



CHANGES Program

Community Help and Awareness of Natural Gas and Electricity Services

DATA ANALYSIS REPORT

QUARTERS 1 - 4

MAY 1, 2016 – APRIL 30, 2017

**PREPARED BY
SELF-HELP FOR THE ELDERLY
MILESTONE CONSULTING LLC
MAY 2017**

TABLE OF CONTENTS

I. Report Overview	2
II. Case Escalation Process	3
III. Responding to “Trends”	4
IV. Most Prevalent Dispute Resolution Types	5
Gas Aggregation Disputes	6
Languages and Ethnicities	6
Core Transport Agents	8
Additional Observations about Gas Aggregation Disputes	8
Stopped Disconnection/Assisted with Reconnection Disputes	10
V. Most Prevalent Needs Assistance Types	12

I. Report Overview

In December 2015, the California Public Utilities Commission (CPUC) approved Decision 15-12-047 establishing the Community Help and Awareness of Natural Gas and Electricity Services (CHANGES) Program as a permanent program and moving the program out of the pilot phase. The Decision called for a more formalized reporting of trends observed through the data collected by CHANGES community based organizations (CBOs) when assisting limited-English speaking consumers with issues related to their utility bills. This report covers the first three quarters of the program, and includes data from services provided from February 1, 2017 – April 30, 2017. Subsequent “trends analysis” reports will be provided quarterly as a part of the regular ongoing CHANGES data reporting process.

Since the beginning of the program, data has been collected and reviewed, and program services have been added in response to issues identified in the data. For example, in 2014 CHANGES CBOs began experiencing issues related to 3rd party gas aggregation companies and consumers who were unaware of the new companies providing them with natural gas. Within a few weeks, an in depth full-day training was provided to CBOs about gas aggregation, consumer education materials were developed and translated into 14 languages, and a topic was added to regular consumer education activities to inform consumers about gas aggregation. Tracking trends and responding to them is not a new concept in the program. However, with the addition of more formalized reporting, it becomes necessary to clarify the limits of trends identification.

The data collected by CBOs is limited to the resources and budgets available to CBOs as well as the types of immediate needs that consumers present to them. On average, a CBO may resolve 5-10 disputes per month. While data can certainly show the most prevalent issues addressed by CBOs, the size of the data pool may not be large enough to identify specific trends in the industry.

Similarly, program data will show ongoing issues within a specific category that may be addressed by the CPUC, however, internal CPUC and investor-owned utility (IOU) procedures may limit the types and amount of data the program is able to collect on some issues that warrant further explanation.

Prevalent issues remain constant month to month. This may not indicate a “trend” in the full sense, but the data does identify ongoing issues that appear to be widespread difficulties for consumers.

II. Case Escalation Process

A progressive system for case resolution has been developed to provide CBOs with a clear path to work toward getting the most appropriate outcomes for consumers. The process is as follows:

1. The CBO attempts to resolve the case by calling the IOU at a dedicated phone number and speaking to a Customer Service Representative (CSR). In some IOUs the calls to the dedicated line are routed to regular customer service, and at others the calls are handled by CSRs who have received training about the program. In either case, CBOs can sometimes face challenges with CSRs who refuse to speak directly with the CBO. This situation persists despite protocols that include written customer authorization forms, IOU-Contractor Agreements, and regular check-ins and discussions with IOU Representatives. In most cases, the CBO is able to resolve the issue with the CSR at the IOU. Many cases are resolved by working with other organizations such as Home Energy Assistance Program (HEAP) Providers as well.
2. If the CBO is unable to reach a satisfactory resolution with the CSR, they will then request to speak with a Supervisor at the company. Often, a CBO will hang up and call again to reach a different CSR before requesting assistance from a Supervisor.
3. If the CBO is still unable to reach an appropriate resolution to the case, they will escalate the case to the “executive office” or to an individual designated by the IOU as the “escalation contact”. CBOs are required to escalate the case in writing via email, and to include Milestone Consulting in all correspondence and discussions related to the case. Milestone Consulting will often intervene when it appears that the IOU is reluctant to provide a satisfactory response.
4. In the event the case is not resolved through escalation, Milestone Consulting will work with the CBO to refer to legal assistance if appropriate or to refer to the CPUC’s Consumer Affairs Branch (CAB). In most cases, CBOs have not received sufficient communication from CAB to adequately advocate for their client. The CAB process is mostly in writing, directly to the consumer and consists of standard “form letters” that do not get sent to the CBO. However, the CHANGES Program has found that it is very rare that CBOs find the need to send a case to CAB.

