



SOUTHERN CALIFORNIA
EDISON

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**SOUTHERN CALIFORNIA EDISON COMPANY'S (U-338 E)
ANNUAL PROGRESS REPORT FOR THE CALIFORNIA ALTERNATE RATES
FOR ENERGY PROGRAM FOR THE PERIOD JANUARY - DECEMBER 2002**

May 1, 2003

**SOUTHERN CALIFORNIA EDISON COMPANY'S ANNUAL
PROGRESS REPORT FOR CALIFORNIA ALTERNATE RATES
FOR ENERGY
RESIDENTIAL AND EXPANDED PROGRAMS**

January 1, 2002 through December 31, 2002

CARE RESIDENTIAL PROGRAM

This section covers individual and sub-metered participants (tenants of qualifying master-meter customers).

I. Participant Information

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

ANS. See Table 1.

TABLE 1		
Residential CARE Program Customers by Month ¹ (electric usage)		
2002	CARE Customers	Percentage Change
January	734,023	1%
February	735,993	0%
March	736,172	0%
April	740,042	1%
May	759,098	3%
June	772,588	2%
July	789,236	2%
August	810,456	3%
September	806,499	0%
October	807,336	0%
November	810,302	0%
December	817,637	1%

Notes:

1 Total individually-metered and sub metered.

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

ANS. No monthly variance exceeded 3%.

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

ANS. SCE used the joint energy utility methodology adopted by the Commission in D.01-03-028 for developing quarterly penetration estimates for March, June, September, and December 2002. Current-year (2001) vendor data was used to provide household size and income information. This methodology estimates a demographic eligibility rate by county for customers, based on an income limitation of 175% 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 sub-meter) 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. The penetration rates for March, June, September, and December are reported in Table 2 below.

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

ANS. The joint energy utility methodology, as described in the response to Question I.B. above was used throughout 2002.

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

ANS. See SCE's response above to Question I.B., discussing the methodology used to estimate CARE penetration rates. Based on this methodology, households that meet CARE eligibility requirements and that have an individual meter or sub-meter are included in the estimated total of CARE-eligible households. In this case, households and meters have the same meaning. No adjustment to total residential meters was made, as only residential customers on CARE-eligible rates are counted.

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

ANS. See SCE's response above to Question I.B., discussing the methodology used to estimate CARE penetration rates. Based on this methodology, households that meet CARE eligibility requirements and that have an individual meter or sub-meter are included in the estimated total of CARE-eligible households.

4. Describe how current CARE customers were counted.

ANS. Individually metered or sub-metered residential customers who are on the CARE rate are counted as CARE participating households.

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

ANS. CARE-participating residential households were divided by the estimated number of CARE-eligible households to calculate a penetration rate.

C. Provide the total number of CARE residential customers, CARE-eligible households, and CARE penetration rates, by energy source, by quarter.

ANS. See Table 2.

TABLE 2			
CARE Residential Penetration Rate Households (electric usage)			
2002 Quarter Ending	CARE Residential Households	CARE-Eligible Households	CARE Household Penetration Rate
March 31	736,172	835,761	88%
June 30	772,588	835,761	92%
September 31	806,499	842,546	96%
December 31	817,637	844,520	97%

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

ANS. It is estimated that approximately 21% of SCE's 4,009,795 residential customers or 844,520 customers, were eligible for the CARE discount rate as of December 31, 2002.

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

ANS. SCE estimates that 25,338 sub-metered tenants were eligible for CARE at year-end 2002.

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

ANS. As of December 31, 2002, there were 14,817 sub-metered tenants participating in CARE.

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

ANS. As of December 31, 2002, 58% of the estimated CARE-eligible sub-metered tenants were participating in CARE.

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

ANS. Anecdotal information from customers indicates there may be reluctance on the part of mobile home park owners and/or managers to administer CARE. SCE addressed this issue in 2002 by developing an improved package of written materials to the mobilehome park owners/managers which was provided when the annual required reapplication of tenants was requested by SCE. The materials included information on specific legal obligations the owners/managers need to comply with in providing CARE benefits to tenants and a question and answer list was added to further clarify CARE program procedures.

II. Usage and Bill Information

A. Provide a comparison of CARE and non-CARE residential usage by tier (Baseline and Non-Baseline), excluding usage of residential master-meter customers, by energy source.

ANS. See Table 3.

TABLE 3	
Average Monthly Gas / Electric Usage	
Residential Non-CARE vs. CARE Customers ¹	

**SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002**

Customer	Gas Therms Tier 1*	Gas Therms Tier 2**	Total
Non-CARE	Not applicable.	Not applicable.	Not applicable.
CARE	Not applicable.	Not applicable.	Not applicable.
Customer	Electric KWh Tier 1	Electric KWh Tier 2	Total
Non-CARE	318	220	538
CARE	305	113	418

Notes:

1 Excludes master-meter usage for both non-CARE and CARE customers.

* Baseline

** Non-Baseline

B. Provide a comparison of the average monthly bill for CARE and non-CARE residential customers, excluding bills of master-meter residential customers, by energy source.

