California Solar Initiative Programs.

SDG&E has worked closely with Grid Alternatives to efficiently serve any Energy Savings Assistance Program eligible customers with all feasible measures to ensure the solar installation for single family homes can be accomplished as quickly as possible. For multi-family units that may qualify for the MASH program, SDG&E has made certain that CBOs who may own and manage qualifying units are both aware of the MASH program and that the Energy Savings Assistance Program will serve their units prior to design work for the MASH program.

1.8. Workforce Education & Training

1.8.1. Please summarize efforts to improve and expand Energy Savings Assistance Program workforce education and training. Describe steps taken to hire and train low income workers and how such efforts differ from prior program years.

SDG&E's workforce efforts are coordinated through SDG&E's Human Resources department. The Workforce Readiness initiative is the guiding document that SDG&E uses to assess and plan for its future workforce.

The Energy Savings Assistance Program worked with local agencies focused on workforce readiness. Through a partnership with The Workforce Partnership and San Diego Urban Corp, at risk youth were trained to provide door-to-door canvassing in

targeted neighborhoods promoting the Energy Savings Assistance Program and CARE to potentially eligible customers.

SDG&E's Energy Savings Assistance Program does not have any direct involvement in training or hiring low income workers for the Energy Savings Assistance Program. The contractors employed by SDG&E make their own hiring decisions and strive to hire workers from communities that they serve. Often ethnic, culture, and language barriers are problems that the Energy Savings Assistance Program needs to overcome and the program contractors are sensitive to this and the composition of their personnel often reflect such diversities.

1.8.2. Please list the different types of training conducted and the various recruitment efforts employed to train and hired from the low income energy efficiency workforce.

Type of training or recruitment conducted	Employees trained	Employees hired
Outreach & Assessment contractor		
Energy Team Outreach Specialist	7	7
Weatherization		
Basic weatherization, renovation training, windows, attic insulation, CVA training, door repair and installation, basic electrical, venting	9	9
HVAC		
Hired experienced HVAC technicians	1	1

1.9. Legislative Lighting Requirements Status

1.9.1. Provide a summary on current and future CFL supply issues, as experienced by the IOU. Any current / future problems as well as potential solutions should be discussed in this paragraph.

In 2010, SDG&E continued to monitor the supply of Compact Fluorescent Lamps (CFLs) and SDG&E has not identified any issues with procuring CFLs for installation in the Energy Savings Assistance Program.²¹ Therefore, SDG&E does not anticipate a shortage in the supply of CFLs that could result in any problems with the installations of future CFLs in SDG&E's Energy Savings Assistance Program. All CFL products purchased by Energy Savings Assistance Program contractors were under the blanket purchase order agreement with Lights of America (LOA) as negotiated by Southern California Edison (SCE) on behalf of SDG&E and PG&E.

1.9.2. Provide a summary explaining how IOU promotes the recycling/ collection rules for CFLs.

As part of the in-home energy education component of the Energy Savings Assistance Program, SDG&E's outreach and assessment contractors discuss the safe disposal of CFLs with customers and also provide customers with a leave behind flyer which includes information on the safe disposal of CFLs. Information is available in English and Spanish languages.

1.9.3. Complete Table 16 (in Appendix). In addition, please briefly summarize the CFL procurement process for the IOU, including manufacturers, distributors, warehousing, and contractor delivery.

In 2010, PG&E, SDG&E and SCE executed an agreement with LOA to supply CFLs for the Energy Savings Assistance Program. As a result of this agreement, SDG&E's contractors are required to purchase CFLs for installation in the Energy Savings Assistance Program through LOA. SDG&E's Energy Savings Assistance Program contractors' have their own contractual agreements to purchase CFLs directly with LOA

²¹ According to the California Energy Commission (CEC) website (http://www.energy.ca.gov/lightbulbs/lightbulb_faqs.html retrieved on April 11, 2011): "January 1, 2011 light bulb manufacturers will be required to meet new efficiency standards in California to save consumers money and energy. The standard, passed by Congress and signed by President George W. Bush, becomes effective nationwide January 1, 2012."

and supplies are delivered directly to contractors designated storage locations. Warehousing and storage are managed at the contractors' premise and contractors are also responsible for their own inventory in order to meet program demands.

1.9.4. Provide a summary of IOU activities in preparation for a drawdown of CFL-supporting subsidies at the end of the 2009-2011 cycle, and where, as experienced by the IOU, they feel new lighting technologies could be used in the Energy Savings Assistance Program.

To prepare for a drawdown of CFLs, SDG&E continued offering LED Night Lights to eligible Energy Savings Assistance Program customers which resulted in the installation of 49,729 LED Night Lights. The installation of this measure will help continue to expose customers to LEDs and transition new lighting technologies to customers when made available to the Energy Savings Assistance Program. At this time, LED lamps are still relatively expensive and the cost to install them in the Energy Savings Assistance Program is not cost effective. When prices for LED lamps become less expensive and are more cost effective, SDG&E's Energy Savings Assistance Program will again consider its inclusion in the measure and installation process.

1.10. Studies

1.10.1. For each Study, provide 1) a summary describing the activities undertaken in the study since its inception; 2) the study progress, problems encountered, ideas on solutions; and 3) the activities anticipated in the next quarter and the next year.

Four statewide studies were planned for the 2009 to 2011 program cycle. These include: (1) an impact evaluation, (2) a process evaluation, (3) a study of non-energy benefits, and (4) a study of refrigerator degradation. Each of these is described below.

(1) Joint Utility²² 2009 Energy Savings Assistance Program Impact Evaluation

The prime research contractor for the 2009 impact evaluation was ECO Northwest. Energy Division staff selected the contractor and managed the study. SCE holds the contract with the contractor for the project.

The objective of the impact evaluation was to provide electric and gas savings estimates by measure, utility, household, weather zone, and other relevant dimensions for the 2009 Energy Savings Assistance Program. The results of this evaluation are intended to inform the planning and development of the 2012-14 application.

The results provided data to quantify the 2009 program achievements and document the relative value of various measures in producing energy savings. Analyses of the program impacts on energy savings are being used to update savings forecasts, complete other Energy Savings Assistance Program analyses, and meet filing and reporting requirements. The impact evaluation conducted during this program cycle focused additional resources on understanding behavioral and/or housing-related variables relevant to heating and cooling impacts. In particular, more in-depth data were collected and further analyses were conducted on furnaces and evaporative coolers.

The primary analyses of the data were done via utility billing data. Additional primary data collection included phone surveys with participants and non participants; as well as in-home audits and interviews with a smaller sample of participants. Engineering analyses of some small and new measures were also conducted.

²² The Joint Utilities are PG&E, Southern California Edison Company (SCE), SoCalGas, and San Diego Gas & Electric Company (SDG&E).