III. Responding to “Trends”

When case data or anecdotal reports from CBOs indicate that new issues are emerging, or existing issues appear to have increasing numbers of cases, the CHANGES Program will respond in the manner that is most appropriate for the individual situation.

For example, the CHANGES Program has been contacted by CPUC Investigators inquiring about an IOU’s willingness to work with CBOs. This issue had been raised by entities other than the CHANGES Program, and data was provided to illustrate CBOs’ experiences related to the issue.

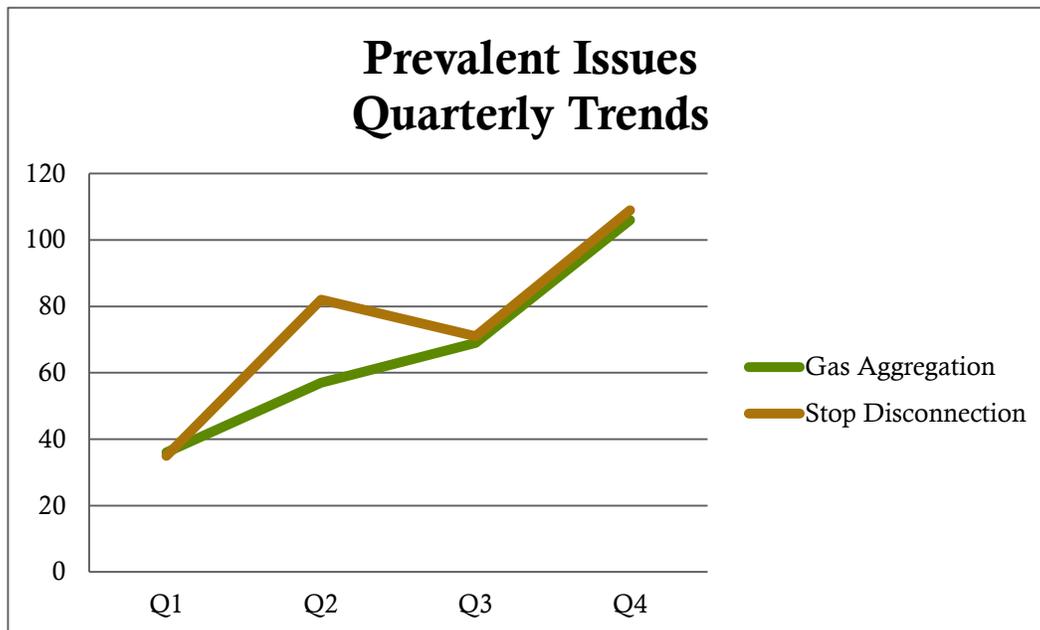
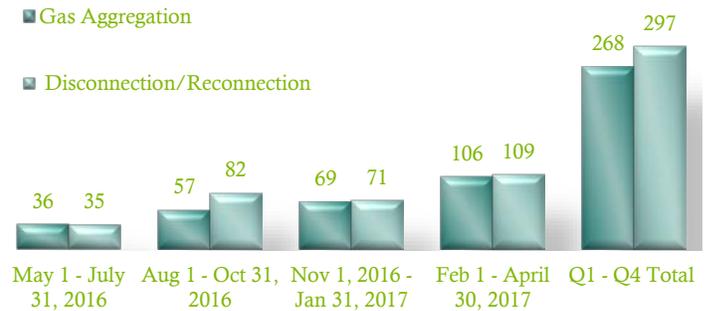
As another example, in August 2014, CHANGES CBOs began receiving numerous cases from consumers on two issues that they had not previously experienced. Many consumers began complaining about 3rd party gas aggregation companies appearing on their bills, or exhibiting aggressive marketing practices. At the same time, CBOs also began to see consumers who had been dropped from the CARE Program because of high energy use.

