

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

Application of Southern California Edison
Company (U338E) for Approval of its Energy
Savings Assistance and California Alternate
Rates for Energy Programs and Budgets for
Program Years 2015-2017.

And Related Matters.

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

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

**ANNUAL PROGRESS REPORT OF PACIFIC GAS AND ELECTRIC
COMPANY (U 39 E) ON THE FAMILY ELECTRIC RATE ASSISTANCE (FERA)
PROGRAM, JANUARY 1, 2019 - DECEMBER 31, 2019**

JENNIFER REYES LAGUNERO

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-2361
Facsimile: (415) 973-5520
E-Mail: Jennifer.ReyesLagunero@pge.com

Attorneys for
PACIFIC GAS AND ELECTRIC COMPANY

Dated: May 1, 2020

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Pacific Gas and Electric Company files its Annual Progress Report on its 2019 Family
Electric Rate Assistance Program for the period of January 1 through December 31, 2019.

Respectfully Submitted,

JENNIFER REYES LAGUNERO

/s/ Jennifer Reyes Lagunero
By: JENNIFER REYES LAGUNERO

Pacific Gas and Electric Company
77 Beale Street, B30A
San Francisco, CA 94105
Telephone: (415) 973-2361
Facsimile: (415) 973-5520
E-Mail: Jennifer.ReyesLagunero@pge.com

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ANNUAL PROGRESS REPORT TO THE CALIFORNIA PUBLIC UTILITIES COMMISSION

FAMILY ELECTRIC RATE ASSISTANCE (FERA) PROGRAM ANNUAL REPORT FOR PROGRAM YEAR 2019

May 1, 2020

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

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FAMILY ELECTRIC RATE ASSISTANCE (FERA)

PG&E has administered the Family Electric Rate Assistance (FERA) program since 2004. The FERA program provides a monthly 18 percent discount on electric bills for income qualified households of three or more persons. In compliance with Senate Bill 1135 (Bradford, 2018) and California Public Utilities Code §739.12, the FERA program discount increased from 12 percent to 18 percent effective January 1, 2019.

The FERA program, also known as the Lower Middle Income Large Household program, was authorized by the Commission in Decision (D.) 04-02-057 and is a rate assistance program for lower to middle income large household participants of three or more people where the household has an income between 200 percent + \$1 and 250 percent of the Federal Poverty Guideline (FPG) levels. The FERA program was designed to assist large families that are ineligible for the California Alternate Rates for Energy (CARE) rate because their income levels are slightly above the CARE program limits.

Domestic customers in individually metered single-family accommodations, or domestic sub-metered tenants residing in multifamily master-metered accommodations meeting the above income guidelines, are eligible to receive the FERA discount. Qualifying Direct Access, Community Choice Aggregation, and Transitional Bundled Services customers are also eligible for FERA assistance. Customers or sub-metered tenants participating in the CARE program are not eligible to participate in the FERA program.

Initially, the Commission requested FERA program to coordinate its outreach activities with the CARE program at little or no additional cost, stating:

Additional outreach should be undertaken when it can be done at little cost, e.g., a brief statement in literature related to CARE, low income energy efficiency programs, or level payment options that information regarding the large household program may be obtained by calling the utility.¹

The Commission ordered PG&E to make significant efforts to increase FERA enrollment over the next six years, from 2018 – 2023, with the goal of achieving a 50 percent FERA program subscription level. The Commission also ordered PG&E to report on the progress to increase FERA enrollment by filing information-only advice letters at the end of each year, from 2018 – 2023.²

At year-end 2019, PG&E estimated that 165,333 of its customers within PG&E's territory were eligible for the FERA discount and 21,883 customers were enrolled in the FERA program, representing 13 percent of PG&E's estimated eligible population. Since the inception of the FERA program, PG&E provided over \$67 million in cumulative subsidies to FERA eligible customers.

¹ D. 04-02-057, p. 57.

² D. 18-08-013, pp. 74-76, 181 (Ordering Paragraph (OP) 15).

I. PARTICIPANT INFORMATION

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

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

Table 1	
2019	FERA Enrolled³
January	23,333
February	22,914
March	22,604
April	21,903
May	21,344
June	21,427
July	21,413
August	21,092
September	21,345
October	21,557
November	21,579
December	21,883

³ Table 1 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.

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

Table 2			
FERA Penetration Rate			
2019 Quarter Ending	FERA-Eligible Households⁴	FERA-Participating Households¹	FERA Household Penetration Rate⁵
March 31	165,333	22,604	14 percent
June 30	165,333	21,427	13 percent
September 30	165,333	21,345	13 percent
December 31	165,333	21,883	13 percent

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

To develop current estimates of FERA-eligible households, PG&E leveraged the CARE joint utility methodology adopted by the CPUC in D.01-03-028 for developing monthly penetration estimates.⁶ This methodology entails annual estimation of eligibility for CARE, Energy Savings Assistance (ESA), FERA, and other income-by-household size parameters at the small area (block group, census tract, ZIP+2, etc.) for each IOU territory and for the state as a whole.