ANS. See Table 4.

TABLE 4		
Average Monthly Gas / Electric Bill Residential Non-CARE vs. CARE Customers¹ (Dollars per Customer)		
Customer	Gas	Electric
Non-CARE	Not applicable.	\$77.33
CARE ²	Not applicable.	\$37.12

Notes:

1 Excludes master-meter usage for both non-CARE and CARE customers.

2 After CARE discount.

III. Program Costs

A. Discount Cost

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

ANS. The average discount per CARE customer was \$10.46 per month.

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

ANS. The annual subsidy (discount) for all CARE Residential Program customers was \$96,493,929.67.

B. Administrative Cost

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

ANS. See Table 5A. Total Program Costs for the Residential Program are 99.5% of total costs as 0.5% of the total costs have been allocated to the Expansion Program. Subsidies and Benefits are actual costs.

Table 5A	
CARE Residential Program Administrative Costs by Category and Surcharge	
Category	Cost
Outreach	\$812,139
Processing, Certification, and Verification	\$446,016
Billing System /Programming	\$173,709
Measurement & Evaluation	\$4,564
Regulatory Compliance	\$54,725
General Administration	\$323,671
LIAB Funding	\$33,573
CPUC Energy Division Staff Funding	\$43,723
TOTAL PROGRAM COSTS¹	\$1,892,120
Subsidies and Benefits	\$96,493,930
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	\$98,386,050

Notes:

- 1 Total does not include indirect costs consisting of employee pensions and benefits equal to \$111,708, which are not part of SCE's CARE administrative budget.

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, sub-meter, non-profit, and agricultural housing outreach, information technology (technical support and software licensing), staff labor, out bound dialing, 800#, outreach pilot, 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.
Billing System /Programming	Includes: Manual rebilling and programming and billing labor.
Measurement & Evaluation	Includes: Needs assessment study and customer satisfaction survey.
Regulatory Compliance	Includes: Applications, advice filings, comments and reply comments, hearings, reports and studies, working group meetings, public input meetings, and tariff revisions.
General Administration	Includes: Office supplies, market research, program management labor (including pensions and benefits), and information technology (technical support and software licensing).
LIOB Funding	Includes: Low Income Oversight Board (LIOB) reimbursed expenditures.
CPUC Energy Division Staff Funding	Includes: CPUC Energy Division Staff expenditures.
Subsidies and Benefits	Includes: Rate discounts.

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

ANS. The Commission in D.02-09-021 required SCE to establish a CARE balancing account. In compliance with D.02-09-021, SCE submitted Advice Letter 1652-E implementing, among other things, the required ratemaking, and establishing the CARE Balancing Account (CBA) effective January 1, 2002. SCE has not yet received notification from the Energy Division that the Commission has approved Advice Letter 1652-E. For purposes of answering this question, SCE has assumed that the CBA will be approved with an effective date of January 1, 2002. The balance in the CBA as of December 31, 2002 is \$35.582 million.

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

ANS. SCE does not recover CARE-related costs in base rates. The Commission in D.97-08-056 allocated SCE's administration costs associated with the CARE Program to SCE's Public Purpose Programs rate component. As discussed in response to III.C, above, D.02-09-021 required SCE to establish a CARE balancing account (CBA). The CBA has been established (assuming an effective date of January 1, 2002 upon approval of Advice 1652-E) to record on a monthly basis: (1) the undercollection or overcollection in revenue which results from the difference between the amount of the CARE Discount provided to CARE program participants and the CARE Surcharge charged to non-CARE customers; (2) the difference between the Commission-authorized CARE administrative costs recorded in the Public Purpose Programs Adjustment Mechanism (PPPAM) and actually incurred CARE administrative costs; (3) actual costs incurred associated with the automatic enrollment program per D.02-07-033; and (4) reimbursements made to the Energy Division associated with Energy Division's audit of SCE's CARE Program.

- E. 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.

ANS. See Table 6.

