

Report To the Legislature

Providing “Detailed Information On The Formal Procedures Established By The Commission In Order To Monitor And Ensure Compliance By Electrical Corporations With Chapter 838, Statutes Of 2002”

First Quarterly Report
Submitted January 31, 2011

The Energy Division has developed a standard 3-part reporting form to comply with Part (a) of the reporting requirement. Each part of the form will be completed by the CCA, the IOU, and Commission staff, respectively.

- a. A detailed description of the commission’s process for enabling communities interested in becoming community choice aggregators, communities currently in the process of becoming community choice aggregators, and existing community choice aggregators to obtain timely utility compliance with paragraph (9) of subdivision (c) of Public Utilities Code Section 366.2, which requires the utility to “cooperate fully with any community choice aggregators that investigate, pursue, or implement community choice aggregation programs.”
 - a. The description shall include the process provided by the commission to allow prospective or existing community choice aggregators to identify specific matters on which the utility is not considered to be cooperating fully.
 - i. For each identified matter, the prospective or existing community choice aggregator shall detail in writing the issue, the lack of full cooperation, and the personnel at the utility with whom the community choice aggregator is working.
 - ii. The utility shall be required to respond in writing by providing a specific solution to the matter raised by the prospective or existing community choice aggregator, including a date-specific timeline for accomplishing the solution, and the names of personnel responsible for providing the solution.
 - b. The commission’s report to the Legislature shall provide a detailed summary of each matter identified and initiated by the community choice aggregator, and a detailed verification of the utility’s actions taken to address and resolve these issues, including verification of the satisfaction of the community choice aggregator. The report shall also itemize any matters that have been improperly raised by the community choice aggregator using this process.

Attachment 1: Reporting form for [Part (a) Process]

Part (a): Process for existing and prospective CCAs to obtain timely utility compliance with paragraph (9) of subdivision (c) of Public Utilities Code Section 366.2, which requires the utility to “cooperate fully with any community choice aggregators that investigate, pursue, or implement community choice aggregation programs.”

PART 1 (to be completed by CCA)

Submitted by:

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Please identify the specific matter on which the utility is not considered to be cooperating fully (add lines or pages as needed):

Phone banking by PG&E to MEA customers caused many opt outs under false pretenses and MEA has never received verifiable data on which customers were contacted and which method customers used to opt out.

Please provide a detailed description of the issue (add lines or pages as needed):

Phone banking was conducted by PG&E between the months of February and April 2010 in Marin County opt customers out of the MCE program before enrollment or service by MCE had occurred. The phone banking established the idea in prospective customers' minds that if they did not choose to opt out of MCE their lights might go out and their electricity supply would fail. (PG&E is required by law to transmit and distribute electricity to MCE customers.) Customers were urged to opt out unlawfully, outside of the statutory opt out process, and before receiving the terms and conditions from the MCE program.

Customers reported being told many things by PG&E's phone banking vendor that were untrue to persuade them to opt out including, for example, that PG&E was buying new green power and to receive it the customer needed to opt out of MCE or that their power supply might not be maintained adequately unless they opted out on the phone at that time.

MCE has requested verifiable data from PG&E showing how many customers were contacted by phone, how many opted out through a utility-initiated phone call, and what method of opt out was selected by the remaining customers opting out so that MCE can

insure that accurate information is provided to these customers. This data is also needed to insure transparency around PG&E's actions in Marin County.

Please describe the lack of full cooperation (add lines or pages as needed):

MCE requested that the unlawful phone-banking stop but it continued for several weeks and penetrated the majority of the Marin customer base. After the phone banking was ultimately terminated by the CPUC, MCE requested the data on the number of customers PG&E's vendor called to opt out of MEA and data on how many actually opted out by what method. After requesting this information MCE was told that it could not be provided due to customer confidentiality. MCE believed that the confidentiality concerns were not valid due to the NDA's already executed between PG&E and MCE, the level of customer-specific data already transferred between PG&E and MCE, and the business concern that mis-information provided to the customer needed to be corrected.

This information has still not been provided to MCE or the CPUC for verification.

Please list the personnel at the utility with whom the community choice aggregator is working:

Name	Title	Phone Number	e-mail
Redacted	PG&E Energy Solutions & Service	Redacted	
	PG&E Energy Solutions & Service		

PART 2 (to be completed by Utility, 5 business days after notification by Energy Division)

Submitted by:

Name	Redacted
Title	Sr. Account Manager
Phone	Redacted
e-mail	

“The utility shall be required to respond in writing by providing a specific solution to the matter raised by the prospective or existing community choice aggregator, including a date-specific timeline for accomplishing the solution, and the names of personnel responsible for providing the solution.”

Please describe the specific solution to the matter raised by the prospective or existing Community Choice Aggregator (add lines or pages as needed):

PG&E disagrees with the allegations by MCE that PG&E's phone calls or other communications to customers were unlawful, false or misleading in any respect, and MCE has failed to provide any documentation to support its allegations. PG&E responded to MCE's allegations in a letter dated April 14, 2010 to MCE Counsel Gregory W. Stepanicich, a copy of which is attached.

Notwithstanding the inaccuracy of MCE's allegations, PG&E believes that this issue has been fully resolved. On May 11, 2010, PG&E responded to a data request from the CPUC Energy Division and provided to the Energy Division and MCE the aggregate number of opt-outs received by PG&E through a variety of channels, including through phone marketing calls. PG&E also complied with the direction of the CPUC Energy Division to rescind certain opt-outs received through the phone marketing calls. Based on this information provided to MCE and the customer accounts that were enrolled under in MCE's Phases 1A and 1B, MEA is currently able to identify which specific customers opted-out through CPUC-approved channels.

The phone marketing calls were entirely funded by PG&E's shareholders and PG&E's CCA marketing activities are subject to review and audit by the CPUC for compliance with CPUC directives and regulatory requirements.

Please provide the date-specific timeline that the IOU will follow in order to accomplish the solution (add lines or pages as needed):

Although PG&E disagrees with MCE's allegations, PG&E believes the issue was fully resolved in May and June, 2010, when PG&E provided summary data regarding its phone marketing to the CPUC Energy Division and MCE and rescinded certain opt-outs in compliance with CPUC directions.

Names of utility personnel responsible for providing [and implementing] the solution

Name	Title	Phone Number	e-mail
Redacted	Sr. Account Mngr.	Redacted	

PART 3 (to be completed by Commission staff, 10 days following receipt of Part 2 from the IOU)

“The commission’s report to the Legislature shall provide a detailed summary of each matter identified and initiated by the community choice aggregator, and a detailed verification of the utility’s actions taken to address and resolve these issues, including verification of the satisfaction of the community choice aggregator. The report shall also itemize any matters that have been improperly raised by the community choice aggregator using this process.”

Summary of each matter identified and initiated by the Community Choice Aggregator (add lines or pages as needed):

Detailed verification of the utility’s actions taken to address and resolve these issues (add lines or pages as needed):

Verification of the satisfaction of the community choice aggregator (add lines or pages as needed):

Name(s) of CPUC personnel responsible for preparing this response

Name	Title	Phone Number	e-mail

Itemize any matters that have been improperly raised by the Community Choice Aggregator using this process (add lines or pages as needed):