

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

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|--|---|
| Application of Southern California Edison Company (U 338-E) for Approval of Low Income Assistance Programs and Budgets for Program Years 2012 - 2014. | Application 11-05-017 (Filed May 15, 2011) |
| Application of Southern California Gas Company (U 904 G) for Approval of Low Income Assistance Programs and Budgets for Program Years 2012 – 2014. | Application 11-05-018 (Filed May 15, 2011) |
| Applications of Pacific Gas and Electric Company for Approval of the 2012-2014 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget (U39M). | Application 11-05-019 (Filed May 15, 2011) |
| Application of San Diego Gas & Electric Company (U 902 M) for Approval of Low Income Assistance Programs and Budgets for Program Years 2012 – 2014. | Application 11-05-020 (Filed May 15, 2011) |

**ANNUAL REPORT ACTIVITY OF SOUTHERN CALIFORNIA GAS COMPANY
(U 904 G) ON LOW INCOME ASSISTANCE PROGRAMS FOR 2012**

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May 1, 2013

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(U 904 G) ON LOW INCOME ASSISTANCE PROGRAMS FOR 2012**

This report presents the results and expenditures for Southern California Gas Company's California Alternate Rates for Energy (CARE) program and Energy Savings Assistance (ESA) Program for program year (PY) 2012. SoCalGas notes, because D.12-08-044 was issued towards the latter part of 2012, certain elements of this annual report remain consistent with the format established for the 2009 – 2011 program cycle. Such matters were determined in consultation with the Commission's Energy Division and the other large energy Investor Owned Utilities as part of the charges of the mid-cycle working group established by the D.12-08-044. The purpose of this report is to consolidate activity for the CARE program and ESA Program,

and provide the California Public Utilities Commission's Energy Division with all the necessary information to assist in analyzing the low-income programs.

Respectfully Submitted,

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May 01, 2013



**Energy Savings Assistance (ESA) Program
And
California Alternate Rate for Energy (CARE)
Program**

Annual Report

2012 Results

May 1, 2013

ENERGY SAVINGS ASSISTANCE PROGRAM & CARE ANNUAL REPORT

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ENERGY SAVINGS ASSISTANCE PROGRAM ANNUAL REPORT

1. Energy Savings Assistance Program Executive Summary

The California Public Utilities Commission (CPUC) authorized Southern California Gas Company's (SoCalGas') Energy Savings Assistance Program¹ (ESA Program) for program year 2012 (PY2012) in Decision (D.) 12-08-044. This report provides information on SoCalGas' ESA Program accomplishments and expenditures for PY2012, the first year of a three-year cycle (2012-14).² SoCalGas' ESA Program offers low-income customers weatherization services, energy efficient appliances, and energy education at no cost to qualified natural gas customers within its service territory.

In D.07-12-051, the CPUC updated its policy objectives for the ESA 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.”³

To achieve these objectives, the CPUC adopted a programmatic ESA Program initiative (programmatic initiative) “to provide all eligible LIEE customers the opportunity to

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

² SoCalGas notes, because D.12-08-044 was issued towards the latter part of 2012, certain elements of this annual report remain consistent with the format established for the 2009 – 2011 program cycle. Such matters were determined in consultation with the Commission's Energy Division and the other large energy Investor Owned Utilities as part of the charges of the mid-cycle working group established by the D.12-08-044.

³ D.07-12-051 at p. 25.

participate in LIEE programs and to offer those who wish to participate all cost effective energy efficiency measures in their residences by 2020.”⁴

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

In D.12-08-044, the CPUC has reinforced its key policy objective of making the ESA Program a reliable energy resource by adopting goals to accomplish the programmatic initiative by assigning the treatment of 33% of all SoCalGas’ 410,508 willing and eligible households to the 2012-2014 program cycle. SoCalGas continues to work towards meeting the CPUC-directed ESA Program goals and objectives. Summary results for PY 2012 are provided in Section 1.2 below.

⁴ *Id.*

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 Goal 1: Improve Customer Outreach

| Implementation Plan and Timeline | | |
|---|--|---|
| Strategies | Near Term 2012 – 2014 | 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. | <p>Marketing campaigns such as bill inserts, and automated voice messaging (AVM) were effective, as well as using information resources such as demographics and energy usage for contacting various customer segments and educating them on the ESA Program.</p> <ul style="list-style-type: none"> The Whole Neighborhood Approach (WNA) continues to be used to identify and reach out to targeted low-income customer segments. WNA was also identified in D.12-08-044 as one of the eight strategies to enhance ESA Program penetration of the multifamily customer segment. SoCalGas continued to use the ESA Program web page and interest form which improves user friendliness and creates the basic functionality that would help generate better leads by allowing the customer to specify whether they qualify through income and/or categorical eligibility. The web page captures additional customer information in order to better identify potentially eligible customers and accelerate the enrollment process. |
| 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 the 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"> This effort was completed by the end of the last program cycle in 2011. Pursuant to A.12-08-010, SoCalGas' Application for Approval of a Statewide ME&O Budget for Years 2013 and 2014, the CPUC will authorize activities for the continued coordination of marketing for its demand-side programs. The Application is currently pending before the CPUC with a decision expected mid-year 2013. |

| Implementation Plan and Timeline | | |
|----------------------------------|---|---|
| Strategies | Near Term 2012 – 2014 | 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"> • SoCalGas continued to utilize a segmentation analysis to improve efficiencies in the program. For example, the WNA and targeted marketing efforts described under Strategy 1.1 above. • SoCalGas partnered with Catholic Charities to leverage promotion of the ESA Program to categorically eligible Cal-Fresh Program participants. • SoCalGas continued to work with the USC Family of Schools and Kid Watch program. SoCalGas provided ESA Program information directly to community members at local events. • SoCalGas Public Affairs representatives used their contacts to help promote the ESA Program to local, state and federal agencies. • SoCalGas continued implementing its ESA Program/Low-Income Home Energy Assistance Program (LIHEAP) leveraging framework which streamlines the enrollment process for joint ESA Program/LIHEAP enrollments. • Under a signed agreement, Eastern Municipal Water District (EMWD) continues to provide a rebate to SoCalGas for every High Efficiency Clothes Washer (HECW) installed within the two utilities' joint service territories. • Community Based Organizations (CBOs) working with SoCalGas, continue to utilize their intake processes to promote the ESA Program along with the other services they provide. |

| Implementation Plan and Timeline | | |
|---|--|--|
| Strategies | Near Term 2012 – 2014 | 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"> • In 2012, SoCalGas in coordination with the other Investor Owned Utilities (IOUs), interested parties and the CPUC's Energy Division, formed the WE&T working group to comply with Ordering Paragraph (OP) 9 of D.12-08-044 to create a reporting template and collect contractor data in seven WE&T areas. The template was finalized in December of 2012 for the purpose of distributing to its ESA Program contractor network. • To help contractors improve program delivery, SoCalGas held Enrollment and Assessment Workshops which improved the participants' understanding of the enrollment and assessment process. • In an effort to assist and support contractor monitoring of customer enrollment documentation before it is submitted for payment, SoCalGas held Enrollment Workshops for contractor back office personnel to increase their understanding of the SoCalGas enrollment requirements. An added benefit of this training was a reduction in contractor invoice rejections for incorrect documentation. • SoCalGas held focused weatherization, heating ventilation and air conditioning (HVAC), and natural gas appliance testing (NGAT) training classes to improve installers' technical expertise. • In an effort to assist and support contractors performing inspections of weatherization and appliance repair and replacements, SoCalGas conducted training sessions aimed at improving understanding of program installation policies and inspection requirements. |

**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 2012 – 2014 | 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"> • SoCalGas began implementation of its capitation program in 2011 to gain enrollments using agencies who may serve Limited English Proficient, disabled and elderly community groups. As of year-end 2012, SoCalGas has contracted with five Community Based Organizations resulting in approximately 200 enrollments from this endeavor. |
| 2.2: Coordinate and communicate between Energy Savings Assistance Program, energy efficiency and DSM programs to achieve service offerings that are seamless for the customer. | <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 services in qualified low-income housing for both single family and multi-family CSI programs. • Coordinate AMI delivery and Energy Savings Assistance Program. | <ul style="list-style-type: none"> • SoCalGas and Southern California Edison use a joint energy education guide as a primary tool for joint utility enrollments and leveraging opportunities. Additionally, the Energy Education guide promotes all of SoCalGas' Energy Efficiency programs. • SoCalGas continues coordinating with EE programs to ensure that potentially eligible low-income customers first receive ESA Program outreach. • The CPUC approved SoCalGas' advanced metering infrastructure (AMI) program. The deployment of this project in late 2012 presents potential communication opportunities between the two programs. • SoCalGas continues to pursue opportunities to leverage program funds with water districts for the installation of HECWs under SoCalGas' ESA Program. The program currently leverages with EMWD for the installation of HECWs and is working to establish a similar partnership with the Metropolitan Water District of Southern California. |

| Implementation Plan and Timeline | | |
|---|---|---|
| Strategies | Near Term 2012 – 2014 | IOU strategy employed this program year |
| 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"> SoCalGas continued to provide all feasible measures to customers' homes, such as attic insulation, furnace pilot retrofit kit, and high efficiency (HE) clothes washers, which should lead to long-term energy savings. Also, by completing minor home repairs such as door and building envelope repairs, SoCalGas assisted customers by increasing the health, comfort and safety of their dwellings, and reducing outside air infiltration. |
| 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"> SoCalGas continues the use of PRIZM codes⁵ and delivers this information in Zip-7 lists through its WNA efforts allowing SoCalGas' ESA Program contractors to reach geographically concentrated eligible customer segments. SoCalGas used 19 CBOs as ESA Program outreach & installation contractors, and hosted bimonthly contractor meetings for its entire ESA Program contractor network to coordinate resources, update program changes and improve ESA Program delivery. LIHEAP agencies that are also ESA Program contractors are able to leverage services offered to their in-take customers with the ESA Program. LIHEAP agencies are CBOs who offer services such as: <ul style="list-style-type: none"> Support for child, youth, and family development, Support for seniors and the disabled community, |

⁵ PRIZM 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 analysis of U.S. census data and categorize 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, preferences, lifestyles and purchasing behaviors.

| Implementation Plan and Timeline | | |
|----------------------------------|--------------------------|---|
| Strategies | Near Term 2012 – 2014 | IOU strategy employed this program year |
| | | <ul style="list-style-type: none"> ◦Utility bill payment assistance, ◦Health services, and ◦Homeless services. |

1.2. Energy Assistance Savings Program Overview

The SoCalGas ESA Program serves all eligible low-income customers willing to participate in the program by providing all feasible ESA Program measures,⁶ as determined through its outreach and assessment and installation process. In PY2012, SoCalGas' ESA Program treated⁷ a total of 96,893 homes, which was 29% below the homes treated goal of 136,836 adopted in D.12-08-044 issued Aug. 30, 2012. Also in PY2012, 100,512 homes were weatherized.⁸

As part of its comprehensive services to eligible ESA Program participants, SoCalGas provided: in-home energy education to 99,492 customers; 92,410 envelope and air sealing measures; 6,153 attic insulation improvements; 97,583 water heater conservation measures; 21,957 furnace clean and tune measures; 179 forced air unit standing pilot change outs; and 2,418 duct seal weatherization measures. In addition, SoCalGas serviced 18,018 appliances including 1,139 water heater replacements, 11,527 furnaces, and 5,352 high efficiency clothes washers. A total of 20,383 customers were

⁶ See D. 08-11-031, at Ordering Paragraph (OP) 15.

⁷ 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 ESA Program, including energy education, compact fluorescent lamps, weatherization and appliances. Under the ESA Program, a treated home must receive all feasible measures for which it qualifies.

⁸ 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., weather-stripping and caulking) under the ESA Program.

classified as “ineligible” or “unwilling”⁹ to participate in PY2012 which represents 21% of the number of homes treated in PY2012.

The average per home lifecycle bill savings for the PY2012 ESA Program was \$110. Weatherization and appliance installations resulted in energy savings of 999,408 therms. The energy savings achieved through the 2012 ESA Program will contribute to the CPUC’s energy savings goals adopted for program year 2006 and beyond as set forth in D.04-09-060.¹⁰ Furthermore, SoCalGas’ ESA Program contributes to the CPUC’s programmatic initiative.

On October 29, 2012, SoCalGas filed a Petition for Modification (PFM) of Decision 12-08-044. In its PFM, SoCalGas requested 1) approval of an augmentation to its ESA Program budget of \$38,603,684 due to higher than forecasted program costs, 2) add back of water heater blankets and pipe insulation measures for owner-occupied multifamily dwellings, 3) confirmation that the Commission did not intend to limit the ESA Program categorical enrollment process to only those households within the targeted self-certification areas, 4) authorize joint contracting for statewide program activities and, 5) revise the description of the ESA Program cost-effectiveness working group consistent with the CPUC desire to minimize the duplication of efforts. As of December 31, 2012, the PFM had not been ruled upon by the Commission.

Associated ESA Program expenditures and therm savings are reflected in the following summary table.

⁹ “Ineligible & Unwilling” is defined as leads that do not result in a customer enrollment based on one of the following reasons: customer refused; home does not meet minimum measure requirement; customer is moving; over income limit; owner refused for renter occupied single family; unable to provide homeownership documentation; or home weatherized under another program.

¹⁰ Findings of Fact 13.

1.2.1. Provide a summary of the Energy Savings Assistance Program elements as approved in Decision 12-08-044:

| Program Summary | | | |
|------------------------|--|---------------|----------|
| | Authorized / Planning Assumptions | Actual | % |
| Budget | \$109,881,871 * | \$82,252,135 | 75% |
| Homes Treated | 136,836 | 96,893 | 71% |
| Therms Saved | 4,552,434 | 999,408 | 22% |

* Budget reflects 2012 budget authorized in D.12-08-044 of \$113,292,891 less a reduction for the carry back into PY2011 of \$3,411,020 authorized in the December 1, 2011 Joint Ruling of Assigned Commissioner and Administrative Law Judge on the Joint Emergency Motion of the East Los Angeles Community Union, et al. to continue the Low Income Energy Savings Assistance Program for Southern California Gas Company.

SoCalGas saw a decline in the number of homes treated in PY2012 as compared to the previous year. In the PY2009-2011 program cycle, SoCalGas worked hard with its contractor network to ramp up ESA Program activities in order to meet the significant increase in goals during the program cycle. In PY2011, the last year of the cycle, SoCalGas' ESA Program treated 161,020 homes, a historic high for the Program. The momentum that had been generated throughout the previous program cycle was somewhat tempered moving into 2012 as a result of the uncertainty associated with a delay in issuance of D.12-08-044 on the PY2012-2014 program cycle. SoCalGas utilized a six month bridge funding period at the start of 2012, and month-to-month bridge funding thereafter to operate its ESA Program until a decision was issued on August 30, 2012. Uncertainty over final ESA Program goals, budgets and initial six-month contractual agreements followed by one-month serial agreements during the bridge funding period impacted the ability of SoCalGas' contractor network to make decisions on investments in field and office personnel and equipment. Once a decision was issued, SoCalGas executed longer term agreements with its contractor network beginning in November 2012. As a result, SoCalGas' contractors are now better situated to make investments to support program objectives, and in many

instances they will need to accelerate their operations to meet ESA Program goals going forward.

SoCalGas' ESA Program continues to focus on customer satisfaction. Overall, 73% of customers rated as "excellent" or "very good" their overall quality of service of the ESA Program in PY2012.¹¹ In addition, 85% of customers rated as "excellent" or "very good" the quality of the ESA Program enrollment process, 79% of customers rated as "excellent" or "very good" their installation experience, and 85% of customers rated as "excellent" or "very good" the quality of the inspections process. Customer satisfaction, a key goal for SoCalGas, was partially managed through periodic evaluations that provided quarterly results specific to ESA Program contractors servicing customers. The customized evaluations assisted ESA Program contractors in understanding customer viewpoints and presented additional insight on ways to enhance and improve service delivery. SoCalGas maintains its commitment to work closely with its ESA Program contractor network to seek innovative channels for program improvement to retain these high customer service results.

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).

Throughout PY2012, SoCalGas continued to use Zip-7 codes (the five-digit postal zip code plus the first two digits of the four-digit zip code extension), which

¹¹ The ESA Program questionnaire was developed by SoCalGas. Although SoCalGas' ESA Program had been surveyed previously, the 2012 questionnaire was redesigned with a new rating scale and represents a new

Footnote continued on next page

provides a greater level of detail on a neighborhood than traditional five-digit zip codes. SoCalGas uses 200% of the federal poverty level as a factor to calculate the “estimated eligible” population in each Zip-7 area. SoCalGas extracted Zip-7 codes, identified smaller areas to target, and then used this data to create more refined canvass lists for contractors. Zip-7 codes also represent the highest level of detail included in the demographic information provided to SoCalGas by Athens Research.¹²

In addition, SoCalGas continued to provide contractors with canvass lists utilizing PRIZM codes (as noted above, a data source that allows contractors to better determine the likelihood of a particular household’s potential eligibility for participation in the ESA Program based on market characteristics). A set of instructions was included with every canvass list provided to contractors. Contractors also received regular information updates at the ESA Program contractor meetings.

In 2012, the Whole Neighborhood Approach methodology used a geographic segmentation strategy that compared customer account numbers contained in Zip-7 and other canvass lists against SoCalGas’ Home Energy Assistance Tracking (HEAT) System, a database used for program tracking and reporting. This process determined if a particular household had previously been served by the ESA Program. Only households that had not yet been served would appear on canvass lists. Other useful information, such as a customers’ CARE status, also appeared for the contractors’ information.

benchmark. Results from previous years may not be directly comparable to the results of the redesigned 2012 survey.

¹² Athens Research is a contractor that develops large and small area estimates of demographic eligibility on behalf of all the IOUs.

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.

SoCalGas continues to revise its strategy for targeting customers based on energy usage, energy burden,¹³ and energy insecurity.¹⁴ One methodology that SoCalGas continued to employ in 2012 was the Whole Neighborhood Approach. In 2012 SoCalGas conducted Whole Neighborhood Approach (WNA) efforts, reaching high energy burden customers without neglecting low income customers with other energy needs. SoCalGas also conducted WNA efforts to target low income areas using PRIZM code demographic information on households, which can be analyzed according to geographic social groups¹⁵ and sorted on a scale from highest incomes to lowest incomes. The PRIZM code tool allows SoCalGas to analyze energy burden, assuming that the lowest incomes have the highest energy burden.

By using the WNA to perform outreach to eligible customers with varying energy needs, along with using PRIZM code tools to analyze results, the ESA Program was able to use remaining program resources to focus on other high priority segments through general marketing activities. A key high priority segment was customers with disabilities. As previously stated, the purpose of employing this strategy was to promote the ESA Program to a greater number of customers and special segments.

¹³ Energy burden is the ratio of customer energy bills to income.

¹⁴ Energy insecurity is related to late payments, and/or threatened service shut-off.

¹⁵ Urban, Suburban, Second City, Town and County.

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.

SoCalGas began its WNA effort in PY2009 and made adjustments that year to refine processes. In each of the subsequent years and again in PY2012, SoCalGas maintained program delivery strategies related to Identification, Outreach, Enrollment, Assessment, Measure Installation, and Inspections.

The WNA methodology in PY2012 reached just under 215,000 customers and ultimately enrolled over 1,400 eligible customers. The Zip-7 methodology coupled with PRIZM codes appears to be a worthwhile strategy for identifying smaller, more manageable canvassing lists that contain households more likely to meet ESA Program eligibility requirements. WNA efforts are also a good way to help new ESA Program contractors get established and achieve success in their endeavors. SoCalGas continued its process that captures WNA efforts and documents which customers it has attempted to contact via this methodology. Beginning in 2010 and continuing throughout 2012, WNA campaign information and data tracking is uploaded using the HEAT System. Reports are prepared using data from the HEAT System to determine the results of each WNA effort. These reports provide an exhaustive list of customers that were included in each WNA effort.

Beyond the WNA efforts, SoCalGas has expanded outreach to deliver ESA Program information to customers using automated voice messaging (AVM) campaigns. This methodology helps to streamline the enrollment process by putting customers in direct contact with an ESA Program contractor in their area and thus eliminating the step requiring SoCalGas to act as an intermediary by assigning a contractor.

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.

SoCalGas continues its focus on offering the ESA Program to dwellings that have not been served by the program in previous years. SoCalGas enrolled a total of 96,893 customers in 2012, with 5,432 (6%) of the homes treated considered “go backs.”¹⁶

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

In 2012, SoCalGas continued to use categorical eligibility¹⁷ and self certification¹⁸ as tools to streamline customer enrollments for the ESA Program. Categorical eligibility and self certification streamline program enrollment because they decrease required income documentation. With categorical eligibility, customers who can provide documents proving participation in one of several

¹⁶ Under the Statewide Low-Income Energy Efficiency 2010 Policy and Procedures Manual (P&P Manual), certain restrictions apply to homes that have been previously treated under the Energy Savings Assistance Program. Under Section 2.8 of the P&P Manual, the IOUs are allowed to go back and treat any dwelling served prior to 2002, but they will first seek out new dwellings that have yet to be treated.

¹⁷ Categorical programs include: Medicaid/Medi-Cal, Women, Infants, and Children Program (WIC), and LIHEAP, CalFresh / Supplemental Nutrition Assistance Program (SNAP), CalWORKs / Temporary Assistance to Needy Families (TANF), Tribal 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.

¹⁸ In D.05-10-044 the CPUC allowed SDG&E and SoCalGas to use year 2000 census tract data to identify neighborhoods where they could suspend income documentation requirements and enroll customers in the Energy Savings Assistance 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, and D.12-08-044 the CPUC has allowed continuation of the self-certification process described above.

state or federal programs do not need to provide additional income documentation in order to qualify for enrollment in the ESA Program and CARE.

SoCalGas continues to use its ESA Program web page to capture customer information in order to better identify potentially eligible customers and accelerate the enrollment process. The ESA Program web page is linked to the HEAT System, which validates the customer account and automatically generates a customer lead. The HEAT System assigns the lead to a contractor in the customer's area, which enables the contractor to retrieve it from their work queue and make immediate contact with the customer for the purpose of enrolling them into the ESA Program. SoCalGas intends to make continuous web page improvements to enhance the delivery of the program.

In August 2011, SoCalGas implemented the use of Tablet PCs as part of its Go Green initiative to reduce customer visits, improve the enrollment and assessment experience for customers, support data collection, and minimize hard copy documentation collection. The Go Green initiative was established to streamline and reduce the amount of paper used during the enrollment and invoicing process. A major component of the initiative was the Tablet PC which was used by outreach specialists in the field to connect wirelessly to the HEAT System and enroll customers. Between January and December of 2012 there were 1,432 customers enrolled in the ESA Program via this method. In order to comply with D.12-08-044, which ruled that the costs of these tools should be assumed as part of the contractors' expenses, SoCalGas pulled the PC Tablets from the contractors and is currently re-evaluating this effort. As part of this re-evaluation, SoCalGas sent Tablet PC users an evaluation survey to provide feedback on the ease of enrollment and tools provided for the Go Green initiative. SoCalGas is also exploring coordination with other IOUs on a secondary effort to implement paperless enrollments into the ESA Program. SoCalGas is committed to increase the efficacy of the enrollment and assessment process

and will continue to work towards implementing a successful paperless enrollment method.

Categorical Eligibility:

SoCalGas educates its contractors and community partners on the ESA Program, including enrollment through categorical eligibility. SoCalGas' Public Affairs Department also continued to inform the public at-large on the ESA Program and its enrollment requirements. SoCalGas continues to provide lists of categorical programs on its company website [found at www.SoCalGas.com] and in its ESA Program brochures.

SoCalGas continues to streamline the enrollment process by continuing to use categorical eligibility through its LIHEAP leveraging model framework. The framework identifies the measures common to both the ESA Program and LIHEAP, and outlines documentation and the enrollment and assessment requirements necessary for the ESA Program. The leveraging of ESA Program measures installed by LIHEAP helped SoCalGas to meet the three measure minimum requirement and also resulted in savings to the SoCalGas ESA Program. Results of this effort are discussed in Section 1.6.3, and savings are identified in Table 14.

Self-certification:

SoCalGas conducted outreach and assessment refresher classes to help increase awareness of all customer and home eligibility requirements for the ESA Program. These courses addressed topics related to the various avenues to income qualify households such as self-certification, categorical eligibility, CARE Post Enrollment Verification (PEV), or full documentation. They also addressed eligibility, such as minimum measure/therm requirements, and other measure leveraging opportunities within low income programs.

SoCalGas enrolled 1,420¹⁹ customers through the WNA in 2012. The WNA generated canvassing lead lists that are provided to ESA Program outreach contractors include the Zip-7 codes and the CARE Post-Enrollment Verification status. Zip-7 codes and CARE status helped streamline customer enrollments by highlighting households that meet the self-certification criteria adopted in D. 05-10-044. In addition to WNA lead lists, contractors also used PRIZM codes to streamline their enrollment process through non-WNA efforts.

Ethnic- focused Outreach including use of Ethnic-owned Media Channels:

SoCalGas purchased media advertising to reach many ethnic communities, and utilized ethnic-owned media as a means to effectively reach those customers. In 2012, SoCalGas spent \$224,635 on ethnic media and \$133,225 of that paid media went to ethnic-owned media. Information on ethnic media for CARE is in Section 2.4 below. Along with paid mass media and ethnic media advertising, SoCalGas participated or sponsored certain community events that drew low-income customers and celebrated the diversity in the community. In 2012, SoCalGas participated in over 70 community events, many at no-cost to SoCalGas, that provided program awareness about the CARE and ESA Programs.

SoCalGas continued to build partnerships with organizations that help serve low-income customers in ethnically and culturally diverse communities. Such partnerships include Breathe LA, Imprenta Communications Group, 211, LA Campesina radio station, Los Kitos and non-profit organizations that understand the local ethnic communities to assist SoCalGas in promoting the CARE and ESA programs.