In response, the CHANGES Program researched both issues, and within 6 weeks developed consumer education materials in 16 languages about both issues. CHANGES CBOs were brought together for a full-day training about the issues and learned how to respond to and resolve such cases. The CHANGES database was updated to track the issues, and budget was allocated for additional consumer education on the two “special topics”. Both topics are now part of the standard array of consumer education topics and educational materials.

IV. Most Prevalent Dispute Resolution Types

During the 2016 – 17 program year, CHANGES CBOs resolved 834 disputes on behalf of consumers. Of those, 473 disputes, or 57% addressed two issues -- disconnections and issues with 3rd party gas aggregation companies.

	Gas Aggregation Company Disputed	Stopped Disconnection/Assisted with Reconnection
May 1 – July 31, 2016	36	35
Aug 1 – Oct. 31, 2016	57	82
Nov. 1, 2016 – Jan. 31, 2017	69	71
Feb 1 – April 30, 2017	106	109
Total	268	297



1. Gas Aggregation Disputes

Review of data collected by CHANGES CBOs related to gas aggregation disputes shows that the issues are not limited to a few specific companies, nor do the issues appear to target consumers who speak any certain language.

ALL gas aggregation disputes during this period were in the PG&E service territory.

- Data collected in previous quarters/program years shows a limited number of gas aggregation disputes in other IOU territories, but the vast majority were in the PG&E service area.

Data does not show the targeting of a specific ethnicity or language.

- CHANGES CBOs resolved gas aggregation disputes in a variety of languages for consumers of diverse ethnicities.

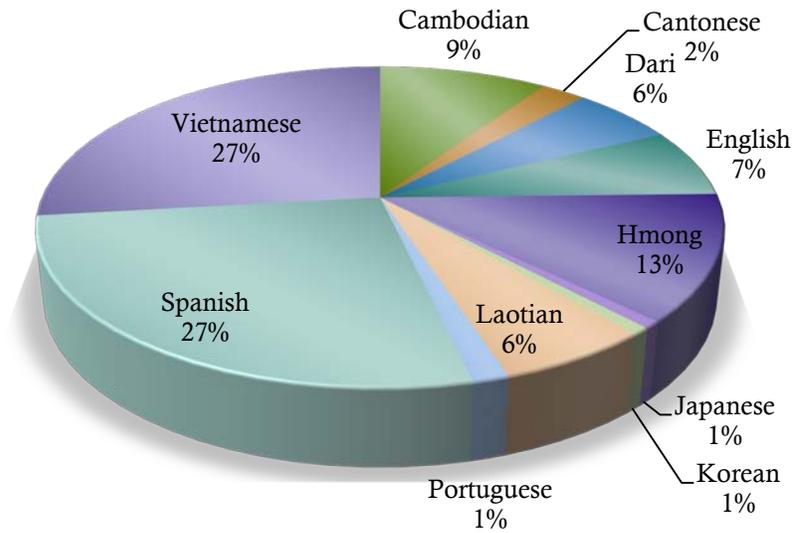
Disputes resolved were not limited to a single gas aggregation company.

- Data reflects disputes with numerous gas aggregation companies.