The statewide impact evaluation commenced with a kickoff meeting for all interested parties in September of 2009. To date, all data has been collected and most of the analysis is complete. A draft report was delivered in March, 2011. A workshop was held on March 28th to discuss the results, after which the report will be finalized.

(2) Joint Utility Energy Savings Assistance Program Process Evaluation

The prime research contractor for the process evaluation was Research Into Action. Energy Division staff selected the contractor and managed the study. PG&E holds the contract with the contractor for the project.

The purpose of the study was to evaluate the effectiveness of the program delivery strategies and provide recommendations for improvement. The work scope consisted of a combination of telephone surveys of program participants and nonparticipants, telephone interviews of utility program staff and contractors, focus groups with contractors, and ride-along with contractors.

The statewide process evaluation commenced with a kickoff meeting for all interested parties in August 2010. To date, all the data and analysis has been completed and a draft report was delivered February 25, 2011. A workshop was held on March 28th to discuss the results, after which the report will be finalized.

(3) Joint Utility Non-Energy Benefits (NEBs) Study

The prime research contractor for the study was Skumatz Economic Research Associates. A statewide advisory group selected the contractor and SDG&E managed the study and held the contract with the contractor for the project.

The purpose of the study was to research the available literature on non-energy benefits and provide a recommended methodology for updating the current non-energy benefit values used for testing the cost effectiveness of the Energy Savings Assistance Program.

The work scope consisted of an extensive literature review and synopsis of relevant ranges of values used in other programs.

The statewide study of non-energy benefits commenced with a kickoff meeting for all interested parties in August 2009. A final report was delivered and vetted in a public workshop on May 25, 2010. Initially, a phase two study was planned to develop the recommendations from this report; however, it was decided by the statewide advisory group that the results of the “phase one” study showed that values had not changed much from what was currently being used, and minor updates could be done by the IOUs with data on hand.

(4) Joint Electric Utility Refrigerator Degradation Study

Typically, appliance replacement is based on the effective useful life (EUL) and degradation of measures, from which is determined at what stage of their lifecycle it becomes cost-effective to replace them to receive the most energy savings benefits. Currently, old refrigerators are eligible for replacement with new energy efficient refrigerators in the Energy Savings Assistance Program if they are manufactured before 1993. Energy Savings Assistance Program statistics indicate that the pre-1993 refrigerator replacement market is already saturated; however, the Joint Utilities believe energy efficient refrigerators are still one of the most cost-effective, energy-saving measures in the Energy Savings Assistance Program. This study was planned to update refrigerator replacement criteria to garner new, significant and cost-effective energy savings for the Energy Savings Assistance Program.

The central goal of the refrigerator degradation study was to determine which, if any, alternate refrigerator replacement criteria lead to maximum, cost-effective energy and demand savings for the Energy Savings Assistance Program. Specifically, the Joint Utilities looked for a criterion for refrigerator replacement in the form of either a date at which manufacturer and technological changes in efficiency occurred or a determined age of refrigerators to be replaced.

No activities on this project occurred during 2009. In 2010, an RFP was issued and no proposals were received. Subsequently, KEMA indicated interest and submitted a letter proposal which is still under negotiation. It is planned that KEMA will conduct the research under contract to PG&E, and PG&E will manage the study. The study is expected to be completed in 2011.

1.10.2. If applicable, submit Final Study Report describing: 1) Overview of study; 2) Budget spent vs. authorized budget; 3) Final results of study; and 4) Recommendations. NA

A copy of the final report for the Non-Energy Benefits Study is provided as Attachment A. The authorized budget was \$300,000 (for a planned two-phase study), and the total expenditures for the completed one-phase study came to \$123,853. See section 1.10.1(3) for a summary of the Non-Energy Benefits Study.

1.11. Pilots

1.11.1. For each Pilot, provide 1) a summary describing the activities undertaken in the study since its inception; 2) the study progress, problems encountered, ideas on solutions; 3) the activities anticipated in the next quarter and the next year; and 4) Status of Pilot Evaluation Plan (PEP).

In-Home Display (IHD) Pilot

SDG&E started a pre-pilot in late 2009 for IHDs and completed the pre-pilot assessment in early 2010. The pre-pilot was done over a six-week period to test the technology and proof of concept on 19 customers, as well as to select a final IHD vendor for the full pilot.

The objectives of the pre-pilot were as follows:

- Gain insight to the customer's installation experience and recruiting methodology
- Gain insight into the relevance and value of device features/functionality

- Gain insight into customer interaction with the device: frequency, time of day, members in the household, etc.
- Gain insight on behavioral changes that may occur as a result of having usage and pricing information displayed in real time
- Increase the effectiveness of the full pilot in terms of the implementation process and the customer experience
- Test the IHD technology and vendor support

A final evaluation and presentation of the pre-pilot results were presented in March to the Low income Oversight Board. Since that time it was realized that hardware and software compatibility and security issues have to be further resolved before a full pilot could be implemented. Compatibility and security issues continue to be resolved with more internal software and equipment testing. Therefore, the IHD pilot had to be postponed until 2011. Though the Smart Meter team appears to have resolved most issues to start the low income IHD pilot in 2011, technology uncertainties continue to evolve very quickly, which could further delay the implementation. Technology obsolescence could be a risk, but SDG&E will continue to review technologies for pilots that will make sense for its customers and will enable behavioral changes for energy efficiency and demand response.

The pre-pilot results from five weekly online surveys of the 19 participants reveal that customers are interested in IHDs and do modify their behaviors when energy consumption and cost information are readily available. Some of the findings from the pre-pilot study include the following:

- Most respondents looked at the IHD several times a day or frequently throughout most of the test period.
- By the end of the test period, about half of the respondents looked at it frequently, and the other half about once a day or less.
- Nearly all respondents took action to reduce their energy use and cost.

Here are some of the things they did:

1. Turned off lights, appliances, and equipment when not in use
2. Replaced incandescent with CFL bulbs

The plan for the full scale IHD pilot in 2011 will consist of installing a total of 300 IHDs among 4 control groups as suggested in Resolution E-4237.

These control groups will consist of the following:

- “Control Group” - customers with similar demographics and energy use, but no IHDs (150 customers with no IHDs)
- “Device Only Group” - customers will receive IHDs but no additional program materials and information (150 customers with IHDs)
- “Information Only” – customers will receive only program materials and information (150 customers with no IHDs)
- “Device and Information” – customers will receive IHDs and program materials and information (150 customers with IHDs)

If all compatibility and security issues are resolved and approval is given by the Smart Meter department, then groups will be set up in early 2011 with designated IHDs and appropriate customer support to ensure these devices are working properly. Data collection and analysis will take place over the summer and fall periods before completing the evaluation and recommendation. The pilot evaluation will follow control groups, and include bill analysis before and after installations. If IHDs are installed with sufficient data available for evaluation in 2011, a final IHD pilot report is expected to be completed in the spring of 2012.