TABLE 6					
CARE Surcharge and Revenue Collected by Customer Class					
Customer Class	Average Monthly CARE Surcharge	Average Monthly Bill	CARE Surcharge as Percent of Bill	Total Annual CARE Surcharge Revenue Collected ²	Percentage of Total Annual CARE Surcharge Revenue Collected ²
Residential	\$1,397,215	\$282,769,670	0.5%	\$16,766,581	28.3%
Commercial	\$2,341,114	\$382,789,059	0.6%	\$28,093,364	47.5%
Industrial	\$758,689	\$84,881,844	0.9%	\$9,104,274	15.4%
Agricultural	\$77,100	\$12,144,461	0.6%	\$925,199	1.6%
Public Authority	\$354,572	\$53,598,799	0.7%	\$4,254,863	7.2%
Railroads	\$4,046	\$757,581	0.5%	\$48,552	0.1%
Interdepartment ¹	\$20	\$4,380	0.5%	\$241	0.0%
Totals	\$4,932,756	\$816,945,795	0.6%	\$59,193,074	100.0%

Notes:

1 SCE operations.

2 Revenue billed, not collected.

V. Outreach

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

ANS. SCE's goal is to enroll as many eligible customers who are willing to participate on CARE. CARE enrollment was increased from 729,367 at December 31, 2001 to 817,637 at December 31, 2002, a gain of 88,270.

The following provides an overview of SCE's outreach initiatives.

- SCE collaborated with Southern California Gas Company to electronically share CARE participant data to enroll customers in each utility's program. 41,211 customers were enrolled in CARE through this ongoing effort.

SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002

- SCE began discussions with Southwest Gas Company (SGC) to collaborate to electronically share CARE participant data. SGC covers SCE's eastern territory that includes the cities of Barstow and Victorville. SCE expects to begin implementing this data sharing project in 2003.
- During February and March, SCE's Consumer Affairs organization administered the Energy Assistance Fund (EAF) which provided assistance to customers with paying winter energy bills. Applicants are enrolled in CARE when they enroll in EAF.
- SCE's CARE Capitation Fee Project, established under SBX1 5 Rapid Deployment, continued using outside organizations to assist customers in completing a CARE application. 8,416 customers were enrolled through this effort.
- Contractors assisted customers in completing a CARE application at the time they received LIEE measures/services.
- SCE's Credit and Collections organization referred customers with a "senior" or "disabled" profile to our Consumer Affairs to contact to make payment arrangements. As a part of this service, Consumer Affairs provides these customers information on enrolling in CARE as part of a plan to reduce electric bills.
- SCE's Public Affairs worked extensively with community based organizations, city councils and staff, chambers of commerce, small businesses, senior centers, legislative offices. Approximately 1,000 contacts have been made including formal presentations. Successful partnerships have transpired with numerous governmental agencies through special targeted mailers. Specifically, Public Affairs worked with the County of Orange Housing and Community Development and the City of San Fernando where 10,000 and 5,000 CARE applications, respectively, were included with mailings conducted by these entities. Public Affairs has also promoted the CARE Capitation Fee Project to community organizations.
- SCE's Equal Opportunity/Supplier Diversity department was very successful in introducing the CARE Capitation Fee Project to faith-based and non-profit organizations and getting these entities to participate. Of particular note, approximately 200,000 applications were distributed through many sources including Catholic Charities in the San Gabriel Valley, other Los Angeles areas, and Orange, San

Bernardino, and Riverside Counties, and churches in the Dioceses of Los Angeles, Orange, and San Bernardino Counties.

- Customers were made aware of the CARE program when calling in to SCE's phone centers.
- CARE information was provided at authorized bill payment agencies which can be frequented by potential CARE-eligible customers.
- Quarterly bill messages informed customers about the availability of CARE.
- SCE conducted a number of print and radio media advertising campaigns to increase awareness about the CARE program. Such activities included, by way of example:
 - An English language CARE radio advertisement, which ran for a three-month period in early 2002.
 - An English language CARE print advertisement, which ran in during the first quarter of 2002.
 - A Spanish language CARE advertisement, which ran over the Cinco de Mayo time period in the San Joaquin Valley.
 - An English and Spanish language advertisement was used to inform customers about energy efficiency rebates, CARE, and Medical Baseline, which ran in late summer.
- 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.
- In June, SCE participated in a Garden Grove Utility Fair where electric, gas, and water utilities serving Garden Grove provided energy efficiency and CARE information to the public.
- In June, SCE's Consumer Affairs organization began training local hospital staffs to assist low-income patients to complete a CARE application under a program called Partners for Hope. Consumer Affairs also provides CARE information whenever senior outreach is conducted.

- SCE conducted an integrated CARE marketing campaign that included the following:
 - A direct-mail piece incorporating a CARE application was mailed to 244,000 households in under-penetrated ZIP Codes.
 - A shared-mail insert piece incorporating a CARE application was mailed to 560,000 households under-penetrated ZIP Codes.
 - Two 60-second CARE radio spots ran in the Bakersfield, Palm Springs, Riverside, San Bernardino, and Tulare/Visalia markets which included a reference to the CARE mailers.
- An English and Spanish language public service announcement was broadcast on LA Galaxy radio and featured energy efficiency, CARE, and Medical Baseline information.
- Spanish language radio spots featured CARE information during World Series game coverage on La Gigante 1090 targeting Hispanic customers.

