

Application No.: A.25-06-022

Exhibit No.: SDG&E-01

Witness: Hollie K. Bierman

PREPARED DIRECT TESTIMONY OF
HOLLIE K. BIERMAN
ON BEHALF OF SAN DIEGO GAS & ELECTRIC COMPANY



BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

ERRATA

August 28, 2025

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1 **PREPARED DIRECT TESTIMONY OF HOLLIE K. BIERMAN**
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4 **Executive Summary and Portfolio Overview**

5 **I. INTRODUCTION**

6 San Diego Gas & Electric Company (SDG&E) seeks approval from the California Public
7 Utilities Commission (CPUC or Commission) for bridge funding for Program Year 2027 for its
8 portfolio of low-income assistance programs – Energy Savings Assistance (ESA), California
9 Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs.

10 This bridge funding application seeks continuation of the programs approved in Decision (D.)21-
11 06-015 for Program Years 2021 through 2026 with minimal program and budget changes.

12 The purpose of this testimony is to present the principles that guided the development of
13 SDG&E's 2027 portfolio and provide a summary of the ESA, CARE, and FERA programs.

14 The testimony of Roland Mollen will discuss the details of SDG&E's proposed 2027
15 ESA, CARE and FERA programs and provide a description of certain authorized Evaluation
16 Measurement and Verification (EM&V) studies that will continue in 2027.

17 **II. GUIDING PRINCIPLES FOR 2027 PROGRAM PORTFOLIOS**

18 **A. Minimal Program Changes**

19 SDG&E's 2027 CARE, FERA and ESA programs will largely be a continuation of its
20 2026 programs' design and delivery. SDG&E intends to extend current ESA portfolio
21 implementation contracts into 2027 following the approval of this application to ensure that there
22 is no disruption in service to customers and that implementers and their contractors continue
23 work under the current program design, without additional ramp up time to set up new programs.

1 **B. Keep Funding Request Reasonable**

2 SDG&E's CARE Program administrative budget will remain the same as 2026. The
3 CARE Rate Discount budget is forecasted to include an increase to adjust for program
4 participation since SDG&E's 2019 application, Application (A.)19-11-005.¹

5 SDG&E's 2027 FERA Program administrative budget is aligned with its pending 2025
6 and 2026 budget request resulting from program changes due to the implementation of Senate
7 Bill (SB) 1130.² The FERA Rate Discount budget will increase in line with the significant
8 increase in FERA-eligible households enabled by SB 1130.³

9 SDG&E's ESA Program portfolio budget request of approximately \$35.7 million will be
10 approximately \$2.1 million higher than 2026. The ESA Main Program will require the same
11 budget as authorized for 2026. The Southern Multifamily Whole Building (MFWB) Program
12 and the ESA Pilot Plus and Pilot Deep (PPPD) Program will roll over/carry over
13 unspent/uncommitted funds from their respective authorized 2021-2026 program cycle budgets.
14 Any remaining unallocated unspent funds from these programs will be used to offset the ESA
15 Main Program 2027 revenue requirements.

16 **C. Limited Stakeholder Engagement**

17 Due to the limited scope of this bridge funding request, SDG&E did not seek extensive
18 stakeholder engagement. However, SDG&E informed the Low-Income Oversight Board
19 (LIOB), the MF Implementer (RHA), contractors, and the ESA Working Group of its proposal
20 for the bridge funding period. The Energy Division (ED) notified the A.19-11-005 et al. service
21 list of the utilities' intent to file an application for the next program cycle, indicating that there

¹ A.19-11-005.

² SDG&E Advice Letter (AL) 4646-E, submitted April 25, 2025.

³ *Id.* at 4.

1 would be a 2027 bridge funding request to be followed by a full cycle request.⁴ The Notice also
2 included their guidance on the content of the full cycle application. The utilities sent a follow-up
3 notice to the service list providing more details and schedule for a 2027 bridge funding
4 application followed by a full cycle application beginning 2028.⁵

5 **III. SUMMARY OF CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE)** 6 **PROGRAM**

7 The CARE Program is statutorily mandated by California Public Utilities (P.U.) Code
8 Sections 739.1 and 739.2 to assist income-eligible households with a monthly discount on their
9 gas and electric bills. The CARE Program currently provides a 20% discount on natural gas
10 charges and a 35% discount on electric rates.⁶ To qualify for the CARE Program, eligible
11 customers must have a total household gross income no greater than 200% of the Federal
12 Poverty Guideline (FPG). Households that participate in certain means tested assistance
13 programs (referred to as Categorical Eligibility) are also eligible for CARE. Eligible customers
14 also include residents in non-profit group living facilities, agricultural employee housing
15 facilities, and migrant farm worker housing centers.

