DOCKETED	
Docket Number:	17-IEPR-08
Project Title:	Barriers Study Implementation
TN #:	220777
Document Title:	SDG&E Comments on SB 350 Low-Income Barriers Study Implementation
Description:	N/A
Filer:	System
Organization:	San Diego Gas & Electric Company (SDG&E)
Submitter Role:	Public
Submission Date:	8/15/2017 3:43:43 PM
Docketed Date:	8/15/2017

Comment Received From: Brittney Lee

Submitted On: 8/15/2017 Docket Number: 17-IEPR-08

17-IEPR-08 – SB 350 Low-Income Barriers Study Implementation

Additional submitted attachment is included below.



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August 15, 2017

California Energy Commission Dockets Office, MS-4 1516 Ninth Street Sacramento, CA 95814-5512

Subject: Comments on 17-IEPR-08 – SB 350 Low-Income Barriers Study Implementation

Dear Commissioners:

San Diego Gas & Electric Company (SDG&E) appreciates the opportunity to submit comments in response to the California Public Utilities Commission (CPUC) and California Energy Commission's (CEC) joint workshop on Senate Bill (SB) 350 Low-Income Barriers Study Implementation held on August 1, 2017.

Introduction

SDG&E is supportive of the CEC's efforts to identify best practices for ensuring that low-income energy customers have equal access to energy efficiency opportunities that can help save them money, and help the State to achieve its SB 350 goal of cumulatively doubling energy efficiency by 2030. This support includes the creation of a task force charged with determining those best practices.

Notwithstanding this support, SDG&E offers the following two guiding principles it believes that the CEC, and other relevant agencies, should adhere to in determining these best practices.

- 1. The CEC should leverage existing efforts that support low-income customers; and
- 2. The CEC must consider the cost and funding sources for additional activities, particularly for those that are not energy related.

First, it is imperative that the task force leverage existing efforts that support low-income customers. SDG&E invests significant resources into programs such as the California Alternate Rates for Energy (CARE) and Energy Savings Assistance (ESA) programs and marketing and

outreach (M&O) efforts aimed at benefiting its low-income customers. Leveraging these efforts will yield more successful, and cost-effective, results. SDG&E has served most of its eligible low-income population through ESA. ESA is offered in conjunction with our CARE program in which about 82% of our low-income qualified customers are enrolled. In 2016, ESA, which offers low-income customers weatherization services, energy efficiency lighting, energy efficient appliances, energy education, and other services, at no cost to the customer, yielded 3,446,861 kWh and 249,582 therms saved. Meanwhile, in 2016, CARE, which provides a significant gas and electric rate discount for low-income customers, had 269,224 participants.

SDG&E's M&O strategy to enroll customers in ESA/CARE moving forward is to focus on communities and hard to reach populations with lower penetration relative to eligibility estimates. Hard to reach markets include:

- Customers in high poverty;
- Customers living in rural areas;
- Renters:
- Market-rate multifamily residents;
- Customers with limited English proficiency and/or literacy;
- Customers with disabilities:
- Seniors; and
- Undocumented immigrants.

When traditional channels are unsuccessful, SDG&E uses one-on-one, in person, in neighborhood and in language communication. Further, SDG&E partners with community based organizations, such as the Energy Solutions Partner Network. In 2016, over 3,000 activities were coordinated to promote CARE and ESA, including through social media (nearly 450 social media messages). In addition, SDG&E promoted CARE/ESA and other customer assistance solutions at over 1,500 presentations and events in 2016. SDG&E also collaborates with social service community organizations that serve low-income and in-need clients every day. In 2016, SDG&E worked closely with 21 capitation agencies to enroll customers in CARE/ESA and other low-income programs. In 2016, CARE partners brought in 9,300 completed applications and contributed to approximately 4,200 new enrollments and 2,000 recertifications, a conversion rate of 68%. By continuing to identify and add new organizations and training and motivating staff at these agencies, SDG&E was able to bring in nearly 300 more enrollments in 2016 compared to 2015. In addition, SDG&E partners with third party contractors to successfully reach and enroll multilingual and hard to reach customers. SDG&E's multicultural/multilingual contractors canvass the high-density areas of the community and leverage efforts to complete re-certification with eligible customers. In 2016, these targeted outreach efforts resulted in 15,700 re-certifications. Also in 2016, SDG&E's partnership with 2-1-1 San Diego, a 24-hour resource and information hub connecting people with community, health and disaster services, helped re-certify 1,350 customers in the CARE program.