B. Discuss each of the following:

1. Most effective outreach method, including a discussion of how success is measured.

ANS. SCE considers the most effective outreach method to be targeted mailings. Of those outreach methods where SCE uses a Source Code to track returned applications, the most effective results were obtained in a targeted mailing during the fourth quarter to 244,000 customers in the Bakersfield, Palm Springs, Riverside, San Bernardino, and Tulare/Visalia areas during the fourth quarter. The appropriate measure of success is (a) percent of returned applications compared to mailed, and (b) percent of enrolled customers compared to applications returned. The mailing yielded 12,930 (5%) responses, 10,123 (73%) of which were enrolled. This rate of return and percent enrollment was deemed to be very successful.

2. How CARE customer data and other relevant program information is shared by the utility with other utilities sharing its service territory.

ANS. In 2000, SCE began collaborating with SoCalGas to share CARE participant data electronically to assist customers to enroll in each utility's program. In 2002, 41,211 customers were added to SCE's

CARE rate through this ongoing effort. SCE also began discussions with Southwest Gas Company (SGC) to collaborate to electronically share CARE participant data. SCE expects to begin implementing this data sharing project in 2003.

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

ANS. In the past, SCE had used CARE data for outreach purposes under the LIEE program. Under SCE's LIEE program contractors are required to assist customers in completing a CARE application and submitting the application to SCE. SCE plans to match its LIEE data base of CARE eligible customers with its current CARE data base to determine whether there are any potentially-eligible customers that are not currently on the CARE rate.

4. Attach a copy of the utility's agreement with CSD. 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.

ANS. A copy of SCE's ongoing agreement with CSD was filed in 2001 with SCE's 2000 CARE Annual Report. SCE includes the following language on its individually-metered customer CARE application for cross-referral of low-income customers to CSD:

“Other Programs and Services You May Qualify For: LIHEAP (Low Income Home Energy Assistance Program) provides bill payment assistance, emergency bill assistance, and weatherization services. Call the Department of Community Services and Development at 1-800-433-4327 for more information. For other Edison assistance programs, call 1-800-736-4777.”

SCE's agreement with CSD provides that, upon request by CSD, SCE will provide CSD (1) the total number of households receiving CARE and Energy Assistance Fund (EAF) assistance and (2) the total dollar amount of CARE and EAF assistance received by all participating households from October of the previous year through September of the current year. This information is to be provided to CSD for inclusion in its federal funds leveraging application.

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

ANS. 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 do exist. These include lack of knowledge about the availability of CARE, 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. This belief was generally supported by feedback provided by community agencies that participated in the statewide CARE outreach and enrollment pilot project that ran from June 2000 through May 2001.

As described in this report, SCE uses a multifaceted outreach approach to reaching its potentially CARE-eligible customers and believes it has made progress in overcoming barriers to enrollment. However, SCE continues to believe that its CARE outreach and enrollment process can be continually improved. To this effort, SCE fully translated its primary CARE application into five languages in 2002, Cambodian, Chinese, Korean, Spanish, and Vietnamese. It is hoped that this effort will have some impact on language barriers to enrollment.

It is expected that there will be a better understanding of the reasons some individuals are not willing to participate in CARE when the statewide low-income needs assessment and/or the CARE process evaluation are completed.

C. 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.

ANS. SCE continues to seek ways to improve CARE processing and customer service planned or implemented the following during 2002:

The SCE/SoCalGas CARE data exchange was improved by transferring data via FTP over the Internet rather than by the exchange of computer tapes. In addition, a personalized notification letter to customers subsequently enrolled is now printed and mailed automatically which improves on administrative efficiency and cost-effectiveness.

- SCE's recertification letter was rewritten to make it easier to understand.

SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002

- SCE automated the mailing of a reminder letter to customers who do not respond to an initial request to recertify their CARE eligibility.
- SCE's primary CARE application was fully translated into Cambodian, Chinese, Korean, Spanish, and Vietnamese.
- SCE improved outreach to rural, hard-to-reach, and multilingual customers through a marketing campaign using a combination of direct and shared-mail pieces coupled with radio advertising to targeted markets.
- As part of implementing the Capitation Fee Project in 2001, SCE developed a tracking system for the source of incoming applications. As a result of this tracking system and other enhancements, SCE is able to generate reports and collect data concerning enrollments, recertifications, and verifications to better administer the program and increase participation.
- A process has been planned to implement an accounts payable interface file to request payments to organizations participating in the CARE Capitation Fee Project. When implemented in 2003, this is expected to streamline the payment process which currently done manually.
- SCE planned much of the process required to implement statewide automatic enrollment on CARE and is ready to move forward when the required infrastructure has been established by the CPUC.