1.11.2.If applicable, submit Final Pilot Report describing: 1) Overview of pilot; 2) Description of Pilot Evaluation Plan (PEP); 3) Budget spent vs. authorized budget; 4) Final results of pilot (including effectiveness of the program, increased customer enrollments or enhanced program energy savings); and 5) Recommendations.

This section is not applicable to SDG&E for PY2010.

1.12. “Add Back” Measures

1.12.1.If the "add-backs" compromise the IOUs' ability to meet the 2020 Plan goal that 100% of eligible and willing customers will have received all cost effective Energy Savings Assistance Program measures, how does the IOU propose to address the shortfall in other parts of the Energy Savings Assistance Program?

The inclusion of “add backs” in the current program will not impact the utility’s ability to meet the 2020 plan goal that 100% of eligible and willing customers will have received all cost effective Energy Savings Assistance Program measures, because the number of add back measures is a small amount of the overall program budget. SDG&E exceeded its 2010 homes treated goal while being under spent with its authorized budget. Through effective program management SDG&E is able to control program costs and deliver customers all feasible measures. The total count and expenditures related to “add back” measures are provided in Table 18. Because SDG&E does not currently anticipate any impacts to the program, it will continue to install the “add back” measures, when feasible.

2. CARE Executive Summary

2.1. Participant Information

2.1.1. Provide the total number of residential CARE customers, including sub- metered tenants, by month, by energy source, for the reporting

period and explain any variances of 5% or more in the number of participants

Note: There was no monthly variance of 5% or more in the number of CARE participants during 2010.

2.1.2 Describe the methodology, sources

TABLE 1a		
Residential CARE Program Electric Customers by Month		
PY2010	CARE Customers	Percentage Change
Jan	270,247	0.27%
Feb	271,157	0.34%
Mar	270,455	-0.26%
Apr	272,263	0.67%
May	273,449	0.44%
Jun	273,780	0.12%
Jul	281,920	2.97%
Aug	283,910	0.71%
Sep	286,867	1.04%
Oct	289,313	0.85%
Nov	291,659	0.81%
Dec	293,438	0.61%

TABLE 1b		
Residential CARE Program Gas Customers by Month		
PY2010	CARE Customers	Percentage Change
Jan	183,271	0.17%
Feb	183,775	0.28%
Mar	183,159	-0.34%
Apr	184,082	0.50%
May	184,794	0.39%
Jun	185,000	0.11%
Jul	190,922	3.20%
Aug	191,951	0.54%
Sep	194,461	1.31%
Oct	196,469	1.03%
Nov	197,259	0.40%
Dec	198,003	0.38%

of data, and key computations used to estimate the utility's CARE penetration rates by energy source.

2.1.2.1 Describe how the estimates of current demographic CARE eligibility rates, by energy source for the pre-June 1st periods, were derived.

SDG&E, and the other IOUs, use the joint utility methodology adopted by the Commission in D.01-03-028 to develop quarterly and monthly penetration estimates in 2010. This method entails annual estimation of eligibility for CARE, Energy Savings Assistance Program, and other income-by-household size parameters at the small area (block group, census tract, zip) for each IOU service territory and for the state as a whole.

Sources for this estimation include the Commission's current income eligibility guidelines, current year small area vendor distribution on household characteristics, Monthly Current Population Survey data ("CPS Monthly", U.S. Census); Census Public Use MicroData Sample (PUMS) 2005-2009 American Community Survey ("ACS/PUMS," U.S. Census) and Integrated Public Use MicroData Series ("IPUMS-CPS," Minnesota Population Center, University of Minnesota); Labor Market Information Data ("EDD/LMID,") California Employment Development Department and additional vendor data sources, including projected small area unemployment data from Synergos Technologies, Inc. and Environmental Systems Research Institute, Inc.

Estimates from the block group level are aggregated to county/utility and whole utility level, among other aggregations. Annually, the utility applies county/utility level eligibility fractions to a new set of "technical eligibility counts" (for CARE these are metered and sub-metered occupied housing units) obtaining an estimate of income/demographic in household count form.

Every month, the SDG&E counts the number of households (by small area, by county, and overall) that are enrolled in CARE. The CARE household total, including individually metered and sub-metered occupied housing units, is divided by the total income/demographic eligibility to provide the monthly penetration rate.

In D.06-12-038, the Commission granted the Joint Utilities' request to file the annual CARE eligibility estimates on October 15 of each year.²³ The updated CARE eligibility estimates for 2010 was submitted to the

²³ On November 24, 2009, SCE on behalf of itself and the other large investor-owned utilities filed a request for an extension of time in which to submit the annual estimates of customers eligible for the California Alternate Rates

Commission December 29, 2009 by Southern California Edison on behalf of itself and the other IOUs.²⁴

2.1.2.2 Describe how the estimates of current CARE-eligible meters were derived. Explain how total residential meters were adjusted to reflect CARE-eligible meters (i.e., master meters that are not sub-metered or other residential meter configurations that do not provide residential service).

To derive the estimates of current CARE-eligible meters, SDG&E counted all residential meters and residential sub-metered units, subtracted the residential accounts with billing tariffs that do not qualify for CARE. This calculation equals the number of eligible residential meters for the CARE program in the San Diego service territory.

2.1.2.3 Discuss how the estimates of current CARE-eligible households were developed.

See SDG&E's response above in Section 2.1.2. Note that the methodology is based on estimating small area (block group) level household size, by income and householder-age tabulations for the current year and connecting these estimates with small area counts of households that are individually metered or sub-metered. Block group/utility specific estimates are then disaggregated/aggregated to various geographic levels within a given utility area: zip + 2, zip, tract, county, territory, etc. Statewide estimates, regardless, of utility boundaries, are also provided at small and large area levels.

for Energy (CARE) program to more accurately reflect changes in the economic climate over the past year. The utility request was approved in an Administrative Law Judge's Ruling dated December 2, 2009.

²⁴ Compliance Filing Of Southern California Edison Company (U 338-E) On Behalf Of Itself, SoCalGas Company (U 904-G), San Diego Gas & Electric Company (U 902-M), Pacific Gas And Electric Company (U 39-M), Regarding The Annual Estimates Of Care Eligible Customers And Related Information, Filed October 15, 2008.

2.1.2.4 Describe how current CARE customers were counted.

Current CARE customers were counted by tallying the number of individually-metered residential customers with an active CARE enrollment status, plus the number of sub-metered tenants receiving service through residential master-metered accounts participating in the CARE program.