These examples illustrate the tremendous efforts currently underway at SDG&E to serve its low-income customers. It is important to leverage these efforts to yield the most successful best practices.

Second, the CEC must consider the cost and funding sources for additional activities, particularly for those that are not energy related. While SDG&E is deeply invested in its low-income customers and supports efforts to increase energy efficiency and clean energy access for these customers, it cautions the CEC against action items that may unduly increase utility costs and those costs being borne by customers. SDG&E is supportive of opportunities to target low-income and DAC customers that consider the cost to customers. Rising energy costs are counterintuitive to the objective of helping low-income and DAC customers.

With these two guiding principles in mind, below are SDG&E's comments on particular principal recommendations.

Principal Recommendations

Recommendation 1: Creation of a Task Force to facilitate coordination of all state agencies administering energy, water, resilience, housing, and zero and near-zero transportation infrastructure programs for low-income customers and disadvantaged communities.

SDG&E supports the creation of a task force. However, it is important to specify how the task force is funded and, specifically, identify when ratepayer funds are going to be used. Additionally, SDG&E believes that it is important for the CEC and other agencies in charge of the task force to identify specific problems they are looking to solve, and specific objectives they are looking to achieve.

Two general comments SDG&E has on the Low-Income Barriers Study (Study) is that it is not clear on identifying specific problems and objectives supported by social science. It is also not clear or supported with data that the recommendations contained in the Study correlate to specific problems or that the recommendations have been evidenced to solve those problems. It is not clear if the Study has data to support that measures in these communities will beneficial if they target customers who are not in a low-income category. SDG&E believes it is important to provide data, metrics and dollar amounts corresponding to barriers and corresponding action items. Additionally, it is imperative that sources of funding also be identified for the initiatives included in the Study. Without specific funding sources, the Study may be relegated to educational material as opposed to becoming a framework for future steps.

Recommendation 1(a): Expand existing direct-install energy programs to include upgrades for water-efficient appliances for customers in low-income and disadvantaged communities.

SDG&E already provides some water measures and would like to stress the importance of identifying how an expansion would be funded, and the cost-effectiveness of any additional

energy programs which the investor-owned utilities (IOUs) are going to be tasked with administering and/or implementing.

SDG&E currently partners with the San Diego County Water Authority (SDCWA) to distribute the supplemental water conservation educational materials entitled "Save Every Way, Every Day" with its education packet to all ESA Program enrollees. In 2016, SDG&E began distributing toilet die tabs and shower timers. SDG&E also currently installs aerators and shower heads. As directed in D.16-11-022, SDG&E is actively pursuing the addition of water displacement devices to be included in the Toilet Tank Efficiency Kit, energy efficiency washing machines and thermostatic tub spouts.

Recommendation 1(b): Initiate pilot programs that address entire neighborhoods in disadvantaged communities, rather than building-by-building. Future expansions could include neighborhoods outside disadvantaged communities but that include a significant proportion of low-income households.

SDG&E is already engaged in the work described here. SDG&E's low-income energy efficiency team currently focuses on entire neighborhoods, not just individual buildings. Moreover, SDG&E has robust marketing efforts focused on entire neighborhoods in disadvantaged communities, as well as neighborhoods which do not meet the definition of DACs, but contain a significant proportion of low-income households. SDG&E's M&O strategy for CARE focuses on communities and hard to reach populations, not just individual buildings. In addition, SDG&E partners with community based organizations (CBOs), and holds community events and presentations. Specifically, SDG&E works with the Energy Solutions Partner Network, which consists of 250 nonprofit and CBOs, to focus on grassroots, multicultural, and neighborhood-centric activities.