¹⁹ This number is based on contractor inputs of enrollment “lead source” into the HEAT system. The WNA total treated number is based on a HEAT query that identifies all customers provided on WNA canvass lists that enrolled in PY2012.

For example, in 2012, Breathe LA assisted SoCalGas with 83 workshops reaching over 1,000 limited English proficient customers through one-on-one dialogue sessions. Furthermore, Imprenta Communications assisted SoCalGas at the grass-roots level by targeting underserved Latino and Asian communities. At certain events, SoCalGas was featured in promotional ads in several major Vietnamese local newspapers such as Viet Bao, Vien Dong Daily, and Nguoi Viet Daily News. Other value-added media that Imprenta provided included program promotion and awareness for SoCalGas on the Facebook and Twitter sites that those Asian customers follow.

For the “Taste of Soul” event, a paid advertisement was taken out in October 2012 with African-American newspapers, such as LA Sentinel and LA Watts, to highlight SoCalGas’ participation and generate awareness for the CARE and ESA programs. In addition, other local ethnic publications utilized to reach out to the Hispanic community included El Clasificado with half page advertisements to promote the CARE and ESA Programs. In 2012, Customer Assistance contracted with Hispanic Lifestyles, an online ethnic-owned media company, to feature SoCalGas’ participation in two Home Expo and Housing Fairs in Los Angeles.

In November of 2012, a highly targeted media campaign was launched in English and Spanish languages to target a younger (18-29) bi-cultural audience who are either living independently from their parents or who represent their families during interactions with companies like SoCalGas. The advertising was placed in various English and Spanish language targeted online media platforms that tracked when customers clicked directly to the SoCalGas ESA Program website and application. Results through the end of December indicated that customers made over 97,000 clicks to the banners with 73,889 visits to the ESA Program web page within socalgas.com.

These are just some examples of paid ethnic media advertising that SoCalGas deployed in 2012, while using ethnic-owned media whenever possible, to promote and market the ESA 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.

At the start of 2012, SoCalGas with its contractor network made significant adjustments in program activity due to the implementation of a bridge funding period at levels below what was being accomplished at the end of 2011. As a result, SoCalGas saw a decline in the number of homes treated in PY2012 as compared to the previous year. In the PY2009-2011 program cycle, SoCalGas worked hard with its contractor network to ramp up ESA Program activities in order to meet the significant increase in goals for that program cycle. In PY2011, the last year of the cycle, SoCalGas' ESA Program treated 161,020 homes, a historic high for the Program. The momentum that had been generated throughout the previous program cycle was somewhat tempered moving into 2012 as a result of the uncertainty associated with a delay in issuance of D.12-08-044 on the PY2012-2014 program cycle. SoCalGas utilized a six month bridge funding period at the start of 2012 and month-to-month bridge funding thereafter to operate its ESA Program until a decision was issued on August 30, 2012. Uncertainty over ESA Program final goals, budgets and the implementation of an initial six-month agreement followed by one-month agreements during the bridge funding period impacted the ability of SoCalGas' contractor network to make investment decisions. Once a decision was issued, SoCalGas executed longer term agreements with its contractor network beginning in November 2012. As a result, SoCalGas' contractor network is now better situated to make

investments in support of program objectives, and in many instances will need to accelerate their operations to meet ESA Program goals going forward.

1.5. Disability Enrollment Efforts

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

In 2012 SoCalGas contracted with Breathe LA which targets outreach to ethnic communities within the Los Angeles Basin. In collaboration with Breathe LA to assist in reaching out to the disabled customers that may be eligible for the ESA Program, Breathe LA participated in 79 workshops throughout the year. Many of the workshops were conducted in small groups to best facilitate providing education on how to enroll in the ESA Program. A total of 7 workshops that targeted 1,096 low income disabled customers were completed. The 7 workshops that targeted disabled customers resulted in 106 disabled customer leads in 2012.

- SoCalGas continued to work in partnership with the Braille Institute of America, Inc. SoCalGas ESA Program representatives participated in one event with the Braille Institute in May, 2012.
- SoCalGas participated in the 8th annual Los Angeles DEAFestival,²⁰ where over 3,000 customers attended and over 300 customers were educated on CARE and the ESA Program. The festival was held in September, 2012 to generate greater public awareness of the Southern California deaf community, and offers a venue for community gathering and information for

²⁰ The DEAFestival is an annual event in celebration of deaf awareness month.

deaf children, adults and their families. SoCalGas was also present to accept a certificate of appreciation from LA City Council members.

- SoCalGas attended the Abilities Expo event at the Los Angeles Convention Center on March 30, 31st and April 1st. The event drew approximately 5,000 people throughout the three day period. SoCalGas educated over 600 disabled customers on CARE, the ESA Program and Medical Baseline. Many customers with children who are receiving Medi-Cal were pleased to learn that their households qualify for CARE and the ESA Program.
- SoCalGas participated in nine Walk Multiple Sclerosis events to raise funds for more than 19,000 people living with Multiple Sclerosis in Southern California. These walks were held throughout the SoCalGas service territory including Pasadena, Palm Desert, San Luis Obispo, Inland Empire, Murrieta, Lancaster, Big Bear, Santa Barbara and Bakersfield. SoCalGas also participates to educate customers on its low income and medical baseline programs. The event drew thousands of people and customers who visited the company booth had the opportunity to sign up and receive information about CARE, Medical Baseline and the ESA Program.
- SoCalGas participated in the Special Olympics Resource Fair in May, 2012 to help families in need achieve and maintain economic self-sufficiency through education, housing, counseling and other support services. The resource fair drew over 1,500 people, many of which were disabled. Information on the ESA Program and CARE was available to interested customers who visited the SoCalGas booth.
- As a member of the Inland Empire Disability Coalition, SoCalGas attends monthly meetings with a host of agencies and Community Based Organizations (CBOs) that serve the disabled community. The Coalition,

which is more than 480 members strong, provides opportunities for networking to build cooperative relationships, provides advocacy with (and for) people with disabilities, and partners to host events that benefit the community at large. This venue helps to ensure that program information is communicated to the disabled community.

- SoCalGas continued its partnership with the Deaf and Disabled Telecommunications Program (DDTP)²¹ to cross-promote the CARE / ESA Program in their Southern California Telephone Access Program (CTAP) locations in Burbank, Riverside and Santa Ana. Additionally, the DDTP link²² is displayed on SoCalGas' website page. The DDTP site is also displaying SoCalGas' website link to its low income programs.
- SoCalGas continues to identify private organizations and CBOs in our service territory that provide services to the disabled in an effort to promote the ESA Program to customers with disabilities.
- ESA Program contractors, such as LIHEAP agencies who provide services to customers with disabilities, also offered ESA Program services to interested customers.

In PY2012, SoCalGas focused its efforts on engaging with organizations in the SoCalGas service territory that provide services to the disabled in an effort to promote the ESAP Program to customers with disabilities. The Braille Institute, Breathe LA, DDTP and the Inland Empire Disability Coalition were organizations that SoCalGas partnered with in 2012. All efforts were designed to follow the CPUC's directive to increase the number of households with disabilities²³ that

²¹ This program is administered by the CPUC and provides assistive telephone devices and the California Relay Service (CRS).

²² <http://ddtp.cpuc.ca.gov/HomePage.aspx?id=91&LangType=1033>.

²³ D. 08-11-031 O.P. 30.

participate in the ESA Program. During PY2012, 11,486 households that had a member identified with a disability enrolled in the ESA Program. This represents approximately 12% of the total enrollments for the year.

Section 1.5.4 describes other future opportunities for SoCalGas to partner with ESA Program capitation contractors, which will build SoCalGas' capacity to reach customers with special needs, by providing communication options such as American Sign Language.

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.

Brochures with information about the ESA Program were sensitive to the visually impaired community. SoCalGas made Braille booklets available to customers in both English and Spanish to promote all assistance programs. These booklets are available to customers during events.

To respond to the needs of customers with disabilities, SoCalGas' continues to improve its website aimed toward improving these users' experience. The SoCalGas website, with particular emphasis in the customer assistance section, is designed to comply with Web Content Accessibility (W3C) guidelines. This means that vision impaired customers who use screen readers²⁴ and similar assistive technologies can navigate the site and read its content. In the customer assistance section, there are informational and explanatory videos on SoCalGas' assistance programs.

²⁴ A screen reader is a software application that attempts to identify and interpret what is being displayed on the computer screen. This interpretation is then represented to the user with text-to-speech, sound icons, or a Braille output.

For the hearing impaired, a video featuring the ESA Program that uses the American Sign language was developed and made available to further assist customers who are hearing impaired. SoCalGas has also increased accessibility to the deaf community with closed caption videos in the assistance section of SoCalGas' website to promote the ESA Program, CARE and Medical Baseline programs.

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

| Disability Enrollments | | | |
|--|-------------------|------------------------|-----------------------------|
| Source | Total Enrollments | Disability Enrollments | % of Disability Enrollments |
| CARE Referral | 809 | 44 | 5% |
| Direct Mail | 1,175 | 159 | 14% |
| Energy Efficiency Referral | 5,837 | 661 | 11% |
| LIHEAP | 559 | 129 | 23% |
| Media/Leveraging Dept Event | 58 | 3 | 5% |
| Neighbor/Friend/Relative Referral | 3,186 | 355 | 11% |
| Newspaper/Radio/Television | 119 | 11 | 9% |
| Other Utility Referral | 1,992 | 265 | 13% |
| Outreach Specialist - Canvassing | 63,622 | 5,502 | 9% |
| SoCalGas - Email | 298 | 28 | 9% |
| SoCalGas - Internet | 1,504 | 186 | 12% |
| SoCalGas Referral | 3,658 | 510 | 14% |
| Telemarketing - Telephone | 7,250 | 888 | 12% |
| Univision - Telethon | 77 | 0 | 0% |
| Whole Neighborhood Approach | 6,749 | 847 | 13% |
| | | | |
| Subtotal | 96,893 | 9,588 | 10% |
| CIS ¹ | N/A | 1,898 | N/A |
| Total | 96,893 | 11,486 | 12% |
| Target Enrollment Rate | | | 15% |
| ¹ In order to capture all disability information available, enrollments from 2012 (pulled from the HEAT database) were cross referenced with customer disability information that is captured in the SoCalGas CIS database. Through this effort SoCalGas was able to count enrollments that were not originally identified by the outreach specialist as being disabled at the time of enrollment, but should be counted towards disability enrollment efforts. | | | |

As described in Section 1.5.1, SoCalGas leveraged with agencies and community based organizations serving the disabled customers with information on the ESA Program. The ESA Program contractor network also played a large role in increasing enrollments within the disabled community.

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

SoCalGas continues to hone the best marketing, outreach, and enrollment strategies to reach customers with disabilities. SoCalGas will continue to improve its ability to track and report disability enrollments, as well as increase opportunities to further utilize WNA efforts and leverage with outside programs. SoCalGas has identified various strategies to implement in 2012 to help meet the 15% penetration goal for the disabled community. The identified strategies are as follows:

- SoCalGas has expanded efforts to enroll eligible customers on the Medical Baseline Program. In 2012 a campaign placing Medical Baseline applications in many of the medical offices was conducted. Over 1,000 new Medical Baseline Program enrollments were achieved through this effort. These new Medical Baseline customers will be screened to see if they may also be eligible for the ESA Program through direct mail campaigns, AVM and bill inserts. SoCalGas ESA Program staff is working smarter by leveraging with other existing programs. By integrating with the Medical Baseline program and coordinating with organizations with a medical focus (such as the Los Angeles Department of Social Services, administrator for LA County Medical), SoCalGas expects it will be able to increase the awareness of its ESA Program in the disabled community.

- In 2012, SoCalGas made efforts to increase disabled customer enrollments by working closely and coordinating with media staff when participating in disabled events. SoCalGas engaged in promotion of the ESA Program by contracting with local media publications, radio, print and online sites to let customers know about its offered services.
- In 2012, SoCalGas continued to use its ESA Program capitation program, which focuses outreach efforts to agencies serving clients with Limited English Proficiency, persons with a disability, and the elderly. As of December 31, 2012 SoCalGas had contracted with five Community Based Organizations resulting in approximately 200 enrollments.
- SoCalGas will continue to target customers participating in the Medical Baseline program via marketing campaigns, such as direct mail and AVM campaigns.
- SoCalGas' ESA Program will continue to look towards increasing efforts to enroll and track customers with disabilities to meet the 15% goal.

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.

In 2011, SoCalGas and the Imperial Irrigation District (IID) allowed their agreement to expire as IID desired to contract directly with their own weatherization installation contractor to deliver both energy efficiency and low-income energy efficiency measures to its customers. However, IID has agreed to share information with SoCalGas related to joint customers served by both low-

income programs. SoCalGas is still in discussions with IID and hopes to renew an agreement to deliver both low-income programs via one utility.

The leveraging agreement with Burbank Water and Power (BWP) also expired in late 2011, but BWP program managers indicated that they wish to renew with SoCalGas once funding levels are identified and secured.

In 2012, SoCalGas completed discussions with Riverside Public Utilities (RPU) and established a leveraging agreement that would allow customers residing in the two utilities' overlapping service territories to benefit from both SoCalGas' low income program services and from RPU's low income program offerings during the same visit. Similar to the previous agreements secured by SoCalGas with municipal utilities IID and BWP, SoCalGas seeks to partner with RPU to install not only the comprehensive mix of measures offered in SoCalGas' ESA Program, but to also deliver additional RPU electric measures to eligible customers. This approach provides an increased benefit in that customers are able to realize the energy and bill savings inherent in both sets of measures. Furthermore, the collaborative effort put forth to deliver the benefits of multiple programs during one visit will provide a more time sensitive solution to customers' needs. Initial installations under this signed agreement began in December of 2012 and will continue throughout 2013.

SoCalGas continues to pursue opportunities to leverage program funds with water districts for the installation of High Efficiency Clothes Washers (HECWs) under SoCalGas' ESA Program. Under a signed agreement between SoCalGas and Eastern Municipal Water District (EMWD), EMWD provides a rebate to SoCalGas for every HECW installed within the two utilities' joint service territories. This partnership aids the ESA Program to increase customer benefits, including energy savings, water reduction, and bill savings. As a result of this agreement, a total of 734 HECWs were installed in the two utilities joint service

territory in PY2012, thereby providing SoCalGas ESA Program with over \$266,000 in EMWD rebate funding.

SoCalGas continues to collaborate with Metropolitan Water District (MWD) to develop a strategic partnership to leverage program funds from water conservation rebates for the installation of HECWs. MWD is the largest supplier of treated water in the U.S. and serves the most populous areas of SoCalGas' service territory.

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.

SoCalGas continued discussions to renew contracts for leveraging efforts with IID and BWP in 2012. However, in PY2012, SoCalGas and IID were able to indentify 32 jointly served customers from contractor work for both utilities. In a larger context, these types of combined efforts are intended to result in fewer vehicles being dispatched for enrollment and installation processes, thereby aiding in the conservation of resources in a global, integrative, and sustaining approach. Furthermore, customers of these joint partnerships benefit from a full suite of measures as opposed to customers receiving measures from just a single program. Customers will ultimately see a larger impact on their total energy and bill savings and be made more comfortable with an enhanced measure package. Finally, their lives will be made easier by not having to incur the multiple interruptions that multiple programs would have on them with what can sometimes be extensive verification, enrollment, installation, and inspection processes.

Throughout 2012, SoCalGas and EMWD worked under an established partnership to leverage program funds for the direct installation of HECWs. As part of this agreement EMWD, provides a rebate to SoCalGas for every HECW installed within the two utilities' joint service territories. As water conservation continues to be a growing aspect of the ESA Program, SoCalGas continues to explore leveraging opportunities with water agencies that fall within its service territories. With this leveraging partnership, SoCalGas and EMWD are supporting a less expensive and more reliable energy resource base while continuing to provide energy benefits and savings to low-income customers. Furthermore, allowing for the water district to claim the over 10,000 gallons per washer per year savings demonstrates the utilities' statewide conservation efforts needed to address the state's water scarcity issues. Lastly, the rebate monies that EMWD provides to SoCalGas allows for ESA Program dollars to be extended.

SoCalGas continues to work on establishing partnerships with Los Angeles Department of Water and Power and MWD to leverage program funds. However, since leveraging agreements are not yet in place, joint program delivery has not begun and savings and benefits have yet to be realized. With the future implementation of these, or any additional leveraging programs, SoCalGas will continue to track related savings and benefits to the ESA Program. As with previous leveraging partnerships, SoCalGas will require collecting data on the three criteria established by the CPUC: 1) dollar savings, 2) energy savings/benefits, and 3) enrollment increases.

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?

SoCalGas developed a LIHEAP leveraging framework in 2010 and has continued employing the strategy as a means to increase participation from LIHEAP agencies and capture installations of measures common to both ESA Program and LIHEAP to assist SoCalGas in meeting the three measure minimum requirement. The LIHEAP framework has resulted in 400 LIHEAP leveraged enrollments in PY2012. This is a 60% decrease, compared with LIHEAP leveraged enrollments in PY2011.

During the last quarter of 2012 CSD undertook an effort to prioritize several potential 'pilot' programs in collaboration with IOU Low Income Program funding, as well as other sources. SoCalGas was asked to take a lead role in one pilot (of four chosen) that focused on deployment of solar-thermal water heating systems for low income customers in single family homes. Initial planning tasks occurred in late 2012 and the pilot is expected to begin by mid-2013.

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.

In PY2012, SoCalGas continued to integrate efforts and messaging through all of its marketing events by coordinating the ESA Program with CARE to make customers fully aware of both programs. CARE customers who have not received ESA Program services are targeted, using direct mail, outbound dialing, and email campaigns to ensure they have every opportunity to enroll in the ESA Program.

Other methods used throughout SoCalGas departments that integrate ESA Program with CARE are:

- Data Sharing: ESA Program shares data with CARE. Customers who are found in the ESA Program system are automatically enrolled for the CARE discount and exempt from PEV if their income eligibility has been verified by the ESA Program.
- Integrated Voice Recording (IVR): Multi-lingual ESA Program and CARE messages are made available on the IVR.
- Branch Payment Offices: ESA Program and CARE information is displayed or is available in branch payment offices.
- Customer Contact Center: Customer Service Representatives inform customers about the ESA Program and CARE when appropriate. When a customer inquires about CARE, ESA Program information including a telephone number is provided. Also, SoCalGas integrated the ESA Program for residential customers by mailing a conservation package during customer contact center bill inquiries; the package included information on CARE, the ESA Program, Medical Baseline, energy efficiency rebates, and energy-saving tips to help customers manage their gas bills, and was paired with information regarding the State Department of Community Services and Development (CSD) programs.²⁵
- Email Campaigns: The SoCalGas Customer Communications Department deployed email campaigns in which both the CARE and ESA Program were

²⁵ In 2012, 4,274 English and Spanish packages were sent.

promoted to new SoCalGas customers.²⁶ Additionally, an e-mail to CARE enrolled customers and eligible for the Energy Savings Assistance Program was sent to over 900,000 customers enrolled in the My Account²⁷ program encouraging them to apply for the ESA Program's no cost home improvements. The e-mail campaign features the Program services, and included links to drive customers to the on-line ESA Program request (lead) form.

- Credit and Collections: During collection days, SoCalGas Field Representatives deliver pending disconnection notices in person to senior citizens and disabled customers.²⁸ Because collections involve customers who are struggling to pay their bills due to financial issues, customer assistance information is provided by the field collectors, who educate customers about the ESA Program and CARE.
- Joint Electronic Newsletter: "Outreach Around the Region", a quarterly e-newsletter was sent to over 900 CBOs and CARE/ESA Program contractors. The e-newsletter served as a news update and included articles about SoCalGas' ESA Program and CARE, and other news about SoCalGas' programs.
- Winter Media Campaign: ESA Program and CARE information was coordinated to be promoted as part of the yearly winter media campaign to

²⁶ New SoCalGas customers received a welcome e-mail from SoCalGas informing them about available assistance programs.

²⁷ My Account is an online service SoCalGas provides so that customers may: go paperless; pay bills; request payment arrangements; start, stop, or move gas service; and schedule gas appliance service.

²⁸ SoCalGas customer service records on disability and age are captured in CIS. Customers self-identified as having a disability.

bring awareness to customers who are eligible to enroll and have not participated in the enrollment of these programs.

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.

Integrated Multi-family Demonstration Project

In 2012, SoCalGas participated in an innovative energy efficiency demonstration project in the city of Santa Ana with LINC Housing, California Housing Partnership Corporation, Southern California Edison Company (SCE), Metropolitan Water District, Santa Ana Public Works Agency and other stakeholders (also referred to as the “City Gardens” complex). With this integrated effort SoCalGas ESAP sought to develop sustainable and replicable strategies to comprehensively treat targeted multi-family residential buildings in order to achieve deep and durable energy savings.

The 274 unit complex, with 27 two-story structures, allowed SoCalGas to test various strategies aimed at treating the multi-family sector in a more complete manner. Among the various strategies tested was the use of a Single Point of Contact, multi-program coordination of the seven IOU energy efficiency programs involved in the project, streamlining practice and delivery of the ESA Program, and a referral coordination approach.

As the project commenced, a joint SoCalGas/SCE ESA Program contractor was selected to perform outreach and assessment, and measure installation for eligible ESA Program tenants. The early and sustained collaboration between owner, tenants, IOUs, and the joint IOU ESA Program contractor resulted in a high percentage of tenants being enrolled into the ESA Program. Furthermore, for those tenants that were not eligible for the ESA Program, other IOU direct

install energy efficiency program representatives were on hand to deliver their menu of energy savings measures. This coordinated effort between IOU third-party contractors was very beneficial to both owner and tenant, as it imposed the smallest impact possible to all involved.

Another successful strategy tested during the project was the use of a Single Point of Contact. This entity provided a simplified and customer friendly approach to both the owner and tenant in addressing the issue of accessibility to multiple programs. Rather than contacting and coordinating various IOU programs to deliver individual services and rebates, the owner could rely on the Single Point of Contact to leverage their industry knowledge to make energy efficiency recommendations for their multi-family complex as a whole. In addition, beyond the gas and electric IOU programs that were coordinated and brought to bear for this project, water and solar thermal (CSI Program) programs were recommended and integrated as well.

Finally, by providing these multiple IOU energy efficiency programs, the owner was able to stretch their energy efficiency budget and provide additional deep energy savings measures not funded through the IOUs. The high level of collaboration between owner and services provider working group during this project provided the owner with cost effective implementation timelines, allowing for the coordination of non-IOU retrofits during the same time as IOU program delivery. This not only provided additional energy savings to the complex as a whole, but did so without additional impact to their tenants.

Energy Upgrade California

In 2012, the ESA Program began collaborating with the Energy Upgrade California (EUC) program for residential customers on the establishment of the EUC Middle Income Direct Install Program (MIDI). The ESA Program and EUC representatives will jointly implement EUC MIDI, which will install no cost

measures for customers living in single family or multi-family households whose income falls outside of the ESA Program income requirements. Eligible customers will also receive energy education, which will explain the program requirements and benefits. The EUC MIDI Program will be marketed by select contractors in the normal course of enrolling customers into the ESA Program. Customers not meeting the ESA Program guidelines will be offered the EUC MIDI Program, and program participants will be encouraged to install additional comprehensive energy efficiency improvements beyond EUC MIDI Program offerings.

Also in 2012, the ESA Program and EUC continued to develop protocols to incorporate the Energy Upgrade California Multi-family (EUC MF) Program into the Integrated Multi-family approach discussed earlier. When instituted, both tenants and owners will benefit from various energy efficiency upgrades while programmatic initiatives for both the ESA Program and EUC programs will continue to be followed. As part of these protocols, the ESA Program will continue to treat low-income multi-family households in line with the CPUC directive that all eligible and willing households are provided direct installation of all feasible program measures. Where multi-family properties are found to be in overlapping IOU service territories, the IOUs serving these properties will coordinate efforts so that both gas and electric measures are installed simultaneously. Additional energy efficiency upgrades, including measure installations in units and areas not authorized to be treated under the ESA Program, will be coordinated and completed with the property manager. Coordinating efforts among the utility programs in this manner will help these multi-family buildings realize the long-term energy savings derived from both the ESA Program and EUC program offerings.

D.12-08-044 required the IOUs to develop eight Multifamily Segment Strategies to enhance penetration of that market segment, and simultaneously begin

developing and advancing additional long-term and comprehensive multifamily segment strategies. SoCalGas began implementation of this directive during 2012, and participated in statewide efforts for the development of the Multifamily Segment Study to inform these efforts, as ordered by the decision.

Energy Efficiency Direct Install Programs

In 2012, SoCalGas' ESA Program continued to work with EE Residential Programs in an effort to coordinate so that customers could receive assistance from those programs that would provide the most benefit with the least amount of difficulty. The action that would have the largest impact and provide the most direct benefit to potentially low income customers is to lead them toward the ESA Program prior to receiving measure installations through other EE Residential Programs. Reaching low income customers prior to the receipt of EE installations prevents potential issues with the three measure minimum standard that is a component of the ESA Program. For example, if a low-income customer receives a measure through one of the EE Residential Programs before ESA Program enrollment, then that customer may subsequently not qualify for enrollment into the ESA Program (if after EE installations there are less than three feasible ESA Program measures to install, or the minimum energy savings threshold cannot be met). This is a particularly important issue for SoCalGas, as it is a single fuel utility with less potential measures relative to energy utilities that provide both gas and electricity. Therefore, to preempt the noted issue, coordinating program efforts so that ESA Program eligibility is reviewed first is essential to maintaining customers' opportunities to achieve additional energy and cost savings found in the comprehensive mix of ESA Program measures.