16 The IOUs are responsible for developing strategies to cost-effectively identify, target and
17 reach those customers who are CARE-eligible. The IOUs must balance the need to serve the

⁴ A.19-11-003, Service List re: *ED Staff Guidance to IOUs on ESA-CARE-FERA-CAS* (November 1, 2024).

⁵ A.19-11-003, email re: *Update on Income Qualified Program (CARE/FERA/ESA) Applications* (February 21, 2025).

⁶ D.24-05-028, at Conclusion of Law (COL) 11, and Ordering Paragraph (OP) 4. SDG&E AL 4588-E-A, approved February 19, 2025 and effective February 1, 2025. As noted in AL 4572-E-A filed on January 24, 2025, when accounting for the benefits CARE customers receive from certain rate exemptions in addition to the fixed, line-item CARE discount of 35%, SDG&E estimates the total effective CARE discount to be approximately 38%.

maximum number of eligible households with the need to verify that those enrolled in the program are eligible.⁷

Table 1: Proposed 2027 CARE Budget

Program	2026 Budget	2027 Budget	Increase/ (Decrease) Request	% Change
CARE Admin	\$7,401,649	\$7,401,649	\$0	0%
CARE Discount	\$126,524,206	\$218,878,622	\$92,354,416	73%
Total CARE	\$133,925,855	\$226,280,271	\$92,354,416	69%

IV. SUMMARY OF FERA PROGRAM

The FERA Program is statutorily mandated by California P.U. Code Sections 739.1 and 739.12 to assist low- to middle-income-eligible households with a monthly average effective discount of 18% on their electric bills. In D.21-06-015, the Commission authorized the FERA Program to be consolidated with the CARE and ESA proceeding.⁸ As such, IOU FERA goals, budgets and program design elements will be scoped into the IOUs' low-income applications moving forward. D.21-06-015 also approved FERA administrative and rate discount budgets separate from CARE budgets.³

SB 1130, approved in September 2024, introduced significant changes to the FERA Program to enhance accessibility and promote participation. SDG&E filed Tier 3 Advice Letter (AL) 4646-E seeking approval of incremental administrative funds for 2025 and 2026 to

⁷ D.19-06-022, at 5.

⁸ D.21-06-015, at Findings of Fact (FOF) 25 and COL 18, at 467.

1 implement program changes to comply with SB 1130.⁹ Key impacts of SB 1130 on the FERA
2 Program are:

- 3 1. **Expanded Eligibility:** Previously, FERA was limited to households of three or more
4 individuals with total annual household gross income between 200% (plus \$1) and 250%
5 of the FPG. SB 1130 removed the household size requirement, allowing households of
6 one and two persons to qualify, provided they meet the income criteria of 200% (plus \$1)
7 to 250% FPG.
- 8 2. **Enhanced Oversight and Reporting:** The bill requires that by March 1, 2025, and
9 annually thereafter, the IOUs must report their efforts to enroll customers in the FERA
10 Program. The CPUC is required to review these reports by June 1 each year to ensure
11 reasonable enrollment efforts were made to enroll eligible households commensurate
12 with the proportion of eligible households within the IOU's territory. If the Commission
13 determines that an IOU has not made reasonable efforts to enroll eligible households in
14 the FERA Program, the CPUC will require the IOU to develop a strategy and plan to
15 sufficiently enroll eligible households within three years of the adoption of the strategy
16 and plan.

17 **Table 2: Proposed 2027 FERA Budget**

Program	2026 Budget ¹⁰	2027 Budget	Increase/ (Decrease) Request	% Change
FERA Admin	\$640,368	\$984,185	\$343,817	54%
FERA Discount	\$5,388,762	\$5,449,903	\$61,141	1%
Total FERA	\$6,029,130	\$6,434,088	\$404,958	7%

⁹ AL 4646-E, submitted April 25, 2025. On June 6, 2025 Energy Division issued a data request for more detailed budget assumptions and breakdown. This advice letter is pending Commission approval at the time of this application.

¹⁰ SDG&E AL 4646-E, submitted April 25, 2025, seeking approval of incremental administrative funds for 2025 and 2026 to implement program changes to comply with SB 1130.

V. SUMMARY OF ENERGY SAVINGS ASSISTANCE (ESA) PROGRAM PORTFOLIO

The ESA Main Program offers no-cost weatherization services, energy efficient lighting, energy efficient appliances, energy education, and other services to income-qualified customers of single family and mobile homes. The Southern MFWB Program, which covers SDG&E, Southern California Gas Company, and Southern California Edison service territories, offers ESA services for in-unit, common area measures (CAM) and whole building measures to deed restricted and non-deed restricted multifamily customers. SDG&E is the administrator for the Southern Multifamily Whole Building (MFWB) Program. In addition, SDG&E's Pilot Plus Pilot Deep (PPPD) program goal is to achieve deeper energy savings for all targeted and prioritized participants. The PPPD targets high usage, low-income customers with the most needs, then uses on-site assessment and audit, and energy software to model potential energy savings and guide the customer to either Pilot Plus (5% to 15% savings) or Pilot Deep (15% to 50% savings).