In addition, each year, SDG&E coordinates participation in hundreds of community events and presentations, many of which are based on requests from organizations that serve multicultural, rural, senior and special needs audiences. With all this programmatic and marketing work and experience that focuses on neighborhoods, rather than specific buildings, SDG&E believes it is important for the CEC to leverage these ongoing efforts. SDG&E agrees that leveraging entire communities is an effective strategy and notes that this is already the practice at SDG&E.

Recommendation 1(c): Ensure that energy retrofit programs facilitate access to available funds from programs that address non-energy work, such as asbestos, lead, and mold removal and structural maintenance so that work can be conducted in conjunction with energy upgrade projects.

SDG&E would support this recommendation, but requests more detail be provided on the phrase: "facilitate access to available funds." Specifically, SDG&E would want to make sure that such funding either currently exists through state environmental programs, or, alternatively, will be borne by the agencies on the task force. SDG&E does not believe that it is prudent to direct non-energy funding to its energy customers, or to use funding allocated for energy programs on non-

energy related action items. Ultimately, while SDG&E supports this concept, it would want to verify that clear funding guidelines are in place.

Recommendation 1(d): Develop a comprehensive action plan on improving opportunities for energy efficiency, renewable energy, demand response, energy storage, and electric vehicle infrastructure for multifamily housing, with attention to pilot programs for multifamily rental properties in low-income and disadvantaged communities.

SDG&E recommends that any plan developed by the task force build on the current work being done by the Multifamily Working Group set up by the CPUC. The Multifamily Working Group was created as a result of D.16-11-022. In addition, the CPUC created a "DER Action Plan," designed to track and timetable the numerous action items dealing with DERs, arising from the numerous DER proceedings (e.g., the individual resource proceedings and the multi-source proceedings such as the Integrated Resource Planning (IRP), Integrated Distributed Energy Resources (IDER), and Distribution Resources Plan (DRP). SDG&E would recommend that such a comprehensive multifamily housing plan be listed in the DER Action Plan, so that the stakeholders can track all the DER action items in one place.

Recommendation 1(e): Engage with the federal government to explore program development opportunities, share best practices, and leverage research and cofunding potential for all energy, water, clean transportation, and housing programs.

SDG&E supports this recommendation. Engaging with the federal government to explore program development opportunities, share best practices, and leverage research potential for all energy, water, clean transportation and housing programs is a sound suggestion. With respect to co-funding potential, SDG&E would request more detailed guidance to make sure that there is no cross-subsidization and that any co-funding opportunities do not conflict with existing CPUC regulatory guidance.

Recommendation 1(f): Ensure all state programs identify and prioritize best practices in other states with high-functioning programs that serve low-income and disadvantaged communities.

SDG&E supports this recommendation, because state programs should always leverage best practices from other states with high-functioning programs.

Recommendation 1(g): Leverage local government planning initiatives to enhance low-income clean energy deployment programs.

SDG&E supports this recommendation. Identifying best practices to serve low-income and disadvantaged communities should not be a top-down policy exercise. Rather, it should leverage the work being done by local governments in the communities themselves. SDG&E strives to do this through its own low-income programs and low-income M&O efforts.

Recommendation 1(h): Establish common definitions of non-energy benefits, develop standards to measure them, and attempt to determine consistent values for use in all energy programs.

SDG&E supports this recommendation. It is always prudent to develop consistent and standard metrics. To that end, SDG&E would offer to share the Joint IOU study on non-energy benefits to ensure that the task force is leveraging work that has already been conducted. SDG&E also recommends that this issue be closely coordinated with CPUC proceedings currently addressing resource evaluation practices, including the IRP and IDER proceedings.

Recommendation 1(i): Establish an expert advisory committee to align future low-income program modifications with the latest market trends and industry best practices.

SDG&E seeks additional clarity on the role of this advisory committee, particularly as it pertains to the task force recommended in Recommendation 1(a). SDG&E proposes that the function described in this recommendation be assigned to the Low-Income Oversight Board (LIOB). The LIOB is designed to advise the Commission on low-income program matters.

