

Testimony on the Pacific Gas and Electric Company
General Rate Case Test Year 2014 by the Greenlining Institute
(A.12-11-009 *et al.*)

Prepared Testimony of
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Testimony Related to Exh. 3 – Gas Distribution and Exh. 4 – Electric Distribution

I. **Some of PG&E’s Efforts to Improve Safety and Reliability May Let Limited English-Proficient Customers Slip Through the Cracks.**

PG&E is working to improve the safety and reliability of its gas and electric distribution and transmission systems. A large part of this work is increasing customer awareness, which is conducted through PG&E’s Public Awareness and Emergency Response program.¹ The printed material (generally bill inserts) that PG&E distributed in 2012 to communicate safety information contained information in English, and included instructions in Spanish, Chinese, Tagalog and Vietnamese for customers to call for more information.² Customers are unlikely to call in order to receive the information included in the bill inserts, and the process of providing them this information over the phone will be much less effective. The customers may be directed to PG&E’s website, which has some – but not all – of the safety information available in Spanish and Chinese. However, not all customers have internet access, especially limited English proficient (LEP) customers . As an example, home broadband penetration rates are very low among Latinos who are foreign born (48%), prefer to speak Spanish (46%), and earn under \$40,000 (50%).³

Regarding measurement of the effectiveness of these safety communications, surveys of customers have only been conducted in English and Spanish.⁴ Some feedback from customers regarding the effectiveness of PG&E’s Key Safety Initiatives, which is part of PG&E’s Customer

¹ See Exh. 3, pp. 1-16 to 1-18.

² See PG&E Data Response to Greenlining 001-Q01a, included as Attachment A, Data Response to Greenlining 001-Q01Aatch01, included as Attachment A.

³ See Public Policy Institute of California, “Just the Facts, California’s Digital Divide” Aug. 2012, available at <http://www.ppic.org/main/publication_show.asp?i=263>.

⁴ See PG&E Data Response to Greenlining 001-Q01b, included as Attachment A.

Care program,⁵ will be conducted in Spanish and Chinese.⁶ The effectiveness of PG&E's safety communications in other languages will not be measured.

In order to improve its safety and reliability, PG&E proposes to hire an additional 120 gas service representatives. Assistance to customers who call regarding gas service that do not speak English may need improvement. Currently, gas service representatives utilize PG&E's Customer Call Center language hotline for assistance or contact another gas service representative if that person is known to speak the language.⁷ There does not appear to be a formal process for assisting LEP customers.

PG&E's customer outreach and education concerning electrical safety and reliability, as described in Exh. 4 (Electric Distribution) will only be in English. PG&E's Enhanced Customer Communications is intended to keep customers informed about outage information and estimated restoration times.⁸ These communications will include phone calls, text messages and, once PG&E has implemented a preference tracking system, emails to notify customers about outage status, as well as an outage map on the website. However, all these communications will be in English only.⁹

In order to improve customers' experience with creating and tracking service requests, PG&E plans to improve its interface with customers. PG&E described its Customer Connections Online initiative, which included several means of communicating with customers, including automated outbound calls, emails and SMS text messages.¹⁰ For the time being, PG&E will provide these communication tools solely in English.¹¹

⁵ See Exh. 5, p. 1-10.

⁶ See PG&E Data Response to Greenlining 001-Q15d, included as Attachment A.

⁷ See PG&E Data Response to Greenlining 001-Q03a, included as Attachment A.

⁸ See Exh. 4, p. 1-9.

⁹ See PG&E Data Response to Greenlining 001-Q05, included as Attachment A.

¹⁰ See Exh. 4, pp. 2-40 to 2-42.

¹¹ See PG&E Data Response to Greenlining 001-Q06, included as Attachment A.

The metrics PG&E has been using to measure the effectiveness of its public education concerning electric safety appear to be focused more on measuring PG&E's brand favorability and brand trust.¹² This metric does not appear to properly measure the effectiveness of the public education campaign in any language. In any case, there are no plans to develop or use any metrics to measure the effectiveness of any public education regarding electric safety in languages other than English.¹³

The proper communication of safety and reliability information is an area of critical importance. PG&E is seeking a great deal of revenue in order to achieve this. However, PG&E as yet has no plans to communicate any of this information to LEP customers, beyond information in Spanish and Chinese on the website and a note to call for further information in four non-English languages. PG&E commitment to safety and reliability must include reaching LEP customers – in at least the top four languages – in an effective manner, comparable to the communication with English speaking customers.

¹² See PG&E Data Response to Greenlining 001-Q04, included as Attachment A; PG&E Data Response to Greenlining 01-Q04Atch01, included as Attachment A.

¹³ See PG&E Data Response to Greenlining 001-Q04a, included as Attachment A.

Testimony Related to Exh. 5 – Customer Care

I. Customer Service to Small Business Customers May Be Lacking.

As presently constituted, the resources PG&E devotes to customer service for non-residential customers are much more focused on Large Commercial and Industrial (LCI) and Agricultural (Ag) customers, and neglect Small and Medium Business (SMB) customers.