Sources for the 2019 eligibility estimates include the January Health and Human Services (HHS) Poverty Guidelines⁷, current year small area vendor marginal distributions on household characteristics, Census 2010 Summary File 3 (SF3) data, Census American Community Survey 2014-2018 Public Use Microdata Sample (PUMS) data, utility meter and master meter household counts, Department of Finance Consumer Price Index series, and various Geographic Information System sources.

The method takes into consideration American Community Survey microdata relationships between guideline status (above/below 200 percent FPG), tenure, and fuel payment relationships. These cross classifications are fitted to small area (block group) marginals to produce payer type specific distributions, which can be aggregated to various other geographical levels.

⁴ Does not include sub-metered tenants.

⁵ FERA Household Penetration Rate is calculated by dividing FERA Participating Households by FERA-Eligible Households.

⁶ Athens Research developed the CARE joint utility methodology on behalf of the investor-owned utilities (IOUs).

⁷ Federal Register / Vol. 84, No. 22 / Friday, February 1, 2019 / Notices; p.1167.

The method also incorporates the impact of labor force changes (unemployment and other forms of job separation, as well as positive changes). The method adjusts block group marginal distributions on household income based on sub-state modeling that incorporates Current Population Survey, Integrated Public Use Microdata Survey Data, American Community Survey Data, and California Employment Development Department (EDD) county and Metropolitan Statistical Area level labor force series. This adjustment to block group income marginal is then incorporated into the otherwise “standard” estimation approach to produce small area estimates reflecting small area income changes due to labor market forces.

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

PG&E counts the number of households (by small area, by county, and overall) that are enrolled in FERA. The FERA household total, including individually metered and sub-metered occupied housing units, is divided by the total income/demographic eligibility.

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

There were 149 sub-metered tenants enrolled in the FERA program at year-end 2019.

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

Throughout 2019, PG&E encountered challenges for sub-metered and/or master-metered customers as described below.

End-Use Customers: The problems encountered by sub-metered tenants and/or master-metered customers include: 1) understanding the FERA discount on their bills; 2) understanding the difference between the FERA discount and the CARE discount; 3) understanding whether or not these customers can apply for both discounts; and 4) understanding that on-line enrollment is not an option (due to current limitations in the system used to process CARE applications). Some tenants attempted to enroll online delaying enrollment in the program. In 2020, PG&E plans to update application and marketing materials to highlight that online enrollment is not an option for sub-metered and/or master-meter customers.

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

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

Mobile Home Park Ownership: PG&E observed continued turnover within mobile home park ownership (MHP) and management in 2019, which resulted in undelivered reports and delayed communications. Whenever a change of ownership or change of management occurred, PG&E contacted the new owners to transfer existing FERA-certified tenants' data to new accounts, updated the contact information in the database and informed owners and management about the FERA program and processes.

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

II. PROGRAM COSTS

A. Discount Cost

1. State the average monthly FERA discount received, in dollars per FERA customer.⁸

The average monthly FERA discount in 2019, per FERA customer, was \$26.24.

2. State the cumulative annual discount for all FERA customers.⁹

The 2019 annual FERA discount was \$6,864,175.

The 2004 through 2019 cumulative annual discount is \$67,030,589.

⁸ Does not include sub-metered tenants.

⁹ Does not include sub-metered tenants.

B. Administrative Costs

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

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

Table 3	
FERA Program Administrative Costs by Category and Benefits	
Category	Cost
Outreach	\$6,030
Processing, Certification, and Verification	\$0
General Administration	\$0
Billing System / Programming	\$106
Regulatory Compliance	\$0
Energy Division Staff Funding	\$0
TOTAL PROGRAM COSTS [1] [2]	\$6,136
CUSTOMER BENEFITS	\$6,864,175
TOTAL PROGRAM COSTS & CUSTOMER BENEFITS	\$6,870,311

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

[2] Per GRC D.18-08-013, additional \$1,400,015 was recorded in the CARE program marketing budget category for incremental CARE/FERA marketing efforts in 2019.

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

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

Processing, Certification and Verification: This category includes costs related to staff labor for application processing, certification, recertification, verification and training.¹⁰

¹⁰ No FERA processing labor cost in 2019 due to system automation.

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

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

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

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

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

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

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

Per D. 18-08-013, PG&E filed a supplemental to PG&E's Advice Letter (AL) 3990-G/5329-E with Marketing and Outreach (M&O) Plan for FERA program. The M&O Plan detailed its proposals to use available and unspent funds from these previously-approved CARE marketing funds for incremental CARE/FERA M&O efforts described in the Plan from 2018-2020.

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

The year-end December 31, 2019 balance for the FERA balancing account was a debit of \$6,968,547.

The year-end December 31, 2018 balance for the FERA balancing account was a debit of \$5,340,842.