Recommendation 1(j): Use program data resulting from recommendation #5 to inform actions taken by the task force.

SDG&E would insist that any data recommendations adhere to state privacy laws that protect its customers' confidential consumer information from being disclosed unnecessarily. Please see SDG&E's comments to Recommendation 5.

Recommendation 2: The State should act to enable the economic advantages of community solar to be readily accessible to low-income and disadvantaged populations across California.

Recommendation 2(a): The Legislature could authorize exemptions and incentives for low-income customers so that the cost of community solar does not exceed the cost of onsite solar.

SDG&E asserts that the Legislature already acted on this issue with Assembly Bill (AB) 327 (net metering extension to benefit net-metered solar systems) and AB 693 (multifamily affordable solar roofs program). SDG&E's AB 327 proposal includes a credit to CARE customers for solar, by way of the Green Tariff Shared Renewables Program (also known as EcoChoice), in disadvantaged communities. The credit would offset any premium for the customers identified in the proposal.

Recommendation 2(b): The governing boards of POUs should consider developing community solar offerings for low-income customers within their territories.

Recommendation 3: The CEC, CPUC, CSD should partner with the California Labor and Workforce Agency, Workforce Investment Boards, community colleges, and other agencies, consult with employers, UC Berkeley Labor Center and trade unions and community-based organizations, to strategize and track progress of workforce, community, and clean energy goals.

Recommendation 3(a): The Legislature should establish a green workforce fund to allow state-administered clean energy and transportation programs to include a local workforce development component for low-income and DAC communities. This workforce development should be provided through direct hiring and training, through community-based organizations that have demonstrated to have hired and trained locally, or with organizations that run pre-apprentice or apprenticeship programs.

SDG&E leverages its Workforce Education & Training (WE&T) program to effectuate an adequately trained workforce to optimize energy efficiency installations and to confirm that customers are educated about their installations. However, workforce development (i.e., job creation) is not within the scope of the WE&T, and other agencies already receive funding for workforce development activities from other funding sources. As such, SDG&E is supportive of this state-administered fund if those funds are not sourced from IOU rates.

Recommendation 3(b): Energy service companies that demonstrate a commitment to hiring employees in low-income and DACs should receive preference points, similar to incentives offered through the Target Area Contract Preference Act (TACPA), when competing for state or utility contracts. A set of contractor and workforce standards and other interventions should be included in the program requirements for clean energy incentive programs.

SDG&E has already committed to work with the CEC on the development of a responsible contractor policy. Currently, SDG&E has CPUC-driven goals to include a certain percentage of diverse business enterprise (DBE) annual spend. Further, while SDG&E will adhere to any contracting requirements imposed on it by the State, it cautions that any additional requirements such as this should be evaluated to determine their effectiveness and whether they will unduly increase utility costs and those costs being borne by customers. Again, SDG&E is supportive of opportunities to target low-income and DAC customers that consider the cost to customers. Rising energy costs are counterintuitive to the objective of helping low-income and DAC customers.

Recommendation 3(c): Expand the use of community workforce agreements for clean energy contracting in DACs.

SDG&E is supportive of this recommendation in concept, but cautions against any requirements which may raise the cost of providing energy to customers, particularly vulnerable customers. SDG&E supports using community workforces, particularly in DACs, but any such requirements

should be carefully studied to determine whether they will have a significant impact on cost, because SDG&E's priority is to deliver safe, reliable, cost-effective energy to all customers. Any requirement that will cut against that priority will be counterintuitive to the work of the task force.

Recommendation 3(d): IOUs should coordinate their workforce education and training programs with California's main training and education institutions, with a focus on DACs.

SDG&E already coordinates its WE&T programs with California's main training and education institutions. In addition, in energy efficiency business plans filed with the CPUC earlier this year, the Joint IOUs proposed a new statewide program, the Career & Workforce Readiness Program, that targets disadvantaged workers. If approved, this program would allow the IOUs to focus on providing workforce training activities (e.g., curriculum development, train-the-trainer, teaching equipment, etc.) to workforce development agencies who already serve disadvantaged workers and are funded to provide support services like job development, transportation support, soft skills development, etc.