2.1.2.5 Discuss how the elements above were used to derive the utility's CARE participation rates by energy source.

The formula for calculating CARE-participation rates is:

$$\frac{\text{Number of CARE Customers}}{\text{Number of Estimated CARE-Eligible Households}}$$

2.1.3 Provide the estimates of current demographic CARE-eligibility rates by energy source at year-end.

Gas- 28.72%

Electric - 28.24%

2.1.4 Provide the estimates of current CARE-eligible sub-metered tenants of master-meter customers by energy source at year-end.

Gas- 15,613

Electric – 19,571

2.1.5 Provide the current CARE sub-metered tenant counts by energy source at year-end.

Gas – 10,633

Electric – 11,637

2.1.6 Provide the current CARE sub-metered penetration rates by energy source at year-end.

Gas- 68%

Electric- 59%

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

SDG&E did not encounter any issues in administering the CARE program for sub-metered tenants during the 2010 reporting year.

2.2 CARE Program Summary

2.2.1 Please provide CARE program summary costs

CARE Budget Categories	Authorized Budget	Actual Expenses	% of Budget Spent
Outreach	\$1,611,634	\$1,786,223	111%
Proc., Certification and Verification	\$222,967	\$255,192	114%
Information Tech./Programming (1)	\$481,841	\$388,731	81%
Pilots (2)	\$0	\$0	0%
Measurement and Evaluation	\$4,160	\$0	0%
Regulatory Compliance	\$190,205	\$144,252	76%
General Administration	\$410,096	\$405,691	99%
CPUC Energy Division Staff	\$102,900	\$46,294	45%
Cooling Centers (3)	\$0	\$0	0%
Total Expenses	\$3,023,803	\$3,026,383	100%
Subsidies and Benefits (4)	\$48,492,992	\$54,958,697	113%
Total Program Costs and Discounts	\$51,516,795	\$57,985,080	113%

2.2.2 Please provide the CARE program penetration rate to date.

CARE Penetration Year-end 2010			
Participants Enrolled	Eligible Participants	Penetration rate	Target Met?
296,430	358,328	82.7%*	No

*CARE penetration as of Y-E 2010

2.2.3 Report the number of customer complaints received (formal or informal, however and wherever received) about their CARE recertification efforts, and the nature of the complaints.

There were no customer complaints received in 2010 regarding CARE Recertification.

2.3 CARE Program Costs

2.3.1 CARE Discount Cost

2.3.1.1 State the average monthly CARE discount received, in dollars, per CARE customer by energy source.

Gas \$5.39

Electric - \$12.33

2.3.1.2 State the annual subsidy (discount) for customers by energy source.

Gas- \$12,478, 25

Electric- \$ 42,480,272

2.3.2 Administrative Cost

2.3.2.1 Show the CARE Residential Program's administrative cost by category.

See Section 2.2.1 or CARE –Table 1 in the attachments to this report.

2.3.2.2 Explain what is included in each administrative cost category.

Outreach: This category represents all costs for printing and mailing of CARE applications/documents, printing and mailing of the annual notification, postage, bill inserts, brochures and flyers, advertising, targeted direct mail and telephone campaigns, community event sponsorships and support, distribution of collateral materials, outreach staff labor, and other outreach and enrollment efforts. Capitation payments and any agency-related outreach support efforts are also included in this category. Capitation payments are compensation fees paid

to third-parties and community-based organizations that facilitate CARE enrollment for eligible hard-to-reach customers.

Processing, Certification and Verification: These costs include the CARE Administration Group labor and data entry costs. The function of the CARE Administration Group includes: 1) opening and sorting CARE application forms; 2) processing/ data entering all CARE applications; 3) initiating and responding to customers' inquiries regarding CARE applications/program; and 4) fielding telephone calls related to CARE program participation; 5) resolving billing issues related to CARE program enrollment.

Information Technology (IT) /Programming: This category represents all IT support costs to maintain the CARE billing system, CARE documents, CARE database, system reports, data exchange with other utilities, undertaking system enhancements to comply with CPUC mandates, and improving operation efficiency.

Measurement and Evaluation: Costs for measurement and evaluation includes contract and staff labor expenses for CARE participant eligibility updates.

Regulatory Compliance: These costs include labor and non-labor costs for the preparation of various regulatory filings, including program applications, advice letter filings, reports, comments, and tariff revisions, and attendance at working group meetings, public input meetings and other CPUC hearings or meetings.

General Administration: General Administration costs include office supplies; market research; and program management labor.

CPUC Energy Division Staff Funding: This category of expenses reflects costs incurred by the Commission's Energy Division staff in support of the CPUC's authorized low-income programs.

2.3.3 Provide the year-end December 31 balance for the CARE balancing account.

Gas CARE- \$187,818-Under-collected Balances

Electric CARE- \$16,991,966-Under-collected Balances

2.3.4 Describe which cost categories are recorded to the CARE balancing account and which are included in base rates.

The general cost categories recorded to the CARE gas and electric balancing accounts include the CARE discount and program specific administrative expenses as described section 2.3.2.1. There are no CARE costs charged to base rates.

2.3.5 Provide a table showing, by customer class, the CARE surcharge paid, the average bill paid, the percentage of CARE surcharge paid relative to the average bill, the total CARE surcharge collected, and the percentage of total CARE revenues paid.

See CARE-Table 10 in the Attachments.

2.4 Outreach

2.4.1 Discuss utility outreach activities and those undertaken by third parties on the utility's behalf.²⁵

In 2010, SDG&E promoted CARE through direct marketing, print and media advertising, public relations and community outreach.

1. **Direct Marketing:** in 2010, direct marketing efforts included bill inserts, automated voice messaging, direct mail, email and door to door canvassing.

Bill Inserts

In 2010, SDG&E promoted CARE in the company bills. In addition to the annual notification in July, SDG&E included a CARE application in all non-CARE customer bills during the months of February, April and October. SDG&E promoted CARE through other bill inserts as well, such as the monthly residential newsletter publication called Energy Notes. Messages about CARE were also included directly on the customer bill during August and December.

Automated Voice Messaging

SDG&E also promoted CARE using automated voice messaging (AVM) and reached large numbers of likely qualified customers at a low cost. SDG&E contracted with a third party to administer the calls through an outbound dialing system. The system allowed SDG&E to contact thousands of customers in a short period of time. In 2010, approximately 680,000 customers were contacted through AVM and 18,150 successfully enrolled in CARE. SDG&E also used AVM to recertify CARE customers. In 2010, 10,800 customers recertified their CARE eligibility over the telephone, while 23,600 recertified through the mail. Since it is less costly and more convenient for the customer, SDG&E will continue to promote CARE through AVM.