In 2012, the ESA Program continued to work carefully with the EE's Multi-family Direct Install Program to screen multi-family complexes that house residents with a high probability of being eligible for the ESA Program. The Multi-family Direct Install Program is a program whereby contractors directly install energy

and water savings measures into multi-family complexes. This EE Program does not target customers by income; therefore, a potential exists for some low income customers to be treated under that program (rather than ESA). Due to the three measure minimum standard set within the ESA Program, if a low income customer were to receive these measures through this EE direct installation program, then that customer could potentially become ineligible for the ESA Program because the residence may no longer need at least three Program measures, or the minimum energy savings threshold cannot be met.

In order to manage this potentially missed ESA Program integration opportunity, both programs followed a process where the program contractors who install EE measures for the Multi-family Direct Install Program first send the sites targeted for installation to the EE Program Manager for review. Upon receiving the list of targeted sites, the EE Program Manager shares the list with the ESA Program to screen those complexes that have residents with a high probability of being eligible for the ESA Program. Those multi-family complexes that are screened and removed from the list of targeted sites are forwarded to ESA Program contractors to contact and enroll individual residents from those complexes into the Program. This process was established in order to ensure that all eligible low income customers are given the opportunity to achieve the maximum energy and cost savings offered by the ESA Program.

Lastly, one SoCalGas ESA Program contractor does 100% integration between the ESA Program and EE through the servicing of mobile homes. In 2012, SoCalGas enrolled 4,919 customers as a result of this integration effort with the ESA Program / EE mobile home 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.

In 2012, the SoCalGas ESA Program and its Energy Efficiency Government Partnerships Programs co-marketed the ESA Program and the comprehensive Mobile Home Program to their shared third-party contractor. As a result of this coordinated marketing approach, one of the Partnerships, Desert Cities Energy Partnership in Coachella Valley, achieved 1,704 customers enrolled into the ESA Program. Additionally, the ESA Program, SoCalGas Public Affairs, and the Desert Cities Energy Partnership all promoted the ESA Program to FIND, the local Food Bank in Coachella Valley, as well as other organizations seeking financial aid from the Sentinel Power Plant Mitigation funds solicitation effort.

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.

A discussion regarding SoCalGas' integration effort at the City Gardens complex in Santa Ana is highlighted above in Section 1.7.2 of this report. Additionally, because the ESA Program is a residential program, SoCalGas continues to focus its integration efforts with other EE Residential Programs.

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

SoCalGas does not have a residential demand response program; therefore, this section is not applicable to SoCalGas.

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.

A discussion regarding SoCalGas' integration effort at the City Gardens complex in Santa Ana, including the California Solar Initiative (CSI – Solar Thermal) Program, is mentioned above in Section 1.7.2 of this report. A discussion regarding leveraging with CSD, focused on the CSI – Solar Thermal program, is addressed in Section 1.6.3 of this report. Such efforts will continue in PY2013.

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.

In 2012, SoCalGas in coordination with the other IOUs, interested parties and the CPUC's Energy Division formed the WE&T working group to comply with Ordering Paragraph (OP) 9 of D.12-08-044, where the IOUs were directed immediately to begin collecting contractor data in seven Workforce Education and Training areas for program year 2012. The purpose of the data collection was to begin assessing its workforce and the education and training needs, if any, of the existing ESA Program workforce in yielding effective and quality program outcomes. The WE&T working group collaborated to create a reporting template to assist in the data collection process. The template was finalized in December of 2012 with the purpose of distributing it to its contractor network in the following weeks. The IOUs preliminary findings and summary of the WE&T data collected was ordered to be filed in 2013.

Throughout 2012, SoCalGas enhanced ESA Program workforce education and training by making improvements continuously to the delivery of its enrollment

and assessment classes, as well as expanding the technical content of its weatherization, HVAC and NGAT training classes. Delivery of this training included field rides with installers to provide hands on support in customers homes, and one-day NGAT refresher courses to address situations most commonly found during the installation process.

All SoCalGas ESA Program services are provided by third party contractors, and the SoCalGas ESA Program contractor network includes both privately owned companies and CBOs who recruit employees from low income communities. SoCalGas works with its contractor network to improve its Enrollment and Assessment training by continuously seeking feedback on training requirements and curriculum. In addition, all students who attended SoCalGas' Enrollment and Assessment training were asked to complete a class evaluation form to rate the class and provide feedback. Consideration was given to the student's feedback, and suggestions were incorporated where feasible. For example, a series of role playing exercises were incorporated into the curriculum to assist outreach specialists to address customer reactions, enrollment barriers and situations of common occurrence encountered in the process of promoting and enrolling customers into the ESA Program.

SoCalGas was expedient in making curriculum changes and updates that resulted from any CPUC decision or requirements. SoCalGas modified its Enrollment and Assessment training to address the changes that were made to enrollment procedures in light of new measures approved, and the measures removed from the program. To help facilitate and encourage enrollment into training, SoCalGas manages several custom email inboxes to help streamline communications with its contractor network. The ESA Program training supported by SoCalGas is critical in maintaining a high quality of service for ESA Program customers as well as for Program implementation.

In an effort to improve program delivery, SoCalGas invited all of its Enrollment and Assessment Contractors' back office support and processing staff to attend Enrollment Workshops during the third quarter of 2012. SoCalGas hosted the workshop at the Energy Resource Center in Downey, California. There were a total of 35 workshop participants, and the sessions addressed important program updates, provided an overview of new program requirements, and served as a general refresher course for all participants. SoCalGas believes that these workshops improved the participants' understanding of the enrollment process and customer enrollment requirements.

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

SoCalGas continued its internal training programs which contribute to the goals of workforce development. SoCalGas provides two areas of training: (1) Enrollment and Assessment (E&A); and (2) ESA Program Operations.

SoCalGas requires contractors to ensure that their employees are trained in the jobs that they perform. ESA Program services, including assessment, enrollment, and installation of measures, are provided by third party contractors. Thus, the students attending these training classes are hired by the ESA Program contractor network. Some outreach specialists are subcontractors to the ESA Program contractors and may not be direct employees. However, all potential outreach specialists must successfully pass a background check in order to receive their Home Improvement Salesperson Registration from the California State Licensing Board. In addition, all potential outreach specialists are required to attend and pass the five day Enrollment and Assessment class provided by SoCalGas.

After successful completion of the Skill Level Test, the potential outreach specialist attends a mandatory 5-day class which reviews the requirements for enrollment, assessment and in-home education. The 5-day class covers utility-specific items related to policies, security process and overall customer service standards, as well as for leveraging opportunities amongst other low-income programs. A final exam must be passed for an outreach specialist to be registered and receive a SoCalGas badge. The total number of badged outreach specialists for SoCalGas in 2012 was 163. The classes are held at SoCalGas' Energy Resource Center located in Downey, California.

SoCalGas continues to see the participation of previous U.S. Census employees with its E&A contractors for ESA Program outreach. In 2012, there were a total of 2 previous U.S. Census employees who successfully attended and passed SoCalGas' outreach and assessment training.

| Type of training or recruitment conducted | Students¹ attended | Students² eligible |
|---|--|--|
| Skill Level Test ³ | 222 | 206 |
| Enrollment & Assessment Class ⁴ | 177 | 163 |
| ¹ SoCalGas does not directly hire employees to provide outreach and assessment or weatherization services. The students that attend classes are recruited by SoCalGas ESA Program contractors. ² Students eligible refers to those who passed the necessary exams and/or are badged and thus, eligible to perform the job function related to the training. ³ Individuals are required to pass the skill level test to be eligible to take the Enrollment & Assessment Class. ⁴ Employees eligible refer to those individuals who received an ESA Program badge upon successful completion of the Enrollment & Assessment Class. | | |

SoCalGas field operations training includes initial training for new participants in weatherization, inspections, HVAC and NGAT. Additionally, SoCalGas provides refresher training primarily to address contractor issues and discuss new measures and procedures that have been implemented into the program. The class sizes range from 5 – 35 technicians. The contractor representatives are hired employees of the ESA Program contractors and are expected to arrive with

the skill set required to complete installation services. Installers are also given an aptitude test that they must pass in order to receive an identification badge to work under the SoCalGas ESA Program. This is in addition to a review of customer service standards, weatherization installation standards and overall program expectations. The table below summarizes field training efforts for 2012:

The table below summarizes field training efforts for 2012:

| Class Type | Number of Students | Number of Classes |
|---------------------------------|---------------------------|--------------------------|
| Weatherization and HVAC Initial | 59 | 17 |
| Weatherization Refresher | 88 | 9 |
| NGAT | 19 | 2 |

1.9. Legislative Lighting Requirements Status

Because SoCalGas is a gas-only utility, Section 1.9 is not applicable to the SoCalGas ESA Program.

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.

For the PY2012 to 2014 program cycle, the ESA Program will support four statewide studies ordered by the Commission in D.12-08-044:

- An impact evaluation for program year 2011,
- A multi-family segment study,
- An energy education evaluation study, and
- A low-income needs assessment.

During 2012, the RFPs for these studies were released and consultants were selected for each of the studies. All of the studies were scheduled to begin in 2013, so no study activity was completed in 2012. For 2013, the activity expected is described in the following table:

ESA Program Study Proposed Activity for 2013

| Study | Deliverable | Expected Delivery Date |
|-----------------------------|----------------------------------|-------------------------------|
| Impact Evaluation | Research Plan & Workshop | February 20, 2013 |
| | Draft Report & Workshop | August 2013 |
| | Final Report | August 31, 2013 |
| Multifamily Segment Study | Research Plan & Workshop | March 5, 2013 |
| | Phase I Draft Report & Workshop | June 2013 |
| | Phase II Draft Report & Workshop | September 2013 |
| Energy Education Study | Research Plan & Workshop | March 7, 2013 |
| | Draft Report & Workshop | August 2013 |
| | Final Report | August 31, 2013 |
| Low-income Needs Assessment | Research Plan & Workshop | March 18, 2013 |
| | Draft Report & Workshop | September 2013 |
| | Final Report | October 2013 |

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.

See Section 1.10.1 above for proposed schedules of the required studies. There were no final reports of studies published during 2012.

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).

SoCalGas did not undertake any Pilots in 2012; thus, this section is not applicable to SoCalGas.

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 SoCalGas.

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 ESA Program measures because through effective program management SoCalGas is able to control program costs and deliver customers all feasible measures. The total counts and expenditures related to “add back” measures are provided in Table 18. Because SoCalGas does not currently anticipate any material impacts to the program, it will continue to install the “add back” measures, when feasible.

2. CARE EXECUTIVE SUMMARY

The SoCalGas California Alternate Rates (CARE) program, formerly known as the Low Income Ratepayer Assistance Program (or LIRA) was established through a legislative mandate and was implemented by the Commission in D. 89-07-062 and D. 89-09-044. The Commission expanded the program to qualified non-profit group living facilities such as women's shelters, homeless shelters in 1992. The program was further expanded to qualified agricultural employee housing facilities in D. 95.10-047. In 2005, D. 05-04-052 expanded the program to include authorized agricultural housing facilities managed by the Office of Migrant Services and other non-profit migrant farm worker housing centers.

Since 2005, income eligibility for CARE was set by the Commission at 200% of the Federal Poverty Guidelines.²⁹ In 2010, the legislature enacted Senate Bill 695 which changed section 731.9 of the Public Utilities Code to state that eligibility for the CARE program should be no greater than 200% of the Federal Poverty Guidelines. In 2006, the Commission authorized utilities to implement: 1) Categorical Eligibility which allowed customers to qualify for CARE based on their participation in certain state or federal assistance programs; 2) four-year recertification for low income customers on a fixed income; 3) a process to enroll certain prospective CARE-qualified households by telephone; 4) a process to all customers to recertify their CARE eligibility through the Interactive Voice Recognition system (IVR); and, 5) internet-based CARE enrollment and recertification.

In D. 08-11-031 the Commission expanded the list of categorical eligible programs to align with the program-based eligibility programs adopted for the Commission's California Lifeline Program and established an enrollment goal for CARE at 90% of the estimated eligible population.

CARE was authorized for program years (PY) 2012 – 2014 pursuant to D.12-08-044, approved by the Commission and issued on August 30, 2012. In approving the program the Commission retained the 90% penetration rate target of the prior program cycle and outlined in D.08-11-031, with direction to utilities to focus on aggressive outreach activities and other

program enhancements to ensure the integrity of the CARE Program. Other key initiatives include updates to the utilities post-enrollment verification probability model to include more indicators, a process to review and update the list of categorical programs annually, and approval of outreach and marketing funds focused on targeting multi-cultural/multi-lingual and limited English proficient (LEP) customers.

This report provides information on the SoCalGas CARE program accomplishments and expenditures for PY 2012.³⁰ At year-end 2012, the CARE Program had enrolled over 280,000 customers and ended PY 2012 with a penetration rate of 90.1%. SoCalGas continues to work towards meeting the CPUC-directed CARE Program goals and objectives. Summary results for PY 2012 are provided in the sections below.

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

| CARE Residential Program Customers by Month | | |
|--|------------------|-----------------|
| Month/Year | Customers | % Change |
| Jan-12 | 1,712,826 | -0.21% |
| Feb-12 | 1,711,911 | -0.05% |
| Mar-12 | 1,698,200 | -0.80% |
| Apr-12 | 1,703,693 | 0.32% |
| May-12 | 1,721,081 | 1.02% |
| Jun-12 | 1,719,356 | -0.10% |

²⁹ D. 05-10-044.

³⁰ SoCalGas notes, because D.12-08-044 was issued towards the latter part of 2012, certain elements of this annual report remain consistent with the format established for the 2009 – 2011 program cycle. Such matters were determined in consultation with the Commission's Energy Division and the other large energy Investor Owned Utilities as part of the charges of the mid-cycle working group established by the D.12-08-044.

| | | |
|---------------|-----------|--------|
| Jul-12 | 1,715,366 | -0.23% |
| Aug-12 | 1,713,798 | -0.09% |
| Sep-12 | 1,709,377 | -0.26% |
| Oct-12 | 1,675,302 | -1.99% |
| Nov-12 | 1,678,339 | 0.18% |
| Dec-12 | 1,649,360 | -1.73% |

2.1.2. Describe the methodology, sources 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.

CARE eligibility for PY2012 was developed using the joint utility methodology approved by the California Public Utilities Commission in Decision (D).01-03-028. This method entails annual estimation of CARE eligibility at the small area level (block group, census tract, zip) for each utility as well as for the state. Sources for this estimation include the CPUC’s current CARE guidelines, current year small area vendor distribution on household characteristics, census Public Use Microdata Sample (PUMS) 2007-2011 American Community Survey (“ACS/PUMS”), U.S. Census and Integrated Public Use MicroData Series (“IPUMS-CPS”) from the Minnesota Population Center, University of Minnesota; Labor Market Information Data (“EDD/LMID”) from the California Employment Development Department and additional data sources, including estimated small area unemployment data from Synergos Technologies, Inc. For 2012, an important guideline change was instituted. This entailed implementation of the January 2013 Federal Poverty Guidelines, which distinguish between one and two person household income guidelines, rather than bundling these as the CPUC guidelines had in the

past. This resulted in an eligibility drop of roughly two percent.

Each quarter SoCalGas applies the county and utility level eligibility factors to its current set of residential meter counts. For CARE this includes both individually metered and sub-metered housing units. Once the factors are applied, an estimate for low income-eligible customers is generated.

In D.12-08-044, the CPUC granted the IOUs' request to file the annual CARE eligibility estimates on December 21st. The Joint Utilities filed a motion requesting an extension to February 11th, 2013 to accommodate issues in gathering the needed Consumer Price Index data. The motion was granted by ALJ Kim on January 10th, 2013.³¹

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, SoCalGas counts all residential meters and residential sub-metered units and subtracts the residential accounts with billing tariffs that do not qualify for CARE. This equation equals the number of eligible residential dwellings for the CARE program in the SoCalGas territory.

³¹ See Compliance Filing Of Southern California Edison Company (U 338-E) On Behalf Of Itself, Southern California Gas 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 Feb.11, 2013.

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

See SoCalGas' 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 household-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.

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 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 is:

Number of CARE Customers

Number of Estimated CARE-Eligible Households

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

SoCalGas is a single energy-source utility (natural gas). At year-end 2012, of SoCalGas' 5,403,614 CARE eligible meters, 33.87% or 1,830,118 were estimated to be eligible for the CARE discount.

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

At year end 2012, SoCalGas had 144,576 sub-metered tenants in 1,816 master-meter facilities. By the methodology described above, 51.53% of its sub-metered residential customers are eligible for CARE. Thus, SoCalGas estimates 74,500 of its sub-metered tenants are CARE eligible.

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

As of the end of 2012, SoCalGas had 35,769 sub-metered tenants participating in the CARE program.

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

SoCalGas estimates 48.01% of its CARE eligible sub-metered tenants were enrolled in the CARE program as of the end of 2012.

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

SoCalGas did not encounter any problems in administering the CARE program for sub-metered and/or master-metered customers, in 2012.

CARE Program Summary

2.2. Please provide CARE program summary costs

| 2012 CARE Budget Categories | Authorized Budget | Actual Expenses | % of Budget Spent |
|---------------------------------------|--------------------------|------------------------|--------------------------|
| Outreach | \$3,909,220 | \$2,952,758 | 76% |
| Proc., Certification and Verification | \$8,223,171 | \$1,216,834 | 15% |
| Information Tech./Programming (1) | \$3,204,520 | \$685,394 | 21% |
| Pilots (2) | \$180,000 | \$167,868 | 93% |
| Measurement and Evaluation | \$50,972 | \$0 | 0% |
| Regulatory Compliance | \$227,412 | \$293,074 | 129% |
| General Administration | \$887,541 | \$652,060 | 73% |
| CPUC Energy Division Staff | \$60,000 | \$29,165 | 49% |
| Cooling Centers (3) | N/A | N/A | N/A |
| Total Expenses | \$16,742,836 | \$5,997,153 | 36% |
| Subsidies and Benefits (4) | \$128,773,189 | \$105,857,401 | 82% |
| Total Program Costs and Discounts | \$145,516,025 | \$111,854,554 | 77% |

2.2.1. Please provide the CARE program penetration rate to date.

| CARE Penetration Year-end 2012 | | | |
|---------------------------------------|------------------------------|-------------------------|--------------------|
| Participants Enrolled | Eligible Participants | Penetration rate | Target Met? |
| 1,649,360 | 1,830,118 | 90.1% | Yes |

2.2.2. 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.

CARE Recertification

| Month | Complaints Received | Nature of Complaint | Cases Resolved |
|--------------|----------------------------|---|-----------------------|
| January | 1 | Customer contacted SoCalGas to inform that he did not receive his recertification application, causing his account to be terminated. SoCalGas recertified the customer and reinstated his CARE discount from the date it was terminated. | Yes |

2.3. CARE Program Costs

2.3.1. Discount Cost

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

The average monthly discount received per SoCalGas CARE customer in 2012 was \$5.02³² per month.³³

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

SoCalGas' CARE customers and expanded CARE customers (i.e. farm and migrant workers, and those living in non-profit group living facilities or agricultural housing) received \$102,317,520 in natural gas rate discounts and \$3,539,881 in Service Establishment Charge (SEC) discounts in 2012.

³² The average monthly rate discount was computed by dividing the CARE rate discount recorded to the CARE balancing account in 2012 by the monthly residential CARE customers: the total of the 12 months was then divided by 12 for the average monthly CARE discount per customer.

³³ This number does not reflect the CARE customers who received a discount on their Service Establishment Charge (SEC).

The 2012 annual subsidy for all SoCalGas CARE customers exceeded \$105 million.

2.3.2. Administrative Cost

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

See section 2.2. or CARE - Table 1 in the attachments.

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

Outreach: Included within this category are costs for the printing and mailing of CARE applications and correspondence, the printing and mailing of Senate Bill (SB) 920³⁴ annual notification, postage, bill inserts, brochures, flyers, advertising, direct mailing campaigns, telephone campaigns, web campaigns, third party outreach, 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 CBOs that assist SoCalGas in enrolling hard-to-reach CARE-eligible customers in the program.

Processing, Certification and Verification: These costs include the CARE Processing Group labor and CARE forms scanning costs. The function of

³⁴ SB 920 requires that homeowners and residents of a master-metered park shall receive notification in their utility billing statement of the assistance available to them under the CARE program. This notification must be received on or before February 1st of each year.

the CARE Processing group includes: 1) opening and sorting CARE application forms; 2) processing all CARE applications; 3) initiating and responding to customers' inquiries regarding CARE applications and or the program; and 4) tracking CARE enrollment and operating statistics in support of operations, management, and regulatory reporting.

Information Technology (IT) Programming: Included in this category are IT staff costs to maintain the SoCalGas CARE application billing system, CARE documents, CARE database, system reports, data exchanges with other utilities; and charges for conducting system enhancements to comply with Commission mandates; and improve operational efficiency.

Pilots: Included in this category are costs related to the CHANGES Pilot.

Measurement and Evaluation: This category includes costs for the annual CARE eligibility rate updates.

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

General Administration: General administration costs include program management labor, office supplies, market research, and general business expenses.

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

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

At year-end 2012, the CARE balancing account was over-collected by \$37,954,104.

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

The recorded costs in the CARE balancing account include the Service Establishment Charge (SEC) discounts, all rate discounts, surcharge revenues, amortization, interest, and Administrative costs described in Section 2.3.2.2. The costs recorded in the CARE balancing account are not included in 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.

Utility Outreach

During 2012 SoCalGas continue to deploy traditional communication tactics to extend awareness and participation in the CARE Program. Traditional tactics include mass media, direct mail, automated messaging, bill inserts (and other bill-related communications), door-to-door enrollment, and participation in community outreach events. In addition to these traditional tactics, SoCalGas

also focused more on grass roots tactics, such as partnering with community and faith-based organizations.

Ethnic Media

Ethnic media plays a crucial part in communicating with hard-to-reach customers. SoCalGas maintains that even with the inexorable movement towards “newer” digital media, traditional media (especially local, ethnic-owned print media) will remain an important part of SoCalGas’ communication portfolio.

SoCalGas ran three major media campaigns during 2012, and ethnic audience and ethnic ownership of the media outlets played a significant part in the overall strategy:

1. July: Print Media Campaign to Reinforce the June Bill Insert

The new CARE eligibility guidelines are announced every year in June. A bill insert details the guidelines. SoCalGas ran a print campaign to reinforce the bill insert.

Spending: \$75,000 spent. \$73,000 in ethnic-owned newspapers.

Newspapers & Audiences:

Hispanic: Eastern Group Publications, El Aviso, San Fernando Valley/El Sol, La Nueva Voz.

African American: LA Watts Times, Our Weekly, Los Angeles Sentinel

Asian American: California Journal for Filipino Americans, Asian Journal

2. August, September: Spanish Language Digital Campaign

Create awareness among Spanish-speaking customers, primarily customers in the 25 to 35 year age group, customers who may be low-income (or who know family and friends who are low-income) and who are comfortable with online communication.

Spending: \$24,000, general market; \$34,000 Spanish-language market, \$9,000 radio.

3. November: Reinforcement of the November bill insert, which was a replay of the June bill insert.

Spending: \$80,000; \$79,000 in ethnic-owned newspapers.

Newspapers & Audiences

Same as July campaign.

Mass Media: Media messages were usually in English, but Spanish language campaigns were a key component of mass media outreach during 2012. The Internet has become a mainstream communication channel. In addition, due to internal research and secondary research, SoCalGas concluded that customers who are young, Internet savvy, and Spanish-speaking represent an important segment of potential CARE enrollees. And even if these customers do not enroll in the program, they are an important advocacy group within their communities; therefore, SoCalGas has begun to deploy internet-based campaigns to extend awareness and encourage enrollments, and SoCalGas launched a nine-week campaign that used “age and geo-targeting” technology to reach young, Spanish-speaking customers.

In the area of traditional mass media, SoCalGas worked with Radio Campesina in Bakersfield (KMYX) to publicize customer assistance programs. The station has a strong reach with migrants and customers who are primarily Spanish speaking. The October campaign involved radio spots and an interview in Spanish with a member of the SoCalGas Regional Public Affairs department concerning safety and assistance programs. In addition, SoCalGas took out ads in *El Clasificado* to reinforce the radio messages. Based on a joint sponsorship with Radio Campesina, SoCalGas also participated in the Dia De La Guadalupe festival in December.

In addition, SoCalGas used local print media (both ethnic and ethnic-owned) to reinforce the July and November residential bill inserts and SoCalGas's attendance and/or sponsorship of local community events.

Direct Mail: Direct mail continues to be a versatile and effective method for enrolling CARE customers. SoCalGas launched several direct mail campaigns throughout the year. The campaigns were strategic and targeted selected zip codes and PRIZM codes. SoCalGas mailed approximately 1 million pieces during 2012.

Direct Mailing to Sub-metered Apartments and Mobile-Home Parks: SoCalGas continued to conduct its annual SB 920 targeted mailing in its service territory to the 1,816 master-metered facilities with sub-metered customers in PY2012. SoCalGas also continued to work with master-metered facilities with sub-metered tenants to maintain compliance with both AB 2104 and AB 2857.

Bill Message: During 2012, quarterly CARE bill messages were printed in both English and Spanish on non-participating customers' bills. Additionally, when applicable, CARE bill messages were sent out 45 days after PEV letters were mailed to remind customers that SoCalGas had not received their verification application and proof of income. Further, if after 120 days SoCalGas had not received a customer response, SoCalGas sent those customers a bill message informing them that they had been removed from the program.

Bill Inserts: Bill inserts are a low-cost method to create program awareness and encourage enrollment. The insert/applications are bilingual (English/Spanish) and contain basic information. The July 2012 bill insert highlighted the new income eligibility qualifications (effective June 1st). During July, approximately 6 million bill inserts were sent to customers. This same bill insert was repeated in November. In addition to the general market bill insert in July, SoCalGas also

sent out a bill insert to commercial customers. The bill insert went out to approximately 250,000 customers in September and described the CARE rate for certain commercial facilities (non-profit group living housing and migrant farmworker housing). As reported above, SoCalGas used local, ethnic print media to reinforce the bill inserts.