Recommendation 4: The State should continue developing a series of energy upgrade financing pilot programs to evaluate a variety of models to improve access and participation of low-income customers, including those in DACs. The pilot programs would include the cost of health and safety measures required to accomplish EE upgrades.

SDG&E believes that the CEC should further evaluate previous, and existing, initiatives related to those proposed, and evaluate whether they are worth continuing or leveraging lessons learned to determine how they can be improved. If the CEC or CPUC proceeds with new pilot initiatives, SDG&E would request clarity on funding and cost-effectiveness to ensure that such proposals do not unduly increase costs being borne by utility customers.

Recommendation 5. The Legislature should require collaboration among all program delivery agencies to establish common metrics and collect and use data systematically across programs to increase the performance of these programs in low-income and DACS, including requirements to:

SDG&E supports the use of data and metrics to measure program success and provides comprehensive monthly and annual reports to the CPUC on the programs it oversees. SDG&E believes that, with respect to these robust data recommendations, the task force must weigh the value of this data against data that the IOUs already provide and the cost of providing additional data. Specifically, SDG&E requests clarity on the source of funding for these action items. Further, the task force should be much clearer about what it intends to do with this data. SDG&E values the confidentiality of its customers' data and would insist on being an active participant in discussions pertaining to how such data would be collected and used for the purposes of these recommendations.

Recommendation 5(a): Develop standardized energy equity indicators as metrics to ensure low-income customers are being served. Use these metrics to set a statewide baseline, advance energy savings, and track performance.

Please see SDG&E's comments to Recommendation 5.

Recommendation 5(b): Target program services to increase coverage and improve equity.

Please see SDG&E's comments to Recommendation 5.

Recommendation 5(c): Develop a common database for use by program delivery agencies and other community partners.

Please see SDG&E's comments to Recommendation 5. In addition, there are particular issues related to the cost of such a database, and the confidentiality of data being used in such a way, that SDG&E believes are necessary to explore.

Recommendation 5(d): Use market intelligence to achieve data-driven design and target best intervention strategies that serve low-income needs.

Please see SDG&E's comments above.

Recommendation 5(e): Ensure that low-income persons have product selection options and information necessary to avoid driving up their plug-load energy use, recognizing that low-cost appliance and consumer products are commonly less energy-efficient than other appliances and products.

SDG&E is already doing this through its online Marketplace that allows customers to shop for over 7,800 products under 20 product categories and apply instantly for rebates. Today, through Marketplace, SDG&E offers products such as smart thermostats, EE appliances, connected home products, electric vehicle chargers, smart power strips, and lighting. In addition, per Resolution E-4820, implementing AB 793, SDG&E is specifically targeting low-income and DAC customers with information about energy management technologies they could potentially use to lower their bills and improve their energy usage.

SDG&E currently provides measures through its ESA Program to address plug load. Plug load reduction measures include: Tier 1 smart strips, efficient microwaves, efficient refrigerators and efficient lighting. SDG&E is also working to add energy efficient washers and Tier 2 Smart Strips to its offerings to further address plug load. Additionally, SDG&E addresses plug load through its behavior programs by promoting best practices to customers based on their individual usage.

Recommendation 5(f): Ensure that program participation includes a condition for permission to access participant, project, and pre-/post-consumption data by the State to

enhance service delivery, evaluation, and planning. Where viable, such data should be made public.

Please see SDG&E's comments above. In certain cases, this requirement already exists. Further, SDG&E is concerned that such restrictive data requirements may inhibit participation in SDG&E programs that are designed to help low-income and DAC customers, a result that would be counterintuitive to the mission of this Study. Moreover, SDG&E cautions that careful consideration be taken into making consumption data public. SDG&E would insist on being an active participant in any such discussions and would encourage an open stakeholder process.

Recommendation 5(g): Establish standardized metrics to track employment and job quality impacts of clean energy programs.