Interactive Voice Response (IVR)

A new initiative in 2010, the inbound enrollment telephone system, allowed customers to enroll in CARE by phone. Customers called the CARE IVR and provided responds to questions that determined eligibility. If the customer was deemed eligible, they would be enrolled in the program. In 2010, approximately 2,000 enrollments were received from the CARE IVR.

Direct Mail

²⁵ In accordance with Ordering Paragraph 52 of D.08-11-031, SDG&E coordinates outreach for its Energy Savings

As society moves towards more paperless methods of communication, so does SDG&E. With high costs and low response rates for direct mail efforts, SDG&E found ways to reduce direct mail and support more paperless marketing efforts. In March, SDG&E mailed CARE information to approximately 32,000 customers. The direct mail campaign received a 3% response rate and successfully enrolled approximately 78% of those who responded. While the 3% response rate is in line with industry standards, the cost to mail and process the paper applications is high. In December, SDG&E sent approximately 85,000 households a postcard about CARE. This postcard did not include a paper application, but rather directed customers to apply online or through the phone. While SDG&E saw an increase in online traffic and call volume following this mailing, however, currently does not have a method to track the exact number of responses or enrollments from this outreach approach.

Email

SDG&E conducted three email campaigns in 2010 with the goal towards increasing CARE enrollment. SDG&E leveraged resources with the company's paperless billing service, My Account. Customers who enroll in My Account must give their email address in order to receive their SDG&E bill electronically. The email addresses were shared with the CARE program and targeted for email campaigns. The campaigns gave a brief description of the CARE program and the benefits of enrolling. Customers were encouraged to apply for the program online or by calling the CARE IVR number. The campaigns generated an increase in enrollments from the CARE IVR and the online application.

Web and Informational Brochures

New residential customers entering SDG&E's territory for the first time are sent a customer welcome packet. The packet includes information for the first time customer as well as a CARE application. The packet is available in English and

Spanish. In 2010, approximately 92,000 packets were mailed to customers and of these, 3,000 were enrolled.

Informational packets were made available to customers calling SDG&E to request assistance with lowering their bills. The packet included a CARE application, a fact sheet on all residential assistance programs and an energy savings guide. Approximately 510 packets were mailed in 2010.

The SDG&E website contains program information such as the large font CARE application form, CARE sub-metered application and CARE residential application. All three are available for customer's to download from SDG&E's website. In addition the CARE program has a web based form which allows customers to instantly enroll in the program through a web based interactive online form.

Door to Door Canvassing

SDG&E continued to partner with third-party contractors to cover the service territory, with a list of non-CARE customers in areas with potential for eligibility. Burgers/Energy Save and Quallight both worked during parts of 2010. Their representatives speak with customers about the CARE program and may assist them in completing an application SDG&E enrolled 8,800 customers through these personal visits.

2. **Advertising:** in 2010, advertising efforts included print, television, radio, outdoor and online advertising.

Print

SDG&E ran CARE ads in 10 different publications, including both Spanish and English publications. These ads ran throughout the months of August, September, October and November.

Television

SDG&E aired fifteen-second and thirty-second television commercials on seven English-language networks and four Spanish-language networks during the months of July through December.

Radio

SDG&E sponsored traffic reports on over 25 English and Spanish radio stations, with over 3,500 spots airing during the months of July through December.

Outdoor

Outdoor media was utilized in the form of bus shelter ads in 2010. Advertisements were featured on approximately 55 bus shelters in targeted zip codes throughout the SDG&E service area. These ads were displayed for a period of 16 weeks during the last half of 2010.

Online

SDG&E's online marketing tactics included online ads, publisher emails, search marketing and social media. Online ads, such as standard display ads, interactive rich media ads and text ads were featured on a variety of targeted web sites. In addition, publisher emails were sent from sites, or "publishers" such as Career Builder and Snag a Job. Customers choosing to "opt in" received special messages about the CARE program. Paid search ads appeared on all the major search engines, including Yahoo, Google and Bing. And social media efforts included tweets about CARE on the SDG&E Twitter page.

Multi-lingual Advertising

In addition to Spanish and English media, SDG&E also launched an in-language Asian campaign in 2010. The print ads ran in local Chinese, Vietnamese and Filipino publications throughout February and March.

3. **Community Outreach:** In 2010, community outreach included participation in community events, public speaking engagements and leveraging efforts with community and government agencies. These opportunities target a diverse multi-

lingual and multi-cultural audience including new immigrants, those with limited English proficiency, seniors, and people with disabilities. Information on all customer assistance programs; CARE, Energy Savings Assistance Program and medical baseline is shared at these outreach events, including enrollment opportunities and help in completing program applications.

Community Events

SDG&E and its partners participated in and sponsored a variety of local events to educate low-income customers about assistance programs available to them and assist with enrollment opportunities. SDG&E representatives participated in over 130 community events resulting in 1,548 CARE applications received. Sample of events included the following by target audience:

Multi-lingual Multi-Cultural (includes Limited English Proficient):

- **Philippine Independence Day Festival:** This event was hosted by the Aguinaldo Foundation whose goal is to build a museum and performing arts center in an effort to share the Filipino's roots, history and culture. Approximately 1,000 people attended this event.
- **Somalia Health Fair:** SDG&E partnered with community agency Catholic Charities of San Diego to share SDG&E's customer assistance program information. About 300 people were in attendance.
- **Fiesta Del Sol:** This street festival in the heart of San Diego's Latino community that celebrates the history, diverse cultures, and empowerment of the people. The event's attendance was estimated at 75,000. The event caught local news media attention. SDG&E partnered with Casa Familiar, a community agency, to promote SDG&E's programs.
- **San Diego Lantern Festival:** The community of City Heights hosted a three-day festive celebration in the Vietnamese business district. The approximate

attendance was 500 people and the event received local TV coverage. County Supervisor Ron Roberts and Congresswoman Susan Davis attended the event.

- **Native American Wellness Conference & Outreach Event:** Barona Valley Ranch hosted this event for the Southern Indian Health Council (SIHC). SIHC is an organization committed to protecting and improving the physical, mental, and spiritual health of the American Indian community. SIHC provides a comprehensive range of professional health care and social services in a manner respectful of Indian values and traditions. Approximately 300 people attended this event.

Seniors and Disabled:

- **Burn Institute:** The Burn Institute hosted an event—the “Senior Smoke Alarm Program,” which targeted seniors over 55 years old and disabled homeowners. The program offered these customers a free smoke alarm for their home, participants also received a resource folder which included applications for CARE, the Energy Savings Assistance Program and Medical Baseline.
- **Deaf Awareness Day (DAD)** The Deaf Community Services, an organization serving the needs of the deaf and the hard of hearing in San Diego sponsored the DAD. This community event invited local organizations to host a full-day observance of the language and heritage of the Deaf community and to foster sensitivity to the unique and diverse needs of deaf, late-deafened, and hard of hearing people. Smart Meter, Energy Efficiency and Customer Assistance representatives were on hand to assist the 1,000 attendees. Three different presentations on the customer assistance programs and fire preparedness were provided by the SDG&E team; assisted by professional American Sign Language translators.