III. OUTREACH¹¹

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

Customer Targeting Overview

Throughout 2019, PG&E used the CARE propensity model as a foundation for its FERA program customer targeting initiatives. Filtering by household income and household size, PG&E identified a marketing universe of approximately 89,000 targetable customers. PG&E launched direct mail and email testing using this approach to generate targeted lists and optimize existing CARE/FERA campaigns on an ongoing basis, as discussed in more detail below.

PG&E commissioned the first FERA propensity model in Q4 of 2019, identifying customers who are most likely to enroll in the program. The model is based on customer attributes and behaviors, including variables such as payment patterns, customer tenure, and other program enrollments or tool engagement (e.g. Home Energy Checkup, Online Account). Based on December 2019 model scores, nearly 80 percent of all FERA program enrollees are captured within the top 3 deciles, which represents a 50 percent better opportunity to target potential FERA customers than at random.

2019 Outreach Activities

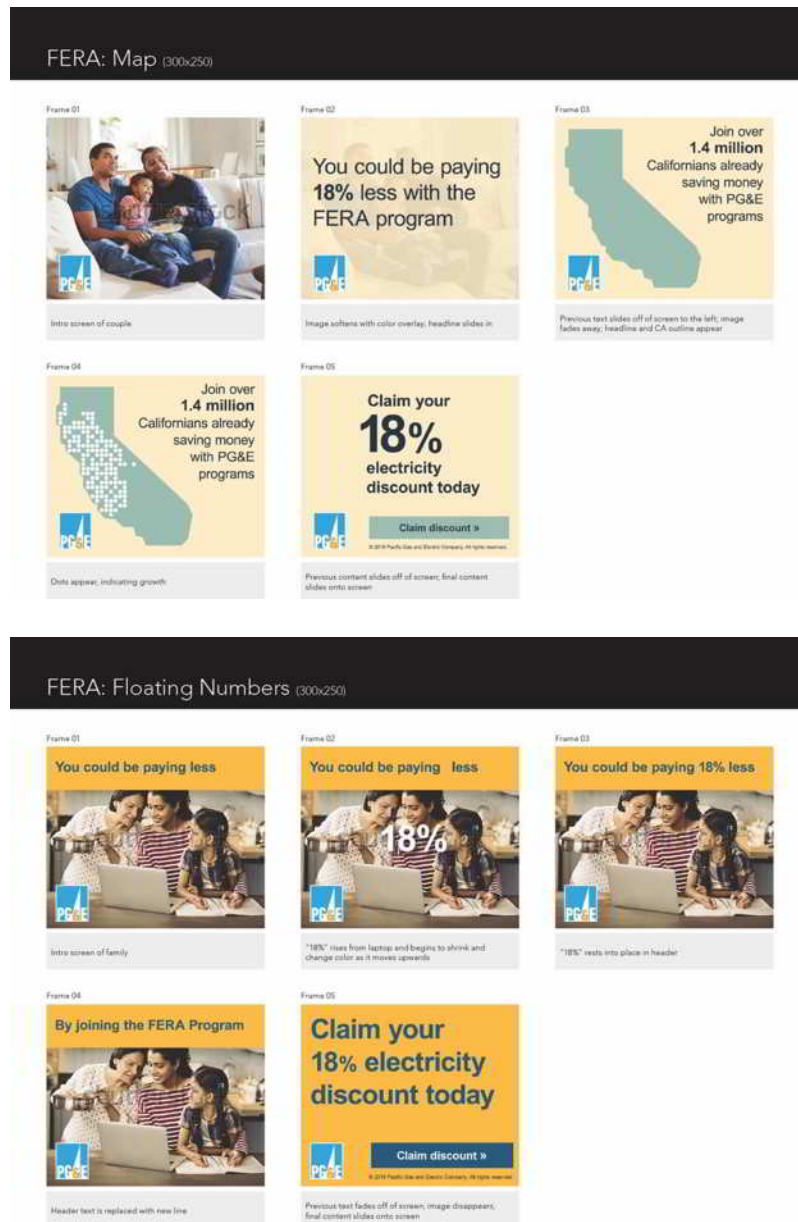
PG&E developed new test campaigns and advertising materials to more prominently co-promote CARE and FERA in the first quarter of (Q1) 2019. In second quarter of (Q2) 2019, PG&E launched several key marketing initiatives including a digital advertising campaign, a multi-touch direct mail and email campaign, and additional zip-code targeted marketing to areas with larger populations of FERA eligible customers. These campaigns are described in further detail below.

- **Digital Campaigns:** The FERA-focused digital campaign, with paid search and Google-sponsored placements (also known as Gmail ads) launched in May, and display advertising launched in mid-June. The FERA digital campaign ran in parallel to the CARE media buy but with a distinct budget for tracking purposes. In addition to the territory-wide media buy, the 2019 media strategy included targeting of display ads to zip codes with sufficient volume of estimated CARE and FERA-eligible population.¹² Lower FERA enrollment penetration areas, such as the Central Valley, saw a higher volume of media placement as a result.