SDG&E reasserts its request for clarity into the funding of these data recommendations. Further, SDG&E does not believe that job quality is within the scope of what it is required to do, and indeed should do, with its funding. While SDG&E is invested in verifying adequate training in clean energy technologies and making sure that customers are adequately educated about their installations, it does not have the scope or bandwidth to tackle job creation and job quality writ large among the public.

Additional Recommendations

Recommendation 6: The Legislature should expand opportunities for low-income and DACs to use PV and solar thermal technologies by:

Recommendation 6(a): Instructing the IOUs to implement programs, such as the Multifamily Affordable Housing Solar Roofs Program, to achieve an equitable penetration rate among low-income customers.

SDG&E believes that AB 327 and AB 693 already accomplish the objectives, particularly those of Recommendation 6(a).

As stated above, SDG&E's AB 327 proposal includes a credit to CARE customers for renewables, by way of Green Tariff Shared Renewables Program (also known as EcoChoice), in disadvantaged communities. The credit would offset any premium for the customers identified in the proposal.

Recommendation 6(b): Directing the governing boards of the POUs to consider developing or expanding pilot programs that provide solar for low-income customers and DACs.

Recommendation 6(c): Emphasizing special attention to tribal communities and communities not served by utilities.

Recommendation 7: The California Tax Credit Allocation Committee (TCAC) should consider enhancing the priority of affordable housing tax credits for housing rehabilitation

projects to include onsite energy efficiency and renewable energy upgrades. In addition, with funding provided by State policymakers, California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) should consider providing financial assistance, such as credit enhancements, to support energy efficiency and renewable energy improvements to coincide with TCAC tax credit events and rehabilitation.

SDG&E is supportive of these concepts. SDG&E requests additional clarity regarding the funding source for the credit enhancements to support energy efficiency and renewable energy improvements.

Recommendation 8: The State, in consultation with the CEC, CPUC, ARB, CSD, and other related state and local agencies, should establish a pilot program for multiple regional one-stop shops to provide technical assistance, targeted outreach, and funding services to enable owners and tenants of low-income housing across California to implement EE, clean energy, zero-emission and near-zero emission transportation infrastructure, and water-efficient upgrades in their buildings. This pilot program should also support a range of local service delivery providers, coordinate with local government energy programs, and leverage existing Web portals, such as Energy Upgrade California, with information provided in a variety of language and in a format relevant to local low-income communities. Regional pilot programs should build on the best models for comprehensive one-stop models both in California and other states.

SDG&E does not believe this this recommendation would be a prudent use of state funds. Rather, SDG&E recommends that the State look to each load serving entity as a regional one-stop shop and leverage existing efforts and best practices to create any recommendations. SDG&E, for its part, does much of this work currently, investing significant efforts targeting owners and tenants of low-income housing across California to implement clean energy.

As stated in the Introduction above, specific to EE, SDG&E currently has about 82% of the low-income qualified customers enrolled in CARE. For DACs with the highest CalEnviroScreen ratings in SDG&E's territory, SDG&E has 100% of the estimated eligible population enrolled in CARE. SDG&E's M&O strategy to enroll customers in CARE moving forward is to focus on communities and hard to reach populations with lower penetration relative to eligibility estimates. Hard to reach markets include:

- Customers in high poverty;
- Customers living in rural areas;
- Renters:
- Market-rate multifamily residents;
- Customers with limited English proficiency and/or literacy;
- Customers with disabilities;
- Seniors; and
- Undocumented immigrants.

When traditional channels are unsuccessful, SDG&E uses one-on-one, in person, in neighborhood and in language communication. Further, SDG&E partners with community based organizations, such as the Energy Solutions Partner Network. In 2016, over 3,000 activities were coordinated to promote CARE and ESA, including through social media (nearly 450 social media messages). In addition, SDG&E promoted CARE and other customer assistance solutions at over 1,500 presentations and events in 2016. SDG&E also collaborates with social service community organizations that serve low-income and in-need clients every day. In 2016, SDG&E worked closely with 21 capitation agencies to enroll customers in CARE and other low-income programs. In 2016, CARE Partners brought in 9,300 completed applications and contributed to approximately 4,200 new enrollments and 2,000 re-certifications, a conversion rate of 68%. By continuing to identify and add new organizations and by training and motivating staff at these agencies, SDG&E was able to bring in nearly 300 more enrollments as compared to 2015. In addition, SDG&E partners with third party contractors to successfully reach and enroll multilingual and hard to reach customers. SDG&E's multicultural/multilingual contractors, canvass the high density areas of the community and leverage efforts to complete recertification with eligible customers. In 2016, targeted outreach efforts resulted in 15,700 recertifications. Also in 2016, SDG&E's partnership with 2-1-1 San Diego, a 24-hour resource and information hub connecting people with community, health and disaster services, helped recertify 1,350 customers in the CARE program.