SCE sees opportunities to further improve CARE program delivery in the following ways:

- Expand the use of in-language CARE applications and informational materials.
- Automate the mailing of a reminder letter to customers who do not respond to an initial request to provide documentation under post-enrollment verification of their CARE eligibility.
- Automate the preprinting of a customer's account information on a CARE application to be mailed when that customer has called to SCE's phone center to request one.

- Utilize more targeted mailings based on market research and demographic databases to increase the probability of reaching and enrolling CARE-eligible customers.
- Evaluate the feasibility of implementing an automatic enrollment program for enrolling in CARE all customers receiving LIEE services who meet the CARE income guidelines.

V. Processing CARE Applications

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

1. Provide the total number of third-party CARE applications received, approved, denied, pending/never completed, or duplicates in the reporting period)

ANS. See Table 7 for the results of the CARE Capitation Fee Project. Entities participating in this Project are not listed if they submitted no applications in 2002.

TABLE 7					
CARE Capitation Fee Project					
Entity	CARE Applications Submitted				
	Received¹	Approved	Denied	Pending/Never Completed	Duplicates
Abbott Elementary	1				1
American Red Cross- Antelope Valley	2				2
American-Russian Bus Council	2	1			1
Apac Service Center	302	218	5	1	78
Asian American Resource Center	42	30	6		6
Asian Youth Center	1	1			
Bapac	1		1		
Bell Gardens Comm. Svc. Center	135	43	11		81
Bellflower USD/Caring Conn.	46	9	3		34
Black Business Association	3	1	2		
Boy Scouts - OC Council	16	5	1		10
Boys & Girls Club Of Santa Barbara	32	22	3		7
Boys & Girls Club Of San Gabriel	30	5	5		20

**SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002**

TABLE 7					
CARE Capitation Fee Project					
Entity	CARE Applications Submitted				
	Received¹	Approved	Denied	Pending/Never Completed	Duplicates
Catholic Charities of LA, Inc	589	191	77		321
Catholic Charities of Orange County	645	274	53	6	312
Catholic Charities-SB/Riverside	543	168	82	2	291
Charo Community Development Corp.	1	1			
Chinatown Service Center	122	98	12		12
Christian Business Development	32	15	2		15
Comm. Assist Program Moreno Valley	25	9			16
Comm. Svc & Employment Training	36	15	2		19
Commission On Human Concerns	134	64	31	1	38
Community Pantry	152	81	21	2	48
Community Svc Dept of San Bernardino County	489	321	46	5	117
Crisis Ministry Church of the Valley	43	28	3		12
Dentech Consulting Service	5	5			
Desert Manna Ministries Inc	1		1		
Dove Enterprises	2		1		1
El Concilio Del Condado De	56	19	10		27
The Empowerment Zone	30	11	3		16
Escuela De La Raza Unida	51	16	6		29
Fair Housing Council Riverside	19	6	6		7
Faith Temple Church	19	12	2		5
Fame Assistance Corporation	3,935	2,031	968	7	929
Families Forward	1	1			
Family Svc. Assoc - W Riverside County	66	31	6		29
First Chance / Y-Chow, Inc.	10	5			5
Friendship Missionary Baptist	1		1		
Help Of Ojai, Inc.	55	33	11		11
High Desert Youth Center	2				2
Homemaker Service Of IWV	2	2			
Human Services Association	23	10	5		8
IECAAC	90	40	5	1	44
King/Drew's Supporters, Inc.	2				2
Kings Community Action Org.	52	26	13		13
Libreria Del Pueblo, Inc.	2	2			
Little Tokyo Service Center	17	8	4	1	4
Los Angeles Music/Art School	16	11	3	1	1
Los Angeles Urban League	10	3			7
Loveland Church Jubilee Party	12	3	2		7
Lutheran Social Svc of So. Cal.	7	3			4

SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002

TABLE 7					
CARE Capitation Fee Project					
Entity	CARE Applications Submitted				
	Received¹	Approved	Denied	Pending/Never Completed	Duplicates
Maravilla Foundation	241	189	9		43
Mental Health Association	9	5			4
Mexican American Opportunity	133	50	16		67
Mizell Senior Center	6	1	2		3
OC Community Develop Council	881	711	33	3	134
Operation Grace	10	2	1		7
Oxnard/Hueneme Salvation Army	5	5			
Pacific Asian Consortium for Employment	75	44	9	1	21
Pomona Inland Valley Council of Churches	5	1		1	3
Priscillas Helping Hands, Inc.	137	40	29		68
Proteus, Inc.	1,211	885	89	3	234
Rebuilding Together Christmas	665	35	567		63
Restore To Hope	1	1			
Rialto Chamber of Commerce	1				1
Riverside Dept. of Community Action	211	108	67		36
RSVP of South Bay	190	121	9		60
Salvation Army (So. Cal Div)	19	3	10		6
Salvation Army Pomona Corps	4	2			2
San Grigornio Pass Hispanic Chamber of Commerce	30	15	5		10
San Bernadino County Sexual Assault Service	6	3	1		2
SGUSD/San Gabriel Family Ctr.	6	5			1
Somebody Cares-- Rancho Cucamonga	246	133	22	1	90
Somebody Cares Southland	74	37	13		24
Sonrise Community Outreach Inc.	67	29	8		30
Southeast Community Development	24	7	4		13
Southwest Riovista Family YMCA	1,392	1,125	51	1	215
Spirit Of The Eagle Foundation	3	1			2
St. Clare Church	9	2	1		6
St. Matthias Elementary School	124	74	13		37
Stop Violence Increase Peace	9	4	1		4
Temecula Senior Citizens Svc.	50	18	8	1	23
Todec Legal Center, Inc.	261	90	50		121
Tri City Mental Health Center	12	5	2		5
Trinity Community Outreach	2	1			1
Truevine Community Outreach	1,022	614	87	3	318
Veterans In Community Service	1	1			

SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002

TABLE 7					
CARE Capitation Fee Project					
Entity	CARE Applications Submitted				
	Received¹	Approved	Denied	Pending/Never Completed	Duplicates
Vietnamese Community of So. Calif.	53	13	11		29
Vietnamese Community Of OC, Inc.	14	9			5
Wake Up Incorporated	1	1			
World Harvest Fellowship Ministries	166	62	12	2	90
Wrap Family Services	22	14	3		5
YWCA Intervale Senior Services	137	40	29		68
Total	15,415	8,416¹	2,561	43	4,395
Percentage	100.0%	54.6%	16.6%	0.3%	28.5%

Notes:

1 Percentage calculation based on the total number of applications received.

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

ANS. See Table 8.

TABLE 8						
CARE Self-Certification and Self-Recertification Applications¹						
	Provided	Received	Approved	Denied³	Pending/Never Completed⁴	Duplicates
Self Certification	Note 2	428,218	97,128	331,090	0	Not available.
Recertification	273,750	217,139	152,517	5,320	59,302	Not available.
Total	Note 2	645,357	249,645	336,410	59,302	Not available.
Percentage⁵	Note 2	100.0%	38.7%	52.1%	9.2%	Not available.

Notes:

1. Includes sub-metered customers.
2. Self-Certification applications are distributed/mailed through a wide variety of fulfillment and outreach methods making it impossible to determine an actual count. Recertification applications are tracked.
3. Although SCE does not track the number of applications denied on the basis that the applicant is already participating in CARE, a large number of denials are made on this basis.
4. Self-certification applications do not remain in a pending status/never completed status.
5. Percentage calculations are based on the total number of applications received.

3. Provide a table showing the number of customers removed from CARE by month due to the recertification process.

ANS. See Table 9.

TABLE 9			
Residential CARE Program			
Customers¹ Removed by Month through			
Recertification and Post-Enrollment Verification			
2002	Recertification²	Post-Enrollment Verification	Total
January	1,959	1,265	3,224
February	1,113	676	1,789
March	4,540	662	5,202
April	8,538	668	9,206
May	10,543	612	11,155
June	6,208	613	6,821
July	3,167	688	3,855
August	4,696	186	4,882
September	3,301	540	3,841
October	9,288	556	9,844
November	7,827	343	8,170
December	3,442	348	3,790
Total	64,622	7,383	71,779

Notes:

1 Total individually-metered and sub-metered.

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

ANS. Annually, SCE mails a package of sub-meter tenant CARE applications to the master-meter accountholder because sub-metered tenants are required to reapply for CARE annually through the master-meter accountholder. The accountholder is responsible for obtaining a newly-signed CARE application for all sub-metered tenants participating in CARE.

B. Processing Random Post-Enrollment Verification Applications

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

ANS. See Table 10.

TABLE 10						
CARE Random Post-Enrollment Verification Applications						
	Mailed	Received	Approved	Denied	Pending/Never Completed ²	Duplicates
Total¹	9,914	4,087	3,676	411	7,157	Not available.
Percentage³	100.0%	41.2%	37.1%	4.1%	72.2%	Not available.

Notes:

- 1 Sum of "Received," "Approved," and "Denied" is greater than total "Mailed" due to verification requests initiated in 2001 which were received and processed in 2002.
- 2 Dropped due to no response.
- 3 Percentage calculation based on verifications mailed (requested).

