SOUTHERN CALIFORNIA EDISON

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SOUTHERN CALIFORNIA EDISON COMPANY'S (U-338 E) REPORT FOR THE FAMILY ELECTRIC RATE ASSISTANCE (FERA) PROGRAM FOR THE PERIOD JANUARY - DECEMBER 2008

May 1, 2009

SOUTHERN CALIFORNIA EDISON COMPANY'S REPORT FOR THE FAMILY ELECTRIC RATE ASSISTANCE (FERA) PROGRAM

January 1, 2008 through December 31, 2008

I. Participant Information

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

        ANS. See Table 1.

Table 1		
2008[1]	**FERA Enrolled[2]**	**FERA Receiving Tier 3 Benefit[2]**
January	19,115	11,806
February	19,750	10,507
March	20,395	9.558
April	20,862	9,732
May	20,989	10,529
June	21,195	12,394
July	20,534	12,858
August	20,277	12,279
September	20,616	12,765
October	21,071	13,415
November	20,869	9,596
December	20,922	12,054

Notes:
[1] FERA was implemented in June 2004.
[2] Does not include sub-metered tenants.

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

ANS. See Table 2.

Table 2			
FERA Penetration Rate			
2008 Quarter Ending	**FERA-Eligible Households[1]**	**FERA-Participating Households[1]**	**FERA Household Penetration Rate[2]**
March 31	209,107	20,395	9.75%
June 30	209,307	21,195	10.13%
September 30	209,359	20,616	9.85%
December 31	209,421	20,922	9.99%

Notes:
[1] Does not include sub-metered tenants.
[2] FERA Household Penetration Rate is calculated by dividing FERA Participating Households by FERA-Eligible Households.

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

ANS. SCE used the joint energy utility methodology for the CARE program that was adopted by the Commission in D.01-03-028 for developing quarterly penetration estimates for March, June, September, and December 2008. Current-year (2007) vendor data was used to provide household size and income information. This CARE methodology estimates a demographic eligibility rate by county for customers, based on an income limitation of 200% of the federal poverty guideline. The demographic eligibility rate is applied to (multiplied by) the total number of technically eligible customers (those having an eligible meter or submeter) to determine the total number of eligible households. The total number of participating households is divided by the number of eligible households to estimate the CARE penetration rate. SCE converted the CARE methodology into a methodology that would be useful for FERA by substituting the FERA income and household size guidelines into the CARE methodology.

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

ANS. As of December 31, 2008, there were 123 sub-metered tenants participating in FERA.

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

ANS. SCE transitioned to direct contact with sub-metered tenants to expedite the recertification of CARE and FERA. This approach proved more effective than the previous tactic of approaching the mobile home park owners/managers in increasing tenant enrollment.

II. Program Costs

A. Discount Cost

1. **State the average monthly FERA discount received, in dollars per FERA customer[1,2].**

   ANS. The average monthly FERA discount received, in dollars per FERA customer was $ 12.96.

   Notes:
   [1]Does not include sub-metered tenants.
   [2]Does include all enrolled customers who have received a discount in any month.

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

   ANS. The cumulative annual discount for all FERA customers was $1,784,849.

   Notes:
   [1]Does not include sub-metered tenants.
   [2]Does include all enrolled customers who have received a discount in any month.

B. Administrative Cost

1. Show the FERA Program's administrative cost by category.

ANS.   See Table 4.

Table 4	
FERA Program **Administrative Costs by Category and Benefits**	
Category	**Cost**
Outreach/Marketing	$8,266.23
Processing, Certification, and Verification	$14,951.13
General Administration	$1,040.78
Information Technology	$48,898.88
Capitation	$9,123.00
TOTAL PROGRAM COSTS	**$82,280.02**
CUSTOMER BENEFITS	**$1,784,849**
TOTAL PROGRAM COSTS & CUSTOMER BENEFITS	**$1,867,129.02**

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

ANS. See table below.

Category	Description
Outreach	Includes: Bill inserts, advertising, applications (printing and mailing), posters, brochures, flyers, postage, and other outreach, information technology (technical support and software licensing), staff labor, out bound dialing, 800#, outreach pilots, and Capitation Fee Project.
Processing, Certification, and Verification	Includes: Staff labor, information technology (technical support and software licensing), application processing, training, programming labor, and sub-meter certification.
General Administration	Includes: **Information Technology/Programming** Programming and labor costs associated with system enhancements and maintenance of existing processes. **Regulatory Compliance** Applications, advice filings, comments and reply comments, hearings, reports and studies, working group meetings, public input meetings, and tariff revisions. **Other** Office supplies, market research, program management labor (including pensions and benefits), and information technology (technical support and software licensing).
Startup	Includes: Labor and system programming to implement the program
Benefits	Includes: Rate discounts.