Table 3: Proposed 2027 ESA Portfolio Budget

Program	2026 Budget	2027 Budget	Increase/ Decrease Request	% Change
Main ESA	\$22,011,376	\$22,011,220	-\$156	-0.001%
MFWB*	\$9,470,876	\$11,476,405	\$2,005,529	21.176%
SPOC*	\$651,613	\$462,333	-\$189,280	-29.048%
PP/PD*	\$1,526,683	\$1,791,059	\$264,376	17.317%
Total ESA	\$33,660,548	\$35,741,017	\$2,080,469	6.181%

*These programs have program cycle budgets.

VI. SUMMARY OF EVALUATION MEASUREMENT & VERIFICATION (EM&V)

D.21-06-015 authorized several statewide studies and load impact evaluations together with the associated budgets. For the bridge year of 2027, SDG&E plans to use the 2021-2026

1 EM&V budgets to complete the studies approved in the decision. SDG&E will be working
2 closely with the other IOUs and the ESA/CARE Study Working Group to complete these studies.

3 SDG&E is not requesting any EM&V budget for 2027. SDG&E will use the authorized
4 2021-2026 EM&V budgets to complete various process and load impact evaluations for the
5 programs, as further detailed in Mr. Mollen's testimony.

6 **VII. JUSTIFICATION FOR THE BRIDGE FUNDING PERIOD**

7 Data to fully inform a 2027-2032 full cycle application will not be available in time to
8 submit an application and allow for the regulatory process to approve this application prior to the
9 conclusion of the current cycle. A 2027-2032 application would need to be filed by mid-2025 to
10 allow for an 18-month proceeding. However, there are several studies still underway. Below is a
11 list of pertinent studies:

- 12 • 2025 Low Income Needs Assessment (LINA) will complete in 2025
- 13 • ESA Non-Energy Impacts (NEI) study will complete in 2025
- 14 • ESA Potential and Goals (P&G) study will complete in 2025
- 15 • 2028 LINA will begin in 2026 and complete in 2028
- 16 • ESA Main Impact and Process evaluation – TBD
- 17 • MFWB Impact and Process evaluation – TBD
- 18 • SDG&E ESA PPPD evaluation – TBD

19 SDG&E's request to continue the 2021-2026 programs into 2027 via this bridge funding
20 application allows additional time for data and study results to become available and leveraged
21 for future program design. Additionally, it ensures adequate time for the Commission to
22 deliberate on policy and program changes for the next full program cycle post-2027, thereby
23 avoiding market uncertainty and potential program disruption, and eliminating the need for a

1 bridge funding decision during ongoing application proceedings should a final program decision
2 be delayed, as happened previously with D.15-12-024¹¹, D.16-06-018¹², and D.19-06-022¹³ for
3 Application (A.)14-11-007 *et al* and A.19-11-003, *et al.*, respectively.

4 **VIII. CONCLUSION**

5 SDG&E respectfully requests the Commission approve the CARE, FERA and ESA
6 Program plans and budgets for 2027 as described in the testimony of SDG&E witness Roland
7 Mollen.

8 This concludes my prepared direct testimony.

¹¹ D.15-12-024, at OP 1, the Commission authorized bridge funding for the large IOUs' Energy Savings Assistance and California Alternate Rates for Energy Programs from January 1, 2016 until June 30, 2016.

¹² D.16-06-018, at OP 1, the Commission extended bridge funding for the four large IOUs from July 1, 2016 until December 31, 2016.

¹³ D.19-06-022, at OP 3, the CPUC directed the four large IOUs to submit Tier 1 Advice Letters for potential ESA program bridge funding for the 1st half of 2021.

1 **IX. STATEMENT OF QUALIFICATIONS**

2 My name is Hollie K. Bierman. I am the Director of Customer Programs at SDG&E. My
3 business address is 8335 Century Park Court, San Diego, California 92123-1257. In my current
4 position, I am responsible for leading the team who manages and administers the Low Income
5 programs -- the CARE, FERA and ESA portfolio of programs for SDG&E. The purpose of my
6 direct testimony is to sponsor and testify to SDG&E's 2027 Bridge Funding Request for CARE,
7 FERA and ESA programs. I hold a Bachelor of Arts and a Master of Arts from Brandeis
8 University. I also hold a Juris Doctorate from the University of San Diego and am a member of
9 the California Bar. From 2011 - 2021, I served as Counsel and Senior Counsel in the Legal
10 Department, supporting Customer Programs' administration, strategy, contract negotiations and
11 program implementation, until becoming Director of Customer Programs in January 2022. I
12 have been in my present position for 3 years and 6 months. I have previously testified before
13 this Commission.