



## Staff Report Item 7

**TO:** East Bay Community Energy Executive Committee  
**FROM:** Annie Henderson, VP Marketing and Account Services  
**SUBJECT:** Summary of SMUD EnergyHELP (Informational Item)  
**DATE:** February 26, 2021

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### Recommendation

Receive a summary overview of the SMUD EnergyHELP program, as an example of what a municipal utility is doing to support customers struggling to pay bills; how this does and does not apply to EBCE; and, plans for future customer payment support programs through Connect Communities

### Background

The Sacramento Municipal Utility District (SMUD) is a municipal utility that provides customers with electricity service as well as the distribution of power. The SMUD EnergyHELP<sup>1</sup> program allows a customer to identify a specified amount be added to their bill each month and then donated to a charity partner of the customer's choice. According to SMUD's website, 14,000 customers participate in the program which has supported 37,000 households (<5% of EBCE accounts) in its nearly 17 years of operation. Donations are not directly applied to specific customer bills to avoid arrearage that could result in disconnection.

The charity partners are non-profit organizations that provide various social services. A list of charities and services are provided in the table below.

Charity Partner	Services
Community Resource Project	Improving opportunities for people in need through energy efficiency, health and education.
Folsom Cordova Community Partnership	Enhancing the health, education, and well-being of our community by assisting those in need

<sup>1</sup> <https://www.smud.org/en/In-Our-Community/Help-your-Community>

LAO Family Community Development Inc.	Advancing the economic well-being of our community through employment, housing, education and support services
Sacramento Food Bank & Family Services	Giving a hand up, rather than a hand out through grassroots community involvement
The Salvation Army	Devoted to meeting human needs in the Sacramento community for over 100 years
Travelers Aid Utility Assistance	Providing aid throughout the Sacramento community since 1896

## **Analysis & Discussion**

SMUD provides both generation service and delivery service. This differs from EBCE who provides only generation service, while PG&E charges customers for delivery. In our case, a customer may be disconnected only by PG&E.

In the normal course of business, PG&E will disconnect an electricity customer for nonpayment per Electric Rule 11<sup>2</sup> as summarized below:

- PG&E must provide a 15-day, 48-hour, and 24-hour notice.
- PG&E must offer payment arrangements for a twelve (12) month duration.
- PG&E offers to enroll eligible customers in all applicable benefit programs administered by PG&E
- Customers shall not be disconnected if they currently have a Low-Income Home Energy Assistance Program (LIHEAP) pledge pending.
- PG&E shall visit, in-person, special needs profiled customers that have previously been identified as Medical Baseline, Life Support, or has self-certified that they have a serious illness or condition that could become life threatening if service is disconnected, within the 48 hours prior to, or at the time of, service termination.
- Service may be terminated to any customer, including special needs profiled customers who do not comply with a payment arrangement.
- When the customer and PG&E have agreed upon payment arrangements, PG&E will not terminate service as long as the customer complies with the arrangements. However, if the customer fails to comply, PG&E may terminate services the customer is receiving after notice is given.

EBCE may send a customer to PG&E service based on its Delinquent Accounts and Collections Policy, most recently updated in January 2021<sup>3</sup>, based on the following:

- Customer with an outstanding balance for EBCE charges exceeds \$250 in charges overdue for more than 90 days.
- The customer will be provided 60 days to pay or make payment arrangements.
- If payment in full is not received within 60 days from the date of notification, or the terms of an activated payment arrangement are not fulfilled, the EBCE

<sup>2</sup> [https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC\\_RULES\\_11.pdf](https://www.pge.com/tariffs/assets/pdf/tariffbook/ELEC_RULES_11.pdf)

<sup>3</sup> [https://res.cloudinary.com/diactiwk7/image/upload/v1610763039/Item\\_12\\_-\\_Extension\\_of\\_Payment\\_Policy\\_Suspendr.pdf](https://res.cloudinary.com/diactiwk7/image/upload/v1610763039/Item_12_-_Extension_of_Payment_Policy_Suspendr.pdf)

customer account may be closed and returned to PG&E bundled generation service.

Forgiving or paying off EBCE charges on customer accounts could, in theory, help avoid disconnection if the customer utilizes those savings to pay off outstanding balances due to PG&E. However, if a customer continues to carry a balance with PG&E and does not take any of the above noted actions, per Rule 11, even with a zero balance with EBCE, a customer could still be disconnected.

Rather than mirror this SMUD program, staff recommends we find meaningful ways to avoid customer disconnections. A portfolio of efforts is managed through the Connected Communities Program.

- **Focus Groups** - EBCE is convening focus groups with customers that have experienced arrearage and disconnections to understand the challenges customers have in paying their bills. The first round of focus groups has been completed in English, Spanish, and Cantonese. These focus groups have identified a series of insights that EBCE will continue to explore in a second round of meetings, which will include a session in Tagalog. EBCE will use the insights gained from these focus groups to structure outreach and bill payment programs and discounts for customers struggling to pay their bills.
- **CARE/FERA Enrollment** - EBCE conducts regular direct email outreach to provide potential participants with information and enrollment applications for CARE and FERA, which provide discounts of 17 to 35% on energy bills. EBCE has created an information page on our website with a video about how qualification guidelines and ways to enroll at [ebce.org/care](http://ebce.org/care).
- **Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT)** - These programs will give CARE customers living in the top 25% of CalEnviroScreen 3.0 census tracts an additional 20% discount on their bundled rate. There are approximately 15,000 accounts that are eligible for DAC-GT and CS-GT across EBCE's service territory. EBCE will be rolling out this program after the CPUC approves the advice letter submitted in September 2020. EBCE will be able to offer this discount to approximately 1,800 accounts and will be evaluating the impact of this discount on customer arrearages and likelihood of disconnection.
- **Arrearage Management Program (AMP)** - This Program is a CPUC-sponsored program that provided customers with debt forgiveness if they are able to pay current bills over the course of a year. Eligible customers can erase 1/12 of their current debt each month they pay their current due amount. This will allow customers to erase their debt balance over the course of a full year. EBCE will be encouraging customers to participate in this program and evaluating the results to determine the effectiveness of this intervention in reducing arrearage and likelihood of disconnection.

- **Solar PV for customers in arrears** - EBCE is partnering with Grid Alternatives to leverage the Disadvantaged Communities Single-Family Affordable Solar Homes (DAC-SASH) incentive to provide solar photovoltaic systems to a limited number of homeowners in EBCE territory that are in arrears and face the threat of disconnection. EBCE is funding the cost gap between available incentives and the cost of installing a solar system to offer this program to customers. Grid Alternatives is completing customer outreach and using local labor to install the systems.