

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the  
Commission's Own Motion to Conduct a  
Comprehensive Examination of Investor Owned  
Electric Utilities' Residential Rate Structures,  
the Transition to Time Varying and Dynamic  
Rates, and Other Statutory Obligations.

Rulemaking 12-06-013  
(Filed June 21, 2012)

**COMMENTS OF THE BLACK ECONOMIC COUNCIL, NATIONAL ASIAN  
AMERICAN COALITION, AND LATINO BUSINESS CHAMBER OF GREATER LOS  
ANGELES (JOINT PARTIES) RESPONDING TO ALJ RULING OF 11/6/2012**

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November 15, 2012

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On June 28, 2012, this Commission instituted this OIR in order to examine the current residential electric rate design, including the tier structure in effect for residential customers, the state of time variant and dynamic pricing, potential pathways from tiers to time variant and dynamic pricing, and preferable residential rate design to be implemented when statutory restrictions are lifted.

On August 27, 2012, the Commission hosted a workshop that examined a variety of questions. Consumer advocates, such as the Joint Parties, utilities, and independent experts discussed the proposed scope of the proceeding. On October 24, the ALJs hosted a prehearing conference in which these questions were also addressed. On November 6, 2012, the ALJs issued a Ruling Inviting Comments. This Ruling outlines coordination questions and directed parties to respond by November 21, 2012. Thus, these comments are timely filed.

**I. Please list any major energy proceedings with which this proceeding should coordinate and explain what kind of coordination is needed (e.g, actively coordinating, relying on findings, incorporating evidentiary record, monitoring).**

**A. Coordination with the Upcoming PG&E General Rate Case**

The Joint Parties believe that active coordination is needed with the upcoming PG&E general rate case (GRC). The rate design implication of this proceeding will have an active impact on rate elements of the GRC, as well as have a substantial effect on any marketing and

outreach efforts envisioned within the scope of the GRC. Marketing and Outreach will be discussed much more extensively in the second section.

### **B. Monitoring of the Statewide Marketing and Outreach Plans Proceeding**

Particularly regarding outreach and education, the Joint Parties recommend that the Commission monitors the 2013 -2014 Statewide Marketing and Outreach Plans proceeding (A.12-08-007 et al.). This is one of the few proceedings before this Commission in which a comprehensive view is taken on outreach and education efforts. More on outreach and education efforts are discussed below.

### **C. Incorporating the Evidentiary Record of the Low-Income Programs Proceeding**

Most importantly, the Commission should also incorporate the evidentiary record from the low income proceedings (A.11-05-017 et al.). The low-income ratepayers that are targeted by these programs will bear the heaviest burden in adjusting to any new rate structures. This is especially true of those low -income ratepayers with limited English proficiency, who will need specialized outreach in order to fully comprehend the changing rate structure.

The Joint Parties recommend incorporating the evidentiary record to ensure that the voices and concerns of low -income ratepayers are given particular care and consideration in this proceeding. This not only ensures prudent policymaking, but also illustrates to external stakeholders and media that these issues were examined.

### **D. Monitoring Ongoing Processes of Working Groups**

Additionally, D.12 -08-044, the decision on the low -income programs, directs the establishment of several working groups to examine issues in more detail. Although some of the working groups do not have a direct correlation with issues developed in this proceeding, it is a

prudent policy to monitor the progress of these working groups to be informed on developments in the low-income programs.

## **II. How should customer outreach and education efforts in different proceedings be coordinated to maximize effectiveness and efficacy?**

### **A. Presenting the Full Breadth of Outreach Programs As They Currently Exist**

As discussed above, there are very few cases before the Commission in which a holistic and wide view is taken of outreach and education efforts. With all the utilities, outreach and education efforts are often approached in a piecemeal fashion based upon the subject matter, e.g. Energy Upgrade California, Smart Grid implementation, low-income program outreach, customer research on gas safety, etc.

Therefore, in the interests of maximizing effectiveness and efficiency, the Joint Parties recommend that each utility conduct a workshop including a map or diagram of all of their outreach efforts by project area while listing the targeted communities. Understanding the present state of outreach efforts is the key to providing accurate and useful recommendations for each program. This is particularly true with outreach on the FERA program.

The Joint Parties also recommend that any report indicating the state of outreach and education programs should also focus on efforts directed at minority communities in order to standardize the approach to these ratepayers. For example, many of the utilities already present or plan to present information in Tagalog to their low-income customers in the CARE and ESA Programs. However, Tagalog use is not standardized throughout their outreach efforts for various reasons. Understanding the current outreach and education implementation enables the

Commission and stakeholders to best evaluate how to proceed with programs affecting rates or energy efficiency opportunities.

### **B. Regular Updates**

In addition to an initial presentation, the Joint Parties suggest regular and quarterly outreach meetings or workshops in which the IOUs present current outreach and customer research projects. This maximizes coordination while minimizing a great amount of individual time in piecemeal communications and coordination between the IOUs, stakeholders, and the Commission.

### **C. Ensuring the Voices of Minority and Low-Income Communities Are Heard**

By understanding the many different outreach and education programs that each utility presents, all Parties will be better equipped to understand the gaps in coverage within each utility's service area. A utility and state wide approach to these issues is particularly important from the perspective of minority and low-income communities, who are often marginalized and silenced in a variety of venues. The IOUs must further define and refine their efforts to reach our communities. For example, only PG&E's outreach department has a special focus on hard-to-reach communities.

Accordingly, the Joint Parties recommend that, as a demonstration of a commitment to low-income and marginalized minority communities, this Commission orders a study to be performed of 1,000 low to moderate income ratepayers who are eligible for the CARE program. The study should focus on how any proposed rate design changes would impact the already stressed financial situation of these customers and evaluate any mitigating measures to implement in order to ease the upcoming financial burden. This study should be undertaken as early as possible in order to fully inform these proceedings.

**III. Should any of these proceedings be suspended, consolidated, or dismissed pending the resolution of this rulemaking?**

In the interest of the greatest efficiency for the cases noted above, especially the Statewide Marketing and Outreach Plans, the Joint Parties do not recommend any changes in the cases mentioned above.

**IV. What policies would help ensure that successful strategies will be shared between utilities?**

The Joint Parties are confident that the coordination efforts outlined above can be implemented between the utilities. The Joint Parties do not offer any specific measures for inter-utility communication.

**V. Are there proceedings at other government agencies, or legislation that should be tracked in connection with this proceeding?**

At this time, the Joint Parties do not recommend any other proceedings or legislation that should be tracked with this proceeding. However, the Joint Parties will inform the Commission immediately if any such opportunities develop.

**VI. Is it more appropriate to address certain rate design issues in other proceedings? If so, explain which proceedings are best equipped to explore and resolve specific issues.**

The Joint Parties do not believe that it is more appropriate to address certain rate design issues in other proceedings. Although an argument can be made to resolve certain utility-specific

issues within each utility's general rate case proceedings, we believe that this approach will lack the cohesive coordination that is crucial in new rate design. Additionally, the schedules for these general rate cases vary, and it is important that any new rate design is rolled out consistently among utilities to maximize customer acceptance.

Date: November 15, 2012

Respectfully submitted,

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