City Council Members

To promote general awareness and education, SDG&E CARE representatives briefed City Councilmember Donna Frye and her staff about CARE and Energy Savings Assistance Program participation within her district.

Marti Emerald: SDG&E CARE representatives made a presentation to City Councilmember Emerald and her staff and to the Tierra Santa Village senior community group regarding customer assistance programs. Over 40 members of the community were in attendance. In addition, SDG&E partnered with Marti Emerald's office and the San Diego Food Bank on an outreach event at a Food Bank community food drive at the Colina Del Sol Recreation Center.

Presentations

- **Southern Indian Health Council, Food for Thought Meeting**
SDG&E presented program information to 15 case workers who assist Native American families in need and who qualify for customer assistance programs through categorical enrollment because they receive Tribal TANF. The council had case workers take program applications with them, to offer to their families.
- **Grossmont College Extended Opportunities Programs & Services (EOPS):** EOPS is a California State-funded program established to recruit, enroll and retain college students who are identified as economically and educationally disadvantaged. Participants are provided with a wide range of support services to foster academic success. SDG&E was invited in the Spring and Fall to speak to groups of approximately 50 students regarding SDG&E's customer assistance programs.
- **Catholic Charities Refugee Orientation:** Catholic Charities works with refugees by assisting them to adapt to their new home and to seek economic self-sufficiency and social integration. SDG&E attended a refugee orientation meeting to inform the attendees about the SDG&E customer assistance

programs. SDG&E intends to continue to be involved as more refugees enter the service area.

- **Neighborhood House Association (NHA) Senior Center:** In conjunction with the Black Nurses Association, SDG&E representatives presented information and materials regarding the program to approximately 40 seniors. NHA helps thousands of individuals and families improve their quality of life by providing vital social services including employment, healthcare, child, family and senior services.

Leveraging with Community Agencies

SDG&E leveraged the resources of 50 community-based organizations and faith based agencies to enroll customers in the CARE program. These organizations leveraged existing relationships with low-income clients to extend CARE program benefits as part of their total assistance offering. As an incentive, SDG&E paid these agencies for each enrollment generated. In 2010, 5,243 CARE enrollments were generated as a result of agency relationships.

Leveraging with Bill Payment Locations

SDG&E leveraged the resources of bill payment locations to enroll customers in the CARE program. Customer service representatives offered program benefits to customers as they came in to pay their bills. Five offices are located in various communities throughout the service area. In 2010, SDG&E enrolled 2,812 customers on the CARE program, out of the 3,707 applications collected from bill payment offices.

Marketing screens promoting the CARE program were developed and implemented for the ExpressPay machines and all receipts generated by them. ExpressPay machines are an alternate payment option for customers.

In addition, two authorized Alternate Payment Locations were enrolled as capitation agencies. Alternate Payment Locations are businesses that accept SDG&E bill payments.

Leveraging with Customer Contact and Field Employees

SDG&E's 24-hour customer contact center continued to be a vital element in offering and promoting the CARE program. Customers calling to establish service or make payment arrangement receive a message informing them of the availability of the program. Also, all customer service representatives (CSRs) were informed of the CARE program and are trained to offer the program to non-CARE customers who demonstrate trouble paying their SDG&E bill. Based on the customer's preference, CSRs mailed an application, directed the customer to the CARE IVR enrollment line or assisted the customer with the CARE online form. All customers who were placed on hold through the company IVR system were advised of the program through a series of automated program messages. In 2010, over 6,500 English applications and 1,300 Spanish applications were requested by customers while on hold with SDG&E's IVR system. In addition, SDG&E field collectors provide CARE applications when delivering notices to customer facing disconnection.

2.4.2 Discuss the most effective outreach method, including a discussion of how success is measured.

In 2010, CARE AVM telephone enrollment was the most successful CARE outreach method utilized by SDG&E. AVM provided the greatest number of enrollments, lowest cost, and was simple efficient outreach method to implement.

In 2010, over 18,000 customers enrolled in CARE using the AVM system, which accounted for approximately 24% of the total CARE enrollments for the year. At a cost of \$0.13 per minute, the AV, campaigns allowed SDG&E to contact thousands of customers in a short amount of time. Enrollment cost averaged approximately \$6.50 per enrollment, compared to approximately \$7.50 per

Capitation enrollment and \$15.00 for door-to-door enrollments. The AVM campaigns were also efficient because of the ease of launching the campaign as well as processing the enrollments. The campaigns were launched and managed using the vendor campaign management website. The results of every campaign were retrieved using the same website and uploaded in SDG&E's web based enrollment and tracking system (CARE system). SDG&E mailed customers an acceptance letter as a final confirmation in the process.

2.4.3 Discuss barriers to participation encountered during the reporting period and steps taken to mitigate them.

Marketing to Cell Phones:

While AVM campaigns produced a large percentage of enrollments for the program, federal telemarketing laws prohibit contact to customer's cell telephone numbers with marketing messages.²⁶ For this reason, SDG&E's policy prohibits marketing the CARE program to cell telephones to avoid any violation of the federal statute

Mitigation:

SDG&E's campaign strategy throughout the year relied on AVM campaigns as the first step in seeking enrollments. SDG&E utilized the contact information for those customers that could not be contacted with AVM for other outreach methods, such as direct mail, door-to-door and email campaigns. Each of these outreach methods had their own individual successes, proving the strategy worked well.

²⁶ The Telephone Consumer Protection Act of 1991, 47 USC Sec. 227, has specific rules for automatic telephone dialing systems, also known as "autodialers." Except for emergency calls or calls made with the prior express consent of the person being called, autodialers and any artificial or prerecorded voice messages may not be used to contact numbers assigned to a wireless telephone service including both voice calls and text messages. See 47 USC Sec. 227(b)(1)(A)(iii); and <http://www.fcc.gov/cgb/consumerfacts/tcpa.html>.

2.4.4 Discuss how CARE customer data and other relevant program information is shared by the utility with other utilities sharing its service territory

SDG&E and SoCalGas exchange a data file of the shared services territory in Southern Orange County. SDG&E conducts a data match of all CARE customers in that shared territory. If a customer is enrolled in the CARE Program at SoCalGas and not at SDG&E they will then automatically be enrolled and the reverse is done for SDG&E CARE customers.

