

From: Fitch, Julie A.  
Sent: 3/22/2011 3:13:31 PM  
To: Jacobson, Erik B (RegRel) (/O=PG&E/OU=Corporate/cn=Recipients/cn=EBJ1)  
Cc:  
Bcc:  
Subject: RE: Move-in customer - opted out w/PG&E

Thanks Erik. With respect to the list of customers previously enrolled in PG&E service in MEA's area, my thought was that it would allow MEA to contact the customers directly, if they wish. I didn't expect PG&E to do anything further. Thanks.

Julie

**From:** Jacobson, Erik B (RegRel) [mailto:EBJ1@pge.com]  
**Sent:** Tue 3/22/2011 2:59 PM  
**To:** Fitch, Julie A.  
**Subject:** RE: Move-in customer - opted out w/PG&E

Julie,

Thanks so much for the heads up. It is much appreciated. I am sorry to hear about your upcoming gall bladder surgery. Yuck! I hope it goes smoothly and you recovery quickly.

I don't believe we will have any concerns implementing your proposed solution on a going forward basis. In fact, our Chief Customer Officer, Helen Burt, recently met with MEA's Dawn Weisz to resolve a number of outstanding operational issues. One of the issues they discussed was how to deal with new or relocated customers. During that meeting, they agreed to enroll all new or relocated customers with MEA/MCE, even in circumstances where customers request us to sign them up for utility service. So I believe we are now all on the same page with respect to this issue. In addition, you may be interested to know that we are pulling together some proposed CCA tariff changes to implement the agreements that Helen reached with Dawn. These tariff changes involve customer privacy issues and the process and form for returning customers to utility bundled service. It is our intent to work out the

tariff changes with MEA in advance of our advice filing so this will not be controversial.

With respect to the list of all new/relocated customers who were not enrolled with MEA since MEA began service, what do you envision we do with that list? Our preference would be that we not invalidate the process we used for new/relocated customers prior to the receipt of your upcoming letter. At this juncture, I suppose MEA/MCE could reach out to these customers directly and encourage them to affirmatively opt-in to MEA service. That would seem to be less confusing to customers than having PG&E contact them directly and then requiring the customers to go thru the new procedure. In any event, please let me know if you have any recommendations on how to handle this transition issue.

Thanks again for your email.

Get well soon!

Erik

p.s. ....against my better judgment, I had to ask ☺

**From:** Fitch, Julie A. [mailto:julie.fitch@cpuc.ca.gov]  
**Sent:** Tuesday, March 22, 2011 9:31 AM  
**To:** Jacobson, Erik B (RegRel)  
**Subject:** RE: Move-in customer - opted out w/PG&E

Hi Erik,

I am finally back to this issue. We've talked about it internally at the PUC, and although I understand the language in the resolution and in the tariffs is subject to interpretation and muddies the water somewhat, we think the underlying PUC decision from 2005 that established the CCA rules is sufficiently clear that a new customer enrollment has to be with the CCA and not the utility initially, subject to their ability to opt out within the 60 days. The real purpose and spirit of resolution E-4250 was to make clear that the customer needs to receive information from the CCA prior to making a decision to opt out. Given all that, I am going to send a formal letter (addressed to Brian) asking that PG&E begin enrolling new customers (or relocations) in CCA service, and give MEA/MCE and us a list of customers who were not treated that way since MCE began service. We can still have another meeting to talk about this, but I think we need a clear way to treat the situation in the meantime. This approach is the most consistent with what I think the intent of the Commission was. I think another meeting is not very helpful at the moment because: I am at home awaiting gall bladder surgery next Monday (if I make it that far), Gurbux is in India, and Steve Roscow has moved to ALJ Division. That leaves Carlos Velasquez as the only person from CPUC Energy Division available to meet and discuss, and I don't think that would be terribly helpful for all involved. So, just giving you a heads up. In the letter, I will say that if you prefer a different interpretation, we can prepare a resolution for commission consideration or PG&E can file a petition to modify either the decision or the resolution (or another AL to amend the tariff, I suppose). But in the meantime, new customers should be enrolled with MEA/MCE and MCE should be informed of their information.

Julie

p.s. on your question about an OII, you know better than to ask me that!

**From:** Jacobson, Erik B (RegRel) [mailto:EBJ1@pge.com]  
**Sent:** Thu 3/3/2011 2:29 PM  
**To:** Fitch, Julie A.  
**Subject:** RE: Move-in customer - opted out w/PG&E

Julie,

Thank you for the opportunity to respond. I do not think that what we are doing is contrary to the current rules in our tariff, but we do definitely need to have an informal discussion with Energy Division, MEA and ourselves to ensure that new or relocated customers can immediately and conveniently obtain the electric service they want and at the same time are fully informed of the terms and conditions of the alternative electric services available to them. The CCA tariff itself is not very specific regarding how to handle this issue, but the CPUC last April in Resolution E-4250 made clear that Energy Division should take the lead to convene a meeting to determine how the tariff language should be amended to address this issue.

Rule 23 K of the CPUC-approved CCA tariff states:

“2. All CCA customer enrollments defined in this section shall be considered Automatic Enrollments and customers shall be permitted to opt-out in accordance with Section I. The CCA shall be solely responsible for all obligations consistent with the requirements set forth in P.U. Code Section 366.2. Customers shall be referred to the CCA for the information related to the CCA’s customer notifications and other CCA terms and conditions of CCA Service.

3. PG&E will abide by the instructions of a customer requesting not to receive CCA Service at the time of service establishment or service relocation.”