Automated Voice Messaging: In order to encourage eligible customers to remain in the CARE program, SoCalGas sends an email (when email address is on file) and initiates an automated phone call to customers whose CARE eligibility is set to expire. The email prompts the customer to go to a web site where the customer can re-enroll online. The automated phone call allows the customer to re-enroll when receiving the call. In the event the customer does not answer and the customer had an answering machine, the customer is directed to call a toll-free number.

Cross Program Promotion: SoCalGas coordinated the communications for the CARE Program, as well as its other programs and services in a manner that provided clear, comprehensive and consistent messages to its customers. Communication and outreach opportunities were sought out to cross promote the CARE Program with other customer assistance programs and general market (rebate and or incentive) programs to maximize customer value and reduce costs. Mass media cross advertising campaigns incorporating both SoCalGas' CARE and ESA Programs are conducted on a rolling basis. The ability to apply for CARE through SoCalGas' ESA Program applications made it easier for customers to obtain services and other SoCalGas assistance program information simultaneously. Customer information obtained from SoCalGas' ESA Program and Gas Assistance Fund (GAF), along with LIHEAP, is used for CARE enrollment, recertification, and verification purposes. Certain collateral materials used by SoCalGas' outreach department and field operations personnel have been specifically designed to provide customers with information on all available low-

income and special needs customer programs and services. Field Operations is instructed to leave a bilingual flyer (English/Spanish) every time a customer's home is entered. During previous years, this policy was in effect during the heating season (October through February). Currently, however, this policy is in effect year round.

SoCalGas.Com Website: The SoCalGas web site (www.socalgas.com) was a component of virtually all communications. Website content, in English and in Spanish, was regularly updated to ensure customers were provided with current information. In addition to online English and Spanish CARE applications, SoCalGas' website also offers CARE applications in Arabic, Armenian, Chinese, Hmoob, Farsi, Khmer, Korean, Russian, Tagalog, Thai and Vietnamese. Customers may enroll online using one of these "in-language" applications or download an application, complete it, and return it via U.S. mail to SoCalGas for processing. SoCalGas' web based outreach efforts included monthly e-mail blasts consisting of targeted electronic newsletters and e-mails promoting the CARE Program.

Customer Contact Personnel:

Customer Contact Center (CCC): Customers are informed by the IVR system about the CARE Program when they call to request new service or payment arrangements. Customers can request a CARE application from a Customer Service Representative (CSR), the IVR, or from SoCalGas' website.

Bilingual Employees: The CCC, CARE Customer Support Center and most company business offices continued to be staffed with bi-lingual (English and Spanish) CSRs. Vietnamese, Korean, Mandarin and Cantonese telephone lines are staffed from 8:00 am to 5:00 pm Monday through Friday in the CCC. Deaf and hearing impaired customers may contact the CCC through its Text Telephone

/ Teletype Terminal / TeleTypewriter/ Telecommunications Device for the Deaf (TTY/TDD) equipment 24 hours a day, seven days a week. Additionally, SoCalGas' Call Center is equipped to provide service in 170 languages through *Language Line Service*, a third-party translation service which is available to customers 24 hours a day, seven days a week. For hearing impaired customers, a toll-free number is provided.

Branch Payment Offices (BPO): English and Spanish CARE applications and program information brochures are available in all BPOs and the CARE program is promoted during every transaction. Further, English and Spanish CARE posters (complete with program guidelines and helpful information) are on display in each BPO. These posters are revised as program information and income guidelines change.

Community Events: During PY2012, SoCalGas personnel participated in general and low-income specific community events. The goal of each event was to promote awareness of and participation in customer assistance programs. The events included:

- Abilities Expo
- First AME Back To School Backpack Giveaway
- Mother's in Action, Back-To-School Event
- Senior Briefing by Laura Richardson, member of U.S. Congress
- Calle Cuatro Fiestas Patrias
- Moon Festival
- Univision's dia de la Familia
- Radio Campesina, Dia De La Guadalupe

Third-Party Outreach

In order to improve its efforts to communicate with hard-to-reach customers, SoCalGas has contracted with a vendor to perform door-to-door outreach. During 2012, approximately 34,000 customers were enrolled by this method.

Community-Based Organizations/Faith-Based Organizations:

In 2012 SoCalGas enhanced its grassroots outreach efforts. The primary driver has been to establish relationships with faith-based and community-based organizations in order to enroll hard-to-reach customers. Because Orange County remains an area of challenge, SoCalGas hired an agency to focus on grassroots outreach in Orange County. In this context, SoCalGas worked with Catholic Charities, Orange County, to assist in Outreach. For example, this organization hosts a monthly food pantry distribution and a monthly CalFresh Workshop. SoCalGas provided information on customer assistance at these events. SoCalGas also initiated a similar arrangement with St. Barnabas Senior Center in Los Angeles, an organization that works with low-income seniors in Los Angeles. Information was provided during “congregate meal” events.

Customer assistance program and service information continue to be added to the growing California 211 information and referral network. 211 provides social and support services to assist those in need, mainly low-income residents. The 211 county-based agencies who have been provided with SoCalGas’ customer assistance and general utility information include Fresno, Imperial (Sure Helpline) Kern, Kings, Los Angeles, Orange Riverside, San Bernardino, Santa Barbara, San Luis Obispo, Ventura and Tulare, bringing the total now to 11 center operators.

Capitation Contractors:

SoCalGas worked with 40 different CBOs and outreach agencies to enroll eligible non-participating customers in the CARE program during 2012. These “CARE

Capitation Contractors” are located throughout the SoCalGas service area and employ various types of outreach strategies, such as local community event participation, walk-in enrollment and program material distribution to enroll customers. By the fourth quarter of PY2012, 228 customers had enrolled in the CARE program as a result of the combined outreach efforts of SoCalGas’ CARE capitation contractors.

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

Direct mail and bill inserts are still the foundation of awareness and enrollment. Even when such channels do not lead to an immediate enrollment, they create awareness and stimulate word-of-mouth knowledge of the program. Technology will obviously play an increasingly significant role in outreach efforts; however, the pace of transition from more traditional methods will be governed by the preferences and behaviors of SoCalGas customers. SoCalGas continually cross promotes its assistance programs and tailors outreach methods to meet individual customer needs; therefore, it is difficult to single out one outreach method as being the most effective or successful. SoCalGas is pursuing a multi-channel, reinforcing strategy. For example, when a bill insert is scheduled, local print media is also employed. SoCalGas also uses this tactic with its participation at community events. When SoCalGas attended the Abilities Expo, a local newspaper (the *Sentinel*) advertised SoCalGas’s participation. SoCalGas plans to continue (and increase and enhance) this strategy in 2013. While this approach presents a challenge in measuring individual channel effectiveness, the overriding objective is to create awareness among SoCalGas’s hard-to-reach customers.

It is also important to appreciate that the “conventional wisdom” continually changes. Several years ago one could correctly dismiss the Internet as a channel

to reach low-income customers, but more and more low-income customers make use of the Internet. This has been substantiated by primary research, secondary research, and results (listed below). In addition, more and more low-income customers use mobile phones. In some surveys close to half of SoCalGas's low-income customers use a mobile phone as their primary phone number. The strategies from 2012 will continue in 2013, but the emphasis will be on continuous fine tuning and further program information reinforcement.

The primary outreach tactics used during 2012 are listed below:

Automated Voice Messaging: For PY2012, SoCalGas' use of AVM for CARE enrollment and recertification outreach proved to be both efficient and effective. AVM is a low-cost outreach method using an automated telephone script to quickly contact large numbers of SoCalGas customers, allowing them to check their program eligibility and enroll or re-enroll in CARE over the telephone via the AVM system.

Bill Inserts: SoCalGas sent out over 6 million CARE (self-mailer type) bill inserts during July and November. By the end of 2012 almost 6,000 applications were processed, with approximately 2,700 approved. Bill inserts continue to be a moderate cost, non-intrusive, high distribution (all CARE-eligible non-enrolled SoCalGas customers) outreach method for contacting potential CARE customers. SoCalGas notes that the effectiveness of bill inserts has declined in recent years despite reinforcing these campaigns with a local, print media awareness campaign. The July bill insert is mandated because this bill insert publishes the new eligibility guidelines. Because of the the diminishing efficacy from 2012, SoCalGas plans on only one bill insert during 2013.

Capitation Program: SoCalGas contracted with 40 CBOs for the CARE Capitation Program in PY2012. These community-based non-profit agencies were part of SoCalGas' overall commitment of contacting hard-to-reach customers at

community events, and through walk-in traffic; they generated 228 CARE enrollments.

Direct Mail: SoCalGas' efforts to target and reach relatively large numbers of highly eligible customers not currently enrolled in the CARE Program are often accomplished through the direct mailing of CARE applications. (All of the letters and applications are in English and Spanish.) These customers are selected based on an adjustable eligibility profile that shows them to live in high gap (high eligibility and low penetration) areas. By the end of the year, 47,000 direct mail applications had been returned, and 29,834 customers had enrolled in CARE through direct mail. Late in the year SoCalGas purchased demographic information from Nielsen Media Research. Currently, SoCalGas uses U.S. Census PRIZM data for identifying customers who may have a likelihood of being eligible for the CARE rate. The Nielsen data will offer an additional tool for fine tuning outreach, especially direct mail outreach.

Third Party Door-to-Door Outreach: Developed to perform outreach to SoCalGas' hardest-to-reach low-income customers, this proactive door-to-door enrollment tactic continues to be a key component of SoCalGas' marketing strategy. These outreach contractors produce high volume enrollments from a hands-on customer approach. For 2012, SoCalGas CARE enrollments from door-to-door contractors totaled approximately 39,000 returned applications, resulting in 32,000 enrollments.

Community-Based Organizations/Faith-Based Organizations:

As reported in Section 2.4.1, SoCalGas is also increasing its collaboration with community-based and faith-based organizations. The primary emphasis has been on identifying key geographic areas (for example, Orange County) and developing collaborative business relationships. During 2013 SoCalGas will begin to assess the effectiveness of these relationships.

Web Based Outreach: Web based outreach consists of program promotion through e-newsletters, web links, e-mail blast campaigns, social media networks and direct internet access. In addition, CARE continues to be one of the top most-visited pages and/or one of the top most “searched” keywords on the SoCalGas website. During the summer of 2012, SoCalGas launched a nine-week web CARE promotional campaign. By utilizing vendors that specialize in strategic placement (using agreed-upon criteria, such as, age and demographics), the campaign drove 65,000 visits to the SoCalGas website; customers submitted 1,259 CARE applications. Overall SoCalGas received 96,000 applications via the Internet; 52,000 were subsequently approved.

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

Because participation is above 90% and because the target area for additional enrollments comprises the hard-to-reach customers, maintaining the existing population of enrollments is a priority. During the recertification process, SoCalGas attempts to call the customer and remind him / her to recertify eligibility in the program. Because the number of low-income customers who use a cellphone as a primary phone number continues to increase, and because federal law prohibits calling a cellphone via an Automated Voice Message (AVM), SoCalGas’s ability to reach its CARE customers has been impaired. SoCalGas is looking for ways to address this challenge in the next several years. Additional direct mail campaigns and email campaigns are under consideration.

Although SoCalGas has been able to generate great customer awareness about the program throughout its service territory, additional enrollments will be, by definition, in the hard-to-reach category. As articulated elsewhere, a multi-channel, grass roots strategy is necessary. By using trusted members in the

community (local organizations and churches), SoCalGas plans to encourage further awareness and participation in the program.

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

SoCalGas continued to exchange electronically new CARE customer enrollment data on a weekly basis with SCE, a process established in 2001. In 2012, SoCalGas received 331,635 customer records from SCE, and enrolled 82,219 customers into SoCalGas' CARE Program. Customers who were not enrolled were either already participating in SoCalGas' CARE Program, not eligible, or were not SoCalGas customers.

In 2012, as a result of the data exchange, 2,148 PG&E CARE participants and 1,953 SDG&E CARE participants were added to the SoCalGas CARE Program.

SoCalGas continued to share CARE customer data with LADWP quarterly, but did not receive any customer data from LADWP's Low Income Discount program during 2012.

Joint Utility Program Manager's Meeting:

During 2012, SoCalGas, Southern California Edison, Pacific Gas & Electric, San Diego Gas & Electric, South West Gas and the Sacramento Municipal Utility District (SMUD) periodically meet to informally discuss CARE outreach efforts and various program issues. For example, agenda items for the 2012 meetings included: the decisions for CARE PY2012-2014, CARE categorical eligibility issues, Categorical Programs Study, Post Enrollment Verification Probability Model and

practices, process improvements and quarterly CARE public meeting agenda information.

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

Leveraging with other assistance programs is one of the most cost effective ways for SoCalGas to increase customer participation in the CARE program. Therefore, customer information obtained from SoCalGas' ESA and Gas Assistance Fund (GAF) Programs, along with LIHEAP, is used for CARE enrollment, recertification, and verification purposes.

In 2012, SoCalGas continued cross-referencing information for customers who receive ESA Program benefits. Customers who are found in the ESA Program system are automatically enrolled for the CARE discount and exempt from PEV if their eligibility has been verified by the ESA Program. In 2012, SoCalGas automatically enrolled 19,046 ESA Program customers in CARE.

SoCalGas' GAF Program provides a one-time bill assistance grant of up to \$100 on a qualified customer's winter natural gas bill. The annual grant is available to eligible customers on a first-come, first-served basis. The program typically begins in February and continues through the end of March, or until funds are depleted.

Because GAF customers are eligible for CARE, SoCalGas' GAF customer data and CARE customer data are interfaced. Customers participating in the GAF Program, but not in CARE, are automatically enrolled in CARE. Additionally, because GAF customers provide proof of income when applying, customers

approved for GAF are not subject to CARE's PEV process. Finally, CARE customers who are scheduled for recertification and who are approved for GAF assistance are not asked to recertify their CARE eligibility again until the next two year recertification cycle has lapsed. This process helps reduce barriers to participation and assists in retaining qualified customers.

Through leveraging efforts with SoCalGas' GAF program, during 2012 SoCalGas enrolled 1,885 new participants in its CARE Program. Further, in 2011, SoCalGas received CPUC authorization in Resolution E-4251 to utilize \$3 million in Ratepayer funds, on a one time only basis, to assist customers having financial difficulty. Below is a report of the distribution of those funds.

| 2012 | Shareholder Funded Distributions | Ratepayer Funded Distributions |
|--------------------------------------|--|--------------------------------------|
| Beginning Balances | \$7,017 | \$96,120 |
| Customer & Shareholder Contributions | \$ 445,427 | \$1,000,000 |
| Total Funds Available | \$452,444 | \$1,096,120 |
| Administrative Fees | \$ 38,306 | \$ 86,000 |
| Gas Assistance Payments | \$256,290 | \$1,010,120 |
| Remaining Balances | \$157,848 | \$0 |
| Customers Assisted | 3,043 | 11,825 |

Note: All customers receiving assistance are CARE eligible.

There was \$1,000,000 left of the total \$3,000,000 in Ratepayer funding to begin the 2013 GAF PY.

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

As described in 2.4.1, SoCalGas began working with Catholic Charities in Orange County, wherein SoCalGas attends Catholic Charities' monthly CalFresh workshops. A bilingual representative (English/Spanish) explains how CalFresh enrollment facilitates CARE enrollment through categorical eligibility. The representative is also available to help the customer fill out the CARE application

form on the premises. SoCalGas plans to expand this tactic with other partners in 2013.

The National School Lunch Programs (NSLP) remains another area of interest. Because certain Los Angeles Unified School District (LAUSD) schools have been identified as schools with high numbers of qualified NLSP participants, SoCalGas generated new outreach materials to increase awareness of Customer Assistance programs. The materials are youth-oriented, such as school rulers and “educational comics.” The comics explain the CARE program and, more importantly, describe how participation in programs such as NSLP enables CARE enrollment. SoCalGas’s use of these materials will increase in 2013.

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.)

For PY 2012, SoCalGas did not receive or provide low-income customer information to CSD. However, SoCalGas did receive LIHEAP payment information from CSD which was used to apply LIHEAP payment assistance to low-income customer’s bill.

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. (By CARE)

In 2012, SoCalGas continued to promote use of its company website socalgas.com to educate customers about available customer assistance programs and services. CARE applications submitted through the web improve efficiency and cost-effectiveness by saving postage, paper, and printing costs, and assist a wide range of customers since the applications are available in thirteen languages as well as large print font. Through on-line activities in 2012, over 101,000 customers were successfully enrolled and/or recertified. Review of historical data indicates that web based services are growing to be the preferred communication channel for many customers. SoCalGas will continue to promote and support on-line CARE enrollment and recertification channels.

SoCalGas processed over 600,000 applications in 2012. In fall of 2012, SoCalGas upgraded its document scanning system applications to fix bugs and improve productivity. The prior version of the program required daily reboots, fixes, and daily manual intervention to keep the system operating properly. After the software update, the system ran fully functional daily. CARE also built in a batch auto-count for scanning, eliminating the need to manually count the number of CARE documents in a batch. These upgrades and improvements allowed the CARE staff to streamline the process of scanning and validating applications, and lessened the number of applications requiring manual data entry.

In the past, the validation procedure required the user to sign-out a batch and call-up the same batch to validate it within the system. In 2012, a process of “validating all” was implemented which meant that more than one user could work on the

same batch. This allowed each batch of work to become uploaded more quickly since all 50 documents within a batch must be verified before it is uploaded, and impacts the Customer Information System (CIS) for proper billing of customers.

In 2012, all CARE documents that could not be scanned in-house, dating back to January 2011, were sent to an outside vendor for electronic archival and indexing. These included our multi-page verification applications with corresponding proof of income or assistance program documentation, plus, other applications that were torn or outdated. The outside vendor already supported the electronic archival and retrieval of our single-page, single-sized in-house-scannable CARE documents and understood our process. They began scanning and indexing the non-supported multi-paged and multi-sized CARE documents. Rather than searching for the actual paper documents, this allowed for easy access and viewing of all CARE applications, and supporting documents via intranet, not just the applications CARE processed internally. This enhancement allowed for better customer assistance while speaking to customers on the telephone, and improved turnaround time when inquiries arose pertaining to a Customer's CARE application.

SoCalGas added a program enhancement to its CARE system in 2012 so that customers who marked the lowest income range, but failed to provide their household size would be approved for CARE instead of receiving incomplete status. This reduced processing labor time, and increased CARE retention.

SoCalGas' IVR system provides callers who are not participating in CARE and other assistance programs with brief information (pre-transfer messages) regarding SoCalGas' assistance programs prior to the caller opting to transfer to a customer service representative ("CSR"). Active CARE and other assistance program participants are bypassed and do not hear the messages, thus allowing for immediate transfer to a CSR.

To ensure customers are still eligible for CARE after their initial enrollment, they are asked to recertify their eligibility every two or four years. The majority of CARE participants must recertify their eligibility every two years, while others must recertify their eligibility every four years. SoCalGas uses a CARE probability model designed to calculate the likelihood of a customer's eligibility. Customers less than 85% likely to be CARE eligible, as determined by the CARE probability model, are required to recertify every two years. Customers evaluated by the CARE probability model to be more than 85% likely to be CARE eligible are subject to recertification every four years. Additionally, customers on a "fixed income" (e.g., those receiving Social Security benefits, certain pensions, SSI, SSD, SSP6 and/or Medi-Cal benefits) are also required to recertify their eligibility every four years instead of two years. Regardless of the two or four year recertification requirements, all customers are notified by SoCalGas when their recertification is due and are offered the option to recertify via U.S. mail, by telephone (accessing the CARE Recertification IVR system) or on-line. SoCalGas continues to strive for operational excellence, even though the current recertification operation is very effective.

As mentioned, CARE customers can recertify their CARE eligibility by calling the CARE Recertification IVR. The customer is required to provide his or her account number and reply to various income or categorical eligibility program questions. At the end of the IVR call, customers will be notified if they have been approved for recertification. When analyzing the IVR process in 2012, SoCalGas noticed that customers could provide an incorrect bill account but still continue with the recertification process. The IVR application was updated in February 2013 to add a confirmation edit of the account number that was entered by the customer. The account number will be spoken back to the customer whereby the customer can ask to hear the number again or confirm whether it is correct or not. If the account number is incorrect, the customer is requested to re-enter. Once the account number is confirmed by the customer, the process will

proceed to the next steps of account validation and eligibility evaluation within the Customer Information System.

2.5 Processing CARE Applications

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

SoCalGas' process for recertifying sub-metered tenants of master-metered customers is the same as that of regular residential customers. Each must recertify eligibility every two years, or every four years for fixed income or those exempted by the Probability Model (i.e. customers found 85% or more likely to be CARE eligible). Recertification applications are mailed directly to the sub-metered tenants when they are due to recertify.

SoCalGas pre-populates each application with the name of the facility, the account number, the tenant's name, address and space/apartment number; this was designed for ease of recertifying one's eligibility, thereby reducing attrition. The recertification application requires entry of the number of household occupants, annual income or participation in a public assistance program, signature, and date. The application is mailed back to SoCalGas in the postage paid envelope provided.

Tenants are allowed 90 days to respond to the recertification request. If the recertification is received after the 90 day timeframe, the tenant is re-enrolled in CARE. Annually, each sub-metered facility is mailed a complete listing of its CARE tenants. Monthly, 'add' and 'delete' letters are sent to each submetered facility to ensure proper recordkeeping and appropriate billing at the 20% discount that is applied to each bill.

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.

SoCalGas does not contract with third parties to conduct certification, recertification and/or verification on its behalf. SoCalGas processes and approves all CARE enrollment applications, recertification forms, and verification requests internally. Additionally, SoCalGas utilizes LIHEAP, ESA Program, and GAF participant information to enroll, recertify, and verify CARE eligibility. SoCalGas also utilizes PG&E, SDG&E, and SCE CARE participant information to enroll customers.

In 2012, SoCalGas contracted with 40 CBOs and one third party outreach contractor to help eligible non-participating customers sign up for the CARE Program. The non-profit CARE Capitation CBOs employed a "one-stop-shop" approach by helping their clients complete a CARE application while also assisting the customers in enrolling in other programs depending on eligibility.

SoCalGas' third party CARE outreach contractor employed a variety of outreach strategies, such as door-to-door solicitation, local community event participation, and program material distribution to help customers apply for CARE. Many of the customers targeted by the outreach contractor do not respond to traditional forms of outreach, nor visit CBO facilities, and are much more receptive to door-to-door canvassing efforts.

During PY2012, the number of customers enrolled by SoCalGas' CARE Capitation CBOs was 228. Over 34,000 new enrollments were derived from CARE's third party contractor's efforts.

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.

SoCalGas' CARE Program did not experience significant issues or events that critically affected program management during PY2012.

However, implementation of the annual income guidelines update had unique challenges in 2012. The Public Utility Code stipulates that the CARE program must income-qualify customers at or below 200% of Federal Poverty Guidelines (FPG). On April 1, 2012, CPUC notified SoCalGas of the updated CARE eligibility guidelines, separating household sizes 1 and 2 and lowering the income ranges to 200% for those household sizes, the first time since the inception of the CARE program.

In addition to implementing the annual new income guidelines change on 38 CARE forms in 13 languages, the process in CIS required modification to support the new income requirements of a one-person household. Moreover, the income ranges on the CARE application would not contain the new income eligibility information for customers with one or two person households who received a recertification request 90 days prior to June 1st, the new income guidelines effective date. To mitigate that issue, SoCalGas modified the recertification process in all service delivery channels to make sure only customers meeting income guidelines were recertified for CARE. The changes included postponing all recertification jobs scheduled between April and June

until after June 1st, and rescheduling IVR and on-line recertification process dates.

Interim Post Enrollment Verification and Re-certification Model

D.12-08-044 ordered utilities to begin development of an interim targeted Post Enrollment and Post Re-certification Income Verification stratified probability model by incorporating nine basic factors as well as any other characteristics, as appropriate, that would ensure the integrity of the CARE program is preserved and the discount is received only by those lawfully intended to receive it. The nine basic factors include:

- High energy use (including customers with usage above 400% baseline in any monthly billing cycle and above)
- Annual bill amounts
- Household size
- PRIZM or ZIP code
- Enrollment method
- Previously indicated customer ineligibility
- Customers previously de-enrolled from the California Alternate Rates for Energy program
- Length of Program Enrollment
- Length of time lapse since previously income verification

SoCalGas was ordered to examine its CARE population and review its past income verification experiences, and develop an interim model to (1) ensure meaningful size in sampling to yield the necessary results to aid in the development of effective long-term models for the Utilities; (2) ensure the integrity of the CARE program; (3) provide assurance that the CARE discount rates are received only by those lawfully intended to receive them; (4) remove any fraud and abuse; and (5) properly factor in potential program disruptions as

well as administrative cost. The utilities were to review the data obtained from the interim model in order to develop long-term models in 2013.

The pre-existing probability model was designed to exclude customers who are most likely CARE eligible from verifications when they are randomly selected by directly or indirectly utilizing several of the mandated factors, including:

- Energy usage
- Bill amount
- PRIZM or ZIP code
- Household size

SoCalGas is utilizing a two-stage approach to comply with the decision.

Stage 1: Interim solution within 60 days of D.12-08-044 (issued August 30, 2012).

The SoCalGas interim PEV solution is to supplement the existing PEV model/procedure with additional manual PEV requests. For each of the mandated factors, SoCalGas conducted an analysis of customers within the following categories: PEV terminated, PEV approved, CARE enrollment method, PEV denied, PEV model approved, and PEV customers not filtered through the PEV production model.

In October 2012, SoCalGas completed the design of the interim probability model and began requesting income verification using the new model. Results of the 2012 verification requests can be found in the CARE Table 3, included in this report.

Stage 2: Development of a long-term probability model for Energy Division's approval by September 1st, 2013.