¹¹ Based on the directives in D. 18-08-013, PG&E developed and submitted the FERA Marketing and Outreach (M&O) Plan via PG&E's AL 3990-G-B/5329-E-B on October 8, 2018. The M&O Plan detailed PG&E's proposals for using available and unspent marketing funds allocated to the CARE program to increase customer enrollment into the FERA program.

¹² Zip codes analysis identified 184 CARE zip codes with below average penetration rate. Of the 184 CARE zips, FERA has overlap with 155 of those zips. The 155 zip codes account for 62% of estimated FERA-eligible population. Zip codes selected for increased digital media spending have 250+ eligible households.

The FERA digital campaign continued through the third quarter (Q3) and into the fourth quarter (Q4). From the launch of the campaign in May, through October, the FERA digital media campaign generated 5,577 applications.¹³ The digital campaign drives both program awareness and enrollments for CARE and FERA. PG&E plans to continue these campaigns in 2020.



- **Direct Mail and Email Campaigns:** The first direct marketing campaign featuring more prominent FERA messaging launched in Q2 2019. Direct mail and email deployed in early June, with a second drop in late July. The campaign

¹³ Analysis to evaluate how many of the digital applications submitted via the FERA media spend became FERA enrollments versus CARE enrollments will be conducted in 2020.

leveraged lessons learned over years of CARE direct marketing execution such as the campaign cadence and messaging tone. New CARE/FERA messaging and a new targeting approach were tested to target likely-eligible FERA customers. To generate targeted lists, PG&E used the CARE propensity model as a foundation,¹⁴ then applied a data overlay of household income and household size to identify customers who appear more likely to be FERA-eligible. Customers identified through this method were placed in a FERA Newly-Eligible segment.

Claim your 18% monthly electricity discount today
Apply now at pge.com/ferasavings

Qualifying Income Levels

Household size	FERA
1-2	Not Eligible
3	\$42,841 - \$50,325
4	\$51,581 - \$64,275
5	\$62,341 - \$75,425
6	\$69,181 - \$84,475
7	\$76,021 - \$91,525
8	\$84,861 - \$108,575
9	\$95,701 - \$119,625
10	\$106,541 - \$136,675
For each additional person, add	\$8,840 - \$11,091

Qualifying Income Levels

Household size	FERA
1-2	Not Eligible
3	\$42,841 - \$50,325
4	\$51,581 - \$64,275
5	\$62,341 - \$75,425
6	\$69,181 - \$84,475
7	\$76,021 - \$91,525
8	\$84,861 - \$108,575
9	\$95,701 - \$119,625
10	\$106,541 - \$136,675
For each additional person, add	\$8,840 - \$11,091

- Failed-to-Recertify and Non-Respondents:** In addition to the customers identified as part of a FERA Newly-Eligible segment as described above, the campaign also targeted FERA Failed-to-Recertify, CARE Newly-Eligible, CARE Failed-to-Recertify and CARE Non-Responders.¹⁵ Once the segments were identified, each segment list was randomized and split into two groups for testing. The goal of the test was to evaluate the effectiveness of co-promotion messaging. One group received the existing CARE-only message (“Control”) letter with a dual

¹⁴ PG&E leverages a propensity model to target eligible, non-enrolled income qualified customers. The CARE propensity model was developed in 2013, and further enhanced in 2016, and constructed using data collected from the Post Enrollment Verification (PEV) process, looking at variables that were deemed to be positive or negative indicators of a customer’s qualification for CARE. The current model uses 21 variables to create an algorithm to score customers based on predicted CARE qualification. PG&E’s residential customer database (CARE and non-CARE) is scored quarterly and grouped into ten deciles. The most likely eligible customers are those in the lower deciles.

¹⁵ Newly-eligible customers have not received previous marketing campaigns. Failed-to-Recertify customers were those that were previously on CARE or FERA but did not recertify. Non-responders are customers who have received marketing communications in the past but did not enroll.

CARE/FERA application. The other group received the test CARE/FERA co-promotion (“Test”) message with the dual CARE/FERA application.



Overall, the Q2 direct marketing campaign drove an increase in FERA enrollments. With the launch of FERA targeted marketing campaigns in Q2, PG&E saw the monthly new enrollment volume average increase 29% for Q3 versus the monthly average during the first half of 2019. However, CARE enrollments via the campaigns continued to be significantly higher despite the addition of FERA specific messaging. The 2019 direct mail and email campaigns delivered a total of 2,560 FERA enrollments and 41,816 CARE enrollments.

The message testing structure showed that for the CARE and FERA Newly-Eligible and CARE Non-Responder audience segments there is no significant difference in enrollment rate between the Test and Control message versions. The CARE and FERA enrollment rates for these segments were virtually the same for both message versions, as shown in see Table 1.

