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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3177
FEBRUARY 7, 1990

R E S O L U T I O N

RESOLUTION E-3177. ALL ENERGY UTILITIES[1].
ORDER REQUIRING ENERGY UTILITIES TO REVISE
INCOME LIMITS FOR LOW-INCOME RATEPAYER
ASSISTANCE PROGRAM.

SUMMARY

1. This Commission authorized a Low-Income Ratepayer Assistance (LIRA) Program for gas and electric service last year. Eligible ratepayers get a 15% discount on their energy bills. LIRA income criteria and the income criteria for Universal Lifeline Telephone Service (ULTS) are the same. The Commission requires the ULTS income levels be adjusted each year for inflation. LIRA limits are to be changed when ULTS changes.
2. This Resolution increases income limits on March 8, 1990, to be consistent with ULTS. (A companion resolution, T-14047, authorizes a 4.8% increase in income limits for ULTS.)

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- 1 CP National Corporation
Pacific Gas and Electric Company
Pacific Power & Light Company
San Diego Gas & Electric Company
Sierra Pacific Power Company
Southern California Edison Company
Southern California Gas Company
Southern California Water Company
Southwest Gas Corporation

BACKGROUND

1. The income limitation for ULTS is set out in General Order 153, Section 3.1.1.1. In that section, the Commission expressed its intent to adjust the income limitation no later than February 15th of each year for inflation based on the Federal Consumer Price Index -- Urban Areas (CPI-U). In establishing the LIRA Program the Commission decided that customer confusion would be minimized if low-income assistance criteria are kept uniform for both telephone and energy utilities.

DISCUSSION

1. To comply with Senate Bill 987, the Commission authorized the LIRA Program by D. 89-07-062 dated July 19, 1989 and D. 89-09-044 dated September 7, 1989, to become effective November 1, 1989. The eligibility criteria for the LIRA Program were required to be uniform with the ULTS Program. The ULTS household income criteria are set at approximately 150% of the Federal Poverty Guidelines.

2. The latest data available from the December 1989 Review of the US Economy, by DRI/McGraw-Hill show that the percentage rate change in the 1989 calendar year for the U.S. City average, CPI-U, is 4.8% . Therefore, the new income limitation requirement for all energy utilities which shall be effective on March 8, 1990 is as follows: (Note: Income limitation at 130% of Federal Poverty Guidelines applies only to Pacific Power & Light Company.

All other utilities must use the 150% Federal Poverty Guidelines as shown below.)

<u>Household Size</u>	<u>Income Limitation at 150% of Federal Poverty Guidelines</u>	<u>Income Limitation at 130% of Federal Poverty Guidelines</u>
1 - 2	\$13,600	\$11,800
3	16,000	13,800
4	19,200	16,600
5	22,400	19,400
6	25,600	22,200
7	28,800	25,000
Each additional member, add:	\$3,200	\$2,800

3. By D. 89-07-062, each utility is required to notify customers of LIRA before the Summer season or in the Fall. At that time the notification should indicate the new and higher increased income limitation. To require a separate mailing at this time would increase administrative expenses.

4. The utilities shall notify their customers of the revision in its next informative mailing and when recertifying customers.

FINDINGS

1. In Section 3.1.1.1 of General Order 153, the Commission expressed its intent to revise the household income limitation requirement for the Universal Lifeline Telephone Service Program by February 15th of each year. D. 89-07-062 and D. 89-09-044 established the household income criteria for the Low-Income Ratepayer Assistance Program to be consistent with the ULTS Program.

2. The Consumer Price Index -- Urban Areas, has increased by 4.8% and will be used in determining the household income limitations beginning on March 8, 1990 as shown above.

3. It is reasonable that the utilities notify their customers of the increased LIRA limits in its next informative mailing and when recertifying customers.

THEREFORE, IT IS ORDERED that,

1. All energy utilities shall file revised tariff schedules increasing the household income limitation requirement applicable to the Low-Income Ratepayer Assistance Program as specified in Discussion Paragraph 2 above by February 22, 1990, to become effective March 8, 1990.
2. All energy utilities shall notify their customers of the increased income limits with the next informative mailing and when recertifying customers.
3. Copies of this Resolution shall be sent to each energy utility by the Commission Advisory and Compliance Division's Energy Branch.
4. All tariff filings shall be marked to show that they were approved by Commission Resolution E-3177.
5. This Resolution is effective today.

I certify that Resolution E-3177 was adopted by the Public Utilities Commission at its regular meeting of February 7, 1990. The following Commissioners approved it:

G. MITCHELL WILK
President
FREDERICK R. DUDA
STANLEY W. HULETT
JOHN B. OHANIAN
PATRICIA M. ECKERT
Commissioners



Acting Executive Director