These examples illustrate the tremendous efforts currently underway at SDG&E, and other load serving entities, to serve as one-stop shops for their low-income and DAC customers. Any further efforts to target these communities should leverage this work currently underway and not unnecessarily invest resources into a new paradigm that would be effectively starting from scratch.

Recommendation 9: The State, in coordination with local authorities and consumer protection agencies, should investigate the need for heightened consumer protection to help prosecute companies that use misleading information or engage in predatory practices to take advantage of low-income customers and small businesses in DACs seeking access to clean energy benefits.

SDG&E is certainly supportive of any efforts to strengthen consumer protections for its customers. Notwithstanding, SDG&E believes that any such efforts should be conducted, and any costs borne, by the state consumer protection agencies which are tasked with doing this very work.

Recommendation 10: The Legislature should direct funding for all state programs to collaborate with trusted and qualified community-based organizations in community-centric delivery of clean energy programs, in coordination with local governments, to:

Recommendation 10(a): Communicate program information to customers and obtain ongoing feedback from customers.

Recommendation 10(b): Communicate contract information to local small businesses in DACs.

Recommendation 10(c): Develop local workforce to expand access to entry-level and high-quality jobs in the clean energy economy.

SDG&E, as articulated in its response to Recommendations 1(b) and 8, already does much of this work. As such, SDG&E urges the State to take an inventory of and leverage the work currently being done in its recommendations.

Recommendation 11: The CEC and CPUC should direct research, development, demonstration, and market facilitation programs to include targeted benefits for low-income and DACs.

Recommendation 11(a): The EPIC Program should target a minimum of 25 percent of technology demonstration and deployment funding for sites located in DACs.

Recommendation 11(b): The CEC research development and deployment programs should conduct forums to share best practices and case studies on current projects located in DACs.

Recommendation 11(c): The CEC Should analyze potential business models that would create market opportunities for emerging clean technologies to be deployed in a manner that directly benefits low-income customers and DACs, including, but not limited to, tribal communities, rural communities, and mobile home communities.

Recommendation 11(d): The CEC should sponsor prize competitions and challenges to spur novel ideas and solutions for bringing clean energy technologies to low-income customers and DACs.

Recommendation 11(e): The IOUs should identify opportunities to locate technology deployment and deployment projects in DACs in all future EPIC Investment Plans, including their 2018-2020 EPIC Investment Plans.

Recommendation 11(f): The CPUC should review its programs to identify additional investment opportunities for cleaner sources of heating in DACs in the San Joaquin Valley.

SDG&E supports efforts to prioritize low-income customers and DACs in future research, development, demonstration, and market facilitation programs. Notwithstanding, SDG&E urges the CEC to specifically identify the needs of these communities and objectives being sought with these additional investments.

Recommendation 12: The State should conduct an in-depth, data-driven study in consultation with local business chambers, CBOs, technical assistance providers (small as small business development center and the Office of Small Business Advocate) and small businesses to determine actions for increasing contracting opportunities for small businesses in low-income and DACs.

SDG&E is supportive of this recommendation, and merely asks that the CEC first look to, and leverage, existing programs that are designed to serve low-income residents throughout the state. Identifying best practices and lessons learned from these efforts will result in a more targeted and productive study.

Thank you for the opportunity to provide these comments.

Sincerely,

/s/ Tim Carmichael

Tim Carmichael Agency Relations Manager San Diego Gas & Electric