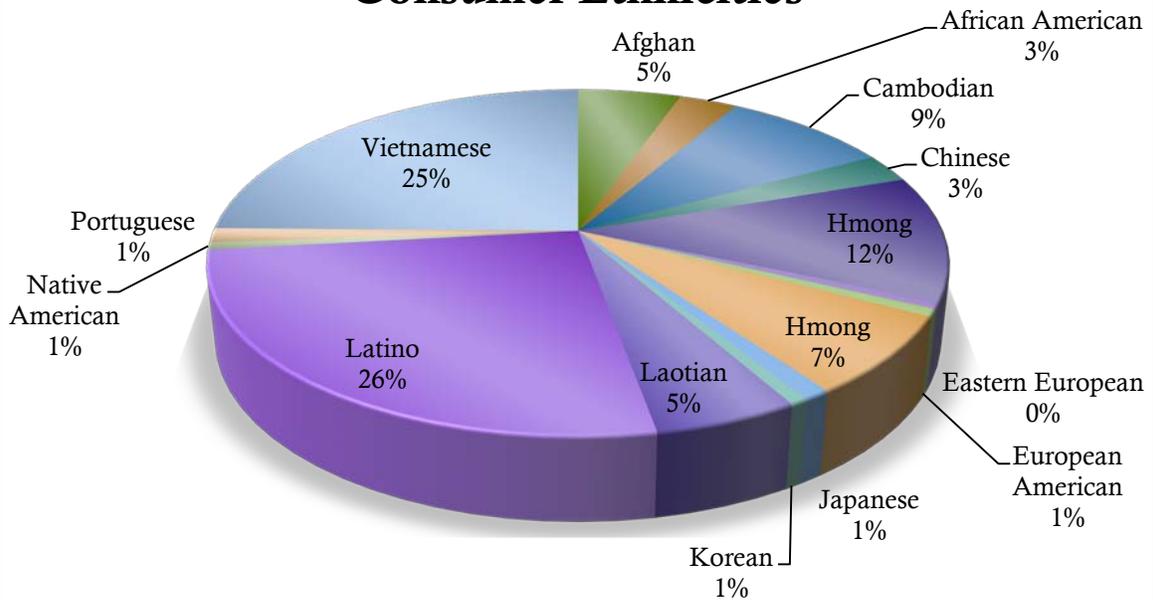
Languages and Ethnicities of Consumers with Gas Aggregation Disputes

CHANGES CBOs addressed gas aggregation disputes for diverse communities. Data collected does not indicate that gas aggregation companies are targeting specific communities, however, resources do not allow for a detailed “company to consumer matching process” to confirm whether disputes with a particular company are also related to a particular ethnicity. A cursory review of data identified at least one company that appeared to be focused on a specific language or ethnicity. It is also possible that the company instead focused marketing on a particular geographic area, resulting in an impact on consumers of a specific ethnicity.