This is true for the Energy Solutions & Service unit, which is part of Customer Care (Exh. 5). As PG&E states:

Account managers working with LC&I and Ag customers have designated customer account assignments. Account managers working with SMB customers are intended to provide customer service to the overall SMB population and do not have specific customer account assignments.

On average, in 2012, LC&I and Ag account managers managed approximately 59 customer accounts each (total number of LC&I and Ag customers with an assigned account manager in 2012 divided by the total number of LC&I and Ag account managers in 2012). On average, in 2012, SMB customer account managers were assigned to manage approximately 4,069 customer accounts each (total number of SMB customers in 2012 divided by the total number of SMB account managers in 2012).¹⁴

Thus, account managers providing Energy Solutions & Service assistance for LCI, AG and SMB customers must handle almost one hundred times the number of SMB customers, as compared to the account managers' handlings LCI and Ag customers.

The large number of SMB accounts currently handled by each account manager may be due to the loss of employees, especially those dealing with SMB customers.

As discussed in (Exhibit-5) Chapter 7, Customer Energy Solutions, in 2007, PG&E provided business customers with a higher level of basic customer service compared to recent years. The Company was able to accomplish this by having the equivalent of approximately 176 full-time employees available to address the basic service needs of small, medium, and large business customers. By 2011, the number of equivalent employees providing basic utility customer service decreased to 64, and our customer satisfaction scores declined as we shifted our focus away from small and medium business customers. The basic service PG&E will provide to customers in 2014 will require an increase of approximately 145 full-time employees compared to 2011. This

¹⁴ See PG&E Data Response to Greenlining 002-Q02f, included as Attachment A.

forecast will improve business customer satisfaction with a return to higher staffing levels to provide basic customer service for small and medium business customers.¹⁵

The shift in focus away from SMB customers is troubling. Small and medium sized businesses are a critical part of California's economy. There was a total of 3.4 million small businesses in the state in 2008 (the most recent year for which data is available), accounting for 51.6% of private-sector jobs in the state.¹⁶ Such an important engine for California's economy should receive a level of customer service commensurate with its significance.

PG&E requests a revenue increase to support an additional 145.8 full-time employees (FTEs) in its Energy Solutions and Service unit:

PG&E is proposing an increase of 145.8 full-time employees, moving PG&E to a staffing level comparable to 2007, to increase time spent with assigned Large Commercial & Industrial (LC&I) and Ag customers and provide service to 30% of the Small and Medium (SMB) population compared to approximately 3% of the SMB population in 2011. The increase of 145.8 full-time employees was determined based on several assumptions and calculations provided on WP 7-23, lines 1-3. PG&E has also provided a break-down in the table below.¹⁷

PG&E proposes to add 12.2 FTEs to provide service to LCI and Ag customers and 133.6 FTEs to provide service to SMB customers. PG&E estimates that it currently provides service to about 3% of the SMB population and seeks an increase as it anticipates that it will need to provide service to a larger proportion of the SMB population (30%). PG&E based the 30% figure on the fact that customer interactions with SMB customers more than doubled in 2012 compared to 2011, and more interactions will be needed with the approximately 310,000 SMB customers defaulting to Peak Day Pricing in 2014.¹⁸ However, there is no indication that the LCI and Ag population is increasing. Rather, it appears that PG&E is proposing an increase in 25% of the

¹⁵ See Exh. 5, p. 1-13.

¹⁶ See U.S. Small Business Administration, Office of Advocacy "Small Business Profile, California" Feb. 2011, available at <<http://www.sba.gov/sites/default/files/files/ca10.pdf>> (Small businesses in this profile were defined as having less than 500 employees).

¹⁷ See PG&E Data Response to Greenlining 001-Q16a, included as Attachment A.

¹⁸ See PG&E Data Response to Greenlining 002-Q08a, included as Attachment A.

hours devoted to the LCI and Ag population, in order to provide a higher level of service to this population.¹⁹

Greenlining believes that SMB customers should receive improved customer service. However, it appears that in the past, when PG&E reduced the amount of employees in the Energy Solutions and Service unit, it was the SMB customers who were left without service. SMB customers should receive a standard of service that reasonably comparable to that provided to LCI and AG customers. While it appears that PG&E makes some effort to bring customer service for SMB customers to more reasonable levels, still more resources are requested to serve LCI and Ag customers.

In addition, it appears that there are no specific strategies for assisting SMB customers who are limited English-proficient. The PG&E websites for SMB customers appear to be in English only. There seems to be no specific strategy for addressing language needs of SMB customers and assisting limited English-proficient customers:

ES&S account managers follow a general process to determine the needs of their customers, then tailors and adjusts based on customer needs. ES&S account managers may determine that language barriers exist and bilingual services are needed based on their interactions with customers and/or experiences within their local community. Currently, if these situations occur, customer account managers may utilize their language skills and/or seek other language resources to help communicate with the customer.²⁰

SMB customers who are limited English-proficient apparently need to call in on the English telephone line and request translation or interpretation services.²¹ While 62 of the Energy Service & Solutions account managers have some bilingual skills, “[t]hese ES&S account managers are not assigned to customers based on language, but will utilize their language skills

¹⁹ See PG&E Data Response to Greenlining 001-Q16a, included as Attachment A.