SoCalGas is building a probability model utilizing results from its interim solution. The long-term solution will not only incorporate mandated factors, if appropriate, but will also consider potential factors such as delinquency notices, usage volatility, and SoCalGas engagement, among others. In 2nd quarter and 3rd quarter, 2013, SoCalGas plans to test the new PEV model and gather insights for the September 1st, 2013 Advice Letter filing.

CHANGES Pilot Program

In D. 12-12-011 (CHANGES Decision), the Commission approved the continued funding for the Community Help and Awareness with Natural Gas and Electricity Services Pilot Program^{35[1]} (CHANGES) through the CARE program budget for the remainder of the 2012-2014 program cycle or until alternate or complementary funding can be put into place, whichever is sooner. The CHANGES Decision also directed the utilities to work with the Commission's Consumer Service and Information Decision, the Pilot Program's contractor and community-based organizations, as necessary, to develop pilot program success criteria and to facilitate and improve the tracking, monitoring and oversight of the CHANGES Pilot Program efforts consistent with the directives provided in the CHANGES Decision and D. 12-08-044. The overall objectives of the collaborative efforts are to: 1) identify and eliminate unnecessarily duplicative efforts between the CARE Program's marketing, education and outreach activities and the CHANGES Pilot Program's activities; 2) improve the utilities marketing, outreach, and education activities, where appropriate; and, 3) ensure effectiveness of the CHANGES

³⁵ On November 19, 2010, the Commission approved Resolution CSID-004 and approved the CHANGES Pilot Program and authorized CARE funding for the one-year Pilot Program for one-year. On November 10, 2011, the Commission issued Resolution CSID-005 which authorized continued CARE funding for the CHANGES Pilot Program. CSID did not authorize funding for the Pilot beyond December 31, 2012.

activities, relating to the CARE Program, in furthering the CARE Program objectives.

The CHANGES Decision also directed the utilities to submit the set of pilot program success criteria and a plan for improving the pilot program tracking as ordered in the CHANGES Decision by March 26, 2013 for review by the Administrative Law Judge.^{36[2]}

On March 26, 2013, SCE, on behalf of itself, SDG&E, Southern California Gas Company, and Pacific Gas and Electric Company requested a 90-day extension to allow parties to continue working on and reach agreement on a few outstanding issues. SDG&E anticipates that it will be able to report on the progress of the CHANGES Pilot Program in its 2013 Annual Report if the Administrative Law Judge is able to authorize the utilities' proposed success criteria and improved pilot program tracking in a timely manner.

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.

See CARE Table 12 in the attachments.

³⁶] D. 12-12-011, Ordering Paragraphs 3 and 9

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.

There were 24,921 residents in the non-residential CARE Expansion Program facilities. There were 437 primary facilities with 857 associated satellites participating in the CARE Expansion Program at 2012 year-end.

3.2 Usage Information

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

See CARE Table 12 in the attachments.

3.3 Program Costs

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

For PY2012, SoCalGas incurred \$5,000 in outreach expenses for the CARE Expansion Program bill insert. Since the volume of CARE expansion applications received is extremely small compared to the volume of regular CARE applications received, SoCalGas did not track administrative labor costs for new CARE expansion applications received during 2012.

3.3.1.1 Discount Information

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

The average annual discount received per participating CARE residential facility in 2012 was \$65.09.³⁷

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

The average annual discount received per participating CARE Expansion Program facility in 2012 was \$400.13.³⁸

3.4 Outreach

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

Annually, SoCalGas sends a bill insert to commercial customers informing them of the Non-Profit Group Living Rate.

In addition, SoCalGas worked with its Public Affairs personnel in rural counties to promote program awareness for low-income farm workers. To enhance outreach in rural counties, SoCalGas has begun to work with Radio Campesina (both in Visalia and Bakersfield) to reach farm workers. During 2012, Radio Campesina provided an opportunity for SoCalGas to participate in events (such as *Dia De La Guadalupe* as described above), advertise the CARE program with

³⁷ Average annual discount is dependent on the sales and transport gas revenue as well as the number of CARE customers by climate zone.

³⁸ Average annual discount is dependent on the sales and transport gas revenue as well as the number of CARE customers by climate zone.

30 second, Spanish–language radio spots, and participate in Spanish-language interview shows. SoCalGas plans to continue this relationship and participate in events at the place of employment for migrant workers.

3.4.2 Discuss each of the following: the expansion program outreach

SoCalGas used a variety of channels to increase awareness of the CARE program among agricultural workers and those living in commercial facilities. During September, SoCalGas mailed approximately 300,000 bill inserts to commercial facilities (non-profit group living facilities and migrant worker housing). In past years, SoCalGas has leveraged the relationships of its Public Affairs personnel in developing grassroots relationships with agricultural and migrant workers. During 2012, SoCalGas strengthened these relationships by working more closely with Radio Campesina, which has Spanish language radio stations in both Visalia and Bakersfield. SoCalGas now runs daily 30 second ads on both stations throughout the day. During October, in addition to the radio spots, SoCalGas participated in several extended on-air interviews with radio Campesina to answer questions on customer assistance programs. In addition, SoCalGas took out ads in *El Clasificado* to reinforce the radio messages. In order to improve awareness of low-income programs, SoCalGas also participated in the Dia de la Guadalupe Festival in December. Based on these efforts, SoCalGas has worked with Radio Campesina to conduct even more extensive grassroots awareness during 2013.

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

Presently SoCalGas receives no data or feedback that informs a most effective method or tactic, so SoCalGas is not yet ready to rank or

comment upon the comparative effectiveness of particular channels. Because hard-to-reach customers have challenges with language and/or comfort with institutions, SoCalGas is continuing to develop relationships with grassroots community organizations, such as Radio Campesina. Such organizations are SoCalGas' primary partner in developing strong awareness and trust of low-income programs. In addition, in 2012 the Customer Contact Center continued to be an effective outreach method for the SoCalGas CARE Expansion Program's non-residential facilities. Customers that call in to make payment arrangements, have their service established, or request service activation talk with CSRs who present the CARE Program to them and respond to questions. Social service networks continue to be another valuable communication medium to promote CARE Program information to CARE expansion customers.

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.

There was no facility data shared during PY2012 with other utilities.

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.

SoCalGas did not experience any barriers to participation in 2011 requiring adjustments in 2012. Applications were processed the same day they were received. Incomplete applications were followed-up with correspondence to the customer, resulting in CARE approval of qualified accounts.

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. (by CARE)

SoCalGas recertifies customer eligibility for the CARE Expansion Program every two years. Facilities due to recertify were mailed a recertification request along with an instruction letter. The two-year recertification process was implemented in 2010. Previously, all CARE Expansion Program facilities had to recertify annually. For several years, the current process has reduced costs associated with mailing, namely, labor, printing, postage, and processing.

SoCalGas considers the current processing of CARE Expansion Program applications to be cost-effective, provided all necessary documentation is received and no additional follow-up with customers is required. Additionally, the CCC and Billing Department notifies the CARE Department of new Expansion Program accounts, both non-profit and agricultural group living facilities. A CARE application is proactively mailed to these accounts.

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. (by CARE)

SoCalGas' CARE Program did not experience any issues or events that significantly affected program management during PY2012.

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

Fund shifting activities in PY2012 are documented in the attachment SoCalGas ESA Program – Table 19. As discussed in the March ESA Program monthly report submitted on April 23, 2012, SCG carried back \$3.4M into PY2011 from its PY2012 Gas Appliances authorized budget which falls within the rules laid out in Section 20.1 of D.08-11-031 and modified by D.10-10-008. This activity was authorized pursuant to the Joint Ruling of Assigned Commissioner Simon and Administrative Law Judge Kim,³⁹ dated December 1, 2011. The Joint Ruling authorized SoCalGas to borrow an amount not to exceed that which was necessary from the bridge funding authorized for January 1, 2012 to June 30, 2012 under D.11-11-010.

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

See CARE table 13.

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

There was no ESA Program or CARE fund shifting activity that occurred that falls outside the rules in Section 20.1 of D. 08-11-031.

³⁹ Joint Ruling of Assigned Commissioner and Administrative Law Judge on the Joint Emergency Motion of the East Los Angeles Community Union, et al. to Continue the Low Income Energy Savings Assistance Program for Southern California Gas Company, Ordering Paragraph 2.

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 Dept of Community Services and Development |
| DDTP | Deaf and Disabled Telecommunications Program |
| DSM | Demand Side Management |
| EE | Energy Efficiency |
| ESA | Energy Savings Assistance |
| 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 |
| 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 |
| 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 |

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

Energy Savings Assistance Program- Table 16- Lighting

Energy Savings Assistance Program- Table 17- Studies & Pilots

Energy Savings Assistance Program- Table 18- "Add Back" Measures

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

CARE- Table 4- Self Certification and Re-Certification

CARE- Table 5- Enrollment by County

CARE- Table 6- Recertification Results

CARE- Table 7- Capitation Contractors

CARE- Table 8- Participants per Month Fund Shifting

CARE- Table 9- Average Monthly Usage & Bill

CARE- Table 10- CARE Surcharge & Revenue

CARE- Table 11- CARE Capitation Applications

CARE- Table 12- CARE Expansion Program

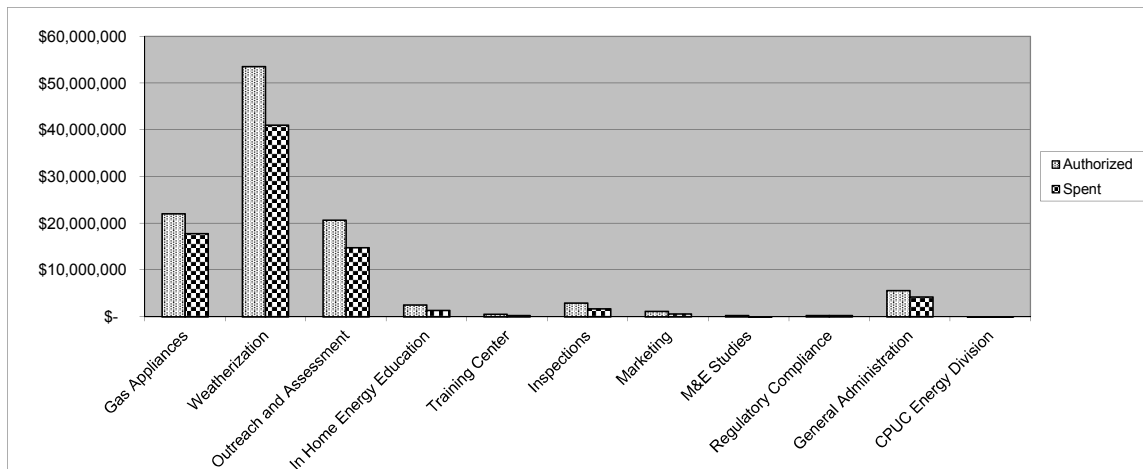
CARE- Table 13- CARE Fund Shifting

PY 2012 Energy Savings Assistance Program Annual Report
ESA Program Table 1
Energy Savings Assistance Program Overall Program Expenses
SOUTHERN CALIFORNIA GAS COMPANY

| | 2012 Authorized Budget ¹ | | | 2012 Annual Expenses | | | % of 2012 Budget Spent | | |
|---|-------------------------------------|----------------|-----------------------|----------------------|---------------|------------------|------------------------|-----|------------|
| Energy Savings Assistance Program: | Electric | Gas | Elec & Gas-Authorized | Electric | Gas | Elec & Gas-Spent | Electric | Gas | Elec & Gas |
| Energy Efficiency | | | | | | | | | |
| - Gas Appliances | \$ - | \$ 22,084,142 | \$ 22,084,142 | \$ - | \$ 17,851,822 | \$ 17,851,822 | | 81% | 81% |
| - Electric Appliances | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | 0% | 0% |
| - Weatherization | \$ - | \$ 53,550,541 | \$ 53,550,541 | \$ - | \$ 41,029,706 | \$ 41,029,706 | | 77% | 77% |
| - Outreach and Assessment | \$ - | \$ 20,704,408 | \$ 20,704,408 | \$ - | \$ 14,812,405 | \$ 14,812,405 | | 72% | 72% |
| - In Home Energy Education | \$ - | \$ 2,572,984 | \$ 2,572,984 | \$ - | \$ 1,375,948 | \$ 1,375,948 | | 53% | 53% |
| - Education Workshops | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | 0% | 0% |
| - Pilot | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | 0% | 0% |
| Energy Efficiency TOTAL | \$ - | \$ 98,912,075 | \$ 98,912,075 | \$ - | \$ 75,069,881 | \$ 75,069,881 | | 76% | 76% |
| | | | | | | | | | |
| Training Center | \$ - | \$ 535,360 | \$ 535,360 | \$ - | \$ 280,456 | \$ 280,456 | | 52% | 52% |
| Inspections | \$ - | \$ 2,959,003 | \$ 2,959,003 | \$ - | \$ 1,702,444 | \$ 1,702,444 | | 58% | 58% |
| Marketing | \$ - | \$ 1,173,652 | \$ 1,173,652 | \$ - | \$ 617,336 | \$ 617,336 | | 53% | 53% |
| M&E Studies | \$ - | \$ 316,667 | \$ 316,667 | \$ - | \$ 36,988 | \$ 36,988 | | 12% | 12% |
| Regulatory Compliance | \$ - | \$ 295,333 | \$ 295,333 | \$ - | \$ 290,071 | \$ 290,071 | | 98% | 98% |
| General Administration | \$ - | \$ 5,603,781 | \$ 5,603,781 | \$ - | \$ 4,243,337 | \$ 4,243,337 | | 76% | 76% |
| CPUC Energy Division | \$ - | \$ 86,000 | \$ 86,000 | \$ - | \$ 11,623 | \$ 11,623 | | 14% | 14% |
| TOTAL PROGRAM COSTS | \$ - | \$ 109,881,871 | \$ 109,881,871 | \$ - | \$ 82,252,135 | \$ 82,252,135 | | 75% | 75% |
| Funded Outside of Energy Savings Assistance Program Budget | | | | | | | | | |
| Indirect Costs | | | | | \$ 3,270,719 | \$ 3,270,719 | | | |
| | | | | | | | | | |
| NGAT Costs | | | | \$ - | \$ 2,643,949 | \$ 2,643,949 | | | |

¹ Budget reflects 2012 budget authorized in D.12-08-044 of \$113,292,891 less a reduction for the carry back into PY2011 of \$3,411,020 authorized in the December 1, 2011 Joint Ruling of Assigned Commissioner and Administrative Law Judge on the Joint Emergency Motion of the East Los Angeles Community Union, et al. to continue the Low Income Energy Savings Assistance Program for Southern California Gas Company. The amount carried back into PY 2011 from the 2012 Authorized Budget is \$3,411,020 which was removed from the Gas Appliance sub-category (Gas Appliances = \$25,495,162- \$3,411,020 = \$22,084,142), Total 2012 Budget as authorized = \$113,292,891 - \$3,411,020 = \$109,881,871.

Bar Chart 1- Total Spent versus Authorized by Category



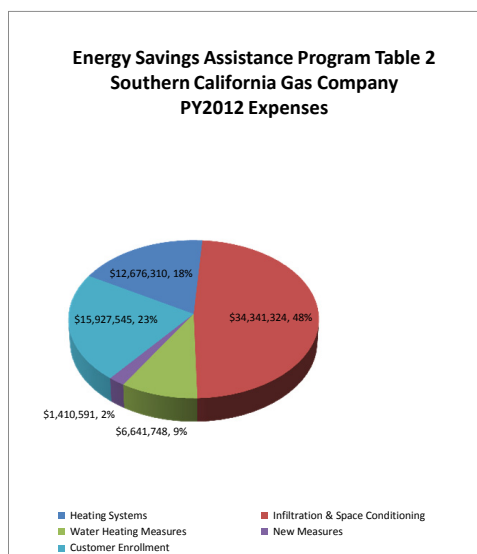
PY2012 Energy Savings Assistance Program Annual Report
 ESA Program Table 2
 Energy Savings Assistance Program Expenses and Energy Savings by Measures Installed
 SOUTHERN CALIFORNIA GAS COMPANY

| Measures | Units | Quantity Installed | PY Completed & Expensed Installations | | | | |
|--|-------------|--------------------|---------------------------------------|-------------|-----------------|-----------------------|------------------|
| | | | kWh (Annual) | kW (Annual) | Therms (Annual) | Expenses ² | % of Expenditure |
| Heating Systems | | | | | | | |
| Furnaces | Each | 11,527 | | | | \$ 12,676,310 | 17% |
| Cooling Measures | | | | | | | |
| A/C Replacement - Room | Each | | | | | | |
| A/C Replacement - Central | Each | | | | | | |
| A/C Tune-up - Central | Each | | | | | | |
| A/C Services - Central | Each | | | | | | |
| Heat Pump | Each | | | | | | |
| Evaporative Coolers | Each | | | | | | |
| Evaporative Cooler Maintenance | Each | | | | | | |
| Infiltration & Space Conditioning | | | | | | | |
| Envelope and Air Sealing Measures | Home | 92,410 | | | 336,900 | \$ 25,098,955 | 33% |
| Duct Sealing | Home | 2,418 | | | | \$ 2,603,954 | 3% |
| Attic Insulation | Home | 6,153 | | | 45,147 | \$ 6,638,415 | 9% |
| Water Heating Measures | | | | | | | |
| Water Heater Conservation Measures | Home | 97,583 | | | 405,349 | \$ 5,448,433 | 7% |
| Water Heater Replacement - Gas | Each | 1,139 | | | | \$ 1,193,315 | 2% |
| Water Heater Replacement - Electric | Each | | | | | | |
| Tankless Water Heater - Gas | Each | | | | | | |
| Tankless Water Heater - Electric | Each | | | | | | |
| Lighting Measures | | | | | | | |
| CFLs | Each | | | | | | |
| Interior Hard wired CFL fixtures | Each | | | | | | |
| Exterior Hard wired CFL fixtures | Each | | | | | | |
| Torchiere | Each | | | | | | |
| Refrigerators | | | | | | | |
| Refrigerators -Primary | Each | | | | | | |
| Refrigerators - Secondary | Each | | | | | | |
| Pool Pumps | | | | | | | |
| Pool Pumps | Each | | | | | | |
| New Measures | | | | | | | |
| Forced Air Unit Standing Pilot Change Out | Each | 179 | | | 7,518 | \$ 59,096 | 0% |
| Furnace Clean and Tune | Each | 21,957 | | | 58,384 | \$ 1,351,495 | 2% |
| High Efficiency Clothes Washer | Each | 5,352 | | | 146,110 | \$ 4,012,743 | 5% |
| Microwave | Each | | | | | | |
| Thermostatic Shower Valve | Each | | | | | | |
| LED Night Lights | Each | | | | | | |
| Occupancy Sensor | | | | | | | |
| Pilots | | | | | | | |
| A/C Tune-up Central | Home | | | | | | |
| Interior Hard wired CFL fixtures | Each | | | | | | |
| Ceiling Fans | Each | | | | | | |
| In-Home Display | Each | | | | | | |
| Programmable Controllable Thermostat | Each | | | | | | |
| Forced Air Unit | Each | | | | | | |
| Microwave | | | | | | | |
| High Efficiency Clothes Washer | | | | | | | |
| | | | | | | | |
| Customer Enrollment | | | | | | | |
| Outreach & Assessment | Home | 96,893 | | | | \$ 14,724,388 | 20% |
| In-Home Education | Home | 99,492 | | | | \$ 1,203,158 | 2% |
| Education Workshops | Participant | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Total Savings | | | | | | | |
| | | | | | 999,408 | \$ 75,010,260 | 100% |
| | | | | | | | |
| Homes Weatherized | Home | 100,512 | | | | | |
| | | | | | | | |
| Homes Treated | | | | | | | |
| - Single Family Homes Treated | Home | 71,081 | | | | | |
| - Multi-family Homes Treated | Home | 17,897 | | | | | |
| - Mobile Homes Treated | Home | 7,915 | | | | | |
| - Total Number of Homes Treated | Home | 96,893 | | | | | |
| # Eligible Homes to be Treated for PY¹ | Home | 136,836 | | | | | |
| % OF Homes Treated | % | 71% | | | | | |
| | | | | | | | |
| - Total Master-Metered Homes Treated | Home | 11,815 | | | | | |

¹ Based on Appendix A of D.12-08-044

² The Total Expenses do not include the following: Credit of (\$201,187.50) for clothes washer rebates from Eastern Municipal Water District; \$172,790.71 In Home Energy Education Guides; \$87,912.84 for contractor forms used in the enrollment and installation process; \$105 capitation fees.

PIE CHART 1- Expenses by Measures Category



PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 3
Energy Savings Assistance Program COST-EFFECTIVENESS
SOUTHERN CALIFORNIA GAS COMPANY

| | PY - Recorded ¹ | | | | | |
|--------------|------------------------------|--------------------------|---------------------------|---------------------------|--------------------------|---------------------------|
| | Ratio of Benefits Over Costs | | | Net Benefits; \$ Millions | | |
| Program Year | Utility Cost Test | Total Resource Cost Test | Modified Participant Test | Utility Cost Test | Total Resource Cost Test | Modified Participant Test |
| 2012 | 0.31 | 0.20 | 0.52 | \$ (55,914,989) | \$ (64,445,167) | \$ (39,917,606) |
| 2011 | 0.27 | 0.18 | 0.73 | (75,116,741) | (84,544,284) | (28,941,324) |
| 2010 | 0.27 | 0.18 | 0.70 | (56,410,628) | (63,936,482) | (24,097,023) |
| 2009 | 0.31 | 0.21 | 0.67 | (33,134,007) | (37,833,117) | (16,208,219) |
| 2008 | 0.28 | 0.20 | 0.71 | (26,904,944) | (30,069,392) | (10,909,048) |
| 2007 | 0.28 | 0.20 | 0.68 | (20,985,301) | (23,315,525) | (9,541,175) |
| 2006 | 0.23 | 0.20 | 0.90 | (21,852,544) | (21,456,113) | (2,798,151) |
| 2005 | 0.20 | 0.24 | 0.54 | (23,160,759) | (22,005,772) | (13,294,877) |
| 2004 | 0.20 | 0.19 | 0.53 | (26,138,097) | (26,305,744) | (15,353,305) |
| 2003 | 0.29 | 0.30 | 0.63 | (24,125,171) | (23,844,044) | (12,519,637) |

¹ The Modified Participant Test (MPT) and the Utility Cost Test (UCT) include non-energy benefits (NEBs) along with energy savings in the numerator. The MPT was calculated using the Low Income Public Purpose Test (LIPPT) workbook as modified for the PY2003 LIEE measure cost effectiveness testing (the NEBs model). The UCT was calculated in two stages: first, the NEBs for this ratio were calculated using the NEBs model; second, the avoided cost benefits were calculated using the E3 calculator for energy efficiency cost effectiveness testing. The Total Resource Test (TRC) was calculated using the E3 calculator. The TRC does not include NEBs.

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 4
Energy Savings Assistance Program PENETRATION
SOUTHERN CALIFORNIA GAS COMPANY

| Customer | Housing Type | # Homes Treated | Current Year Penetration Rate for Homes Treated |
|---|---------------|-----------------|---|
| Gas and Electric Customers | | | |
| Owners - Total | | | |
| | Single Family | | |
| | Multi Family | | |
| | Mobile Homes | | |
| Renters - Total | | | |
| | Single Family | | |
| | Multi Family | | |
| | Mobile Homes | | |
| Electric Customers (only) | | | |
| Owners - Total | | | |
| | Single Family | | |
| | Multi Family | | |
| | Mobile Homes | | |
| Renters - Total | | | |
| | Single Family | | |
| | Multi Family | | |
| | Mobile Homes | | |
| Gas Customers (only) | | | |
| Owners - Total | | | |
| | Single Family | 46,951 | |
| | Multi Family | 255 | |
| | Mobile Homes | 6,964 | |
| Renters - Total | | | |
| | Single Family | 24,130 | |
| | Multi Family | 17,642 | |
| | Mobile Homes | 951 | |
| | | | |
| Total Homes Treated in PY | | 96,893 | |
| Total Homes Eligible in PY¹ | | 136,836 | 71% |

¹ Based on Appendix A of D.12-08-044

| Penetration History | | | | |
|---------------------------------------|---------------|-------------------------------------|---|---|
| Year ² | Homes Treated | Ineligible & Unwilling ³ | Estimated Eligible in Current Year ⁴ | Current Year Penetration Rate for Homes Treated |
| 2002 | 49,464 | | | |
| 2003 | 57,179 | | | |
| 2004 | 54,677 | | | |
| 2005 | 40,523 | | | |
| 2006 | 36,870 | | | |
| 2007 | 44,048 | | | |
| 2008 | 58,773 | | | |
| 2009 | 83,493 | 3,562 | | |
| 2010 | 120,358 | 22,589 | | |
| 2011 | 161,020 | 23,765 | | |
| 2012 | 96,893 | 20,383 | 136,836 | 70.81% |
| 2013 | | | | |
| 2014 | | | | |
| 2015 | | | | |
| 2016 | | | | |
| 2017 | | | | |
| 2018 | | | | |
| 2019 | | | | |
| 2020 | | | | |
| Total Homes Treated since 2002 | 803,298 | | | |

² Homes treated since 2002 are reported to track progress toward meeting the 2020 Programmatic Initiative

³ Ineligible & Unwilling - Leads which do not result in a customer enrollment based on one of the following reasons: customer refused; home does not meet minimum measure requirement; customer is moving; over income; owner refused for renter occupied single family; unable to provide homeownership documentation; or home weatherized under another program.

