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June 10, 2013

CPUC Energy Division
ED Tariff Unit
505 Van Ness Avenue, 4th Floor
San Francisco, California 94102

Re: Pacific Gas and Electric Company's Reply to DRA's Protest of Advice
3385-G/4224-E - Revised Household Income Requirements and
Categorical Programs for California Alternate Rates for Energy (CARE) and
Family Electric Rate Assistance (FERA) Programs

Dear ED Tariff Unit:

Pursuant to Rule 7.4.3 of General Order 96-B, Pacific Gas and Electric Company (PG&E) hereby replies to the protest of Advice 3385-G/4224-E filed by the California Public Utilities Commission's (CPUC's or Commission's) Division of Ratepayer Advocates (DRA) on June 3, 2013. For the reasons set forth below, DRA's protest should be rejected.

Background

PG&E filed Advice 3385-G/4224-E on May 14, 2013, in compliance with the directive from the Energy Division dated April 1, 2013, that ordered all investor-owned utilities (IOUs) and small multi-jurisdictional owned utilities providing service under CARE and Energy Savings Assistance (ESA) Programs to revise their tariffs and forms to include updated household income guidelines and the approved list of categorical programs.

Updates to CARE Tariffs to Reflect Federal Poverty Guidelines: Pursuant to Public Utilities Code Section 739.1(b)(1), the CARE Program is available to households with incomes at or below 200% of the federal poverty guidelines. In Advice 3385-G/4224-E, PG&E provided the updated income limits for the CARE Program, effective June 1, 2013 to May 31, 2014, based on updated federal poverty guidelines. PG&E also identified the three electric and gas tariffs affected by the updated income limits and provided revised tariff sheets and associated gas and electric forms to reflect the updated income limits.

Updates to FERA Tariff to Reflect Federal Poverty Guidelines Changes:

Pursuant to Decision 05-10-044, the income limits of the FERA Program were set at a lower limit of 200%+\$1 of the federal poverty guideline, and an upper limit of 250% of the federal poverty guideline. In Advice 3385-G/4224-E, PG&E provided updated income levels for the FERA Program, effective June 1, 2013 to May 31, 2014, based on updated federal poverty guidelines. PG&E also proposed corresponding revisions to Electric Schedule E-FERA - Family Electric Rate Assistance, and associated forms.

No Change to List of Categorical Programs: In Ordering Paragraph 88(b) of Decision 12-08-044, PG&E and the other IOUs were ordered to file a Tier 2 advice letter updating the programs categorically eligible for CARE and ESA. That advice letter was rejected pending further Commission action. Thus, in compliance with the Energy Division's April 1, 2013 directive, PG&E included the current list of categorical programs in Advice 3385-G/4224-E and proposed that this list will remain in effect until further notice.

DRA's Protest Is Procedurally Barred And Should Be Rejected

In its Protest, DRA states that it "is concerned that both the program guidelines and the application forms for the CARE program attached to the PG&E Advice Letter fail to inform customers that they are not required to provide income information during enrollment, but instead, are entitled to enroll in these programs solely on the basis of categorical eligibility." (DRA Protest, p. 1.) DRA's Protest is procedurally barred and should be rejected.

General Order 96-B, Rule 7.4.2 sets forth six grounds for protest, including that the utility did not properly serve or give notice of the advice letter; that the advice letter contains material errors or omissions; or that the relief requested would violate statute or Commission order, is pending before the Commission in a formal proceeding, requires consideration in a formal hearing, or is unjust, unreasonable, or discriminatory. DRA's Protest does not raise any of these grounds.

Specifically, DRA does not argue that PG&E failed to properly serve or give notice of the advice letter, nor does DRA argue that the advice letter contains material errors or omissions. DRA does not dispute that the revised CARE and FERA income levels in PG&E's advice letter accurately reflect the updated federal poverty guidelines. DRA further does not dispute PG&E's inclusion of the current list of categorically eligible programs.

DRA's sole concern is that PG&E's program guidelines and application forms attached to Advice 3385-G/4224-E fail to inform customers that they are not required to provide income information during enrollment. (DRA Protest, p. 1.) However, the portions of PG&E's program guidelines and application forms that DRA now protests have been part of PG&E's Commission-approved guidelines

and forms for years. PG&E's filing of Advice 3385-G/4224-E does not provide DRA the right to protest tariff provisions that have previously been approved by the Commission and that are not part of the "relief requested" by PG&E in this advice letter.

DRA's protest is not only procedurally barred, but it appears also to be moot. PG&E submitted Advice 3385-G/4224-E as a Tier 1 advice letter, consistent with the Energy Division's April 1, 2013 directive and General Order 96-B, Energy Industry Rule 5.1(1) (Matters Appropriate to Tier 1).¹ On May 31, 2013, Energy Division Director Edward Randolph notified PG&E that Advice 3385-G/4224-E was effective June 1, 2013. In accordance with Energy Division's approval, PG&E has already implemented the new income guidelines and published the associated tariffs and forms as attached to Advice 3385-G/4224-E.

It would be extremely burdensome, wasteful, and costly for PG&E to destroy the recently revised paper tariffs and forms and to reprint new ones. In addition, it would be confusing for customers and administratively complex to have on-line tariffs and forms that do not match up with PG&E's paper tariffs and forms. Moreover, PG&E anticipates that the process of reaching agreement with DRA and other parties about the "acceptable" format of the tariffs and forms will be time-consuming, placing program administration in an unacceptable limbo situation. For these reasons, PG&E requests that the Commission reject DRA's protest.

Sincerely,

Handwritten signature of Brian Cherry in cursive script.

Vice President, Regulatory Relations

cc: Edward Randolph, Director of Energy Division
Michael Campbell, DRA
Hazlyn Fortune, Energy Division
Syreeta Gibbs, Energy Division
Service List for A.11-05-017
Service List for PG&E's General Order 96-B

¹ Energy Industry Rule 5.1(1) provides that a Tier 1 filing is appropriate for "A tariff change in compliance with specific requirements of a statute or Commission order where the wording of the change follows directly from the statute or Commission order." As explained above, PG&E's Advice 3385-G/4224-E proposes tariff changes in compliance with Public Utilities Code 739.1(b)(1), Decisions 05-10-044 and 12-08-044, and Energy Division's April 1, 2013 directive.