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

    ANS.   The costs of distinct CARE and FERA activities are charged separately to each program. To the extent possible, the costs of joint CARE/FERA activities are allocated in proportion to the work that should be attributable separately to CARE and FERA.

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

    ANS.   The balance recorded in SCE's Family Electric Rate Assistance Balancing Account (FERABA) as of December 31, 2008 was $79,000. The prior balance for December 31, 2007 was $48,000.

III. Outreach

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

    ANS.   FERA outreach was conducted as an adjunct to CARE outreach from January through December 2008 as follows:

    -   In Jan, June, July, September targeted bilingual direct marketing efforts and bilingual CARE/FERA applications were included in SCE's Residential New Customer Welcome Kit.

    -   In June, two months prior to its high demand season, SCE conducted its annual solicitation for CARE participation by mailing a CARE application to all non-CARE residential customers with their electric bills. FERA is included as the application is joint for CARE and FERA.

    -   Customers are able to enroll in FERA utilizing SCE's "real-time" online applications at www.sce.com/careandfera. Customers may also obtain FERA information and download a CARE/FERA joint application they can mail in from SCE's website sce.com.

    -   SCE's CARE Capitation Fee Project, established under SBX1 5 Rapid Deployment, continued using outside organizations to assist customers in completing a CARE application. As the application is joint for CARE and FERA, customers can apply for FERA if they are not eligible for CARE.

- Contractors who perform LIEE assessment services complete an application that includes enrollment in CARE or FERA, if qualified.

- Quarterly bill messages informed customers about the availability of CARE and FERA.

B. **Discuss each of the following:**

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

   ANS.   Since LIEE income guidelines and CARE income guidelines are identical, all customers participating in LIEE services are automatically enrolled onto the CARE program. The only way a customer would not be enrolled onto CARE after receiving LIEE services is if the customer opts not to be enrolled. The customer is given 30 days to opt out. If the customer does not opt out within 30 days, the customer remains enrolled in CARE

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

   ANS.   FERA is a program that targets middle income households with the high energy usage. SCE believes FERA penetration is unlikely to match CARE due to the smaller level of benefits that are paid to participants. Also, many FERA participants do not receive a discount if they do not use energy in the third tier.

   Although no formal study has been conducted by SCE to identify barriers to participation, it is believed, through anecdotal information and experience that some barriers to participation in rate discount programs, both CARE and FERA, do exist. These include lack of knowledge about the availability of programs, language and cultural barriers, geographical barriers to reach potentially-eligible customers, and a certain segment of the eligible population that does not wish to participate.

   To mitigate enrollment barriers, SCE uses a multifaceted outreach approach to reaching its potentially CARE-eligible customers. Because FERA information was included in the annual solicitation and targeted outreach mailings for CARE in 2009, FERA received good exposure. Additionally, "real-time" enrollment and recertification applications for CARE and FERA were implemented in November 2007 providing an additional avenue for customers to enroll and

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recertify. SCE continues to actively seek ways to improve FERA enrollment.

IV. Processing FERA Applications

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

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

ANS.   See Table 5.

TABLE 5						
FERA Self-Certification and Self-Recertification Applications[1]						
	Provided[2]	**Received**	**Approved**	**Denied[3]**	**Pending/Never Completed[4]**	**Duplicates**
Utility		13,645	12,545	144	6	950
Capitation		810	803	0	0	7
Other Third-Party		0	0	0	0	0
Total		14,455	13,348	144	6	957

Notes:
[1] Includes sub-metered tenants.
[2] Self-Certification applications are distributed/mailed through a wide variety of fulfillment and outreach methods so it is not possible to determine an actual count. Recertification applications are tracked.
[3] Denied self certification applications are counted to the CARE program due to the dual CARE/FERA application
[4] Includes cancelled recertification requests and closed accounts.

B. Processing Random Post-Enrollment Verification Requests

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

ANS. See Table 6.

TABLE 6[4]						
FERA Random Post-Enrollment Verification Requests[1]						
	Requested	**Received**	**Approved**	**Denied[2]**	**Pending/Never Completed[3]**	**Duplicates**
Total	1	1	0	1	0	0

Notes:
[1]Verification process for FERA is the same as CARE.
[2]Includes customers who were dropped due to non-response.
[3]Includes cancelled requests and closed accounts.
[4]SCE is investigating its verification system to determine if it is functioning properly based on the small number of verification requests shown in Table 6.

V. Program Management

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

ANS.   FERA was implemented in June 2004. Because FERA procedures and processes are designed to mirror the well-established CARE program, there were no major issues and or events that significantly affected program management.