Gas Aggregation Disputes Consumer Languages

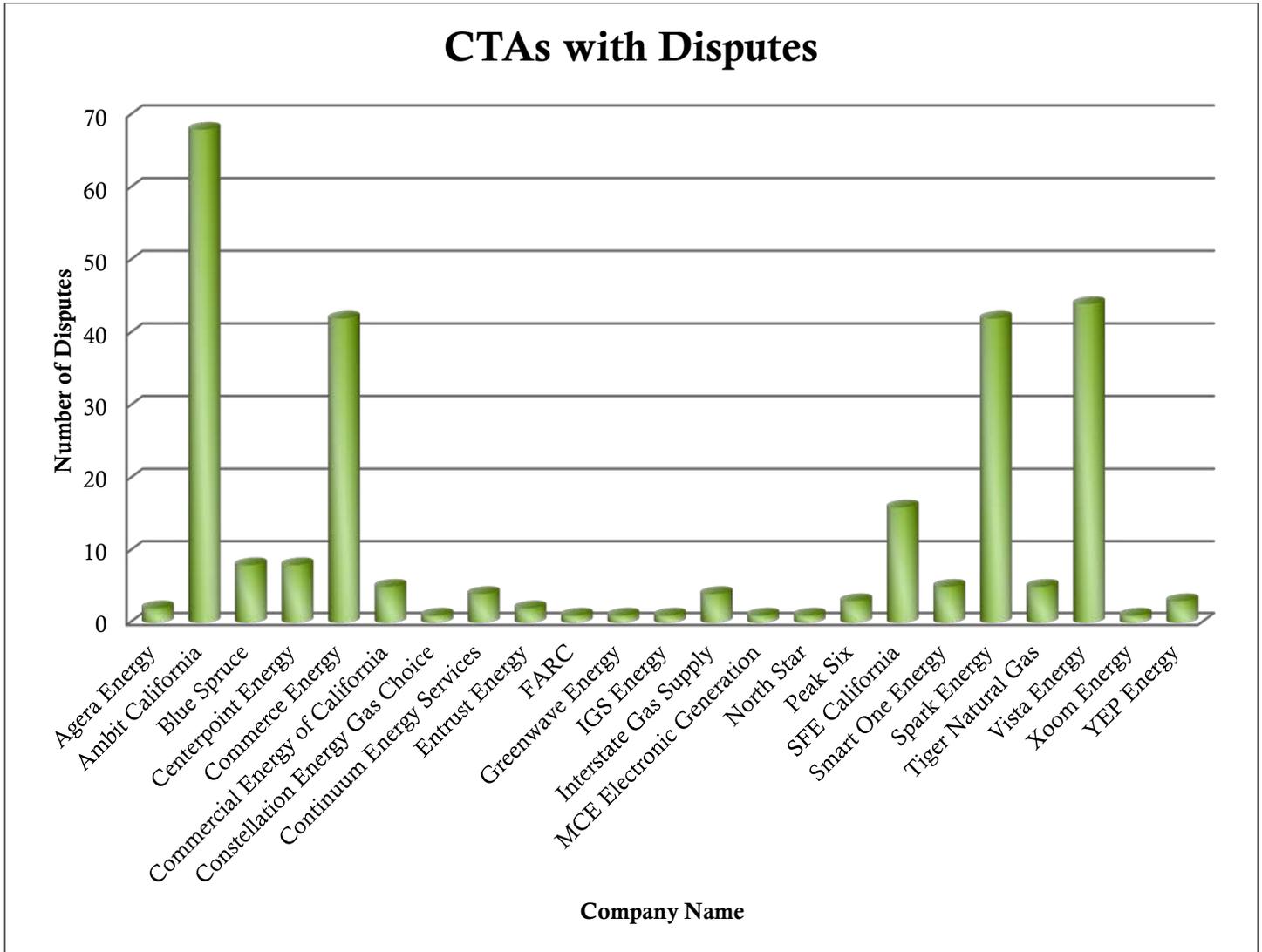


Gas Aggregation Disputes Consumer Ethnicities



Gas Aggregation Companies (Core Transport Agents)

Disputes were addressed with twenty (20) different Core Transport Agents (CTAs). There are currently 27 companies listed on PG&E's website as having completed the CTA certification process, which would mean that CHANGES CBOs have received complaints related to 74% of companies approved to provide gas aggregation services.



Additional Observations on Gas Aggregation Disputes

- In the 4th quarter of the program year, CHANGES CBOs received complaints about several Core Transport Agents not identified in previous quarters.
- Most consumers seeking CHANGES assistance were unaware that they had been enrolled with a Core Transport Agent. In most instances, enrollment with the company was discovered by the CBO when the consumer sought help for a bill that was higher than usual.
- Some consumers did recall a CTA “marketing agent” coming to their door, and described a variety of experiences with CTA representatives that included the following:

