

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Approval of the 2009-11 Low Income Energy Efficiency and California Alternate Rates for Energy Programs and Budget (U39M)

Application 08-05-022
(Filed May 15, 2008)

And Related Matters

Application 08-05-024
Application 08-05-025
Application 08-05-026

**The Joint Emergency Motion of
The East Los Angeles Community Union (TELACU),
the Association of California Community and Energy Services (ACCES),
and the Maravilla Foundation to Continue the Low Income Energy Savings Assistance
Program (ESAP) for Southern California Gas Company's Low Income Households.**

TELACU, ACCES, and Maravilla (the Joint CBOs) hereby file this Emergency Motion and urgently request immediate Commission action.

Yesterday, November 28, 2011, Southern California Gas Company (SCG) notified all its ESAP contractors that the Company would be sending them a Suspension Notice for its ESAP contracts. We received the attached notice today, November 29. The notice says, "This letter will serve as written notification under Section 39 of the Agreement that the Agreement and Contractor services under the Agreement are hereby suspended as of December 1, 2011 for thirty-one (31) days until December 31, 2011 due to the likelihood that the ESAP program budget will be exceeded based on program expenses to-date and contractor input on work completed but not yet processed."

But suspension of the SCG ESAP will result in the following:

1. Thousands of customer installations stopped in the middle of an installation during the winter season.
2. Thousands of customers promised measures they may not receive (certainly not anytime soon), undermining customer trust and confidence in the ESAP program.
3. Significant employee layoffs during the holiday season, including trained personnel, outside contractors, outreach, and support personnel.
4. Loss of an established infrastructure ratepayer funds were used to build, with a serious burden of the costs of space, vehicles, insurance, and staff benefits with no income for a month, which will hamper program start up on January 1.
5. Additional costs to the program and contractors for re-training and layoffs.
6. Poor customer relations to SCG customers and CPUC ratepayers.

In the recent Bridge Funding decision, D.11-11-10, Conclusion of Law #2, states, "It is in the public interest to provide a smooth transition for refinements to the ESA and CARE Programs, maintain contractual agreements, retain skilled workers, complete existing projects, and continue to bring the benefits of those programs to businesses and residents of California." Suspending the program will not maintain skilled workers, complete existing projects or maintain contractual agreements.

Precedent for an Assigned Commissioner Ruling

On July 31, 2002, PG&E notified LIEE contractors that LIEE program funds had been completely committed and that LIEE activity must be suspended effective August 1, 2002. On August 5, 2002, the Low-Income Service Providers Alliance filed an "Emergency Motion to Continue LIEE Weatherization Services for PG&E's Low Income Households."

In response, the Assigned Commissioner's Ruling of August 20, 2002 (attached) stated, "Even if PG&E's LIEE program has been successful to the extent that the available funds are fully committed for low-income direct weatherization and energy efficiency services, an early termination can harm the program in other important respects. The Alliance describes the dislocations to LIEE contractors who geared up to provide LIEE services and the hardship to their employees, who may be laid off or put on reduced work. To disrupt the programs at this is unacceptable and produces harm to the contractors. Plus, low-income families who had enrolled in the weatherization program and expected to receive services shortly will have to wait and may have to go through the inconvenience and further delay of re-testing and re-certification after the

LIEE program is recommenced.” The ACR directed PG&E to continue the program without suspension. (<http://docs.cpuc.ca.gov/PUBLISHED/Rulings/18456.htm>)

For the reasons stated above, we urgently request the Commission to immediately require SCG to continue the program through December 31, 2011 in order to seamlessly continue serving low income customers into 2012 as intended by the Commission.

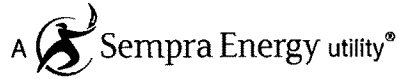
Respectfully submitted,

November 29, 2011



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November 28, 2011

Richard Villasenor
TELACU
12252 Mc Cann Dr., Santa Fe Springs, CA 90670

RE: Suspension of Agreement #(s) [REDACTED] (Wx) Between Southern California Gas Company and TELACU

Dear Richard Villasenor:

This letter will serve as written notification under Section 39 of the Agreement that the Agreement and Contractor services under the Agreement are hereby suspended as of December 1, 2011 for thirty-one (31) days until December 31, 2011 due to the likelihood that the ESAP program budget will be exceeded based on program expenses to-date and contractor input on work completed but not yet processed. As stated in Section 39, SoCalGas will "not be liable for any payments to Contractor for expenses incurred during the Suspension Period."

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Aguirre", written over a horizontal line.

Mark Aguirre
Customer Programs Manager
Energy Savings Assistance Program
Southern California Gas Company

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the
Commission's Proposed Policies and Programs
Governing Low-Income Assistance Programs.

