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**FOR IMMEDIATE RELEASE PRESS RELEASE**

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Docket #: R.10-02-005

# CPUC ACTS TO FURTHER REDUCE SERVICE DISCONNECTIONS IN PG&E AND SCE SERVICE AREAS

SAN FRANCISCO, March 22, 2012 - The California Public Utilities Commission (CPUC) today approved several measures to reduce the number of residential energy customer service disconnections in the service areas of Pacific Gas and Electric Company (PG&E) and Southern California Edison (SCE) as part of the CPUC's ongoing efforts to identify cost-effective ways to help consumers keep the lights on.

The CPUC opened this proceeding in February 2010 to reduce the number of residential gas and electric service disconnections due to nonpayment by customers, with a goal to reexamine utility disconnection rules and practices to identify more effective ways for utilities to work with their customers and develop solutions that avoid unnecessary disconnections without placing an undue cost burden on other customers. Today's decision continues certain measures adopted in 2010 and takes additional steps to reduce the number of disconnections in the service areas of PG&E and SCE. Today's decision directs PG&E and SCE to:

•□□□□□□□ Ensure that their customer service representatives (CSRs) offer customers the option of enrollment in the California Alternate Rates for Energy (CARE) rate program by telephone discussion with a CSR.

•□□□□□□□ For any written communication to customers concerning the risk of service disconnection, provide key information, including the fact that service is at risk and a way to follow up for additional information, in large print.

•□□□□□□□ For customers who have previously been identified as disabled and who have identified a preferred form of communication, provide all information concerning the risk of disconnection in the customer's preferred format.

- For households identified as using non-standard forms of telecommunication, ensure that outgoing calls regarding the risk of disconnection are made by a live representative.

- Inform any customer that owes an arrearage on a utility bill that puts the customer at risk for disconnection that the customer has a right to arrange a bill payment plan extending for a minimum of three months the period in which to repay the arrearage.

- Allow CSRs the discretion to extend the period in which to pay the arrearage from three months up to 12 months.

- Provide that CARE and Family Electric Rate Assistance (FERA) customers are not required to pay additional reestablishment of credit deposits with a utility for either slow-payment/no-payment of bills or following a disconnection.

- Provide that medical baseline customers, life support customers, and customers who certify that they have a serious illness or condition that could become life threatening if service is disconnected will not be disconnected without an in-person visit from a utility representative.

- Offer their non-cash credit deposit options to all new customers and those required to post a reestablishment of credit deposit following a disconnection.

- Collect from customers a reestablishment of credit deposit following a disconnection based on twice the average monthly bill, rather than twice the maximum monthly bill.

- Not collect credit deposits for late payment of bills.

The utilities will follow these directives until December 31, 2013, with a few exceptions, including the requirement that CSRs offer enrollment in CARE rates by telephone and the requirement for a pre-disconnection site visit for vulnerable customers, both of which do not expire.

The CPUC also adopted annual CARE customer disconnection thresholds of 5 percent for PG&E and 6 percent for SCE. If the annual CARE customer disconnection rate for 2012 exceeds this benchmark rate, the disconnection practice requirements adopted in today's decision will continue in effect for that utility for 2013. If the utility does not exceed the CARE disconnection benchmark for 2012, it may file an Advice Letter requesting authority to discontinue the practices prior to December 31, 2013. If the utility exceeds the benchmark for 2012 but, for any month during 2013 the utility's CARE disconnection rate for the previous 12 consecutive months is less than the threshold, the utility may file an Advice Letter requesting authority to discontinue the practices prior to December 31, 2013.

"Most of the practices adopted in today's decision should be routine business practices to avoid discomfort for people experiencing financial hardship and avoid additional costs to other customers," said Commissioner Mike Florio, the Commissioner assigned to this proceeding. "Moving forward, we expect utilities to work actively with consumer groups for the betterment of their disconnection practices."

Said Commissioner Timothy Alan Simon, "As the Commissioner assigned to the Low Income Oversight Board, CARE, and the Energy Savings Assistance Program proceedings, I support today's decision to continue certain measures and additional steps to reduce the number of disconnections in the service areas of PG&E and SCE. Considering the current fragile California economy, this decision alleviates concerns about residential utility service disconnections, especially with low income customers, while avoiding the imposition of undue cost burdens on all customers."

The proposal voted on is available at http://docs.cpuc.ca.gov/WORD_PDF/AGENDA_DECISION/162187.pdf.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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