- they declined the opportunity to change companies and later learned that they had been enrolled anyway;
 - they were told that everyone was required to change companies;
 - they signed a contract in English that they did not understand but felt pressured to sign;
 - the person at the door wore clothing or “lanyards” with PG&E logos and the consumer did not realize they represented a different company.
- Consumers who did agree to switch services to a CTA did so after being told that they would have significantly lower bills. CHANGES CBOs observe that every bill with services provided by a CTA has been higher than it would have been had the consumer remained with PG&E.
 - In addition to higher gas charges, some CTAs billed additional charges such as “administrative fees” at \$0.16 per day, and “customer charges” at \$5 per month.
 - In many instances, consumers were dropped from the CARE program at the time of the switch, and most were required to reapply after being changed back to PG&E. Discounts were not applied retroactively in most cases.
 - CTAs often charged early termination fees ranging from \$50 to \$100. In some cases, CBOs were able to get the termination fees waived. Some companies required proof that a consumer was low income in order to waive an early termination fee.
 - When disputing enrollment, CBOs often asked for copies of signed contracts or recordings of consumers agreeing to change service providers. In most cases, those requests were denied. In some cases, the CTAs agreed to remove the consumer from their rolls when the CBO insisted on proof of agreement to enroll.
 - CTAs do not recognize the CHANGES program and are not required to work with CBOs. In many cases, the CBO needed to make several attempts to find someone at the CTA that would negotiate with them.

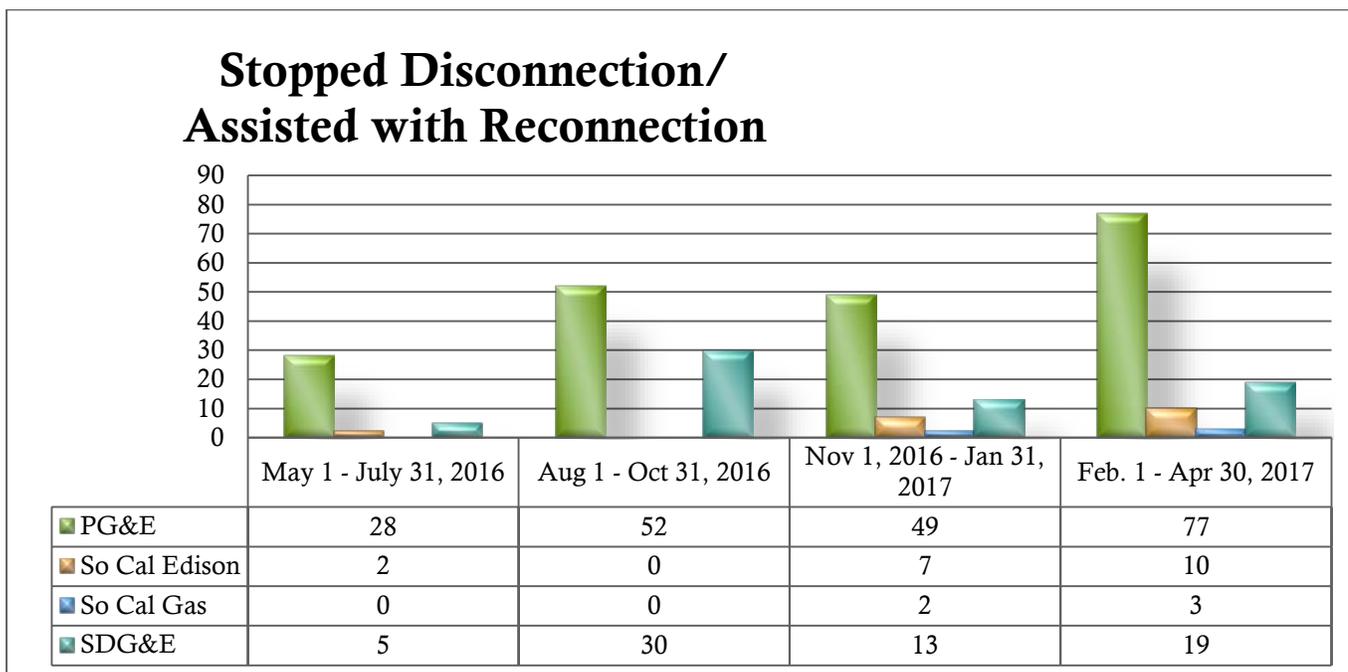
“Stopped Disconnection/ Assisted with Reconnection” Disputes

During the 2016 - 17 program year, CHANGES CBOs resolved 297 cases that resulted in stopping a pending disconnection or assisting with getting services reconnected. CBOs may accomplish this with a variety of actions including:

- Setting up payment extensions;
- Negotiating payment plans;
- Securing payment assistance through HEAP, IOU-facilitated assistance programs, and other payment assistance resources (Not included in numbers reported here, see note below below chart);
- Identifying and disputing incorrect bills and/or meter readings.

