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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY
AND COMPLIANCE DIVISION
Energy Branch

RESOLUTION E-3407
March 16, 1995

R E S O L U T I O N

RESOLUTION E-3407. ALL ENERGY UTILITIES. ORDER
REQUIRING ENERGY UTILITIES TO REVISE INCOME LIMITS FOR
THE CALIFORNIA ALTERNATE RATES FOR ENERGY (CARE) AND FOR
THE LOW-INCOME WEATHERIZATION PROGRAM.

SUMMARY

1. This Commission authorized a Low-Income Ratepayer Assistance (LIRA) Program for gas and electric service beginning November 1, 1989. Legislation enacted in 1994 changed the name of the program to California Alternate Rates for Energy (CARE). Eligible ratepayers get a 15% discount on their energy bills. Income eligibility standards (Standards) for LIRA were set equal to Universal Lifeline Telephone Service (ULTS) Standards. ULTS Standards are adjusted each year for inflation, and CARE (formerly LIRA) Standards change accordingly. Resolution T-15717 (February 22, 1995) revised the ULTS Standards for 1995-96. The energy utilities' Low-Income Weatherization (LIW) Program income criteria are the same as ULTS and LIRA with certain exceptions, as of 1992.
2. This Resolution increases CARE and LIW Standards by 2.6% beginning on March 17, 1995 through March 8, 1996.

BACKGROUND

1. The Commission authorized the LIRA program by D.89-07-062 and D.89-09-044 to become effective on November 1, 1989, in compliance with Senate Bill 987. The LIRA program became the CARE program effective January 1, 1995 in accordance with SB 491. The LIRA Standards are revised each year when the ULTS Standards are revised.
3. The LIW Programs are approved in each utility's general rate case. By Resolution E-3254, adopted January 21, 1992, the income limitation for the LIW Program was adjusted with some exceptions to match the LIRA Program to reduce customer confusion. Thus, the income criteria for all three programs are now the same.

4. The first level of income limitation in the ULTS/LIRA/LIW programs is for an average household size of 2.3 persons. This income criteria is used for 1 and 2 person households.

DISCUSSION

1. The Standards are established at approximately 150% of the Federal poverty guidelines and adjusted for inflation each year based on the Federal Consumer Price Index. The adjusted figures are rounded to the nearest hundred dollars.

2. The latest change in the Consumer Price Index -- Urban Areas is 2.6% and will be used in determining the Household Income Limitations for the period from March 17, 1995 through March 8, 1996.

3. Resulting income limits are as follows:

<u>Household Size</u>	<u>Income Limits</u>		
	<u>CARE and LIW Programs</u>	<u>Pacific Power CARE Program Only</u>	<u>60 years + Handicapped</u>
	(150%)	(130%)	(200%)
1 - 2	\$16,100	\$14,000	\$21,500
3	18,900	16,400	25,200
Each additional member, add:	\$ 3,800	\$ 3,300	\$ 5,000

Conditions:

- (1) All utilities may use the 150% federal poverty guidelines.
- (2) Pacific Power may use 130% federal poverty guidelines.
- (3) Community-type or block weatherization programs may use 80% of the county median income in a specifically designated low-income area with Commission approval.
- (4) 200% of the federal poverty guidelines apply to the weatherization programs only for all low-income customers who are 60 years old or older and handicapped persons.

4. By D.89-07-062, each utility is required to notify customers of the availability of LIRA before the summer season or in the fall. At that time the notification should indicate the new and higher income limitation. A separate mailing at this time would increase administrative expenses. If each utility notifies its customers of the revision of the CARE Standard with its next informative mailing and when recertifying customers, all potential participants will be notified during the year.

5. The Commission Advisory and Compliance Division recommends that all energy utilities adjust their LIW standards to the same level as the LIRA standards except as otherwise approved. The

Electric Division of Southern California Water Company is not required to have a LIW Program at this time.

FINDINGS

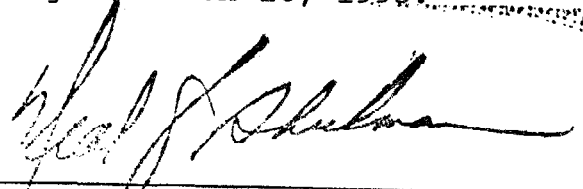
1. D.89-07-062 and D.89-09-044 established the household income criteria for the Low-Income Ratepayer Assistance Program to be consistent with the ULTS Program. Resolution E-3375 established the income criteria for the Low-Income Weatherization program to be the same as the CARE (formerly LIRA) program except when authorized otherwise.
2. The change in the Consumer Price Index -- Urban Areas is 2.6% and this change should be used in determining the household income limits beginning on March 17, 1995.
3. It is reasonable that each energy utility notify its customers of the increased CARE limits in its next informative mailing and when recertifying customers.
4. Revised CARE income limits require tariff filings.
5. Changes in the income limit levels of the LIW Program do not require tariff filings.

THEREFORE, IT IS ORDERED that,

1. Pacific Gas and Electric Company, Pacific Power & Light Company, San Diego Gas & Electric Company, Sierra Pacific Power, Southern California Edison Company, Southern California Gas Company, Southern California Water Company, Southwest Gas Corporation, and Washington Water Power (The Utilities) shall file revised tariff schedules increasing the household income limits applicable to the California Alternate Rates for Energy on March 17, 1995, and these revised tariff sheets shall be effective from March 17, 1995 through March 8, 1996.
2. The Utilities shall notify their customers of the increased income limits of the CARE Program with the next informative mailing and when recertifying customers.
3. The Utilities may adjust the income level of their Low-Income Weatherization Programs to the same level as the ULTS/LIRA Programs.
4. All tariff filings shall be marked to show that they were approved by Commission Resolution E-3407.
5. This Resolution is effective today.

March 16, 1994

I certify that this Resolution was adopted by the Public
Utilities Commission at its regular meeting of March 16, 1995.
The following Commissioners approved it:



NEAL J. SHULMAN
Executive Director

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
Commissioners