Rulemaking 01-08-027

**ASSIGNED COMMISSIONER'S RULING DIRECTING
PACIFIC GAS AND ELECTRIC COMPANY TO RESPOND TO
EMERGENCY MOTION REGARDING SUSPENSION OF
THE LOW-INCOME ENERGY EFFICIENCY WEATHERIZATION PROGRAM**

By Decision (D.) 01-05-033, the Commission adopted a rapid deployment strategy for the Low-Income Energy Efficiency (LIEE) programs of several utilities, including Pacific Gas and Electric Company (PG&E). The Commission adopted a funding level for PG&E's PY2001 LIEE activities of \$60,152,794, which reflected \$29,109,000 collected annually via the Public Goods Charge (PGC) and \$31,043,794 in carryover funding available from prior year unexpended budgets.¹ The Commission stated that the LIEE program should continue "until further Commission order," and articulated its expectation that this effort would need to continue "through the end of 2001 and perhaps well into 2002."²

During a prehearing conference (PHC) on February 8, 2002, PG&E indicated that its LIEE funding available for PY2002 was estimated to be \$62 million (comprised of \$29 million PGC funds currently in rates and \$33 million in carryover funds), and that this amount would be sufficient for PG&E's to continue the LIEE program throughout PY2002. Relying on that representation

¹ D.01-05-033, pp. 57-58.

² D.01-05-033, p. 67; Ordering Paragraph 19.

and the monthly rapid deployment report, the Commission reiterated in D.02-07-033 that PG&E's rapid deployment program adopted in D.01-05-033 should continue until further Commission order.³

On August 5, 2002, the Low-Income Service Providers Alliance (Alliance) filed an Emergency Motion to Continue LIEE Weatherization Services for PG&E's Low Income Households (Emergency Motion), in which it reports that, effective August 1, 2002, PG&E suspended its 2002 LIEE program (except for the partial weatherization of a small number of homes which PG&E had already approved). The Alliance reports that PG&E notified LIEE providers on July 31, 2002 that LIEE program funds had been completely committed and that LIEE activity must be suspended effective August 1, 2002. Several parties have filed responses to the Emergency Motion.

PG&E's suspension of the LIEE program is disturbing for several reasons. First, such a unilateral suspension would be counter to the Commission's direction in both D.01-05-033 and D.02-07-033 that the LIEE program continue until further Commission Order. PG&E has not asked the Commission for permission to suspend the LIEE program nor has it requested additional funding. In light of PG&E's representation at the February 8, 2002 PHC that existing funding levels were adequate to continue the LIEE program throughout 2002, it is quite a surprise to learn that PG&E has now suspended the program due to alleged overcommitment of the program.

Even if PG&E's LIEE program has been successful to the extent that the available funds are fully committed for low-income direct weatherization and

³ D.02-07-033, p. 58; Conclusion of Law 1.

energy efficiency services, an early termination can harm the program in other important respects. The Alliance describes the dislocations to LIEE contractors who geared up to provide LIEE services and the hardship to their employees, who may be laid off or put on reduced work. To disrupt the programs at this is unacceptable and produces harm to the contractors. Plus, low-income families who had enrolled in the weatherization program and expected to receive services shortly will have to wait and may have to go through the inconvenience and further delay of re-testing and re-certification after the LIEE program is recommenced.

I direct the Energy Division to evaluate the reported suspension of PG&E's LIEE program and provide a recommendation regarding the Emergency Motion and whether PG&E's management of its LIEE program should be audited. Further, I direct Energy Division to monitor PG&E's continuation of the rapid deployment measures to make sure it complies with previous Commission decisions.

IT IS RULED that:

1. PG&E's rapid deployment measures will continue until further Commission order as directed in D.01-05-033 and D.02-07-033.
2. The Energy Division shall evaluate the reported suspension of PG&E's LIEE program and shall provide recommendations regarding the Emergency Motion and whether PG&E's management of its LIEE program should be audited.
3. Energy Division shall monitor PG&E's rapid deployment measures for continuation without further suspension.
4. PG&E's response shall be filed at the Commission's Docket Office and served electronically on all appearances and the state service list in this proceeding. Service by U.S. mail is optional, except that one hard copy shall be

CERTIFICATE OF SERVICE

I certify that I have by mail , and by electronic mail this day served a true copy of the original attached *Assigned Commissioner's Ruling Directing Pacific Gas and Electric Company to Respond to Emergency Motion Regarding Suspension of the Low-Income Energy Efficiency Weatherization Program* on all parties of record in this proceeding or their attorneys of record.

Dated August 20, 2002, at San Francisco, California.

/s/ SUSIE TOY

Susie Toy

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.