⁴ Current year value represents adopted homes to be treated per Appendix A of D.12-08-044.

| Year | Utility in Shared Service Territory | Eligible Households in Shared Service Territory | Eligible households treated by both utilities in shared service territory |
|------|-------------------------------------|---|---|
| 2012 | SDG&E | 17,506 | 140 |
| 2012 | PG&E | 100,655 | 3,163 |
| 2012 | SCE | 1,214,480 | 33,672 |

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 5
Energy Savings Assistance Program Direct Purchases & Installation Contractors
SOUTHERN CALIFORNIA GAS COMPANY

| Contractor | County ¹ | Contractor Type (Check one or more if applicable) | | | | PY Annual ² Expenditures |
|--|----------------------|--|-----|--------|--------|--|
| | | Private | CBO | WMDVBE | LIHEAP | |
| ADVANCED CONTRACTING SERVICES INC | | x | | | | \$ 211,254 |
| AMERICAN ECO SERVICES INC | | | | x | | \$ 508,312 |
| AMERICAN INSULATION INC | R, I | x | | x | | \$ 1,593,895 |
| APPLIANCE RECYCLING CENTERS OF AMERICA | | x | | | | \$ 4,012,743 |
| ASIAN PACIFIC AMERICAN COMMUNITY | | | x | | | \$ - |
| ASSERT INC | LA, Ke | | x | | | \$ 774,417 |
| ASSOCIATED CONSTRUCTION SERVICES | | | | x | | \$ 617,665 |
| AVALON CARVER COMMUNITY CENTER INC | LA | | x | | | \$ 2,132,432 |
| B&W FURNACE SERVICE INC | LA | x | | | | \$ 34,448 |
| CAMPESINOS UNIDOS INC | R, I | | x | x | x | \$ 389,394 |
| COMMUNITY ACTION COMMISSION (SANTA BARBARA COUNTY) | Sba | | x | | x | \$ 148,766 |
| COMMUNITY ACTION OF VENTURA COUNTY | V, LA | | x | | x | \$ 188,483 |
| COMMUNITY ACTION PARTNERSHIP (OF SAN BERNADINO COUNTY) | Sbe | | x | x | x | \$ 388,248 |
| COMMUNITY ACTION PARTNERSHIP OF (SAN LUIS OBISPO) | SLO, | | x | x | x | \$ 420,273 |
| COMMUNITY ACTION PARTNERSHIP OF O C | OC | | x | x | x | \$ 134,400 |
| COMMUNITY ACTION PARTNERSHIP OF RIVERSIDE | R | | x | | x | \$ 3,357 |
| COMMUNITY ENHANCEMENT SERVICES | LA | | x | | x | \$ 225,006 |
| EAGLE SYSTEMS INTERNATIONAL INC | LA, R, T, Ki | x | | | | \$ 4,900,154 |
| EAST LOS ANGELES COMMUNITY UNION | LA, R, OC | | x | x | | \$ 12,127,842 |
| EAST SAN GABRIEL VALLEY CONSORTIUM | LA | | x | | | \$ 344,163 |
| ECONO WEST INC | LA, Ke | x | | | | \$ 540,699 |
| ENERGY SERVICES & TECHNOLOGIES INC | LA, OC, RVR, SBN | x | | x | | \$ 157,581 |
| ENVIRONMENTAL ASSESSMENT SERVICES | LA, R, Sbe | x | | x | | \$ 590,741 |
| FCI MANAGEMENT CONSULTANTS | LA, OC, SD | x | | x | | \$ 71,900 |
| GARCIA & SONS HOME IMPROVEMENT | Ke | x | | x | | \$ 513,551 |
| JOHN HARRISON CONTRACTING INC | RIVR, SBN | | | x | | \$ 421,246 |
| HIGHLANDS ENERGY SERVICES INC | T, Ki, F | x | | x | | \$ 3,359,818 |
| LONG BEACH COMMUNITY | LA | | x | | x | \$ 3,601 |
| MARAVILLA FOUNDATION | LA | | x | x | x | \$ 13,882,184 |
| OASIS AIR CONDITIONING | Ke | x | | | | \$ 31,380 |
| PACIFIC ASIAN CONSORTIUM IN | ALL | | x | x | x | \$ 419,126 |
| PACIFIC COAST ENERGY CONSERVATION | | x | | | | \$ 246,534 |
| PROTEUS INC | T | | x | | | \$ 4,647,127 |
| QUALITY CONSERVATION SERVICES INC | LA | x | | | | \$ 2,796,702 |
| RELIABLE ENERGY MANAGEMENT INC | LA | x | | x | | \$ 6,845,200 |
| RICHARD HEATH & ASSOCIATES INC | ALL | x | | x | | \$ 1,119,032 |
| SIERRA WEATHERIZATION COMPANY INC | LA | x | | | | \$ 4,526,778 |
| SOCO AIR CONDITIONING CO | R, Sbe | x | | | | \$ 85,918 |
| STAPLES & ASSOC | T, Ki, F | x | | | | \$ 618,963 |
| SOUTHEAST COMMUNITY DEVELOPMENT | LA | | x | | | \$ 105 |
| SYNERGY MECHANICAL AIR CONDITIONING | SBN, LA, RIVR, SFERN | x | | | | \$ 612,482 |
| TONY'S HEATING & A/C SERVICE INC. | LA, OC | | | x | x | \$ 800,488 |
| TRI-STATE HOME IMPROVEMENTS INC | R | x | | x | | \$ 46,195 |
| VETERANS IN COMMUNITY SERVICES INC | LA | | x | x | | \$ 1,260,241 |
| WATTS LABOR COMMUNITY ACTION COMM | LA | | x | | | \$ 115,254 |
| WESTERN INSULATION LP | LA, R, Sbe | x | | | | \$ 3,844,714 |
| | | | | | | \$ 76,712,809 |

¹Key

| | |
|-----------------|-----|
| Los Angeles | LA |
| Orange County | OC |
| Ventura | V |
| San Bernadino | Sbe |
| Riverside | R |
| Imperial | I |
| Tulare | T |
| Kings | Ki |
| Kern | Ke |
| Santa Barbara | Sba |
| San Luis Obispo | SLO |
| Fresno | F |

² The expenditures do not include a credit of (\$201,187.50) for the high efficiency clothes washer rebates from Eastern Municipal Water District.
\$76,712,809.24 - \$201,187.50 = \$76,511,621.74 (see ESAP -Table 7 Contract)

Energy Savings Assistance Program Installation Cost of Program Installation Contractors
SOUTHERN CALIFORNIA GAS COMPANY

| | Unit of Measure | CBO/WMDVBE | | | | | | Non-CBO/WMDVBE | | | | | | 2012 Program Total | | | | |
|---|-----------------|---------------|-----|-----------|-----|------------|-----|----------------|------|-----------|------|--------------|------|--------------------|------------|---------------|------------|-----------------|
| | | Installations | | Dwellings | | Costs | | Installations | | Dwellings | | Costs | | Units Installed | Households | Costs | Cost/ Unit | Cost/ Household |
| | | Units | % | Units | % | \$ | % | Units | % | Units | % | \$ | % | | | | | |
| Dwellings | Each | 77,362 | 80% | 77,362 | 80% | 53,915,897 | 72% | 19,531 | 20% | 19,531 | 20% | \$21,094,364 | 28% | 96,893 | 96,893 | \$ 75,010,260 | \$ 774 | \$ 774 |
| Heating Systems | | | | | | | | | | | | | | | | | | |
| Furnaces | Each | 10,636 | 92% | 10,340 | 92% | 11,738,566 | 93% | 891 | 8% | 877 | 8% | \$937,745 | 7% | 11,527 | 11,217 | \$ 12,676,310 | \$ 1,100 | \$ 1,130 |
| Cooling Measures | | | | | | | | | | | | | | | | | | |
| A/C Replacement - Room | Each | | | | | | | | | | | | | | | | | |
| A/C Replacement - Central | Each | | | | | | | | | | | | | | | | | |
| A/C Tune-up - Central | Each | | | | | | | | | | | | | | | | | |
| A/C Services - Central | Each | | | | | | | | | | | | | | | | | |
| Heat Pump | Each | | | | | | | | | | | | | | | | | |
| Evaporative Coolers | Each | | | | | | | | | | | | | | | | | |
| Evaporative Cooler Maintenance | Each | | | | | | | | | | | | | | | | | |
| Infiltration & Space Conditioning | | | | | | | | | | | | | | | | | | |
| Envelope and Air Sealing Measures | Home | 957,525 | 68% | 66,534 | 72% | 18,218,414 | 73% | 441,809 | 32% | 25,876 | 28% | \$6,880,541 | 27% | 1,399,334 | 92,410 | \$ 25,098,955 | \$ 18 | \$ 272 |
| Duct Sealing | Home | 1,275 | 47% | 1,275 | 47% | 1,748,099 | 67% | 1,143 | 53% | 1,143 | 53% | \$855,855 | 33% | 2,418 | 2,418 | \$ 2,803,954 | \$ 1,077 | \$ 1,077 |
| Attic Insulation | Home | 3,479,715 | 57% | 3,574 | 58% | 3,809,397 | 57% | 2,588,640 | 43% | 2,579 | 42% | \$2,829,019 | 43% | 6,068,355 | 6,153 | \$ 6,638,415 | \$ 1 | \$ 1,079 |
| Water Heating Measures | | | | | | | | | | | | | | | | | | |
| Water Heater Conservation Measures | Home | 252,035 | 74% | 71,781 | 74% | 3,931,061 | 72% | 88,994 | 26% | 25,802 | 26% | \$1,517,373 | 28% | 341,029 | 97,583 | \$ 5,448,433 | \$ 16 | \$ 56 |
| Water Heater Replacement - Gas | Each | 895 | 79% | 895 | 79% | 942,711 | 79% | 244 | 21% | 244 | 21% | \$250,603 | 21% | 1,139 | 1,139 | \$ 1,193,315 | \$ 1,048 | \$ 1,048 |
| Water Heater Replacement - Electric | Each | | | | | | | | | | | | | | | | | |
| Tankless Water Heater - Gas | Each | | | | | | | | | | | | | | | | | |
| Tankless Water Heater - Electric | Each | | | | | | | | | | | | | | | | | |
| Lighting Measures | | | | | | | | | | | | | | | | | | |
| CFLs | Each | | | | | | | | | | | | | | | | | |
| Interior Hard wired CFL fixtures | Each | | | | | | | | | | | | | | | | | |
| Exterior Hard wired CFL fixtures | Each | | | | | | | | | | | | | | | | | |
| Torchiere | Each | | | | | | | | | | | | | | | | | |
| Refrigerators | | | | | | | | | | | | | | | | | | |
| Refrigerators -Primary | Each | | | | | | | | | | | | | | | | | |
| Refrigerators - Secondary | Each | | | | | | | | | | | | | | | | | |
| Pool Pumps | | | | | | | | | | | | | | | | | | |
| Pool Pumps | Each | | | | | | | | | | | | | | | | | |
| New Measures | | | | | | | | | | | | | | | | | | |
| Forced Air Unit Standing Pilot Change Out | Each | 148 | 28% | 148 | 27% | 48,929 | 83% | 31 | 72% | 31 | 73% | \$10,167 | 17% | 179 | 179 | \$ 59,096 | \$ 330 | \$ 330 |
| Furnace Clean and Tune | Each | 17,650 | 73% | 17,155 | 73% | 1,073,342 | 79% | 4,307 | 27% | 4,123 | 27% | \$278,153 | 21% | 21,957 | 21,278 | \$ 1,351,495 | \$ 62 | \$ 64 |
| High Efficiency Clothes Washer | Each | 0 | 0% | 0 | 0% | - | 0% | 5,352 | 100% | 5,352 | 100% | \$4,012,743 | 100% | 5,352 | 5,352 | \$ 4,012,743 | \$ 750 | \$ 750 |
| Microwave | Each | | | | | | | | | | | | | | | | | |
| Thermostatic Shower Valve | Each | | | | | | | | | | | | | | | | | |
| LED Night Lights | Each | | | | | | | | | | | | | | | | | |
| Occupancy Sensor | | | | | | | | | | | | | | | | | | |
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PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 7
Expenditures by Cost Elements
SOUTHERN CALIFORNIA GAS COMPANY

| | 2012 Expenditures Recorded by Cost Element | | | |
|---|---|------------------------------|-----------------------------|----------------------|
| Energy Savings Assistance Program: | Labor¹ | Non-Labor² | Contract³ | Total |
| Energy Efficiency | | | | |
| - Gas Appliances | \$ - | \$ - | \$ 17,851,822 | \$ 17,851,822 |
| - Electric Appliances | \$ - | \$ - | \$ - | \$ - |
| - Weatherization | \$ - | \$ - | \$ 41,029,706 | \$ 41,029,706 |
| - Outreach and Assessment | \$ - | \$ 87,913 | \$ 14,724,493 | \$ 14,812,405 |
| - In Home Energy Education | \$ - | \$ 172,791 | \$ 1,203,158 | \$ 1,375,948 |
| - Education Workshops | \$ - | \$ - | \$ - | \$ - |
| - Pilot | \$ - | \$ - | \$ - | \$ - |
| Energy Efficiency TOTAL | \$ - | \$ 260,704 | \$ 74,809,178 | \$ 75,069,881 |
| Training Center | \$ 275,787 | \$ 4,669 | \$ - | \$ 280,456 |
| Inspections | \$ - | \$ - | \$ 1,702,444 | \$ 1,702,444 |
| Marketing | \$ 24,094 | \$ 593,242 | \$ - | \$ 617,336 |
| M&E Studies | \$ - | \$ 36,988 | \$ - | \$ 36,988 |
| Regulatory Compliance | \$ 285,776 | \$ 4,295 | \$ - | \$ 290,071 |
| General Administration | \$ 3,416,446 | \$ 826,891 | \$ - | \$ 4,243,337 |
| CPUC Energy Division | \$ - | \$ 11,623 | \$ - | \$ 11,623 |
| TOTAL PROGRAM COSTS | \$ 4,002,102 | \$ 1,738,411 | \$ 76,511,622 | \$ 82,252,135 |

¹Labor: Utility staff labor including labor indirects (vacation and sick leave, payroll taxes, and affiliate labor indirects).

²Non-Labor: All other non-labor costs excluding contractor costs defined below.

³Contractor: Expenses associated with contractor installations, Weatherization, Inspections, Outreach and Assessment, and In Home Energy Education services.

PY2012 Energy Savings Assistance Program Annual Report
 ESA Program Table 8
 Detail by Housing Type and Source
 SOUTHERN CALIFORNIA GAS COMPANY

| Customer | Housing Type | 2012 Energy Savings | | | 2012 Expenses ¹ | 2012 Households Treated | 2012 Households Eligible |
|---|---------------|---------------------|----|------------------------|----------------------------|-------------------------|--------------------------|
| | | (mWh) | MW | (mTherm ²) | | | |
| Gas and Electric Customers | | | | | | | |
| Owners - Total | | | | | | | |
| | Single Family | | | | | | |
| | Multi Family | | | | | | |
| | Mobile Homes | | | | | | |
| Renters - Total | | | | | | | |
| | Single Family | | | | | | |
| | Multi Family | | | | | | |
| | Mobile Homes | | | | | | |
| Electric Customers (only) | | | | | | | |
| Owners - Total | | | | | | | |
| | Single Family | | | | | | |
| | Multi Family | | | | | | |
| | Mobile Homes | | | | | | |
| Renters - Total | | | | | | | |
| | Single Family | | | | | | |
| | Multi Family | | | | | | |
| | Mobile Homes | | | | | | |
| Gas Customers (only) | | | | | | | |
| Owners - Total | | | | 680,418 | \$ 52,186,302 | 54,170 | |
| | Single Family | | | 624,561 | \$ 48,242,407 | 46,951 | |
| | Multi Family | | | 881 | \$ 112,277 | 255 | |
| | Mobile Homes | | | 54,975 | \$ 3,831,618 | 6,964 | |
| Renters - Total | | | | 318,991 | \$ 22,789,951 | 42,723 | |
| | Single Family | | | 260,603 | \$ 15,625,370 | 24,130 | |
| | Multi Family | | | 50,981 | \$ 6,748,330 | 17,642 | |
| | Mobile Homes | | | 7,407 | \$ 416,251 | 951 | |
| Total Homes Treated in PY | | | | | | 96,893 | |
| Total Homes Eligible in PY² | | | | | | 136,836 | 71% |

* Thousands of Therms

¹ Excluding indirect program costs. Additionally, the 2012 expenses amount does not include \$34,008 paid in lead fees to the contractors for potential customers who were unwilling or unable to participate in the program.

² Based on Appendix A of D.12-08-044

PY2012 Energy Savings Assistance Program Annual Report
 ESA Program Table 9
 Life Cycle Bill Savings by Measure
 SOUTHERN CALIFORNIA GAS COMPANY

| Measure Description | PY Number Installed | Per Measure Electric Impact - Average (kWh) | Per Measure Gas Impact (Therms) | Effective Useful Life (EUL) | 2012 Total Measure Life Cycle Bill Savings |
|--|---------------------------|---|--|--------------------------------------|--|
| Heating Systems | | | | | |
| Furnaces | 11,527 | | 0.00 | 14 | 0 |
| Cooling Measures | | | | | |
| A/C Replacement - Room | | | | | |
| A/C Replacement - Central | | | | | |
| A/C Tune-up - Central | | | | | |
| A/C Services - Central | | | | | |
| Heat Pump | | | | | |
| Evaporative Coolers | | | | | |
| Evaporative Cooler Maintenance | | | | | |
| Infiltration & Space Conditioning | | | | | |
| Envelope and Air Sealing Measures | 92,410 | | 3.65 | 10 | 1,464,646 |
| Duct Sealing | 2,418 | | 0.00 | 25 | 0 |
| Attic Insulation | 6,153 | | 7.34 | 25 | 358,241 |
| Water Heating Measures | | | | | |
| Water Heater Conservation Measures | 97,583 | | 11.57 | 7 | 7,704,244 |
| Water Heater Replacement - Gas | 1,139 | | 0.00 | 6 | 0 |
| Water Heater Replacement - Electric | | | | | |
| Tankless Water Heater - Gas | | | | | |
| Tankless Water Heater - Electric | | | | | |
| Lighting Measures | | | | | |
| CFLs | | | | | |
| Interior Hard wired CFL fixtures | | | | | |
| Exterior Hard wired CFL fixtures | | | | | |
| Torchiere | | | | | |
| Refrigerators | | | | | |
| Refrigerators -Primary | | | | | |
| Refrigerators - Secondary | | | | | |
| Pool Pumps | | | | | |
| Pool Pumps | | | | | |
| New Measures | | | | | |
| Forced Air Unit Standing Pilot Change Out | 179 | | 42.00 | 18 | 49,479 |
| Furnace Clean and Tune | 21,957 | | 2.66 | 14 | 315,686 |
| High Efficiency Clothes Washer | 5,352 | | 27.30 | 14 | 814,274 |
| Microwave | | | | | |
| Thermostatic Shower Valve | | | | | |
| LED Night Lights | | | | | |
| Occupancy Sensor | | | | | |
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| | | | | | |
| Pilots | | | | | |
| A/C Tune-up Central | | | | | |
| Interior Hard wired CFL fixtures | | | | | |
| Ceiling Fans | | | | | |
| In-Home Display | | | | | |
| Programmable Controllable Thermostat | | | | | |
| Forced Air Unit | | | | | |
| Microwave | | | | | |
| High Efficiency Clothes Washer | | | | | |
| | | | | | |
| Total Homes Served By the Program | | | | | 96,893 |
| Life Cycle Bill Savings Per Home | | | | | 110 |

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 10
Energy Rate Used for Bill Savings Calculations
SOUTHERN CALIFORNIA GAS COMPANY

| Year | \$/kWh [1] | \$/Therm |
|------|------------|----------|
| 2012 | | 0.54 |
| 2013 | | 0.55 |
| 2014 | | 0.57 |
| 2015 | | 0.59 |
| 2016 | | 0.60 |
| 2017 | | 0.62 |
| 2018 | | 0.64 |
| 2019 | | 0.66 |
| 2020 | | 0.68 |
| 2021 | | 0.70 |
| 2022 | | 0.72 |
| 2023 | | 0.74 |
| 2024 | | 0.76 |
| 2025 | | 0.79 |
| 2026 | | 0.81 |
| 2027 | | 0.84 |
| 2028 | | 0.86 |
| 2029 | | 0.89 |
| 2030 | | 0.91 |
| 2031 | | 0.94 |
| 2032 | | 0.97 |
| 2033 | | 1.00 |
| 2034 | | 1.03 |
| 2035 | | 1.06 |
| 2036 | | 1.09 |

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 11
Bill Savings Calculations by Program Year
SOUTHERN CALIFORNIA GAS COMPANY

| Program Year | Program Costs | Program Lifecycle Bill Savings | Program Bill Savings/ Cost Ratio | Per Home Average Lifecycle Bill Savings |
|--------------|----------------|--------------------------------------|--|--|
| 2008 | \$ 35,067,739 | \$ 9,894,347 | 0.28 | \$ 168 |
| 2009 | \$ 49,101,879 | \$ 13,651,236 | 0.39 | \$ 160 |
| 2010 | \$ 73,532,016 | \$ 19,602,843 | 0.27 | \$ 162 |
| 2011 | \$ 102,229,848 | \$ 25,969,055 | 0.25 | \$ 161 |
| 2012 | \$ 82,252,135 | \$ 10,706,569 | 0.13 | \$ 110 |

PY2012 Energy Savings Assistance Program Annual Report

ESA Program Table 12

Whole Neighborhood Approach

SOUTHERN CALIFORNIA GAS COMPANY

| A | B | C | D | E | F=(D+E)/C |
|--|-----------------------------|--------------------------|-------------------------|-------------------------|------------------|
| Neighborhood (County, Zipcode, Zip+7 etc.) | Total Residential Customers | Total Estimated Eligible | Total Treated 2002-2011 | Total Treated This Year | Penetration Rate |
| | | | | | |
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Information not required pursuant to guidance provided by the California Public Utilities Commission - Energy Division staff on April 25, 2013.

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 13
Categorical Enrollment
SOUTHERN CALIFORNIA GAS COMPANY

| Type of Enrollment | Number of customers enrolled |
|---|-------------------------------------|
| Standard Enrollment | 28,600 |
| Categorical Eligibility | 17,730 |
| Self-Certification | 50,563 |
| Other (please list) | |
| Total number of customers enrolled | 96,893 |

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 14
Leveraging
SOUTHERN CALIFORNIA GAS COMPANY

| Partner | Relationship outside the IOU? [1] | MOU Present? | Amount of Dollars Saved [4] | Amount of Energy Savings [5] | Other Measureable Benefits | Enrollments Resulting from Leveraging Effort [7] | Meets all Criteria | If not, Explain |
|----------------------------------|-----------------------------------|--------------|---|---|--|--|--------------------|---|
| Southern California Edison | No | Yes [2] | \$288,233 [8] | 1,742,525 kWh saved through CFL installations. [6] | 69,107 CFLs installed in SCE leveraged households | 18,427 homes where CFLs were leveraged | Yes | |
| Eastern Municipal Water District | Yes | Yes [2] | \$266,075 in rebates provided to SCG ESAP | | 7.99 million gallons of water saved; \$17,043 saved on customer water bills | 734 | No | Energy savings are captured in SCG 2012 Low Income Programs Annual Report Table 2 |
| Imperial Irrigation District | Yes | Yes [2] | \$215 saved in forgone marketing costs | 38,763 kWh through various electric measures installed. [6] | 4 attic fans, 283 CFLs; 883 sq. ft of insulation, 4 duct tests and seals, 1 refrigerator replacement, and 2,505 sq. ft. of shade screen installed. | 32 | Yes | |
| Burbank Water & Power | Yes | Yes [2] | | | | | No | No installations in PY2011 |
| LIHEAP | Yes | No [3] | \$3,216 | 91,214 kWh saved through various electric measures installed. [6] | 3,270 CFLs; 18 Cover Plate Gaskets; 348 Faucet Restrictors; 14 Fluorescent Torchiere Lamps; 30 Low Flow Showerheads; and 1 Water Heater Pipe Wraps | 400 | Yes | |

[1] IOUs include Southern California Edison, Pacific Gas & Electric, Southern California Gas Company, and San Diego Gas & Electric.

[2] SoCalGas has a signed contract agreement with each leveraging partner.

[3] An MOU exists between the Commission and the Department of Community Services and Development (CSD), not between the IOU and CSD.

[4] Dollars saved. Leveraging efforts are measurable and quantifiable in terms of dollars saved by the IOU (Shared/contributed/donated resources, elimination of redundant processes, shared/contributed marketing materials).

[5] Energy savings/benefits. Leveraging efforts are measurable and quantifiable in terms of home energy benefits/ savings to the eligible households.

[6] Energy savings based on estimated gross kWh savings per measure installed.

[7] Enrollment increases. Leveraging efforts are measurable and quantifiable in terms of program enrollment increases and/or customers served.

[8] Represents dollar savings from leveraged energy education fees that were paid in the 2012 Program Year.