Table 1 – Creative Test Results for CARE and FERA Enrollments

TEST CREATIVE – Audience Mailed							CONTROL CREATIVE – Audience Mailed					
Audience Segment	Creative Version	# Customers	CARE Enrollments		FERA Enrollments		Creative Version	# Customers	CARE Enrollments		FERA Enrollments	
			#	%	#	%			#	%	#	%
FERA Newly-Eligible	CARE/FER A Test	8,318	212	2.55%	21	0.25%	CARE-only Control	8,320	214	2.57%	23	0.28%
CARE Newly-Eligible	CARE/FER A Test	61,367	4,171	6.80%	200	0.33%	CARE-only Control	61,382	4,158	6.77%	215	0.35%
CARE Non-Responder	CARE/FER A Test	109,481	3,388	3.09%	217	0.20%	CARE-only Control	109,471	3,404	3.11%	201	0.18%
	Total	179,166	7,771	4.34%	438	0.24%	Total	179,173	7,776	4.34%	439	0.25%

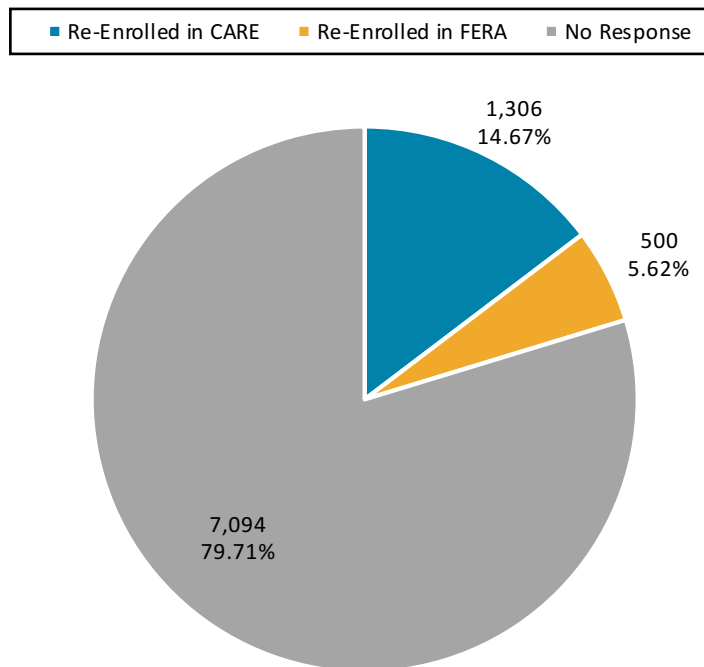
The Test also revealed that customers identified as FERA Newly-Eligible are enrolling in CARE at a significantly higher rate than FERA. However, review of the campaign results versus the “no-mail” holdout cells shows that the acquisition communications drive an overall increase in enrollments in both CARE and FERA, as shown in Table 2.

Table 2 – Enrollment Rate Results versus No Mail Holdout Group

	TEST CREATIVE-AUDIENCE MAILED			CONTROL CREATIVE-AUDIENCE MAILED			NO MAIL-HOLDOUT	
Audience Segment	Creative Version	CARE Enrollments	FERA Enrolments	Creative Version	CARE Enrollments	FERA Enrollments	CARE Enrollments	FERA Enrollments
		%	%		%	%	%	%
FERA Newly-Eligible	CARE/FERA Test	2.55%	0.25%	Newly Eligible Control	2.57%	0.28%	0.51%	0.00%
CARE Newly-Eligible	CARE/FERA Test	6.80%	0.33%	Newly Eligible Control	6.77%	.035%	2.04%	0.05%
CARE Non-Responder	CARE/FERA Test	3.09%	0.20%	Newly Eligible Control	3.11%	0.18%	0.63%	0.00%

The results of testing within the Failed-to-Recertify (FTR) audience segments showed that FERA FTR customers are more responsive than CARE FTR, but most are re-enrolling in CARE rather than FERA. Although 20 percent of the FERA FTR audience responded to the Q2 campaign, 5 percent were re-enrolled in FERA versus fifteen percent that were re-enrolled in CARE. To better understand this shift in customer enrollment, PG&E plans to run a profile analysis of the FERA FTR audience in 2020 to examine: 1) those who became CARE customers, 2) those who remain FERA customers, and 3) those who do not respond to retargeting efforts, as shown in Chart 1.

Chart 1 – FERA Failed-To-Recertify Enrollments



Message testing continued in Q4 via direct mail and email. The campaign deployed with drops in October and November targeting approximately 200,000 low income customers for CARE/FERA acquisition. PG&E again created lists with the five audience segments described in the approach for the Q2 campaign.