2.4.5 Discuss how CARE customer data and other relevant program information is shared within the utility, for example, between its Energy Savings Assistance Program and other appropriate low-income programs.

SDG&E's Energy Savings Assistance Program provides recipients of Energy Savings Assistance Program services with in-home energy education, including CARE information and an opportunity to apply for CARE. A check box is located on the weatherization assessment form that allows the customer to "opt in" to the CARE program. The CARE program was able to extract from the Energy Savings Assistance Program data management system 6,000 customers who had indicated interest in CARE and were determined eligible for participation based on income documentation provided as part of qualifying for the Energy Savings Assistance Program. CARE enrollments from Energy Savings Assistance Program totaled 2,453 in PY2010.

2.4.6 Describe the efforts taken to reach and coordinate the CARE program with other related low income programs to reach eligible customers.

SDG&E's outreach team works with CARE capitation agencies. When training is provided regarding the CARE program for capitation purposes, Energy Savings Assistance and Medical Baseline Programs are also included in the training.

2.4.7 Describe the process for cross-referral of low-income customers between the utility and CSD. Describe how the utility's CARE customer discount information is provided to CSD for inclusion in its federal funds leveraging application. (Note: These agreements are limited to sharing 1-800 phone numbers with customers and providing CARE benefit information for the federal fiscal year, October 1 of the current year through September 30 of the subsequent year. There are no tracking mechanisms in place to determine how many customers contact the other programs or actually become enrolled in other program(s) as a result of these agreements.)

As part of SDG&E's leveraging agreement with the Department of Community Services and Development (DCSD), SDG&E continues to promote the DCSD's Low Income Home Energy Assistance Program (LIHEAP) bill payment assistance and weatherization services. SDG&E provides, on its applications and other program materials, DCSD's telephone number for customers to call for additional information. SDG&E CARE Processing staff also assists customers calling regarding the CARE discount with information on how to receive bill assistance through DCSD's HEAP program.

2.4.8 Discuss any recommendations to improve cost-effectiveness, processing of applications, or program delivery. Discuss methods investigated or implemented by the utility or third parties under contract to the utility to improve outreach and enrollment services to non-participating households in the prior year. Provide cost-effectiveness assessments, if available.

SDG&E implemented two significant program enhancements to improve program delivery, processing and cost effectiveness. In late May, SDG&E implemented a CARE IVR for program enrollment and renewal. SDG&E quickly began promoting the IVR on all CARE enrollment and renewal forms. SDG&E's Customer Contact Center promoted the IVR to customers calling requesting enrollment information for the program. SDG&E also used the phone number on

targeted direct mail campaigns. SDG&E enrolled over 2,000 customers through the IVR efforts during the program year.

SDG&E also implemented a processing queue for applications received from customers going through a meter change. With the implementation of the Smart Meters, the CARE processing group was receiving a significant number of applications daily from customers with active account who had pending meter changes. Due to the structure of the billing system, customers are not able to enroll in CARE until their meter has been changed and they are ready for billing. As a result, the CARE process staff had to manually review the applications to ensure they were processed in a timely manner. The queue that was implemented allowed processors to enter the customer enrollment information into the system; the system then conducted a nightly attempt to process the document until it is successful. Processors are able to file the applications once they are done processing. A report is generated weekly to determine the status of the applications to ensure all CARE applications have been timely processed.

2.5 Processing Care Applications

2.5.1 Describe the utility's process for recertifying sub-metered tenants of master-meter customers.

As part of its 2009-2011 CARE Application, SDG&E requested to change the annual notification for sub-metered tenants to a two-year process in order to be inline with the requirements for all individually metered CARE customers. Sub-metered tenants were also made eligible for the four-year fixed income recertification period for those customers declaring their income was from, Social Security or retirement accounts. This change was implemented in 2009, and recertification for submetered tenants began in late 2010. This process differed from the previous years in that sub-metered tenants were asked to recertify according to their enrollment date (rather than all tenants being asked at one time).

2.5.2 Describe any contracts the utility has with third parties to conduct certification, recertification and/or verification on the utility's behalf. Describe how these third-party efforts compare to the utility's efforts in comparable customer segments, such as hard-to-reach or under-served. Include comparisons of effectiveness and cost-effectiveness of comparable customer segments, if available.

In 2010, SDG&E contracted with a third-party vendor to provide door-to door enrollment services to non-participating customer. The partnership resulted in 8,800 CARE enrollments. The outreach areas were defined by SDG&E and targeted hard-to-reach customer segments. The door-to-door efforts provide opportunity for enrollment to customers who may not respond to traditional outreach methods conducted by the SDG&E.

SDG&E also contracted with 2-1-1 San Diego to enroll customers on the CARE program. 2-1-1 San Diego is a community disaster, health and human services resource center providing information and referrals to households that need assistance. 2-1-1 representatives are provided access to an SDG&E database that provides them with the CARE status. They cross check the system and offer CARE phone enrollment to those clients not participating in CARE. They then input the data into the SDG&E online form to complete the process. Through their referrals in 2010 1,890 customers were enrolled on CARE.

2.6 Program Management

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

There were no issues or events that significantly affected SDG&E's CARE program management in 2010.

3 CARE Expansion Program

3.1 Participant Information

3.1.1 Provide the total number of residential and/or commercial facilities by month, by energy source for the reporting period.

3.1.1.1 State the total number of residents (excluding caregivers) for residential facilities, and for commercial facilities, by energy source, at year-end.

CARE Expansion Program Participating Facilities by Month						
2010	Residential Gas Facilities	Commercial Gas Facilities	Total Gas Facilities	Residential Electric Facilities	Commercial Electric Facilities	Total Electric Facilities
January	351	147	498	542	239	781
February	348	147	495	540	239	779
March	346	146	492	534	239	773
April	321	139	460	503	210	713
May	229	100	329	418	133	551
June	229	100	329	418	131	549
July	226	104	330	413	136	549
August	225	105	330	409	137	546
September	233	115	348	425	148	573
October	298	118	416	491	155	646
November	298	118	416	490	157	647
December	298	118	416	489	157	646
Total	3,402	1,457	4,859	5,672	2,081	7,107

3.2 Usage Information

3.2.1 Provide the average monthly usage by energy source per residential facility and per commercial facility.

Type	Residential	Commercial
Gas	57	417
Electric	475	7233

3.3 Program Costs

3.3.1 Administrative Cost (Show the CARE Expansion Program's administrative cost by category)

3.3.1.1 Discount Information

3.3.1.2 State the average annual CARE discount received per residential facility by energy source

Gas – \$13.06

Electric – \$16.46

3.3.1.3 State the average annual CARE discount received per commercial facility by energy source.

Gas- \$63.92

Electric- \$178.27

3.4 Outreach

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

There were no third-party outreach activities conducted on the SDG&E's behalf during 2010.