PY2012 Energy Savings Assistance Program Annual Report
ESA Program Table 15
Integration
SOUTHERN CALIFORNIA GAS COMPANY

| Integration Efforts | | | | |
|--|---|---|---|---|
| Coordination Type | New Integration Efforts in PY2012 | Results | | |
| | | Cost and/or Resource Savings | | |
| Program Coordination, Data Sharing, ME&O, etc. | [Brief description of effort] | Estimated \$ Savings | Methodology [1] | Other Results |
| Program Coordination | ESAP uses EE Mobile Home Program contractor to enroll eligible low-income customers into ESA Program | \$30,074 saved in forgone marketing costs | Saved marketing costs as a result from contractor use of EE infrastructure and database rather than stand alone ESAP marketing efforts to enroll customers into ESA Program | 4,482 additional low-income mobile home customers received ESA Program services as a result of this integrative effort. |
| ME&O Coordination | LA Abilities Exposition | \$2,500 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | L.A. Zoo KEARTH Day 2012 | \$1,250 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | Cambodian Year Festival in SBO | \$1,000 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | New Directions For Youth (Warner Center) | \$575 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Alhambra Eco Fair | \$100 each | Cost savings due to shared outreach costs with EE Program | |
| ME&O Coordination | Special Olympics Fair (Irvine Valley College) http://www.families-forward.org/index.htm | \$125 each | Cost savings due to shared outreach costs with EE Program | |
| ME&O Coordination | EL ARACA 2nd Annual Fun Walk and Health Fair (ELAC) | \$125 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | Garden Grove Strawberry Festival | \$300 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | USC Kid Watch Safety and Health Fair | \$200 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | RoseHills Conference for Seniors & Caregivers, Cerritos | \$500 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | Home Expo and Housing Fair in East Los Angeles | \$2,500 each | Cost savings due to shared outreach costs with CARE and EE Program | |
| ME&O Coordination | 10th Annual Housing & Supportive Services, El Centro | \$500 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | COFEM Expo | \$1,250 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | LA County Fair | \$8,725 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Taste of East L.A. | \$250 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Disability Resource Expo - Ontario | \$2,500 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Calle Cuatro Fiestas Patrias | \$2,500 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Home Expo and Housing Fair in Los Angeles | \$1,250 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Los Angeles DEAF Festival (Los Angeles) | \$1,250 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Disabilities Sports Festival in SBN | \$750 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Rose Hills dia de los Muertos | \$500 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | Moon Festival - Garden Grove | \$4,000 each | Cost savings due to shared outreach costs with CARE Program | |
| ME&O Coordination | PACE's 7th Annual Career & Job Fair | \$2,500 each | Cost savings due to shared outreach costs with CARE program | |
| ME&O Coordination | Fiesta Educativa San Bernardino Conference | \$500 each | Cost savings due to shared outreach costs with EE programs | |
| Shared Marketing Materials | Shared purchase between ESAP, CARE, and Medical Baseline of mass media services such as print, radio and TV campaigns | Unknown | N/A | Costs of mass media services are reduced for ESAP as the total costs are shared with CARE Program. |
| Data Sharing | Used CARE enrolled customers for ESAP targeted marketing campaigns which included: Automated Voice Messaging, Direct Mail, Bill Inserts and Email Campaigns | Unknown | N/A | Increased efficiency since customers are already prescreened for program eligibility |

PY2012 Energy Savings Assistance Program Annual Report

ESA Program Table 16

Lighting

SOUTHERN CALIFORNIA GAS COMPANY (n/a)

| Energy Savings Assistance Program CFL Tracking Table 1¹ | | | | | |
|--|---|-----------------------------|---|---|---------------------------------------|
| <i>Instructions: Please identify the CFL bulbs used within your Energy Savings Assistance Program and fill in the remaining columns for each</i> | | | | | |
| Bulb Name / Identification | Bulb Description (wattage, lumens) | Bulb Cost (material) | Admin Cost (overhead, contractor fee, marketing, etc.) | Total Bulb Cost (material + admin) | AB 1109 Compliant?² |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

1) Established through Section 9.3.4, D. 08-11-031

2) Compliant in regards to: 1) Do bulbs meet or exceed CEC energy efficiency standards for general purpose lighting?

2) Do all models comply with Europe's RoHS standards on toxicity?

| Year | Number of Homes Treated in Energy Savings Assistance Program | Number of Homes Provided CFLs | Avg. # of CFL bulbs given per home | Est. total energy savings from installed CFLs |
|-------------|---|--------------------------------------|---|--|
| | | | | |
| 2012 | | | | |
| 2013 | | | | |
| 2014 | | | | |

PY2012 Energy Savings Assistance Program Annual Report

ESA Program Table 17

Studies & Pilots Status

SOUTHERN CALIFORNIA GAS COMPANY

[illegible]

PY2012 Energy Savings Assistance Program Annual Report
 ESA Program Table 18
 "Add Back" Measures
 SOUTHERN CALIFORNIA GAS COMPANY

| Measure | Fuel | House Type | Climate Zone | Ratio of Benefits Over Costs | | | Quantity Installed | Budget Impact of "Add Back" | First Year Energy Bill Savings Impact |
|--|------|------------|--------------|------------------------------|---------------------------|--------------------------|--------------------|-----------------------------|---------------------------------------|
| | | | | Utility Cost Test | Modified Participant Test | Total Resource Cost Test | | | |
| Air sealing / envelope | Gas | MF | 4 | 0.05 | 0.27 | 0.03 | 115 | 10,669 | 210 |
| Air sealing / envelope | Gas | MF | 5 | 0.04 | 0.24 | 0.03 | 95 | 11,385 | 202 |
| Air sealing / envelope | Gas | MF | 6 | 0.02 | 0.10 | 0.01 | 211 | 33,210 | 248 |
| Air sealing / envelope | Gas | MF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Air sealing / envelope | Gas | MF | 8 | 0.02 | 0.09 | 0.01 | 5,450 | 1,033,807 | 6,397 |
| Air sealing / envelope | Gas | MF | 9 | 0.02 | 0.10 | 0.01 | 7,466 | 1,270,693 | 8,764 |
| Air sealing / envelope | Gas | MF | 10 | 0.02 | 0.09 | 0.01 | 1,100 | 206,878 | 1,339 |
| Air sealing / envelope | Gas | MF | 13 | 0.03 | 0.15 | 0.02 | 676 | 122,116 | 1,352 |
| Air sealing / envelope | Gas | MF | 14 | 0.03 | 0.16 | 0.02 | 30 | 5,267 | 61 |
| Air sealing / envelope | Gas | MF | 15 | 0.02 | 0.11 | 0.01 | 311 | 50,450 | 406 |
| Air sealing / envelope | Gas | MF | 16 | 0.03 | 0.15 | 0.02 | 184 | 25,512 | 272 |
| Air sealing / envelope | Gas | MH | 4 | 0.31 | 1.86 | 0.22 | 7 | 1,054 | 193 |
| Air sealing / envelope | Gas | MH | 5 | 0.40 | 2.37 | 0.27 | 105 | 12,629 | 3,309 |
| Air sealing / envelope | Gas | MH | 6 | 0.28 | 1.64 | 0.19 | 731 | 84,408 | 12,998 |
| Air sealing / envelope | Gas | MH | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Air sealing / envelope | Gas | MH | 8 | 0.23 | 1.33 | 0.16 | 1,185 | 178,319 | 21,070 |
| Air sealing / envelope | Gas | MH | 9 | 0.20 | 1.15 | 0.14 | 732 | 131,846 | 13,016 |
| Air sealing / envelope | Gas | MH | 10 | 0.22 | 1.28 | 0.15 | 2,568 | 412,251 | 46,220 |
| Air sealing / envelope | Gas | MH | 13 | 0.25 | 1.45 | 0.17 | 427 | 97,714 | 12,864 |
| Air sealing / envelope | Gas | MH | 14 | 0.29 | 1.72 | 0.20 | 324 | 60,252 | 9,888 |
| Air sealing / envelope | Gas | MH | 15 | 0.21 | 1.26 | 0.15 | 703 | 124,890 | 13,753 |
| Air sealing / envelope | Gas | MH | 16 | 0.30 | 1.76 | 0.21 | 163 | 21,341 | 3,628 |
| Air sealing / envelope | Gas | SF | 4 | 0.23 | 1.36 | 0.16 | 199 | 41,010 | 4,957 |
| Air sealing / envelope | Gas | SF | 5 | 0.21 | 1.21 | 0.14 | 1,054 | 286,915 | 29,967 |
| Air sealing / envelope | Gas | SF | 6 | 0.13 | 0.76 | 0.09 | 2,135 | 564,359 | 34,250 |
| Air sealing / envelope | Gas | SF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Air sealing / envelope | Gas | SF | 8 | 0.12 | 0.69 | 0.08 | 19,640 | 5,804,374 | 315,064 |
| Air sealing / envelope | Gas | SF | 9 | 0.12 | 0.67 | 0.08 | 13,506 | 4,090,895 | 216,663 |
| Air sealing / envelope | Gas | SF | 10 | 0.13 | 0.74 | 0.09 | 15,431 | 4,246,212 | 250,227 |
| Air sealing / envelope | Gas | SF | 13 | 0.15 | 0.86 | 0.10 | 11,613 | 4,522,769 | 315,541 |
| Air sealing / envelope | Gas | SF | 14 | 0.24 | 1.24 | 0.15 | 2,763 | 703,750 | 76,035 |
| Air sealing / envelope | Gas | SF | 15 | 0.15 | 0.87 | 0.10 | 1,752 | 439,099 | 39,924 |
| Air sealing / envelope | Gas | SF | 16 | 0.15 | 0.85 | 0.10 | 1,734 | 504,882 | 34,827 |
| Attic insulation | Gas | MF | 4 | n/a | n/a | n/a | 0 | 0 | 0 |
| Attic insulation | Gas | MF | 6 | 0.05 | 0.05 | 0.04 | 7 | 5,957 | 143 |
| Attic insulation | Gas | MF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Attic insulation | Gas | MF | 8 | 0.06 | 0.05 | 0.04 | 118 | 90,355 | 2,416 |
| Attic insulation | Gas | MF | 9 | 0.06 | 0.06 | 0.04 | 128 | 96,909 | 2,620 |
| Attic insulation | Gas | MF | 10 | 0.06 | 0.05 | 0.04 | 17 | 13,941 | 352 |
| Attic insulation | Gas | MF | 15 | n/a | n/a | n/a | 0 | 0 | 0 |
| Attic insulation | Gas | MF | 16 | 0.08 | 0.08 | 0.06 | 3 | 2,716 | 104 |
| Attic insulation | Gas | SF | 4 | 0.14 | 0.13 | 0.10 | 10 | 12,022 | 835 |
| Attic insulation | Gas | SF | 5 | 0.15 | 0.14 | 0.10 | 130 | 164,918 | 12,389 |
| Attic insulation | Gas | SF | 6 | 0.12 | 0.11 | 0.08 | 355 | 342,935 | 19,099 |
| Attic insulation | Gas | SF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Attic insulation | Gas | SF | 8 | 0.11 | 0.10 | 0.08 | 2,023 | 2,075,796 | 108,836 |
| Attic insulation | Gas | SF | 9 | 0.11 | 0.10 | 0.07 | 1,502 | 1,643,600 | 80,807 |
| Attic insulation | Gas | SF | 10 | 0.10 | 0.09 | 0.07 | 866 | 1,000,702 | 47,071 |
| Attic insulation | Gas | SF | 13 | 0.15 | 0.14 | 0.10 | 706 | 872,841 | 64,312 |
| Attic insulation | Gas | SF | 14 | 0.17 | 0.16 | 0.12 | 43 | 46,603 | 3,968 |
| Attic insulation | Gas | SF | 15 | 0.11 | 0.10 | 0.07 | 57 | 66,465 | 3,370 |
| Attic insulation | Gas | SF | 16 | 0.13 | 0.12 | 0.09 | 166 | 183,361 | 11,183 |
| Duct sealing & testing | Gas | MH | 4 | n/a | n/a | n/a | 0 | 0 | 0 |
| Duct sealing & testing | Gas | MH | 5 | 0.00 | 0.00 | 0.00 | 6 | 9,597 | 0 |
| Duct sealing & testing | Gas | MH | 6 | 0.00 | 0.00 | 0.00 | 5 | 1,872 | 0 |
| Duct sealing & testing | Gas | MH | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Duct sealing & testing | Gas | MH | 8 | 0.00 | 0.00 | 0.00 | 7 | 2,954 | 0 |
| Duct sealing & testing | Gas | MH | 9 | 0.00 | 0.00 | 0.00 | 13 | 8,590 | 0 |
| Duct sealing & testing | Gas | MH | 10 | 0.00 | 0.00 | 0.00 | 40 | 25,174 | 0 |
| Duct sealing & testing | Gas | MH | 13 | n/a | n/a | n/a | 0 | 0 | 0 |
| Duct sealing & testing | Gas | MH | 14 | 0.00 | 0.00 | 0.00 | 13 | 4,877 | 0 |
| Duct sealing & testing | Gas | MH | 15 | 0.00 | 0.00 | 0.00 | 21 | 9,149 | 0 |
| Duct sealing & testing | Gas | MH | 16 | 0.00 | 0.00 | 0.00 | 1 | 1,476 | 0 |
| Duct sealing & testing | Gas | SF | 4 | n/a | n/a | n/a | 0 | 0 | 0 |
| Duct sealing & testing | Gas | SF | 5 | 0.00 | 0.00 | 0.00 | 11 | 56,910 | 0 |
| Duct sealing & testing | Gas | SF | 6 | 0.00 | 0.00 | 0.00 | 37 | 25,847 | 0 |
| Duct sealing & testing | Gas | SF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Duct sealing & testing | Gas | SF | 8 | 0.00 | 0.00 | 0.00 | 159 | 157,976 | 0 |
| Duct sealing & testing | Gas | SF | 9 | 0.00 | 0.00 | 0.00 | 461 | 303,247 | 0 |
| Duct sealing & testing | Gas | SF | 10 | 0.00 | 0.00 | 0.00 | 1,177 | 926,949 | 0 |
| Duct sealing & testing | Gas | SF | 13 | 0.00 | 0.00 | 0.00 | 96 | 738,150 | 0 |
| Duct sealing & testing | Gas | SF | 14 | 0.00 | 0.00 | 0.00 | 122 | 96,580 | 0 |
| Duct sealing & testing | Gas | SF | 15 | 0.00 | 0.00 | 0.00 | 178 | 173,028 | 0 |
| Duct sealing & testing | Gas | SF | 16 | 0.00 | 0.00 | 0.00 | 69 | 61,577 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 4 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 5 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 6 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 8 | 0.00 | 0.00 | 0.00 | 4 | 4,540 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 9 | 0.00 | 0.00 | 0.00 | 2 | 975 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 10 | 0.00 | 0.00 | 0.00 | 1 | 1,742 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 13 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 14 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MF | 15 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 4 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 5 | 0.00 | 0.00 | 0.00 | 5 | 4,035 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 6 | 0.00 | 0.00 | 0.00 | 93 | 112,658 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 8 | 0.00 | 0.00 | 0.00 | 194 | 202,952 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 9 | 0.00 | 0.00 | 0.00 | 90 | 125,636 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 10 | 0.00 | 0.00 | 0.00 | 236 | 295,930 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 13 | 0.00 | 0.00 | 0.00 | 35 | 23,129 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 14 | 0.00 | 0.00 | 0.00 | 47 | 75,249 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 15 | 0.00 | 0.00 | 0.00 | 72 | 73,018 | 0 |
| Heating system repair / replace ¹ | Gas | MH | 16 | 0.00 | 0.00 | 0.00 | 17 | 21,045 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 4 | 0.00 | 0.00 | 0.00 | 2 | 3,897 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 5 | 0.00 | 0.00 | 0.00 | 54 | 84,640 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 6 | 0.00 | 0.00 | 0.00 | 372 | 428,876 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 7 | n/a | n/a | n/a | 0 | 0 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 8 | 0.00 | 0.00 | 0.00 | 4,386 | 5,204,824 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 9 | 0.00 | 0.00 | 0.00 | 2,160 | 2,468,105 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 10 | 0.00 | 0.00 | 0.00 | 2,131 | 2,166,157 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 13 | 0.00 | 0.00 | 0.00 | 626 | 520,977 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 14 | 0.00 | 0.00 | 0.00 | 337 | 473,990 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 15 | 0.00 | 0.00 | 0.00 | 95 | 95,986 | 0 |
| Heating system repair / replace ¹ | Gas | SF | 16 | 0.00 | 0.00 | 0.00 | 258 | 286,579 | 0 |
| Water Heater Blanket | Gas | MF | all | 0.03 | 0.03 | 0.02 | 48 | 14,603 | 145 |
| Water Heater Pipe Insulation | Gas | MF | all | 0.02 | 0.02 | 0.01 | 36 | 8,512 | 23 |
| Faucet Aerator | Gas | MF | all | 0.04 | 0.05 | 0.02 | 12,324 | 207,829 | 3,143 |
| DHW repair/replace ¹ | Gas | MF | all | 0.00 | 0.00 | 0.00 | 1 | 1,035 | 0 |
| DHW repair/replace ¹ | Gas | MH | all | 0.00 | 0.00 | 0.00 | 124 | 127,441 | 0 |
| DHW repair/replace ¹ | Gas | SF | all | 0.00 | 0.00 | 0.00 | 1,014 | 1,064,839 | 0 |

¹ Based on D 08-11-031 and D 12-08-044. Other measures authorized per D 08-11-031.

PY2012 Energy Savings Assistance Program Annual Report

ESA Program Table 19
Energy Savings Assistance Program Fund Shifting
SOUTHERN CALIFORNIA GAS COMPANY

| Program Year 2012 | Total Authorized | Total Shifted ¹ | % of Authorized Total | Carried Forward/Carried Back | To/From Year | To/From Category-Subcategory | Advice Letter Number |
|----------------------------|------------------|----------------------------|-----------------------|------------------------------|--------------|---------------------------------|--|
| ESA Program: | ex. \$x,xxx.xx | (\$x,xxx) | x% | Carried Forward | From 2008 | From In-Home Energy Education | G-xxxx |
| Energy Efficiency | | | | | | | |
| - Gas Appliances | \$ 25,495,162 | \$ (3,411,020) | -13% | Carried Back | To 2011 | To PY2011 Outreach & Assessment | Authorized by D.08-11-031, as modified by D.10-10-008, and reaffirmed in D.12-08-044. Authorized by the Joint Ruling of Assigned Commissioner and Administrative Law Judge on the Joint Emergency Motion of the East Los Angeles Community Union, et al. to Continue the Low Income Energy Savings Assistance Program for Southern California Gas Company, Ordering Paragraph 2. |
| - Electric Appliances | | | | | | | |
| - Weatherization | \$ 53,550,541 | | | | | | |
| - Outreach and Assessment | \$ 20,704,408 | | | | | | |
| - In Home Energy Education | \$ 2,572,984 | | | | | | |
| - Education Workshops | | | | | | | |
| - Pilot | | | | | | | |
| Energy Efficiency TOTAL | \$ 102,323,095 | \$ (3,411,020) | | | | | |
| | | | | | | | |
| Training Center | \$ 535,360 | | | | | | |
| Inspections | \$ 2,959,003 | | | | | | |
| Marketing | \$ 1,173,652 | | | | | | |
| M&E Studies | \$ 316,667 | | | | | | |
| Regulatory Compliance | \$ 295,333 | | | | | | |
| General Administration | \$ 5,603,781 | | | | | | |
| CPUC Energy Division | \$ 86,000 | | | | | | |
| | | | | | | | |
| TOTAL PROGRAM COSTS | \$ 113,292,891 | \$ (3,411,020) | | | | | |

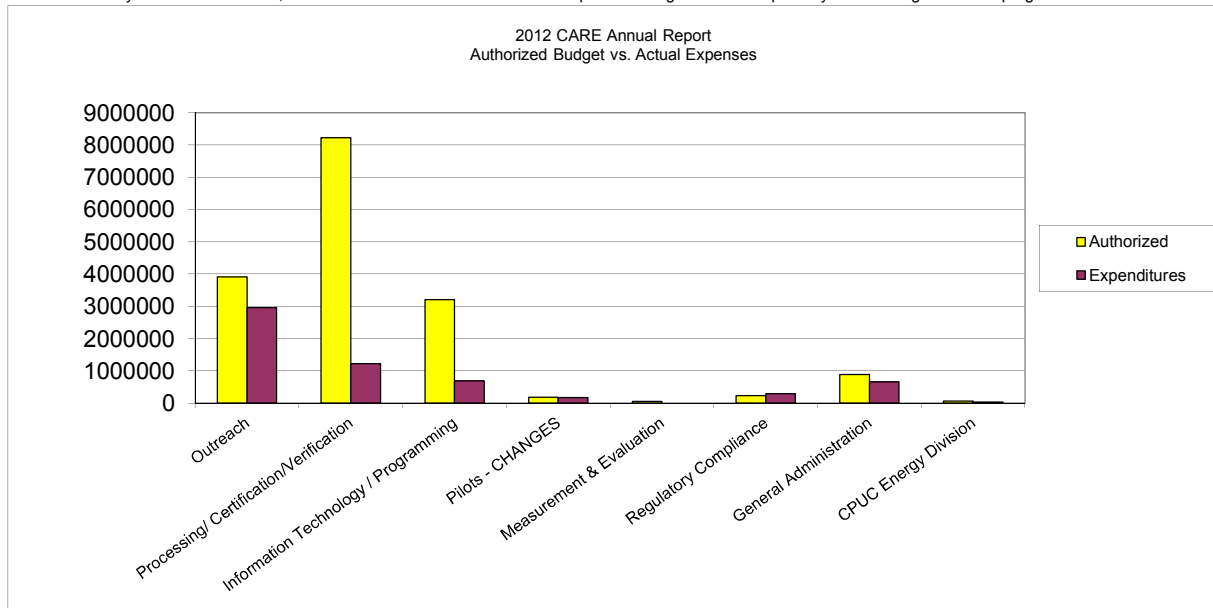
1) Reported numbers are in standard accounting format, with negative amounts displayed in parentheses (\$xxx.xx).

2012 CARE Annual Report
CARE Table 1 - Overall Program Expenses
SOUTHERN CALIFORNIA GAS COMPANY

| Standardized CARE Administrative Cost Reporting Categories 2012 Costs by Energy Source | | | | | | | | |
|---|-------------|----------------|------------|------|----------------|-------------------|----------------|--|
| Category | Residential | | Expanded * | | Total | Authorized Budget | % Budget Spent | |
| | Electric | Gas | Electric | Gas | | | | |
| Outreach | \$ - | \$ 2,952,758 | \$ - | \$ - | \$ 2,952,758 | \$ 3,909,220 | 76% | |
| Automatic Enrollment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0% | |
| Processing/ Certification/Verification | \$ - | \$ 1,216,834 | \$ - | \$ - | \$ 1,216,834 | \$ 8,223,171 | 15% | |
| Information Technology / Programming | \$ - | \$ 685,394 | \$ - | \$ - | \$ 685,394 | \$ 3,204,520 | 21% | |
| Pilots ¹ | \$ - | \$ 167,868 | \$ - | \$ - | \$ 167,868 | \$ 180,000 | 93% | |
| Measurement & Evaluation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 50,972 | 0% | |
| Regulatory Compliance | \$ - | \$ 293,074 | \$ - | \$ - | \$ 293,074 | \$ 227,412 | 129% | |
| General Administration | \$ - | \$ 652,060 | \$ - | \$ - | \$ 652,060 | \$ 887,541 | 73% | |
| CPUC Energy Division | \$ - | \$ 29,165 | \$ - | \$ - | \$ 29,165 | \$ 60,000 | 49% | |
| One E App | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 0% | |
| TOTAL Program Costs | \$ - | \$ 5,997,153 | \$ - | \$ - | \$ 5,997,153 | \$ 16,742,836 | 36% | |
| CARE Rate Discount | \$ - | \$ 102,317,520 | \$ - | \$ - | \$ 102,317,520 | \$ 124,418,470 | 82% | |
| Service Establishment Charge Discount | \$ - | \$ 3,539,881 | \$ - | \$ - | \$ 3,539,881 | \$ 4,354,719 | 81% | |
| TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS | \$ - | \$ 111,854,554 | \$ - | \$ - | \$ 111,854,554 | \$ 145,516,025 | 77% | |

¹ CHANGES Pilot

*Due to the relatively small dollar amount, SoCalGas does not record the CARE Expansion Program's cost separately from the regular CARE program cost.



2012 CARE Annual Report
CARE Table 2 - Enrollment, Recertification, Attrition, & Penetration
SOUTHERN CALIFORNIA GAS COMPANY

| 2012 | Gross Enrollment | | | | | | | | | | | Attrition (Drop Offs) ⁷ | Enrollment | | Total CARE Participants | Estimated CARE Eligible | Penetration Rate % (P/Q) |
|----------------|--------------------------------|--------------------------------|-------------------------|------------------------|-------|------------|-------------------------------|------------------|------------------------------|----------------------------|--------------|---------------------------------------|--------------------------|-------------------------|-------------------------------|-------------------------------|--------------------------------|
| | Automatic Enrollment | | | | | Capitation | Other Sources ⁵ | Total (G+H+I) | Recertification ⁶ | Total Adjusted (J+K) | Net (L-M) | | Net Adjusted (N-K) | | | | |
| | Inter- Utility ¹ | Intra- Utility ² | Leveraging ³ | One-e-App ⁴ | SB580 | | | | | | | | | Combined (B+C+D+E+F) | | | |
| January | 5,471 | 2,170 | 102 | 0 | 0 | 7,743 | 33 | 12,360 | 20,136 | 45,131 | 65,267 | 23,805 | 41,462 | -3,669 | 1,712,826 | 1,826,972 | 93.8% |
| February | 6,282 | 2,316 | 169 | 0 | 0 | 8,767 | 16 | 15,442 | 24,225 | 45,308 | 69,533 | 25,140 | 44,393 | -915 | 1,711,911 | 1,826,972 | 93.7% |
| March | 5,935 | 1,971 | 171 | 0 | 0 | 8,077 | 50 | 13,278 | 21,405 | 48,899 | 70,304 | 35,116 | 35,188 | -13,711 | 1,698,200 | 1,826,972 | 93.0% |
| April | 8,577 | 2,071 | 134 | 0 | 0 | 10,782 | 3 | 21,595 | 32,380 | 35,314 | 67,694 | 26,887 | 40,807 | 5,493 | 1,703,693 | 1,830,476 | 93.1% |
| May | 3,909 | 1,857 | 130 | 0 | 0 | 5,896 | 36 | 38,149 | 44,081 | 21,683 | 65,764 | 26,693 | 39,071 | 17,388 | 1,721,081 | 1,830,476 | 94.0% |
| June | 7,254 | 1,366 | 155 | 0 | 0 | 8,775 | 19 | 11,018 | 19,812 | 77,286 | 97,098 | 21,537 | 75,561 | -1,725 | 1,719,356 | 1,830,476 | 93.9% |
| July | 7,846 | 1,276 | 165 | 0 | 0 | 9,287 | 17 | 8,133 | 17,437 | 54,190 | 71,627 | 21,427 | 50,200 | -3,990 | 1,715,366 | 1,828,168 | 93.8% |
| August | 8,669 | 1,303 | 191 | 0 | 0 | 10,163 | 4 | 13,189 | 23,356 | 56,037 | 79,393 | 24,924 | 54,469 | -1,568 | 1,713,798 | 1,828,168 | 93.7% |
| September | 10,766 | 1,625 | 94 | 0 | 0 | 12,485 | 17 | 12,044 | 24,546 | 42,872 | 67,418 | 28,967 | 38,451 | -4,421 | 1,709,377 | 1,828,168 | 93.5% |
| October | 7,636 | 1,499 | 127 | 0 | 0 | 9,262 | 10 | 11,108 | 20,380 | 42,534 | 62,914 | 54,455 | 8,459 | -34,075 | 1,675,302 | 1,830,118 | 91.5% |
| November | 7,455 | 1,882 | 222 | 0 | 0 | 9,559 | 14 | 8,109 | 17,682 | 40,265 | 57,947 | 14,645 | 43,302 | 3,037 | 1,678,339 | 1,830,118 | 91.7% |
| December | 6,520 | 1,595 | 232 | 0 | 0 | 8,347 | 9 | 8,803 | 17,159 | 37,036 | 54,195 | 46,138 | 8,057 | -28,979 | 1,649,360 | 1,830,118 | 90.1% |
| Total for 2012 | 86,320 | 20,931 | 1,892 | 0 | 0 | 109,143 | 228 | 173,228 | 282,599 | 546,555 | 829,154 | 349,734 | 479,420 | -67,135 | | | |

¹ Enrollments via data sharing between the IOUs.