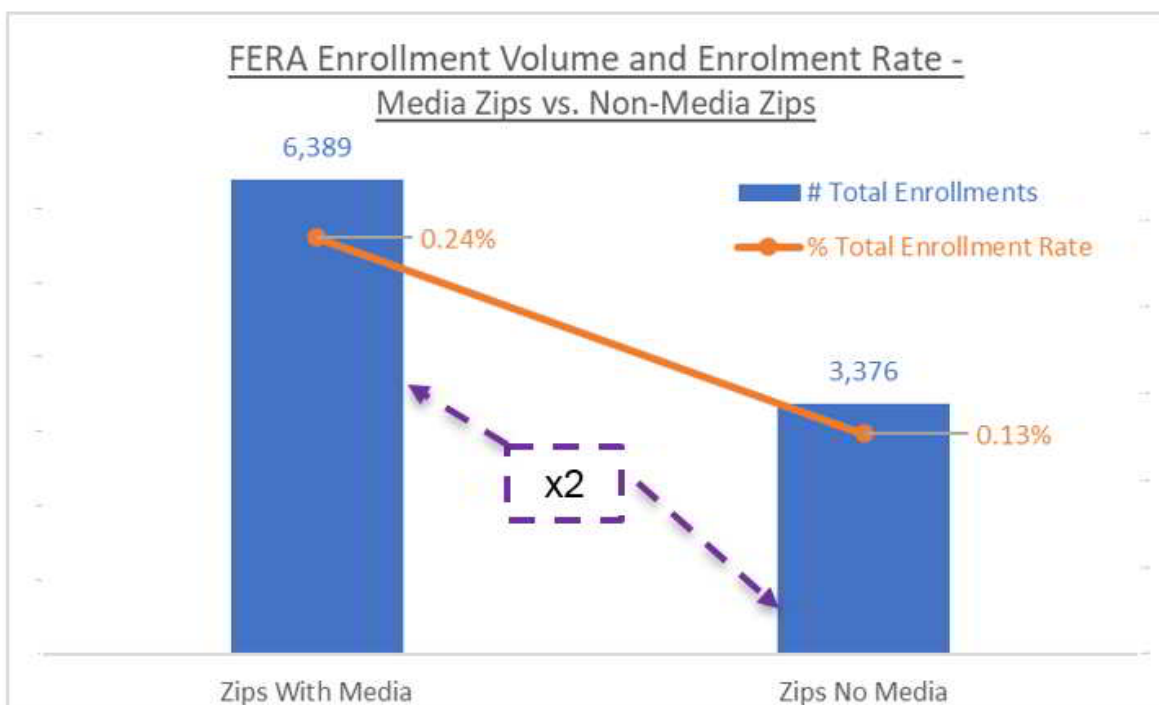
Because the FERA Newly-Eligible identified audience segment is small, PG&E split this segment into two groups and tested a new FERA-only message against the CARE/FERA co-promotion message that was launched in the Q2 campaign. The larger CARE Newly-Eligible and CARE Non-Responder segments were each split into three groups with one group receiving the FERA-only message, another group receiving the CARE/FERA message and the third receiving the CARE-only message. All message versions include the dual CARE/FERA application. Results for this creative test will be analyzed in 2020 to determine the impact of a FERA-only message on FERA enrollment.

- **Text Response Channel:** As part of the Q2 campaign launch, PG&E also completed updates to the existing CARE text response channel to incorporate FERA. Text can be offered as a response option for multiple tactics. For example, customers that receive acquisition email and open it on a mobile device will see the option to respond via text to apply. Depending on how the customer answers the questions in the text stream (i.e., number of people in the household and

household income), are alerted to their qualification for CARE or FERA accordingly. PG&E plans to perform the text channel analysis for CARE and FERA in 2020.

- Zip-Targeted Media Placement:** In late September, PG&E began testing zip-code targeted shared mail, in combination with digital radio advertising. This approach was used to co-promote CARE and FERA in hard-to-reach rural and high-poverty areas. Tactics included a Retail-Me-Not mailbox insert which deployed to approximately 2.5 million households. Door hangers deployed to approximately 269,000 households, in September, October, and November. A ValPak insert, was sent to approximately 700,000 households via shared mail. All three tactics were produced as two-sided, English and Spanish language pieces. When comparing CARE and FERA applications in targeted Zip Codes vs. Non-Media targeted Zip Codes, there was a tangible lift in performance metrics for the media Zip Codes. CARE/FERA Application Page Visits and trackable “Conversions” (Thank You page) showed increases and FERA enrollment rates were nearly double for the Media targeted Zip Codes vs. Non-Media targeted Zip Codes during the period of the campaign. PG&E plans to continue to utilize these tactics and analyze results in the first half of 2020.

2019 FERA Enrollments



Source: Targetbase - Media Vs. Non-Media “Quick Read” 2019 Overview; April 7th, 2020

- **CARE/FERA Bill Inserts:** PG&E continued to deploy CARE/FERA bill inserts in 2019, with inserts going out in February, March, June, August, September and November. The insert included the dual CARE/FERA application. The June and August insert deployed to all non-CARE enrolled residential customers (approximately 2.9 million). All other months targeted customers flagged as CARE-eligible based on the CARE propensity model score (approximately 850,000). The August insert featured a more prominent FERA message. Preliminary results showed that the FERA-focused bill insert in August had a lower response rate than the version that leads with the CARE message, but this may be due to timing rather than the change in message. There was no significant increase in FERA enrollments with the FERA-focused bill insert, so a more balanced CARE/FERA co-promotion message will be used for inserts moving forward to drive both CARE and FERA enrollments.