2. Provide a table showing the number of customers removed from CARE by month due to the verification process.

ANS. See Table 9 in V.A.3. above.

C. 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.

ANS. SCE has agreements under the CARE Capitation Fee Project (Project) to conduct certification of new applicants for CARE. SCE did not have any contracts with third parties to conduct recertification and/or verification on its behalf.

The Project was authorized by the CPUC in Decision 01-05-033, dated May 7, 2001. Its purpose is to take advantage of the opportunity to enroll eligible customers in CARE while they are receiving other services from entities who assist low-income clients. This project is centered on providing outreach and enrollment services, not recertification or verification services.

Under the Project, SCE pays a capitation fee to entities for each new customer they help to enroll in SCE's CARE program. The capitation fee is to reimburse entities for the incremental amount associated with assisting customers in completing an SCE CARE application, generally while the customer is receiving other low-income services and/or information from that entity.

In 2002, 93 organizations submitted applications to SCE, the results of which are presented in Table 7.

Comparison of Efforts, Cost, and Effectiveness between Utility and Third Parties

SCE's outreach methods are described in V.A. above, and all are considered effective in their own way because each uniquely reaches SCE's customers and results in enrollments in CARE. Third-party outreach and enrollments for SCE occur primarily through organizations participating in the Capitation Fee Project. The Project was intended to provide valuable outreach services for the CARE program by assisting clients in filling out CARE applications as an adjunct to the organization's other daily activities. Therefore, third-party efforts leverage their services and are an extension of SCE's own outreach and enrollment efforts.

SCE can make a comparison of cost. It is evident from the following table that SCE's multifaceted outreach initiatives in 2002 resulted in the highest enrollment at the lowest cost per enrollment as compared to the Capitation Fee Project, although the Capitation Fee Project is targeted at the "hard-to-reach" customers who have not responded to other outreach efforts.

Comparison of Enrollment and Costs Between SCE and Third Parties			
	Enrolled	Cost	Cost per Enrollment
SCE	257,299	\$718,702	\$2.79
Capitation Fee Project	8,569	\$97,518	\$11.38

In addition, SCE can make a comparison to effectiveness. The table below shows two mailing-based outreach activities, the annual solicitation and a direct mail campaign conducted during the fourth quarter compared with the CARE Capitation Fee Project. This reveals that, generally, SCE's outreach efforts resulted in a higher percentage of applications that were approved versus received than third-party activities.

Comparison of Enrollment Percent Between SCE and Third Parties			
	Received	Approved	Percent
SCE Annual Solicitation	61,682	50,832	82.4%
SCE Direct Mail Campaign	12,930	9,464	73.2%
Capitation Fee Project	15,568	8,569	55.0%

VI. Program Management

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

ANS.

- The CARE Capitation Fee Project represents only two percent of total gross CARE enrollment for SCE, yet management of this project has required more effort than originally anticipated. Additional human resources and considerable information technology assistance has been required to handle general administrative tasks, process payments, and produce reports.
- Ongoing changes in the monthly reporting requirements under SBX1 5 Rapid Deployment have created reports that have become cumbersome and have also required considerable information technology work to create. Although SCE has been able to adapt, it would seem that reporting could be somewhat simplified.
- The uncertainty over the schedule to implement Statewide automatic CARE enrollment created uncertainty concerning what resources were needed and when to accomplish tasks. In addition, it was difficult to budget not knowing when funds would have to be spent on this project.
- SCE has found that to be successful in reaching the “hard to reach” potentially-eligible customer, it needs to utilize a more sophisticated marketing strategy, especially where non-English languages are an issue and in rural areas. Internal and external marketing resources have been brought to bear on this effort.
- Measurement and evaluation of CARE outreach was a major factor in SCE's development of its process of using “Source Codes” to track outreach initiatives in 2002 and SCE will expand this in 2003.
- SCE's success in enrolling its customers on CARE has been greatly enhanced by the efforts of many of its internal organizations. The low-income programs group administering CARE found that proactively engaging and supporting other internal organizations in promoting CARE resulted in a cohesive and comprehensive outreach effort.

CARE EXPANSION PROGRAM

This section covers the non-profit homeless shelters and group living facilities, migrant and farm worker housing centers, qualified privately-owned employee housing, and qualified non-profit housing for agricultural employees.

I. Participant Information

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

ANS. See Table 11.