3.4.2 Discuss each of the following:

3.4.2.1 Discuss the most effective outreach method, including a discussion of how success is measured.

In 2010 the most effective outreach method for the Expanded CARE program was through the Customer Contact Center and the CARE group. Customers calling into both resources with questions were able to inquire about the Expanded CARE program. CARE staff work closely with the

program and are able to answer any questions and if requested mail an Expanded CARE program application. Success is measured by the number of facilities on the program and the number of facilities recertifying each year.

3.4.2.2 Discuss how the CARE facility data and relevant program information is shared by the utility with other utilities sharing service territory.

SDG&E does not have any participating Expanded CARE facilities in its shared service territory with SoCalGas.

3.4.2.3 Discuss barriers to participation encountered in the prior year and steps taken to mitigate these, if feasible, or not, if infeasible.

During the bi-annual renewal period, SDG&E encountered heavy turn-around in management within the agencies that caused delayed response in the submission of the applications.

3.4.3 Discuss any recommendations to improve the cost-effectiveness, processing of applications, or program delivery. Discuss methods investigated or implemented by the utility or third parties on the utility's behalf to improve outreach and enrollment services to non-participating facilities in the prior year. Provide cost- effectiveness assessments, if available.

There are significant challenges with implementing cost-effectiveness processes for Expanded CARE. SDG&E has explored implementing an internet enrollment process for Expanded CARE facilities but has encountered challenges related to satellite facilities ability to qualify under the main facility.

3.5 Program Management

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

In its 2009-2011 CARE program application, SDG&E requested to change the recertification period for Expanded CARE facilities from a one-year process to a two-year process, in line with the individually metered residential accounts. In March of 2010, SDG&E conducted the first renewal request since the change was implemented. There were no significant issues related to this implementation of this change.

4. Fund Shifting

4.1.1 Report Energy Savings Assistance Program fund shifting activity that falls within rules laid out in Section 20.1 of D. 08-11-031

SDG&E had over expenditures in the following budget categories:

- Gas Appliances (104%)
- Weatherization (145%)
- Outreach and Assessment (153%)
- Inspections (104%)
- Marketing (101%)

SDG&E utilized unspent funds from 2009 for the increased costs incurred for the Weatherization and the Outreach and Assessment subcategories. This activity was reported in SDG&E's October monthly report²⁷. In addition to using carry forward funds, SDG&E used carry back funds to cover remaining over expenses in the Weatherization subcategory.

In December 2010, the Gas Appliance budget subcategory ran over and shortfalls were covered by carry forward funds. Over expenditures in the Gas

²⁷ October 2010, Section 1.1.1

Appliance category are associated with an increase in the number of furnace repairs and replacements conducted in 2010. The 2010 budget allocation for furnace measures (repair and replacement, and clean and tune) was based on three and five year average installation frequencies. However, more Energy Savings Assistance Program customers required furnace measures than was projected.

The Inspections, and Marketing budget categories ran over in December 2010. Over expenditures in the Inspection and Marketing categories are associated with the increase in enrollments. The 2010 budget allocation for these categories was based on 20,384 homes treated. To address the budget shortfalls in the areas noted, SDG&E used carry forward funds –as it did with the Weatherization, Outreach and Assessment, and Gas Appliances subcategories. All Energy Savings Assistance Program Fund Shifting is authorized through D. 08-11-031 as modified by D. 10-10-008. See Energy Savings Assistance Program Table 19.

4.1.2 Report CARE fund shifting activity that falls within rules laid out in Section 20.1 of D. 08-11-031

There was no fund shifting in PY2010.

4.1.3 Was there any Energy Savings Assistance Program or CARE fund shifting activity that occurred that falls OUTSIDE the rules laid out in Section 20.1 of D. 08-11-031?

No.

5. Commonly Used Acronyms

CARE	California Alternate Rates for Energy
CBO	Community Based Organization
CFL	Compact Fluorescent Lamp
CPUC	California Public Utility Commission
CSI	California Solar Initiative
D.	Decision
DCSD	California Department of Community Services and Development

DDTP	Deaf and Disabled Telecommunications Program
DRP	Demand Response Program
DSM	Demand Side Management
EE	Energy Efficiency
FERA	Family Electric Rate Assistance
HEAT	Home Energy Assistance Tracking
IOU	Investor Owned Utilities
kW	Kilowatt
kWh	Kilowatt hour
LIEE	Low Income Energy Efficiency (program)
LIHEAP	Low Income Home Energy Assistance Program
MOU	Memorandum of Understanding
mW	Megawatt
mWh	Megawatt hour
NGAT	Natural Gas Appliance Testing
OP	Ordering Paragraph
PEV	Post Enrollment Verification
PFM	Petition for Modification
PG&E	Pacific Gas and Electric Company
PPP	Public Purpose Program
PY	Program Year
SCE	Southern California Edison Company
SDG&E	San Diego Gas & Electric Company
SoCalGas	Southern California Gas Company
TDD	Telecommunication Device for the Deaf
TRC	Total Resource Cost
UC	Utility Cost
SSI	Social Security Income
SSD	Social Security Disability
SSP	Social Security Pension

6. Appendix:

6.1. Energy Savings Assistance Program Tables

Energy Savings Assistance Program- Table 1- Overall Program Expenses

Energy Savings Assistance Program- Table 2- Expenses & Energy Savings by Measures Installed

Energy Savings Assistance Program- Table 3- Cost Effectiveness

Energy Savings Assistance Program- Table 4- Penetration

Energy Savings Assistance Program- Table 5- Direct Purchases & Installation Contractors

Energy Savings Assistance Program- Table 6- Installation Cost of Program Installation Contractors

Energy Savings Assistance Program- Table 7- Expenditures by Cost Elements

Energy Savings Assistance Program- Table 8- Detail by Housing Type and Source

Energy Savings Assistance Program- Table 9- Life Cycle Bill Savings by Measure

Energy Savings Assistance Program- Table 10- Energy Rate Used for Bill Savings Calculations

Energy Savings Assistance Program- Table 11- Bill Savings Calculations by Program Year

Energy Savings Assistance Program- Table 12- Whole Neighborhood Approach

Energy Savings Assistance Program- Table 13- Categorical Enrollment

Energy Savings Assistance Program- Table 14- Leveraging

Energy Savings Assistance Program- Table 15- Integration

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Energy Savings Assistance Program- Table 19- Fund Shifting

6.2. CARE Tables

CARE- Table 1- CARE Overall Program Expenses

CARE- Table 2- CARE Enrollment, Recertification, Attrition, and Penetration

CARE- Table 3- CARE Verification

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