New CARE/FERA Bill Insert creative with FERA headline (English/Spanish)



- **FERA Recertification and Retention:** A key challenge to increasing the penetration rate for FERA has been that FERA attrition rates are higher than CARE. Therefore in 2019, in an attempt to mitigate the attrition impact, PG&E leveraged successful CARE retention tactics for FERA which resulted in an increase in the FERA recertification rate.¹⁶ Like CARE, FERA-enrolled customers are required to recertify their eligibility every two years.

An auto-recertification campaign has been in place for CARE since 2014, with customers in deciles 1 and 2 being automatically recertified for the program.¹⁷ In mid-June, PG&E initiated an auto-recertification campaign for FERA, re-enrolling customers with a decile score of 1-3.¹⁸ PG&E sends these customers

¹⁶ The 2019 CARE recertification rate increased to 68.2 percent through November (excluding a auto-recertification) versus the FERA 2019 recertification rate which increased to 19 percent through November 2019. Beginning in December, program removals are not reflected because FERA and CARE accounts were recertified due to the Emergency Consumer Protection Plan related to COVID-19. For comparison, the CARE recertification rate in 2018 was 63 percent (excluding auto-recertification) versus FERA 2018 recertification rate of 9 percent.

¹⁷ The CARE propensity model assigns customers a Decile score from 1 to 10, with 1 being the most-likely to enroll in CARE and 10 being the least likely to enroll in CARE.

¹⁸ CARE auto-recertification is executed for Deciles 1-2, but since FERA has a slightly higher income qualification, PG&E expanded auto-recertification to Deciles 1-3 for FERA.

notification via email to alert them that they have been automatically re-enrolled in the FERA Program and no further action is required by the customer to continue to receive the FERA discount.

PG&E also launched a FERA recertification reminder email campaign, which notifies customers approaching their recertification due date that they must take action to maintain their FERA discount. This is a similar approach to the recertification campaign that has been in place for CARE since 2015. The FERA recertification campaign launched in July and continued on a monthly basis through the end of 2019. Email reminders were sent at 120-days, 90-days, 60-days and 30-days prior to recertification date to encourage customers to re-enroll. A total of 427 customers were recertified for the FERA program as of December 1, 2019.

- **Newsletters and Home Energy Reports:** PG&E sent FERA program messaging via the monthly income-qualified targeted version of the digital newsletter. FERA was featured in the February newsletter, linking customers through to the CARE/FERA landing page. CARE and FERA were co-promoted in the newsletter in June, September, and December.

A marketing message for FERA was included in the April/May direct mail issue of the Home Energy Report (HER). The message highlighted the 18 percent discount available to qualified households of three or more people, and the call-to-action provided a vanity URL that drove to the CARE/FERA landing page.

- **Radio Campaign:** In September, PG&E launched a new radio spot co-promoting CARE and FERA. The radio campaign was planned to run for eight weeks with 60 second spots and traffic radio spots airing in Bakersfield, Sacramento/Stockton/Modesto, Salinas/Monterey and Fresno/Merced Designated Market Areas (DMAs). Digital Radio on Pandora ran concurrently and focused on 339 designated, hard-to reach zip codes that represent lower CARE penetration rates, and high-poverty and rural zips. As mentioned previously, this zip-targeted digital radio campaign, in combination with shared mail and doorhangers, produced nearly double the number of FERA applications, and an enrollment rate nearly twice that of zip codes that were not targeted with these tactics.
- **Community Events and Engagement** - PG&E partnered with nine Community-Based Organizations (CBOs) on a “Pay for Performance” pilot to create awareness and provide education around low income programs.

PG&E identified and partnered with nine CBOs in the Central Valley to deliver culturally and linguistically specific outreach and education, targeting new enrollments for PG&E’s hard-to-reach customers. The CBOs performed outreach and education in the following languages: Russian, Arabic, Hmong, Laotian, Khmer/Cambodian, Spanish, Chinese/Mandarin, Vietnamese, and Tagalog. PG&E provided relevant training and support to these CBOs focused on its assistance

programs (e.g., CARE/FERA, ESA and Medical Baseline rate options) and web-based energy management tools such as bill alerts, rate calculators, Home Energy Checkup, and bill forecast alerts to support its goal of increasing customer enrollments.

For the Pay for Performance outreach initiative, PG&E prioritized Counties with high FERA potential eligibility; and partnered with locally based CBOs in the following six Counties: Alameda, Fresno, San Joaquin Valley, Contra Costa, Kern, and Santa Clara. Outreach events included community workshop presentations; special events at PG&E's local offices, local cooling centers; and other local events like fairs, festivals, and open houses. In their communities CBOs worked with new and existing customers through one-on-one conversations and door-to-door outreach campaigns.