²⁰ See PG&E Data Response to Greenlining 002-Q02b, included as Attachment A.

²¹ See PG&E Data Response to Greenlining 002-Q02c, included as Attachment A.

based on the needs of the customer.”²² However, “PG&E does not have a formal process for assessing customer account manager language skills.”²³ Rather, it appears that PG&E addresses the language needs of its SMB customers in an ad hoc manner. Additionally, it does not appear that there is a particular strategy for hiring bilingual employees amongst the proposed 145.8 new hires, to meet the demand for language services.²⁴

II. Customer Service to Limited English-Proficient Customers Regarding Disconnections Notices Is Substandard.

Current protocols for working with customers facing a disconnection leave LEP customers without adequate notice. A residential customer facing disconnection receives a 15-day written notice, a 48-hour written notice and an automated phone call attempt.²⁵ The written notices are currently only sent in English, although PG&E states that it plans to send notices in Spanish and Chinese as part of its bill redesign in 2013.²⁶ The automated phone calls regarding disconnections are also only in English.²⁷ Although they are not required, in some instances a customer service representative may call a customer to discuss their credit and payment options; these calls are also performed in English, although the customer service representative may utilize a third party language service to complete the call in the customer’s preferred language.²⁸

Thus, LEP customers facing disconnection do not receive effective notice as compared to English-speaking customers. PG&E must rectify this situation to provide the same level of notice, at least for the most commonly spoken languages in its service territory.

²² See PG&E Data Response to Greenlining 002-02a, included as Attachment A.

²³ See PG&E Data Response to Greenlining 002-09c, included as Attachment A.

²⁴ See PG&E Data Response to Greenlining 001-16c, included as Attachment A.

²⁵ See PG&E Data Response to Greenlining 001-25a, included as Attachment A.

²⁶ See PG&E Data Response to Greenlining 002-14d, included as Attachment A.

²⁷ See PG&E Data Response to Greenlining 002-14e, included as Attachment A.

²⁸ See PG&E Data Response to Greenlining 002-14e, included as Attachment A.

The lack of sufficient notice may lead to LEP customers failing to address an impending disconnection. Of course, a disconnection will have significant adverse consequences on customers. One such consequence after a disconnection is that customers may be required to pay a reestablishment of credit deposit, equal to twice their average monthly bill (in addition to paying off the arrearage) before the customer can begin service again.²⁹ Such reestablishment of credit deposits are especially problematic for low-income customers served by the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) program, as these customers may not have the funds necessary to reestablish service.³⁰ Disconnections, especially among low-income customers, became such a large problem that the Commission protected CARE and FERA customers against paying such deposits after a disconnection, until the sunset date of Dec. 31, 2013.³¹ By the effective date of this GRC, that protection may very well be lifted, leaving these customers once again susceptible to steep penalties for disconnection.

PG&E must improve its customer service to LEP customers in regards to disconnections. The LEP population overlaps greatly with the CARE and FERA population, so that protections directed to CARE and FERA customers will impact many LEP customers. Considering its poor customer service regarding disconnections, especially to LEP customers, PG&E should continue the protection against reestablishment of credit deposit for CARE and FERA customers through the dates of this General Rate Case.

Disconnections are an area of particular concern, as PG&E's forecasts to increase during the time period covered by the General Rate Case. PG&E forecasts 270,000 disconnections due

²⁹ See D.10-07-048, p. 15, citing Tariff Rule 7.

³⁰ See *id.*, p. 14.

³¹ See *id.*, p. 14; see also D.12-03-054, p. 33.

to non-payment in 2014.³² This is a fairly large increase to the disconnections for non-payment in 2011 (198,942). Thus, disconnections continue to be a significant problem.

³² See Exh. 5, p. 4-31.

STATEMENT OF QUALIFICATIONS OF STEPHANIE CHEN

My name is Stephanie Chen and my business address is the Greenlining Institute, 1918 University Avenue, Second Floor, Berkeley, California, 94704. My position at Greenlining is Energy and Telecommunications Policy Director. Since 2007, I have represented Greenlining before the Commission on energy utility regulatory law and policy matters and regarding effective programs for low-income customers. My work at Greenlining has focused on proceedings impacting low-income consumers, as well as utility general rate cases and rate design.

My education includes a Bachelor of Arts degree in Government from Dartmouth College (2000) and a law degree from the University of San Francisco School of Law (2008). I currently serve on the Advisory Board for the California Consumer Protection Foundation, and am the only consumer advocate member of the Board of Directors for the Conference of California Public Utility Counsel. I have previously served as Vice President of the Board of Directors for the Rising Sun Energy Center, a Berkeley-based nonprofit organization providing green workforce training, professional development, and hands on job experience for local youth and adults with barriers to employment.