TABLE 11			
CARE Expansion Program Participating Facilities by Month			
2001	CARE Residential Facilities	CARE Commercial Facilities	Total
January	325	290	615
February	342	289	631
March	357	275	632
April	350	144	494
May	352	136	488
June	357	138	495
July	376	147	523
August	361	162	523
September	373	175	548
October	378	183	561
November	391	192	583
December	328	179	507

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

ANS. The total number of residents (excluding caregivers) at the end of 2002 was:

Residential: 2,435
Commercial: 2,984

II. Usage Information

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

ANS. See Table 12.

TABLE 12		
CARE Expansion Program Average Monthly Gas / Electric Usage ¹		
Customer	Gas Therms	Electric KWh
Residential Facilities	Not applicable.	1,096
Commercial Facilities	Not applicable.	6,217

Notes:

1 Excludes master meter usage.

III. Program Costs

A. Administrative Cost

1. Show the CARE Expansion Program's administrative cost by category. See Table 5B, Standardized CARE Administrative Cost Reporting Categories.

ANS. Costs for the Expansion Program are not tracked separately from total CARE administrative costs but are allocated as 0.5 percent of the total costs. Subsidies and benefits are actual, not allocated, costs.

Table 5B	
CARE Expansion Program Administrative Costs by Category and Surcharge	
Category	Cost
Outreach	\$4,081
Processing, Certification, and Verification	\$2,241
Billing System /Programming	\$873
Measurement & Evaluation	\$23
Regulatory Compliance	\$275
General Administration	\$1,626
LIAB Funding	\$169

**SCE's CARE Annual Progress Report
January 1, 2002– December 31, 2002**

CPUC Energy Division Staff Funding	\$220
TOTAL PROGRAM COSTS	\$9,508
Subsidies and Benefits	\$429,541
TOTAL PROGRAM COSTS & CUSTOMER DISCOUNTS	\$439,049

B. Discount Information

- 1. State the average annual CARE discount received per residential facility by energy source.**

ANS. \$353.00 (electric usage)

- 2. State the average annual CARE discount received per commercial facility by energy source.**

ANS. \$1,575.81 (electric usage)

IV. Outreach

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

ANS. Potentially-eligible customers may become aware of the CARE Expansion Program through SCE's phone centers. SCE also conducts consumer outreach which includes presentations to community groups and contacts with community agencies through which customers may become aware of the Program. Organizations participating in the CARE Capitation Fee Project may assist a customer who is eligible to complete a CARE application for the Expansion Program.

- B. Discuss each of the following:**

- 1. Most effective outreach method, including a discussion of how success is measured.**

ANS. SCE has yet to find an effective outreach method to reach customers who could be potentially eligible for the Expansion Program. The primary problem is finding a good source of

information for locating group living facilities. Ideally, a governmental registry would be available and a targeted, cost-effective, solicitation for the Program could be made.

2. How the CARE facility data and relevant program information is shared by the utility with other utilities sharing its service territory.

ANS. SCE collaborates with Southern California Gas Company (SoCalGas) to share CARE participant data electronically to enroll qualified customers in each utility's program. Thus far, resources have focused on matching individually-metered customers. SCE continues to explore the possibility of expanding this effort to enroll group-living facility customers eligible for the Expansion Program.

3. Barriers to participation encountered in the prior year and steps taken to mitigate these, if feasible, or not, if infeasible.

ANS. See SCE's response to Question IV.B.1. discussing outreach activities.

C. 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.

ANS. See SCE's response to Question IV.B.1. discussing outreach activities.

V. Processing CARE Applications

A. Processing Self-Certification and Self-Recertification Applications

1. Provide the total number of third-party CARE Expansion program applications received, approved, denied, pending/never completed, or duplicates.

ANS. See Table 13.

2. Provide the total number of utility CARE Expansion program applications received, approved, denied, pending/never completed, or duplicates for the reporting period.

ANS. See Table 13.

TABLE 13					
CARE Expansion Program					
CARE Capitation Fee Project, Other Outreach, and Utility					
CARE Applications					
Entity	Received	Approved	Denied	Pending/Never Completed	Duplicates
CARE Capitation Fee Project	0	0	0	0	0
Other Outreach	0	0	0	0	0
Utility	967	492	475	0	Not available.
Total	967	492	475		Not available.
Percentage¹	100.0%	50.9%	49.1%	0.0%	Not available.

Notes:

1. Percentage calculation based on verifications mailed (requested).

B. 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.

ANS. SCE did not specifically contract with third parties to outreach and enroll (certify), recertify, or verify eligibility of customers participating in the CARE Expansion Program, although capitation contractors may assist a customer who is eligible to complete a CARE application for the Expansion Program.

VI. Program Management

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

ANS. SCE will continue to seek new ways of identifying group living facility customers, so that a targeted, cost-effective, solicitation for the program can be made. Organizations participating in the CARE Capitation Fee Project may assist a customer who is eligible to complete a CARE application for the Expansion Program.