² Enrollments via data sharing between departments and/or programs within the utility.

³ Enrollments via data sharing with programs outside the IOU that serve low-income customers.

⁴ One-E-App is a pilot program set up by The Center to Promote Healthcare Access (the Center) and PG&E. The pilot will occur within two PG&E counties and looks to implement a strategy of automatic enrollment for low-income customers into the CARE program based on the customers' applications or reapplications for related low-income health and social welfare services. (e.g. MediCAL, Healthy Families, CALKids, etc.) The goal is to develop another means by which low income families can be introduced into the CARE program and, depending on the success of the pilot, possibly expand this pilot to other counties within PG&E's territory as well as to the other IOUs.

⁵ Not including Recertification.

⁶ Recertifications completed regardless of month requested.

⁷ The drop offs include self-declined applications, ineligible applications and closed CARE accounts.

2012 CARE Annual Report
CARE Table 3 - Standard Random Verification Results
SOUTHERN CALIFORNIA GAS COMPANY

| 2012 | Total CARE Population | Participants Requested to Verify | % of Population Total | Participants Dropped (Due to no response) | Participants Dropped (Verified as Ineligible) | Total Dropped | % Dropped through Random Verification | % of Total Population Dropped |
|-----------------------|------------------------------|---|------------------------------|--|--|----------------------|--|--------------------------------------|
| January | 1,712,826 | 4,630 | 0.27% | 2,386 | 215 | 2,601 | 56% | 0.15% |
| February | 1,711,911 | 4,882 | 0.29% | 2,457 | 205 | 2,662 | 55% | 0.16% |
| March | 1,698,200 | 5,923 | 0.35% | 3,043 | 220 | 3,263 | 55% | 0.19% |
| April | 1,703,693 | 412 | 0.02% | 34 | 6 | 40 | 10% | 0.00% |
| May | 1,721,081 | 451 | 0.03% | 34 | 9 | 43 | 10% | 0.00% |
| June | 1,719,356 | 4,126 | 0.24% | 2,589 | 170 | 2,759 | 67% | 0.16% |
| July | 1,715,366 | 4,517 | 0.26% | 2,479 | 171 | 2,650 | 59% | 0.15% |
| August | 1,713,798 | 5,984 | 0.35% | 3,414 | 280 | 3,694 | 62% | 0.22% |
| September | 1,709,377 | 4,548 | 0.27% | 2,659 | 197 | 2,856 | 63% | 0.17% |
| October | 1,675,302 | 7,378 | 0.44% | 4,585 | 435 | 5,020 | 68% | 0.30% |
| November | 1,678,339 | 4,710 | 0.28% | 2,913 | 162 | 3,075 | 65% | 0.18% |
| December | 1,649,360 | 4,586 | 0.28% | 1,886 | 201 | 2,087 | 46% | 0.13% |
| Total for 2012 | 1,649,360 | 52,147 | 3.16% | 28,479 | 2,271 | 30,750 | 59% | 1.86% |

SoCalGas' random verification process allows customers 90 days to respond to the verification request. Verification results are tied to the month initiated. Therefore, verification results may be pending due to the time permitted for a participant to respond.

2012 CARE Annual Report
CARE Table 4 - CARE Self-Certification and Self-Recertification Applications¹
SOUTHERN CALIFORNIA GAS COMPANY

| | Provided² | Received | Approved³ | Denied⁴ | Pending/ Never Completed⁵ | Duplicates⁶ |
|-------------------|-----------------------------|-----------------|-----------------------------|---------------------------|---|-------------------------------|
| Total | 8,019,736 | 1,073,226 | 829,153 | 32,528 | 211,545 | 0 |
| Percentage | | 100.00% | 77.26% | 3.03% | 19.71% | 0.00% |

¹ Includes sub-metered customers.

² An estimated number that includes customers whom were provided with CARE self-certification and self-recertification application via direct mail, email, phone, bill insert, door-to-door delivery, utility personnel, and through outreach events.

³ Approved includes customers who are approved through SoCalGas' CARE eligible probability model, data exchange, mail-in, via web, by phone, and through duplicated applications.

⁴ Customers are denied due to not being CARE eligible, not customer of record, or not the customer's primary residence.

⁵ Pending/Never Completed includes closed accounts, incomplete applications, and customers of other utilities who are not SoCalGas customers.

⁶ SoCalGas treats duplicated applications as recertification applications. Duplicates are customers who are already enrolled in CARE and mail in another CARE application.

2012 CARE Annual Report
CARE Table 5 - Enrollment by County
SOUTHERN CALIFORNIA GAS COMPANY

| County | Estimated Eligible | | | Total Participants | | | Penetration Rate | | |
|-----------------|--------------------|--------------------|------------------|--------------------|----------------|------------------|------------------|------------|------------|
| | Urban | Rural ¹ | Total | Urban | Rural | Total | Urban | Rural | Total |
| Fresno | 10,571 | 24 | 10,595 | 11,589 | 14 | 11,603 | 110% | 58% | 110% |
| Imperial | 0 | 16,117 | 16,117 | 11 | 13,484 | 13,495 | 0% | 84% | 84% |
| Kern | 12,954 | 28,714 | 41,667 | 10,874 | 27,115 | 37,989 | 84% | 94% | 91% |
| Kings | 24 | 13,975 | 13,999 | 17 | 14,375 | 14,392 | 72% | 103% | 103% |
| Los Angeles | 964,495 | 2,479 | 966,974 | 881,797 | 1,171 | 882,968 | 91% | 47% | 91% |
| Orange | 206,165 | 0 | 206,165 | 163,695 | 21 | 163,716 | 79% | 0% | 79% |
| Riverside | 106,683 | 132,430 | 239,113 | 91,897 | 114,788 | 206,685 | 86% | 87% | 86% |
| San Bernardino | 154,654 | 1,083 | 155,736 | 162,893 | 832 | 163,725 | 105% | 77% | 105% |
| San Luis Obispo | 10,355 | 17,368 | 27,722 | 4,929 | 13,099 | 18,028 | 48% | 75% | 65% |
| Santa Barbara | 37,758 | 1,176 | 38,934 | 29,002 | 697 | 29,699 | 77% | 59% | 76% |
| Tulare | 9,896 | 43,400 | 53,297 | 11,423 | 47,515 | 58,938 | 115% | 109% | 111% |
| Ventura | 57,891 | 1,907 | 59,798 | 46,659 | 1,463 | 48,122 | 81% | 77% | 80% |
| Total | 1,571,446 | 258,672 | 1,830,118 | 1,414,786 | 234,574 | 1,649,360 | 90% | 91% | 90% |

¹ Rural” includes ZIP Codes classified as such by either the Rural Health Council or the Goldsmith modification that was developed to identify small towns and rural areas within large metropolitan counties. ZIP Codes not defined as rural are classified as urban.

2012 CARE Annual Report
CARE Table 6 - Recertification Results
SOUTHERN CALIFORNIA GAS COMPANY

| 2012 | Total CARE Population | Participants Requested to Recertify¹ | % of Population Total | Participants Recertified^{2, 3} | Participants Dropped³ | Recertification Rate % (E/C) | % of Total Population Dropped (F/B) |
|-----------------------|------------------------------|--|------------------------------|--|---|-------------------------------------|--|
| January | 1,712,826 | 27,257 | 1.59% | 20,147 | 11,126 | 74% | 0.65% |
| February | 1,711,911 | 22,728 | 1.33% | 13,241 | 9,789 | 58% | 0.57% |
| March | 1,698,200 | 28,733 | 1.69% | 16,593 | 13,378 | 58% | 0.79% |
| April | 1,703,693 | 650 | 0.04% | 546 | 122 | 84% | 0.01% |
| May | 1,721,081 | 729 | 0.04% | 708 | 131 | 97% | 0.01% |
| June | 1,719,356 | 99,716 | 5.80% | 68,160 | 49,045 | 68% | 2.85% |
| July | 1,715,366 | 35,698 | 2.08% | 23,687 | 17,801 | 66% | 1.04% |
| August | 1,713,798 | 30,272 | 1.77% | 21,082 | 15,480 | 70% | 0.90% |
| September | 1,709,377 | 29,611 | 1.73% | 16,820 | 16,964 | 57% | 0.99% |
| October | 1,675,302 | 38,397 | 2.29% | 25,217 | 18,849 | 66% | 1.13% |
| November | 1,678,339 | 28,996 | 1.73% | 20,086 | 12,014 | 69% | 0.72% |
| December | 1,649,360 | 24,411 | 1.48% | 14,928 | 8,462 | 61% | 0.51% |
| Total for 2012 | 1,649,360 | 367,198 | 22.26% | 241,215 | 173,161 | 66% | 10.50% |

¹ Participants requested to recertify.

² Participants recertified number does not include the customers who are recertified through SoCalGas' CARE eligible probability model .

³ Recertification results are tied to the month initiated. Therefore, recertification results may be pending due to the time permitted for a participant to

2012 CARE Annual Report
CARE Table 7 - Capitation Contractors
SOUTHERN CALIFORNIA GAS COMPANY

| Contractor Name ¹ | Contractor Type (Check one or more if applicable) | | | | Enrollments | | |
|--|--|-----|--------|--------|-------------|------------|------------|
| | Private | CBO | WMDVBE | LIHEAP | Rural | Urban | Total |
| Community Action Partnership of Orange County | | X | X | X | 0 | 0 | 0 |
| ELA Communications Energy ED Program | | X | | | 0 | 0 | 0 |
| PACE – Pacific Asian Consortium in Employment | | X | X | X | 0 | 0 | 0 |
| Proteus, Inc. | | X | | | 0 | 1 | 1 |
| Community Pantry of Hemet | | X | | | 0 | 0 | 0 |
| Community Action Partnership of San Bernardino | | X | | X | 0 | 23 | 23 |
| LA Works | | X | | | 0 | 0 | 0 |
| Children's Hospital of Orange County | | X | | | 0 | 0 | 0 |
| The Companion Line | | X | | | 0 | 0 | 0 |
| Steppin' Across Amer Foundation | | X | | | 0 | 0 | 0 |
| All Peoples Christian Center | | X | | | 0 | 0 | 0 |
| LA County 211 | | X | | | 0 | 12 | 12 |
| Sr. Citizens Emergency Fund I.V., Inc. | | X | | | 0 | 0 | 0 |
| Coachella Valley Housing Coalition | | X | | | 0 | 0 | 0 |
| HABBM | | X | | | 0 | 0 | 0 |
| Second Harvest Food Bank of Orange County | | X | | | 0 | 0 | 0 |
| Southeast Community Development Corp. | | X | | | 0 | 0 | 0 |
| Latino Resource Organization | | X | | | 0 | 0 | 0 |
| Independent Living Center of Southern California | | X | | | 0 | 0 | 0 |
| Community Action Partnership - Kern County | | X | | | 0 | 0 | 0 |
| El Concilio del Condado de Ventura | | X | | | 0 | 0 | 0 |
| Blessed Sacrament Church | | X | | | 0 | 0 | 0 |
| Starbright Management Services | | X | | | 0 | 0 | 0 |
| Hermanidad Mexicana | | X | | | 0 | 0 | 0 |
| CSET | | X | | | 0 | 28 | 28 |
| Crest Forest Family and Community Service | | X | | | 0 | 0 | 0 |
| CUI – Campesinos Unidos, Inc. | | X | X | X | 0 | 0 | 0 |
| Veterans in Community Service | | X | X | X | 0 | 0 | 0 |
| Chinatown Service Center | | X | | | 0 | 11 | 11 |
| Koreatown Youth and Community Center | | X | | | 0 | 0 | 0 |
| MEND | | X | | | 0 | 0 | 0 |
| Armenian Relief Society | | X | | | 0 | 0 | 0 |
| Catholic Charities of LA – Brownson House | | X | | | 0 | 2 | 2 |
| BroadSpectrum | | X | | | 0 | 0 | 0 |
| OCCC, Inc. (Orange County Community Center) | | X | | | 0 | 1 | 1 |
| Green Light Shipping | X | | | | 0 | 0 | 0 |
| APAC Service Center | | X | | | 0 | 150 | 150 |
| Ventura Cty Comm Human | | X | | | 0 | 0 | 0 |
| YMCA Montebello-Commerce | | X | | | 0 | 0 | 0 |
| Visalia Emergency Aid Council | | X | | | 0 | 0 | 0 |
| Total Enrollments | | | | | 0 | 228 | 228 |

¹ All capitation contractors with current contracts are listed regardless of whether they have signed up customers or submitted invoices this year.

2012 CARE Annual Report
CARE Table 8 - Participants per Month
SOUTHERN CALIFORNIA GAS COMPANY

| 2012 | Gas and Electric | Gas Only | Electric Only | Total | Eligible Households | Penetration | % Change¹ |
|-----------------------|-------------------------|-----------------|----------------------|--------------|----------------------------|--------------------|-----------------------------|
| January | N/A | 1,712,826 | N/A | 1,712,826 | 1,826,972 | 93.8% | 1.0% |
| February | N/A | 1,711,911 | N/A | 1,711,911 | 1,826,972 | 93.7% | -0.1% |
| March | N/A | 1,698,200 | N/A | 1,698,200 | 1,826,972 | 93.0% | -0.8% |
| April | N/A | 1,703,693 | N/A | 1,703,693 | 1,830,476 | 93.1% | 0.3% |
| May | N/A | 1,721,081 | N/A | 1,721,081 | 1,830,476 | 94.0% | 1.0% |
| June | N/A | 1,719,356 | N/A | 1,719,356 | 1,830,476 | 93.9% | -0.1% |
| July | N/A | 1,715,366 | N/A | 1,715,366 | 1,828,168 | 93.8% | -0.2% |
| August | N/A | 1,713,798 | N/A | 1,713,798 | 1,828,168 | 93.7% | -0.1% |
| September | N/A | 1,709,377 | N/A | 1,709,377 | 1,828,168 | 93.5% | -0.3% |
| October | N/A | 1,675,302 | N/A | 1,675,302 | 1,830,118 | 91.5% | -2.0% |
| November | N/A | 1,678,339 | N/A | 1,678,339 | 1,830,118 | 91.7% | 0.2% |
| December | N/A | 1,649,360 | N/A | 1,649,360 | 1,830,118 | 90.1% | -1.7% |
| Total for 2012 | N/A | 1,649,360 | N/A | 1,649,360 | 1,830,118 | 90.1% | |

¹Explain any monthly variance of 5% or more in the number of participants.

2012 CARE Annual Report
CARE Table 9 - Average Monthly Usage & Bill
SOUTHERN CALIFORNIA GAS COMPANY

| Average Monthly Gas / Electric Usage | | | |
|--|--------------|--------------|-------|
| Residential Non-CARE vs. CARE Customers ¹ | | | |
| | Gas Therms | Gas Therms | |
| Customer | Tier 1 | Tier 2 | Total |
| Non-CARE | 27.8 | 12.4 | 40.2 |
| CARE | 22.9 | 7.0 | 29.9 |
| | Electric KWh | Electric KWh | |
| Customer | Tier 1 | Tier 2 | Total |
| Non-CARE | N/A | N/A | N/A |
| CARE | N/A | N/A | N/A |

| Average Monthly Gas / Electric Bill | | |
|--|---------|----------|
| Residential Non-CARE vs. CARE Customers ¹ | | |
| (Dollars per Customer) | | |
| Customer | Gas | Electric |
| Non-CARE | \$34.30 | N/A |
| CARE | \$26.33 | N/A |

¹ Excludes master-meter usage.

2012 CARE Annual Report
CARE Table 10- CARE Surcharge & Revenue
SOUTHERN CALIFORNIA GAS COMPANY

| Electric | | | | | |
|---|-----------------|--------------|--------------------|-------------------|-------------------|
| CARE Surcharge and Revenue Collected by Customer Class | | | | | |
| | | | | Total CARE | Percentage of |
| Customer | Average Monthly | | CARE Surcharge | Surcharge Revenue | CARE Surcharge |
| Class | CARE Surcharge | Monthly Bill | as Percent of Bill | Collected | Revenue Collected |
| Residential* | N/A | N/A | N/A | N/A | N/A |
| Commercial | N/A | N/A | N/A | N/A | N/A |
| Agricultural | N/A | N/A | N/A | N/A | N/A |
| Large/Indust | N/A | N/A | N/A | N/A | N/A |

* Excludes CARE customers

| GAS | | | | | |
|---|-----------------|--------------|--------------------|-------------------|-------------------|
| CARE Surcharge and Revenue Collected by Customer Class | | | | | |
| | | | | Total CARE | Percentage of |
| Customer | Average Monthly | | CARE Surcharge | Surcharge Revenue | CARE Surcharge |
| Class | CARE Surcharge | Monthly Bill | as Percent of Bill | Collected | Revenue Collected |
| Residential | \$1.24 | \$34.30 | 3.62% | \$55,085,329 | 43.20% |
| Commercial | \$16.17 | \$228.76 | 7.07% | \$36,184,315 | 28.38% |
| Natural Gas Vehicle | \$682.38 | \$8,424.49 | 8.10% | \$3,394,840 | 2.66% |
| Industrial | \$151.47 | \$697.09 | 21.73% | \$32,856,950 | 25.77% |

NOTES:

Industrial includes both G-NT(D) and G-NT(T) and is net of volumes qualifying for G-COG.

2012 CARE Annual Report
CARE Table 11 - CARE Capitation Applications
SOUTHERN CALIFORNIA GAS COMPANY

| CARE Capitation Applications | | | | | |
|--|-----------------------|-----------------|---------------|---------------------------------|------------------|
| January 1, 2012 through December 31, 2012 | | | | | |
| Entity | Total Received | Approved | Denied | Pending/ Never Completed | Duplicate |
| Orange County CDC | 0 | 0 | 0 | 0 | 0 |
| ELA Communications | 0 | 0 | 0 | 0 | 0 |
| PACE-PacAsianConEmploy | 0 | 0 | 0 | 0 | 0 |
| Proteus | 12 | 1 | 9 | 0 | 9 |
| Cmty Pantry of Hemet | 0 | 0 | 0 | 0 | 0 |
| Cmty Svcs SBDO County | 62 | 23 | 29 | 0 | 29 |
| Childrens Hospital of OC | 0 | 0 | 0 | 0 | 0 |
| New Beginning Outrch Inc | 0 | 0 | 0 | 0 | 0 |
| Sr Citizen Emergency Fund | 0 | 0 | 0 | 0 | 0 |
| HABBM | 0 | 0 | 0 | 0 | 0 |
| 2nd Harvest Food Bank OC | 0 | 0 | 0 | 0 | 0 |
| Latino Resrce Organizatn | 0 | 0 | 0 | 0 | 0 |
| Indepnt Living Center So Cal. | 0 | 0 | 0 | 0 | 0 |
| SoEast Comm Dev Corp | 0 | 0 | 0 | 0 | 0 |
| El Concilio-Cdo Ventura | 0 | 0 | 0 | 0 | 0 |
| Blessed Sacrament Church | 0 | 0 | 0 | 0 | 0 |
| Hermanadad Mexicana | 0 | 0 | 0 | 0 | 0 |
| Starbright Mgmt Services | 0 | 0 | 0 | 0 | 0 |
| Crest Forest Family Cmty | 0 | 0 | 0 | 0 | 0 |
| Campesinos Unidos, Inc. | 0 | 0 | 0 | 0 | 0 |
| Chinatown Svce Center | 20 | 11 | 7 | 0 | 7 |
| Meet Ea Need W / Dignity | 0 | 0 | 0 | 0 | 0 |
| Armenian Relief Society | 0 | 0 | 0 | 0 | 0 |
| Cath Char Bronson House | 64 | 2 | 56 | 0 | 56 |
| CSET | 35 | 28 | 5 | 1 | 4 |
| Orange County Comm Ctr (OCCC) | 7 | 1 | 6 | 0 | 6 |
| Green Light Shipping | 0 | 0 | 0 | 0 | 0 |
| Koreatown Youth and Comm Ctr | 0 | 0 | 0 | 0 | 0 |
| Apac Service Center | 304 | 150 | 144 | 0 | 144 |
| Visalia Emergency Aid Council | 0 | 0 | 0 | 0 | 0 |
| The Companion Line | 0 | 0 | 0 | 0 | 0 |
| Across Amer Foun | 0 | 0 | 0 | 0 | 0 |
| All Peoples Christian | 0 | 0 | 0 | 0 | 0 |
| LA Works | 1 | 0 | 1 | 0 | 1 |
| LA County 211 | 54 | 12 | 36 | 0 | 36 |
| Coachella Valley Housing Coalition | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 559 | 228 | 293 | 1 | 292 |

2012 CARE Annual Report
CARE Table 12 - CARE Expansion Program
SOUTHERN CALIFORNIA GAS COMPANY

| CARE Expansion Program | | | | | | |
|-------------------------------|---|-----------------|-------|--|-----------------|-------|
| | Participating Facilities by Month (Gas) | | | Participating Facilities by Month (Electric) | | |
| 2012 | CARE Residential | CARE Commercial | | CARE Residential | CARE Commercial | |
| | Facilities | Facilities | Total | Facilities | Facilities | Total |
| January | 14 | 1,140 | 1,154 | N/A | N/A | N/A |
| February | 14 | 1,132 | 1,146 | N/A | N/A | N/A |
| March | 14 | 1,135 | 1,149 | N/A | N/A | N/A |
| April | 14 | 1,148 | 1,162 | N/A | N/A | N/A |
| May | 14 | 1,155 | 1,169 | N/A | N/A | N/A |
| June | 14 | 1,167 | 1,181 | N/A | N/A | N/A |
| July | 14 | 1,172 | 1,186 | N/A | N/A | N/A |
| August | 14 | 1,206 | 1,220 | N/A | N/A | N/A |
| September | 14 | 1,221 | 1,235 | N/A | N/A | N/A |
| October | 14 | 1,257 | 1,271 | N/A | N/A | N/A |
| November | 14 | 1,283 | 1,297 | N/A | N/A | N/A |
| December | 14 | 1,288 | 1,302 | N/A | N/A | N/A |

| CARE Expansion Program | | |
|---|--------|----------|
| Average Monthly Gas / Electric Usage ¹ | | |
| | Gas | Electric |
| Customer | Therms | KWh |
| Residential Facilities | 29.89 | N/A |
| Commercial Facilities | 250.71 | N/A |

¹ Excludes master meter usage.

| CARE Expansion Program | | | | | |
|---|----------|----------|--------|-------------------------|------------|
| CARE Expansion Self-Certification and Self-Recertification Applications | | | | | |
| | Received | Approved | Denied | Pending/Never Completed | Duplicates |
| Total | 1,309 | 1,294 | 6 | 9 | 0 |
| Percentage | N/A | 98.85% | 0.46% | 0.69% | 0.00% |

2012 CARE Annual Report
CARE Table 13 - Fundshifting
SOUTHERN CALIFORNIA GAS COMPANY

| CARE Program Fund Shifting by Category 2012 | | | | |
|---|------------------|----------------------------|-----------------------|--------------------------|
| Program Year: 2012 | Total Authorized | Total Shifted ¹ | % of Authorized Total | Shifted to/from? |
| CARE Budget Categories: | | | | |
| Outreach | \$ 3,909,220 | \$ (65,662) | -1.7% | To Regulatory Compliance |
| Processing, Certification, and Verification | \$ 8,223,171 | \$ - | 0% | |
| Information Tech./Programming | \$ 3,204,520 | \$ - | 0% | |
| Pilots | \$ 180,000 | \$ - | 0% | |
| Measurement and Evaluation | \$ 50,972 | \$ - | 0% | |
| Regulatory Compliance | \$ 227,412 | \$ 65,662 | 29% | From Outreach |
| General Administration | \$ 887,541 | \$ - | 0% | |
| CPUC Energy Division Staff | \$ 60,000 | \$ - | 0% | |
| Cooling Centers | | | | |
| Total Expenses | \$ 16,742,836 | \$ - | 0% | |
| Subsidies and benefits | \$ 128,773,189 | \$ - | 0% | |
| Total Program Costs and Discounts | \$ 145,516,025 | | | |

1) Please report this number in standard accounting format, with negative amounts displayed in parentheses (\$xx,xxx.xx).