Pay for Performance Pilot Outcome

Events	148	Customers Educated	3,699
Community Workshops	59	Application Goal	3,060
Door to Door Campaign	618	Total Applications Submitted	532
Counties	6	Applications Rejected	332
In-Lanugage Education	10	CARE Total Enrollments	197
Customers Touched	4,055	FERA Total Enrollments	3

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

2019 Enrollment Activities:

PG&E offers customers numerous ways to enroll in the FERA program as described below.

- **Telephone:** Customers could also call PG&E directly at 1-800-743-5000 to self-certify their eligibility and enroll/recertify in the FERA program via Automated Voice Messaging (AVM) technology.
- **Applications/Enrollments:** The FERA program is integrated with CARE, Cooling Centers and ESA programs in an effort to generate FERA enrollments. FERA applications are available to participants at Cooling Centers partnering with PG&E. FERA program information and applications are also distributed at various CARE and ESA program outreach events. In addition, CARE Community Outreach Contractors (COCs) assisted in enrolling FERA customers at no additional cost to

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

- **Automatic Enrollment:** CARE customers who notified PG&E of a change in income status and no longer qualified for the CARE discount were then informed about the FERA program and provided with an opportunity to apply, if qualified. Additionally, customers who applied for the CARE discount and were ineligible, but self-certified to be eligible for the FERA discount, were automatically enrolled in the FERA program
- **Local Offices:** FERA applications are also available at PG&E's local offices. Local office customer service representatives (CSRs) have been trained to speak about the program benefits with every customer and enroll customers where eligible.
- **Online Enrollment:** PG&E relies upon its website and mobile platform to promote the FERA program, by providing detailed information about FERA and other assistance programs. With online applications available in several languages, customers can enroll using one of two options: complete a simple non-automated form which requires no registration, or via "Your Energy," which requires registration for sign-in or one time access. Customers can complete the necessary household and income eligibility information, and submit the application electronically.
- **Email Mailbox:** PG&E uses an online mailbox – CAREandFERA@pge.com – as an internal and external communication tool for any program-related inquiries.
- **Website:** To make it easier for customers to enroll in the right program, PG&E launched a combined version of the CARE and FERA website landing page to simplify program requirement presentation, highlight key program differences and increase FERA visibility. Additionally, a homepage module went live January 1, 2019 featuring the increased FERA discount from 12 percent to 18 percent.

B. Discuss each of the following:

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

The FERA discount is recorded directly into the customer information system. This allows CSRs to see the FERA status of any customer calling PG&E's contact center for assistance. This provides important information for the CSR to use when discussing other benefits and services that may be of assistance to the income-

qualified customer. FERA program also uses the same system database as the CARE program. Therefore, relevant program information is shared between CARE, ESA and other low-income programs.

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

PG&E did not encounter any barriers to participation during 2019 beyond those already discussed above in marketing challenges. PG&E believes that the co-presentation of the CARE and FERA discounts enrollment on the same application suppresses the FERA enrollments as they are both non-income verification programs. Further collateral testing in 2020 will increase our understanding of this hypothesis.

IV. PROCESSING FERA APPLICATIONS

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

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

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

TABLE 4						
FERA Self-Certification and Self-Recertification Applications ¹⁹						
	Provided ²⁰	Received	Approved	Denied	Pending/ Never Completed	Duplicates
Utility	10,383	15,861	15,725	46	90	1,820
Capitation	0	0	0	0	0	0
Other Third-Party	0	0	0	0	0	0
Total	10,383	15,861	15,725	46	90	1,820

¹⁹ Includes sub-metered tenants.

²⁰ Excludes CARE/FERA outreach applications and multiple bill inserts.

B. Processing Random Post-Enrollment Verification Requests

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

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

TABLE 5						
FERA Random Post-Enrollment Verification Requests ²¹						
	Requested	Received	Approved	Denied	Pending/ Never Completed	Duplicates
Total	n/a	n/a	n/a	n/a	n/a	n/a

V. PROGRAM MANAGEMENT

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

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

B. New Initiatives

1. The CARE and FERA programs provided support for those customers whose homes were destroyed in the 2019 wildfires, winter storms and earthquakes in compliance with Decision (D) 19-07-015. Impacted customers were protected at least through the end of the 12-month period in which these protections applied and potentially longer, as warranted. The emergency disaster relief program was designed to ensure that California utility customers who experienced a housing or financial crisis due to a disaster kept vital utility services and received financial support in the wake of a disaster.

²¹ Random Post-Enrollment Verification was not conducted for FERA in 2019. FERA PEV process will be implemented in 2020.

FERA Program Post-Enrollment Verification Freezes			
Date of Proclamation	Disaster Name	Affected Counties	Date when Protection Ends
November, 2018	Camp Wildfire	Paradise	December 2020
April 2019	Wildfires and Winter Storms	Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Humboldt, Lake, Marin, Mariposa, Mendocino, Monterey, Napa, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Solano, Sonoma, Tehama, Tuolumne, Trinity and Yolo	May 2020
June, 2019	Ridgecrest Earthquake	Kern and San Bernardino	July 2020
October, 2019	Kincadee Wildfire	Sonoma	November 2020