Data in this report does not include cases in which preventing disconnection was addressed through securing assistance from HEAP or other programs.

Disputes resulting in stopped disconnection were resolved with all four IOUs:



Note: Data in this report has been updated from previous reports to include payment plans and payment extensions in the “stopped disconnection” category. Data does not include cases resolved through enrollment in HEAP or other assistance programs where additional financial resources are provided to consumers.

An additional 196 Needs Assistance cases dealt directly with stopping disconnection or facilitating reconnection. Needs assistance cases are considered as a separate category to disputes, data on which is reported above.

Many of the accounts related to disconnections had outstanding balances of many hundreds, and often, thousands of dollars. Utility companies avoided immediate disconnections when overdue balances were lower. By the time a consumer receives a disconnection notice, account balances are *often so high* a low income consumer cannot pay the required amount to avoid disconnection. CHANGES CBOs are then unable to negotiate payment plans they can reasonably expect their clients to maintain.

Accounts that have already been disconnected do not have the option of a payment plan, and balances must be paid in full before services will be reconnected. Again though when consumers' accounts are allowed to increase to thousands of dollars, it is nearly impossible for a low income consumer to meet those requirements.

Without the option of a realistic payment plan available to them, most cases were resolved by helping consumers access the HEAP program to pay outstanding balances.

3. Other Dispute Categories

The disputes classified as “Stopped Disconnection/Assisted with Reconnection” are cases in which the consumer has received a notice of disconnection or has already been disconnected. Other dispute categories may result in the same types of CBO activities described above but have been completed on accounts for which a disconnection notice has not yet been received. For example, a consumer may have a bill they are unable to pay but are not in danger of immediate disconnection.

One of the goals of the CHANGES program is to educate limited-English proficient consumers that they have the right to dispute a bill or challenge a utility company if they believe that they have been incorrectly billed or not received the service or treatment to which they are entitled. The concept of “complaining” to a large company that provides a product and service that they require for their basic quality of life can be daunting to many immigrants and refugees. CBOs also resolve disputes related to other issues.

V. Most Prevalent Needs Assistance Types

Needs Assistance is provided to consumers who need assistance dealing with the utility companies or their utility accounts, but who do not feel that their company has made an error that adversely affects them.

The most prevalent Needs Assistance service provided by CHANGES CBOs was to help secure HEAP assistance for consumers.

Needs Assistance	Q1	Q2	Q3	Q4	Total
<i>HEAP/LIHEAP Application Assistance</i>	<i>141</i>	<i>326</i>	<i>211</i>	<i>650</i>	<i>1,328</i>
Assist with Changes to Account	18	30	35	73	156
Medical Baseline Application Assistance	16	32	28	63	139
Set Up Payment Plan	8	28	33	56	125
Set Up New Account	31	32	34	22	119
Enrolled in Gas Assistance Fund (SCG)	0	0	1	115	116
Enrolled in Neighbor to Neighbor (SDG&E)	18	21	25	42	106
Energy Savings Assistance Program	10	25	18	30	83
Set Up Payment Extension	8	10	17	14	49
Billing Language Changed	0	19	18	10	47
Enrolled in Energy Assistance Fund (SCE)	3	17	8	16	44
Added Level Pay Plan	0	0	7	16	23
Assisted with Reconnection	3	5	5	9	22
Set Up 3rd party Notification	8	1	1	3	13
Assisted High Energy User with Document Submission	1	1	1	3	6
Assistance Fund (PGE)	0	0	0	6	6
REACH Application Assistance	0	2	1	2	5
Energy Efficiency Tool	0	0	1	3	4
Reported Safety Problem	0	0	2	1	3
Total	265	549	446	1,134	2,394