We have interpreted the highlighted language to mean that if a customer contacts us and specifically requests to opt-out, that we can honor that request at the time we establish the new service. We also believe that this approach is best from a customer satisfaction perspective. A customer that calls us to initiate new service and decides to take generation service from PG&E may get a little irritated if we tell him/her that we can't process their request for service and that they must first contact MCE to opt-out.

As you may know, Ordering Paragraph 6 of Resolution E-4250 recognized that this was an open issue that needs resolution and asked Energy Division to convene an informal meeting to discuss potential consensus changes to the existing CCA tariff to ensure that customers are fully informed of their alternative service options. OP 6 states:

“Staff shall convene an informal meeting of the interested parties to see if consensus can be reached on the tariff language needed to specify how the opt-out process for new or relocated customers in a CCA service area will work. This tariff language shall ensure that customers who are unaware of the terms and conditions of the CCA service will be informed of those terms and conditions before being given the opportunity to opt out. If consensus cannot be reached, and if the issue is not resolved in the resolution of the CCSF Petition To Modify D.05-12-041 in R.03-10-003, staff should prepare a resolution for our consideration.”

We agree that new or relocating customers should be fully informed of their options for alternative electric service – bundled or CCA – at the time they request service. We have inquired several times with Energy Division about scheduling the meeting contemplated by Resolution E-4250 to resolve this matter in a way that resolves both our and MCE's concerns. This is one of those issues where reasonable people can have differences of opinion on what is the best way for customers to get new or relocated electric service immediately and conveniently, and how to ensure those customers are fully informed of their service options. We agree that the standard CCA tariff language probably should be revised to achieve a balanced and fair approach.

Finally, I wanted to let you know that we investigated the actual conversation that our

Customer Service Representative had with the customer in question to ensure that the conversation was consistent with our policies and the CCA tariff. Attached is a summary of that investigation with quotes from the actual conversation. If you review this document, I think you will find that the Customer Service Representative did a very good job explaining the options available to the customer.

I hope this answers your question. Please let me know what you think the appropriate next step should be to resolve this issue.

Best regards,

Erik

**From:** Fitch, Julie A. [mailto:julie.fitch@cpuc.ca.gov]  
**Sent:** Friday, February 25, 2011 11:30 AM  
**To:** Jacobson, Erik B (RegRel)  
**Subject:** FW: Move-in customer - opted out w/P&G&E

Erik,

I'm starting informally by sending this to you, but I do think this is contrary to the rules, if Marin's information is correct. Can you tell me what you understand to be PG&E's practice around new customer sign-ups? Thanks.

Julie

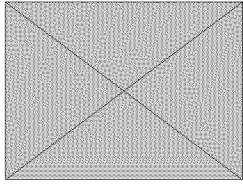
**From:** Dawn Weisz [mailto:dweisz@marinenergyauthority.org]  
**Sent:** Thursday, February 24, 2011 6:01 PM  
**To:** Velasquez, Carlos A.; Fitch, Julie A.; Roscow, Steve  
**Cc:** Kahlon, Gurbux  
**Subject:** FW: Move-in customer - opted out w/PG&E

Hi folks,

Sorry to bring the same issue to you again but you should know that new Phase I CCA customers moving in are still being enrolled by PG&E before they receive terms and conditions from the CCA. The email below describes this occurring today, in fact. This directly contradicts what the IOU is required to do by law. It is revealing that their call center representatives, who have difficulty answering many CCA customer questions correctly, are adept at coaching Phase I customers to opt out of the CCA when they call to have service turned on. This is clearly internal protocol at PG&E which has been communicated to the CSRs.

Thanks in advance for your attention to this matter,

Dawn



Dawn Weisz

Executive Officer

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**From:** Jamie Tuckey [mailto:[jtuckey@marinenergyauthority.org](mailto:jtuckey@marinenergyauthority.org)]

**Sent:** Thursday, February 24, 2011 5:07 PM

**To:** Olinghouse, Amber; Jordis Weaver; Dawn Weisz

**Cc:** NAES MEA Phone Center Support

**Subject:** RE: Move-in customer - opted out w/PG&E

Hi Amber,



Thank you so much for informing us of this. This is absolutely not allowed and I appreciate you bringing it to our attention. I'll ask Dawn for next steps.

Jamie

**Jamie Tuckey**

Project Coordinator

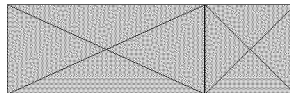
415-464-6024

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**From:** Olinghouse, Amber [mailto:[aolinghouse@noblesolutions.com](mailto:aolinghouse@noblesolutions.com)]  
**Sent:** Thursday, February 24, 2011 5:05 PM

**To:** Jamie Tuckey; Jordis Weaver  
**Cc:** NAES MEA Phone Center Support  
**Subject:** Move-in customer - opted out w/PG&E

Hi Jamie and Jordis,

I just spoke with a man who didn't identify himself but said he called PG&E today to set up service at his new address [Redacted] and was told by the PG&E rep that he had the option to go with MCE or stay with PG&E. He said the rep told him "we're supposed to enroll you with MCE now but you can stay with us and then join with them at any time". It was my understanding this was something PG&E was recently told they were not supposed to do, and that new customers were to be enrolled with MCE and only opted-out after they've been sent notices. The customer wanted to know more about MCE and said he'd like to participate as long as MCE wasn't going to charge him to join. (It sounded like PG&E implied there may be a cost to join) I'm not sure what we should do next on this one, but thought I'd let you guys know they're still opting out new move-in customers before we receive the enrollment.

Thanks,  
Amber